

TRAFFORD COUNCIL

Report to: Executive
Date: 19th September 2022
Report for: Information/update
Report of: The Executive Member Economy and Regeneration and the Corporate Director for Place

Report Title

Tamworth Development Update

Summary

To update the Executive on the progress on the Tamworth Development in Old Trafford.

The joint venture, Homes for Trafford LLP, between the Council and Trafford Housing Trust will provide 162 energy efficient houses and apartments and is due to complete in Summer 2024.

Recommendation(s)

The Executive are recommended to:

1. Note the progress of the development
2. Note the commitment to delivering 30% affordable housing
3. Approve that the Council nominees on the Homes for Trafford Board will only approve development of the scheme commencing on the basis it will deliver a minimum of 30% affordable housing.
4. Note the plans and proposals including type and tenure mix
5. Note the low carbon and sustainable measures

Contact person for access to background papers and further information:

Name: Richard Roe
Background papers: None

Implications

Relationship to Policy Framework/Corporate Changes	Supports policy for Economic Growth and Development. It will enable the delivery of new housing and support implementation of the Council's Corporate Plan (2021-24), including the priorities Supporting people out of poverty and Addressing our climate crisis.
Relationship to GM Policy or Strategy Framework	The proposed development will provide High quality housing, with appropriate and affordable options for different groups. Delivery of the Scheme will support the growth ambitions articulated within the emerging Greater Manchester Spatial Framework and the GM

	Strategy.
Financial:	This scheme has been approved as part of the Council £500m Asset Investment Strategy to support regeneration and generate income to support the capital programme. It is to be noted that if the scheme does not achieve the assumed levels of receipts, the capital programme this will have to be managed through a reduction in the current approved capital programme or additional borrowing will be needed to support which will come with an additional revenue costs not currently assumed within budgets. The full cost of the scheme will be funded on a 50:50 basis between the two parties of the JV. Approval for the full cost of the scheme will be sought from Investment Management Board.
Legal Implications:	None as a result of this report
Equality/Diversity Implications:	None as a result of this report
Sustainability Implications:	The scheme is designed to reduce energy demand through passive design measures lowering energy bills for potential occupiers. This will be coupled with low energy building services and supplementary renewable technology where required. The development will be designed to meet the 5% improvement outline in the Trafford Council Core Strategy, Policy L5.
Climate Change / Carbon Reduction Implications	<p>Using a fabric first approach, the project aims to deliver a 70% reduction in carbon across the site.</p> <p>The development will use the latest sustainable technology and provide opportunities for cycling and walking and linking to public transport to encourage sustainable travel.</p> <p>The following measures are incorporated into the design:</p> <ul style="list-style-type: none"> • Careful consideration of the orientation of the homes in relation to the sun; • High levels of insulation to keep homes warm and to minimise heat input required; • Mechanical ventilation with heat recovery; • High levels of airtightness; • Low energy lighting; • Solar panels; • EV charging points.
Resources Implications: eg Staffing/ICT/Assets	Existing resources have been identified to support the delivery of the scheme.
Risk Management Implications:	The delivery of the scheme will be supported by a risk management plan setting out the key risks

	to delivery and proposed mitigation measures.
Health and Wellbeing Implications:	None as a consequence of this report.
Health and Safety Implications:	None as a consequence of this report.

Background

- 1.1 In January 2020 the Council approved the establishment of a joint venture with Trafford Housing Trust to bring forward the development of new housing, including affordable housing, in a brownfield sustainable location in the Borough. The joint venture called Homes for Trafford LLP was formally established in June 2022.
- 1.2 In July 2022 the Council was awarded £2.385m grant funding from the Brownfield Housing Fund to support delivery of the scheme.
- 1.3 The Council is committed to tackling the shortage of housing in Trafford. The scheme in Bold Street, Old Trafford will make a meaningful contribution to the Council's housing targets.
- 1.4 Following the Executive approval work has progressed and it is intended that a planning application will be submitted in October 2022.
- 1.5 This report will provide an update on the scheme proposal and tenure mix.

2.0 The scheme

- 2.1 The Council are committed to listening and engaging with the local community and have undertaken meaningful community consultation. An initial consultation was undertaken in February and March 2021, engaging with the immediate neighbouring residents. After reviewing the valuable feedback from the community, the LLP have progressed the design and conducted a second consultation in July 2022 to showcase the improved proposals incorporating the feedback and to ask for further comments before the submission of the planning application.

The July 2022 on site consultation was well attended, nearly 1200 leaflets were dropped to residents and businesses and the project website received over 5000 visits. A clear majority of respondents supported the proposals and are fully behind the regeneration of the site to provide much-needed, low-carbon housing.

Moving forward, members of the development team remain committed to continued engagement with local people and stakeholders, with all channels of communication remaining available throughout the planning process

- 2.2 The improved proposal encompasses the vision for the Council and the LLP, which is a landscape led residential development that has been designed to build around Trafford's future, prioritising health and wellbeing, access to nature, and sustainable travel.
- 2.3 The proposals raise the bar for low carbon and low car neighbourhoods in our Borough, and will:

- Create a new, truly sustainable neighbourhood in Trafford;
- Regenerate a vacant brownfield site and prevent development elsewhere on greenspace;
- Provide 161 much-needed new homes in a mix of styles, sizes and tenures, including 30% affordable housing including social rent and shared ownership properties;
- Include carefully selected materials to ensure that the LLP is creating energy efficient homes right from the outset, and reducing energy bills;
- Create significant green spaces and landscaping for new and existing residents to enjoy, including a central village green;
- Deliver safe, outdoor play areas for children;
- Promote sustainable travel through walking and cycling routes, superb links to public transport and electric vehicle charging points;
- Ensure level access across the site for people with reduced mobility;
- Include a café or commercial space for a new local business;
- Represent £28 million of investment for the local area; and
- Support new jobs and apprenticeships during construction, in addition to further jobs indirectly through the supply chain.

2.5 The scheme is focused on high quality design and placemaking, and will reintroduce a traditional network of streets to create a familiar, walkable neighbourhood. Residents and visitors will benefit from generous landscaping and public spaces.

A central 'green spine' will connect the heart of the development to the surrounding area as a 'neighbourhood green' that provides significant new amenity space. Smaller mews streets and semi-private courtyards, shared by groups of residents will provide further access to outdoor space.

The design features a variety of different family houses, with apartment buildings at key locations within the scheme. The housing mix provides 115 houses and maisonettes and 46 apartments.

2.6 The scheme seeks to provide a community feel that encourages wellbeing and healthy lifestyles through safe opportunities for children's outdoor play, a wide range of highly visible cycle parking and easy connections to both local surroundings and the wider city.

2.7 The current financial appraisal shows a profit margin of circa 5-6% of the total scheme cost, which would be considered commercially unviable for a scheme with market housing. Generally, a market housing scheme with a profit of 15% would be considered viable. High quality, good design and excellent sustainability credentials are fundamental to the scheme and a priority to the Council, and this is reflected in the appraisal profit margin because the build costs of schemes like this are higher.

As the scheme is considered unviable the viability appraisal submitted with the planning application will show that no affordable homes are required to be delivered under policy. As the scheme is considered unviable, this allows the Council to apply for Homes England grant for delivery of the affordable homes and will deliver the affordable homes on the site via this route. This grant can only be applied for post planning determination and with no S106 or planning conditions requiring the delivery of affordable housing in any form.

The Council and the joint venture are fully committed to delivering affordable housing with high quality design and enhanced sustainability measures meaning that the affordable housing will be delivered through Homes England grant rather than via the planning permission.

This is subject to approval by the Planning and Development Management Committee. For the avoidance of doubt, subject to a consideration by the Planning Services retained viability consultants and assessing the viability against national guidance to be consistent then the Planning and Development Management Committee would be presented with a scheme with a zero contribution requirement and would make their planning decision on that basis, the committee could not take into account any affordable housing secured via Homes England grant even when Planning are aware this is the intention.

2.11 Details of the scheme can be found in Appendix 1.

3. Programme

3.1 The current programme is as follows:

Submit planning:	October 2022
Planning determination:	January 2023
Start on site:	March 2023 (subject to planning approval)
Target completion:	June 2025

4. Other Options

4.1 The option to do nothing would have a serious impact on the level of capital receipts required to support the three year capital programme and will also incur abortive costs that will add pressure to the Council revenue.

4.2 The Council could dispose of the site at open market value, however, this would not ensure the Council's outcomes would be achieved as the Council would not have development control of the site through the LLP nor would it benefit from any development profit.

5. Consultation

5.1 Extensive pre-planning consultation has been undertaken and further formal consultation as part of the planning process will be conducted.

6. Reasons for Recommendation

6.1 The Council is committed to the provision of new homes in the Borough. The development gives the Council control over how the land is developed so that it can be better aligned with the Council's strategic objectives and that the development meets the Council priorities relating to affordable housing, energy efficiency and carbon reduction.

Key Decision

This is a key decision currently on the Forward Plan: No

If key decision has 28 day notice been given?

Finance Officer Clearance MB
Legal Officer Clearance TR

CORPORATE DIRECTOR'S SIGNATURE

A handwritten signature in black ink, appearing to be a stylized name followed by a horizontal line.