Reason for Decision

To advise Cabinet on the progress of the Prince’s Gate retail development, including updates on the latest proposals relating to:

• Replacement Park and Ride
• Design of Prince’s Gate
• Planning application for Prince’s Gate
• Delivery Strategy and programme for Prince’s Gate

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.

Recommendation

That Cabinet approves Council direct development as the preferred delivery strategy for the Prince’s Gate Scheme as set out in Part B of the report.
Background

1.1 The Oldham Prospectus and Investment Framework (2013) identifies the 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 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.

Current Position

2.1 Mumps Metrolink Park and Ride

A detailed land swap agreement was exchanged in September 2015 with TfGM. Completion will take place once the new park and ride facilities have been constructed. Demolition of the last remaining properties was completed in July 2015. Planning consent for the replacement park and ride facilities was granted in March 2015, and construction works should commence in early 2016, with completion in May 2016.

2.2 Prince’s Gate

The design team have continued to develop the design of the Prince’s Gate Scheme to avoid underground utilities, and revised plans for the planning application are due to be submitted in early January 2016, and will be considered by Planning committee in Jan/Feb 2016.

2.3 Proposed Delivery Strategy

Cabinet on 24th August 2015 approved the delivery of the Prince’s Gate Scheme via a co-investment vehicle that would also develop out a series of other council owned assets. Recent financial modeling for the co-investment vehicle has, determined, that whilst it is commercially viable, there are potential State Aid issues.

2.4 Following recent financial modeling and financial due diligence, it has now been determined that the optimum procurement solution for the development of the Prince’s Gate Scheme is for the Council to procure this development itself. Self-delivery will also bring forward the completion of the Prince’s Gate Scheme to summer 2018.
2.5  As agreed by Cabinet in August 2015, on the current programme for the procurement of a construction contractor, it is likely that the Prince’s Gate Scheme can be delivered earlier than previously advised. This is due to a shorter procurement period, an earlier start on site date and a revised construction period of 18 months. If Cabinet decide to approve the recommendation in Part B of the report, the likely delivery programme is set out in the table below.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commence Stage 4 design</td>
<td>Dec 15</td>
</tr>
<tr>
<td>Issue PQQ and tender documentation</td>
<td>Feb 16</td>
</tr>
<tr>
<td>Shortlist</td>
<td>April 16</td>
</tr>
<tr>
<td>Tender Stage</td>
<td>May 16</td>
</tr>
<tr>
<td>Appoint contractor</td>
<td>Sept 16</td>
</tr>
<tr>
<td>Commence works on site (18 Months)</td>
<td>Oct 16</td>
</tr>
<tr>
<td>M&amp;S fit out</td>
<td>April 18</td>
</tr>
<tr>
<td>Scheme opening</td>
<td>July 18</td>
</tr>
</tbody>
</table>

2.6  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 development of 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. It will also assist in the creation of jobs and transformation of Oldham making Oldham a productive place, and helping businesses thrive.

3  Options

3.1  As set out in Part B of the report

4  Preferred option

4.1  As set out in Part B of the report

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 are covered in Part B of the report.
7. Legal Services Comments

Legal implications are covered in Part B of the report.

8.0 Co-operative Agenda

8.1 This report is intended to build upon Oldham’s Council’s Corporate Plan “Delivering a Cooperative Oldham” (updated 2015) 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 As set out in Part B of the report

10. Risk Assessments

10.1 As set out in Part B of the report

11. IT Implications

11.1 As set out in Part B of the report

12. Property Implications

12.1 As set out in Part B of the report

13. Procurement Implications

13.1 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 As set out in Part B of the report

16. Equality Impact Assessment Completed?

16.1 As set out in Part B of the report
17 Key Decision
17.1 Yes

18 Key Decision Reference
18.1 ECEN-23-15

19 Background Papers
19.1 None

20 Appendices
20.1 None