

TRAFFORD COUNCIL

Report to: Executive
Date: 16 November 2015
Report for: Decision
Report of: Executive Member for Economic Growth and Planning

Report Title

Tamworth Site, Old Trafford

Summary

The Old Trafford Masterplan (OTMP) was adopted by Trafford Council (the Council) in October 2009. The aim of the OTMP is to use physical regeneration as a catalyst for wider social and economic regeneration in the Old Trafford area. Delivery of the OTMP includes the improvement of current housing stock, demolition of existing buildings, creation of a new community/social hub and the development of new mixed tenure housing.

The Tamworth Site is identified within the OTMP as Project Area One. The site is the largest redevelopment opportunity in the area with the potential for a significant residential development of c200 dwellings comprising a mix of houses and apartments.

Recommendation(s)

The Executive are recommended to:

- Approve that Council commence the procurement of a Developer Partner for the Tamworth site in order to facilitate the delivery of the OTMP.
- Authorise the OTMP Board to oversee the procurement in accordance with the provisions of the Old Trafford Land Pooling Agreement.
- Authorise the Deputy Chief Executive, in consultation with the Director of Legal and Democratic Services, to finalise the procurement in accordance with the process set out in this report and complete the necessary documentation.

Contact person for access to background papers and further information:

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Appendix One: Tamworth Site Plan

Background Papers:
None

Implications:

Relationship to Policy Framework/Corporate Priorities	The Old Trafford Masterplan (OTMP) supports the corporate priority for economic growth and development. The development of the Tamworth Site will facilitate the successful implementation of the OTMP and support the delivery of the adopted Trafford Local Plan: Core Strategy which identifies Old Trafford as a Priority Regeneration Area.
Financial	The cost of development related fees will be shared between the Council and THT, with the Council element met from available housing growth funding. Any future share of capital receipt will be used to support the capital programme.
Legal Implications:	Procurement will be carried out in accordance with all necessary statutory and regulatory provisions.
Equality/Diversity Implications	The OTMP has been subject to an Equalities Impact Assessment to ensure that equality issues have been considered as part of its preparation.
Sustainability Implications	The OTMP is supported by sustainability analysis of its economic, environmental and social impact which has been undertaken as part of its preparation. The delivery of development on the Tamworth Site will need to meet current planning policy in relation to energy and sustainable design.
Resource Implications e.g. Staffing / ICT / Assets	Existing staff resources are in place for the delivery of the Tamworth Site as part of the OTMP. Information on the OTMP and the delivery of opportunity sites is available on line. The proposed approach to the development of the Tamworth Site will provide a mechanism for the Council to maximise the potential of its assets within the OTMP area.
Risk Management Implications	There is an existing risk register for the delivery of the OTMP that will continue to be monitored and updated as required. Further work on a specific risk register for the Tamworth Site will be undertaken as the project progresses.
Health & Wellbeing Implications	None.
Health and Safety Implications	None

1.0 Background

- 1.1 The Old Trafford Masterplan (OTMP) was prepared by Urbed and Ekosgen on behalf of Trafford Council (the Council), Trafford Housing Trust (THT) and the Homes and Communities Agency (HCA) in 2008/09. It provides a comprehensive regeneration strategy for the area, including the redevelopment of underused land to deliver new homes, improvement of current housing stock, improved community facilities, environmental enhancements and strengthened connections to jobs and amenities in both Manchester City Centre and Trafford Park. The delivery of the OTMP also targets the high levels of worklessness and income deprivation within the area. The final masterplan was approved by both the Council Executive and the THT Board in December 2009.
- 1.2 The Council and THT are the majority landowners within the OTMP area. The successful delivery of the OTMP is reliant upon maximising the beneficial use of both partners land to facilitate the delivery of both affordable and private market housing supporting the wider social and economic regeneration of the Old Trafford area.
- 1.3 Since 2009 significant progress has been made in the delivery of the OTMP including:
- The completed development of 98 new affordable homes to meet local housing needs.
 - The commencement of development of a further 62 new affordable homes to be delivered in 2016.
 - The start on site of the Shrewsbury Street project which combines an 81 apartments extra care scheme on the same site as a new community centre, library, nursery, enterprise space, health hub and pharmacy which will make a significant difference to the health and wellbeing of people living in Old Trafford.
 - Physical development in the OTMP area has also delivered extensive social value through responsible procurement using the local supply chain, the use work placements and dedicated apprenticeships.
- 1.4 The Council and THT are currently undertaking a comprehensive review of the OTMP to assess the successes and limitations of what has been delivered to date and where the focus should be for future interventions. A future report on this piece of work will be brought to the Executive in early 2016.

2.0 The Tamworth Site

- 2.1 The Tamworth Site is identified within the OTMP as Project Area One, the largest redevelopment opportunity in the area. The 3.5 hectare site has been cleared with the four residential 'bird blocks', the Sea Hawk public house, retail units and CCTV hub having been demolished. Alongside these demolition works the three 15 storey 'Balcony Blocks' immediately adjacent to the site have been subject to an extensive modernisation and refurbishment programme.
- 2.2 The site has been identified as providing the opportunity for a significant residential development of c200 dwellings comprising a mix of houses and apartments. A first phase of development comprising 26 affordable units located at the parcel bounded by Moss Lane West, Tamworth Street and Maher Gardens is currently being delivered by THT and scheduled to complete in July 2016.

Vision and Objectives

- 2.3 The vision for the Tamworth Site is: “To deliver a high quality and comprehensive residential development that has a distinctive identity and makes a positive contribution to the regeneration of the Old Trafford area.”
- 2.4 The development of the site must make a positive contribution to the wider regeneration of Old Trafford and the following core objectives have been identified:
- To secure the comprehensive redevelopment of the Tamworth Site in accordance with the OTMP.
 - To increase the quality and mix of housing types within the Old Trafford area.
 - To achieve a well-integrated high quality environment.
 - To utilise housing growth as a catalyst for sustainable economic growth and delivery of socio-economic benefits within the Old Trafford area.
 - To improve linkages from the site to the Old Trafford area and major employment destinations, including Trafford Park and Manchester City Centre
 - To deliver environmentally sustainable development making a positive impact in adapting to climate change.
 - To enhance the green environment.
 - To provide a well-designed development with a distinctive identity.
 - To support the wider regeneration of the Old Trafford area.

3.0 The Old Trafford Land Pooling Agreement

- 3.1 The Tamworth Site is wholly in the ownership of the Council and THT and forms part of the Old Trafford Land Pooling Agreement (LPA) established between the two organisations to jointly bring sites forward for redevelopment within the OTMP area.
- 3.2 The OTMP Board, chaired by the Council’s Director of Growth and Regulatory Services with further representatives from the Council, THT, and the HCA, is responsible for overseeing the delivery of the OTMP and the management and operation of the LPA. Under the LPA both parties are responsible for undertaking necessary survey work, securing outline planning and undertaking preliminary works. Both parties will be fully involved in the process of selecting the preferred partner via the OTMP Board.
- 3.3 All of the sites within the LPA have been valued based on a consistent set of assumptions at Market Value (i.e. the price that would be achieved if sold on the open market). An Updated Land Valuation will be required when the Tamworth Site is disposed of for development. This will confirm any uplift or change in value and the appropriate apportionment to the Council and THT in accordance with the mechanisms in the LPA.

4.0 Procurement of a Developer Partner

- 4.1 To progress the development of the Tamworth Site the Council and THT are seeking to appoint a Developer Partner willing to share the risk / profit relating to the development of the site which will be split between the three parties. The Council and THT will require potential partners to work collaboratively to design a detailed development scheme that provides an innovative design solution to make a positive contribution to the wider regeneration of Old Trafford.

- 4.2 In July 2015 the Council and THT held a soft market testing exercise via the HCA DPP2 Framework to clarify the level of developer interest in the potential scheme. The feedback received has been positive and it is considered that there will be strong interest from the market in the site.
- 4.3 The Council and THT are currently in the process of appointing a Development Consultant to provide project management, cost consultant and employers agent services to support the delivery of site, subject to Executive approval of the procurement of a Developer Partner. Once appointed the Development Consultant will be required to produce a procurement strategy that outlines the options and the preferred route for appointing a preferred Developer Partner. It is considered likely that this will be via an established procurement framework such as the DPP2 Framework.
- 4.4 As part of the procurement process the Developer Partner will need to provide information in relation to market conditions and the implications on scheme development including likely sales values; residual land values, total costs for delivering the scheme and an idea of the quantum of development that could be accommodated on the site. The tender documentation will specify that progressing any scheme will be dependent on the Council and THT being confident that a model can be developed which allows all organisations to make a financial return, which could be capital or revenue, or a combination of both.

Social Value

- 4.5 The development of the site will need to help support the diverse community and create opportunities for local people. The Developer Partner will therefore be required to demonstrate how the delivery of the scheme will contribute to social value, for example by offering apprenticeship schemes, maximising the use of local labour and suppliers and actively engaging with the local community.

Timescales

- 4.6 It is proposed to issue tender documents in January 2016 with the following subsequent timescales:
- May 2016 – end of tender period
 - June 2016 – selection of preferred Developer Partner
 - July 2016 – commence development of scheme proposals
 - February 2017 – obtain planning approval
 - Summer 2017 – start on site (subject to planning consent)

5.0 Other Options

- 5.1 The Council could dispose of its land at the Tamworth Site in isolation via its Land Sales Programme. However it is considered that this would not maximise the potential of the Council's asset or provide a sufficient catalyst for the wider regeneration of Old Trafford and continued delivery of the OTMP. In addition, the principle of joint disposal of land in the OTMP area has been captured in the Land Pooling Agreement.

6.0 Consultation

6.1 There is an on-going programme of consultation and communication with local residents, businesses and key stakeholders in place for the delivery of the OTMP. As part of the development of proposals for the Tamworth Site specific consultation and engagement will be undertaken building on the considerable work already carried out with the community in relation to development activity within the area.

Reasons for Recommendation

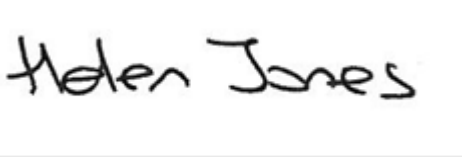
The Executive is asked to approve that Council commence the procurement of a Developer Partner for the Tamworth Site and make the necessary authorisations in order to facilitate the continued delivery of the OTMP.

Key Decision Yes

If Key Decision, has 28-day notice been given? Yes

Finance Officer ClearanceGB.....
Legal Officer ClearanceJLF.....

CORPORATE DIRECTOR'S SIGNATURE



To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.