Reason for Decision
To advise Cabinet on the progress of the Eastern Gateway, Prince’s Gate project. A further report which outlines the full details of the project – will be considered under part B of the agenda and seeks approval for additional recommendations.

Recommendations
That Cabinet:

1. Approves the commencement and exercise of an EU procurement process for the selection and appointment of an investment/development partner for the delivery of the Prince’s Gate retail scheme, the wider Eastern Gateway and borough-wide, by way of a joint venture. Approval will be sought from a future Cabinet meeting as to the:
   • selection of a preferred bidder; and
   • the proposed basis of a contract award to the preferred bidder.
Report on – Eastern Gateway and Prince’s Gate at Oldham Mumps Development

1 Background

1.1 The Oldham Prospectus and Investment Framework (2013) identifies the Mumps Area/Eastern Gateway as a key area of opportunity and catalyst for the regeneration of the Town Centre. In December 2012 the Council and Transport for Greater Manchester (TfGM), who have significant land interests in the area agreed to work together to identify and develop investment opportunities in the area.

1.2 Key to the regeneration of the wider area is the development of the TfGM Park and Ride site at Mumps/Prince Street and the adjoining land and buildings on Rhodes Bank. The development of these sites is seen as the key for the future redevelopment of the Prince St, Yorkshire St and Eastern Gateway area in the new tram era.

1.3 The Prince’s Gate retail scheme is the first element of the Eastern Gateway BDP Masterplan to be brought forward. The masterplan sets out a vision for a new Town Centre residential neighbourhood of potentially 800 homes, together with a major new retail development to bolster Oldham’s Town Centre retail offer, and build upon the wider improvements within the Town Centre, such as the transformation of the Old Town Hall.

1.4 Amion Consulting have estimated that the economic benefits of the Masterplan would be 839 gross jobs and be worth an additional £21.7m of expenditure per annum to the local economy.

2 Current Position

2.1 Mumps Metrolink Park and Ride

A land swap agreement has been agreed with TfGM. All land required to build the new park and ride is now owned by the Council and demolition of the remaining properties commenced in April 2015.

2.2 Prince’s Gate

WYG and Harris Partnership have continued to develop the design of the Prince’s Gate retail scheme more detail and provide for the following;

- 51,500 sqft for M&S over two trading levels
- 66,000 sqft of additional retailing over two trading levels
- 18,300 sqft for discount foodstore with circa 50 residential units above.
- 200 lower ground car floor parking spaces under the principal retail area
- 250 lower and upper ground floor car parking spaces under the Aldi store
- 12,000 sqft of retail/A3 fronting the new park and ride with either residential or hotel uses over
- 254 parking spaces for the replacement park and ride.
- Office, restaurant/retail and residential in the refurbished and extended listed former bank.
2.3 Planning Strategy

The planning application for the new park & ride was submitted in January 2015 and approved March 2015.

A single hybrid planning application for the Prince’s Gate retail scheme was submitted on 6th May 2015.

2.4 Marks and Spencer

The agreement for lease with M&S was exchanged in December 2014.

2.5 Proposed Delivery Strategy

It is proposed that the Council procure an investor/development partner to deliver the Prince’s Gate retail scheme.

There is also the opportunity for the procured development partner to enter into a wider relationship with the Council by way of a long term joint venture (JV) designed to deliver the Prince’s Gate retail scheme and the redevelopment of other Council owned sites over the medium to long term.

There are a number of benefits to the Council in forming of a joint venture vehicle with a development partner:

- It would provide that the Prince’s Gate retail scheme will be delivered as the JV’s first scheme
- It is likely to accelerate the regeneration of the Town Centre, through the inclusion of other Town Centre sites
- It enables the Council to access privates sector funding and development skills/resources
- Enables the Council to take a stake in enhanced town centre values
- The structure will provide for the Council to share in control/delivery of future projects

The formation of a JV that promotes regeneration will also assist the Council in meeting its objectives in the Corporate Plan, such as:

- Making Oldham a productive place where business and enterprise thrive
- Confident communities where everyone does their bit
- A co-operative council delivering good value services to support a co-operative borough

The Prince’s Gate development and the wider regeneration of sites links to the Council’s Corporate Plan and is one of the priorities for Strategic Regeneration. The Prince’s Gate scheme is likely to make Oldham a place to invest through the implementation of a Joint Venture Partnership to develop retail space attracting new retailers into the town including M & S and a town centre residential offer thereby supporting the wider regeneration of the town centre. The scheme will also include further development sites throughout the borough to bring regeneration through the redevelopment of redundant land, creation of
jobs and transformation of Oldham making Oldham a productive place, and helping businesses thrive.

The regeneration of the wider sites will achieve the co-operative council ambition of providing better facilities and housing and increase confidence in the borough and within communities.

The Council’s partner in the JV will be required to have sufficient access to funding and the development resource/skills to deliver the Prince’s Gate retail scheme, and to fund or procure the funding of other Oldham wide developments. The key is to ensure that the Prince’s Gate retail scheme is delivered, whilst also utilising this opportunity to create a wider Oldham regeneration vehicle which enables the Council to accelerate development and share in enhanced land values.

3 **Options**

3.1 Option 1: To approve the recommendations outlined in the report.

3.2 Option 2: Not to approve the recommendations.

4 **Preferred option**

4.1 Option 1

5 **Consultation**

5.1 A public consultation took place in February 2015. This consisted of an exhibition where the public could ask questions, give feedback and view the plans. The information was also available to view on the council website. The attached Statement of Community Involvement prepared by WYG planning on behalf of the council gives a detailed account of the consultation exercise. This has also been submitted to the council in support of the planning application.

6 **Financial Implications**

6.1 Financial implications will be covered in Part B of the report.

7 **Legal Services Comments**

7.1 External legal advice is in place to support the in house legal and procurement teams and the delivery of this Project. This will ensure all necessary steps are taken/documents are in place to protect the council’s position and commercial interests.

8. **Co-operative Agenda**

8.1 This report is intended to build upon Oldham’s Council’s Corporate Plan “Delivering a Cooperative Oldham” (updated 2013) and in particular one of its key objectives – ‘A productive place to invest where business and enterprise thrive’.

8.2 There are 4 key work programmes within the Corporate Plan that will help achieve this objective:

- Invest in Oldham
- Get Oldham working
• Destination Oldham
• Campaigning Oldham

9 Human Resources Comments
9.1 Not applicable

10 Risk Assessments
10.1 Not applicable

11 IT Implications
11.1 None envisaged

12 Property Implications
12.1 The Council’s external legal and property consultants are continuing to advise on property issues.

13 Procurement Implications
13.1 The earlier professional appointments have been secured via an OJEU compliant multi-disciplinary framework: Design Team, White Young Green Group; Property Advice Team, DTZ; and Cost Consultant, Turner and Townsend. All of the contracts have been procured in accordance with EU Regulations.

13.2 The procurement process will also secure the maximum deliverable social values to the Oldham Borough and will be extended to the Contractor, secured by the Developer, to construct the buildings.

14 Environmental and Health & Safety Implications
14.1 The provision of new retail and residential, with associated improved public realm and connectivity to Yorkshire Street will improve the environment and health and safety of users and members of the public.

15 Equality, community cohesion and crime implications
15.1 None

16 Equality Impact Assessment Completed?
16.1 No

17 Key Decision
17.1 Yes

18 Key Decision Reference
18.1 RCR-03-15

19 Background Papers
19.1 None

20 Appendices

20.1 None