

Report to CABINET

Oldham Town Centre Masterplan delivery options

Portfolio Holder: Cllr Jean Stretton, Cabinet Member for Economy and Enterprise

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Reason for Decision

To approve recommendations relating to the delivery of the Oldham Town Centre masterplan.

Executive Summary

In July 2017 Cabinet approved a masterplan for the redevelopment of the northern part of the town centre, incorporating the sites of the current Civic Centre, Tommyfield Market, the former Leisure Centre and Magistrates' Courts and current police station. The delivery of the masterplan is anticipated to take 10-15 years and is likely to require the involvement of one or more private sector partners.

Cabinet also approved that officers carry out further due diligence on the preferred delivery strategy for the implementation of the masterplan with a view to reporting back to Cabinet.

This paper provides:

- A refresh of the vision on which the masterplan is based, including the Council's key objective for the delivery of the masterplan.
- Public consultation results
- Tommyfield Market trader consultation and temporary market hall delivery strategy
- An update of the masterplan

Recommendations

Cabinet are asked to:

- Note the Oldham town centre regeneration vision and delivery objectives.
 - Note the appointments to date.
 - Note the soft market testing to date.
 - Note the public consultation results.
 - Approve the delivery strategy for the temporary market hall, and note that a further report will be presented to Cabinet in summer 2018 seeking approval for the delivery of the temporary market hall.
 - Note the amendments to the Oldham town centre masterplan, and approve the updated Masterplan.
 - Authorise further recommendations as outlined in the report in the restricted part of this agenda.
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Oldham Town Centre Masterplan delivery options

1.0 Background

In July 2017 Cabinet approved a masterplan for the redevelopment of the northern part of the town centre, incorporating the sites of the current Civic Centre, Tommyfield Market, the former Leisure Centre and Magistrates' Courts and current police station. The delivery of the masterplan is anticipated to take 10-15 years and is likely to require the involvement of one or more private sector partners.

Cabinet also approved that officers carry out further due diligence on the preferred delivery strategy for the implementation of the masterplan with a view to reporting back to Cabinet.

This paper provides:

- A refresh of the vision on which the Masterplan is based and delivery objectives
- Public consultation results
- Tommyfield Market trader consultation and temporary market hall
- Update of the Masterplan
- Market analysis and challenges

2.0 Oldham Town Centre Regeneration Vision and Objectives

2.1 Strategic Vision

The development and delivery of the Masterplan is grounded on the following vision that aims to make Oldham '*Greater Manchester's place to be*':

- A vibrant borough where people want to relocate to live
- An economy where businesses want to invest, with high skilled residents they can employ
- Thriving town centres where residents want to live and spend time with excellent cultural and shopping facilities
- A redeveloped night time economy with enhanced attractions for all and recognised as a destination across the City Region
- Ambitious town centre schemes with housing, schools and neighbourhood regeneration reflecting of the needs of our communities
- New developments that feature high quality design as standard with sustainability at its core

All of which are to be '*delivered by a Council with Oldham residents' needs as its top priority*'.

2.2 Town Centre Vision

Consideration needs to be given to developing an inclusive economy for Oldham, a part of which will be influenced by the delivery of the town centre masterplan. In a competitive market for private sector investment it is vital that Oldham continues to develop different models of investment to support sustainable employment and business growth and to take 'community wealth building' role, to encourage retention of income and wealth within the local economy.

This role as a 'community wealth builder' can be used to harness the potential of existing wealth, assets and institutions within a place and thus bring benefits for local economies and residents. In short, this is about maximising the impact of Council spend (both direct and indirect) to keep money in the local economy, to generate opportunities for local employment and skills development for residents of all ages.

The Council is working with the Centre for Local Economic Strategies (CLES) to review all aspects of the Council's procurement cycle and decision-making to identify opportunities to increase wealth retention and social value within Oldham.

The Masterplan can and should be delivered with this in mind to not only boost the local economy, but to also 'design in' opportunities for increased social value through renewable technologies and health and wellbeing.

The UK energy marketplace is evolving rapidly, including the transition of Distribution Network Operators (in our case Electricity North West) to Distribution Systems Operators. This transition brings new opportunities and drivers to create the Masterplan in a way which maximises renewable energy generation within the town centre as well as combining it with building efficiency, battery storage and 'demand side response' to ensure the new Town Centre is a low running cost, low carbon development fit for the future.

Additionally, the development of the town centre should draw on evidence that exists on the contribution of place to good physical and mental health and wellbeing, and we want to create a town centre which provides a healthy place where people can grow, live, work and socialise.

This should include, but is not limited to, creating a place which:

- **meets basic needs** (for food, water, shelter, safety, income and work) for everyone regardless of age, gender, ethnicity or abilities
- **provides a clean, safe physical environment** of high quality
- **enables equity in health** - everyone should have a fair opportunity to attain his or her full health potential, and that no-one should be disadvantaged from achieving this potential
- **has well designed streets and traffic management** to reduce reliance on cars, enable use of public transport and active travel (walking and cycling) and offer good air quality
- **provides a built environment & public realm which is life-course friendly** and which:
 - encourages healthier lifestyle choices and exercise
 - aids connections within and between communities, encourages social cohesion and aids a sense of community, providing attractive space for social interaction by people of all ages and abilities, including families with children, older people, people with dementia or other long term health conditions
 - harnesses natural benefits of green and blue space for relaxation, physical health and mental wellbeing
 - provides access to education and employment opportunities
 - enables access to essential facilities and services for health, wellbeing and social care
 - provides including leisure and entertainment
- **provides high quality homes suitable throughout life** enabling residents to live healthily and maintain independence
- **enables residents to participate in civic life and in decisions affecting their lives**

2.3 Public Realm

High quality public realm is an essential piece of the masterplan, not an optional extra. Space creates settings which organise our lives, activities and relationships. Good design does this for us without our noticing and so it is necessary to work in the human language of space. Space and time in the human context is recognised as becoming place and occasion.

Places should provide for people to walk with some leisure and in the main, with physical comfort. Places and streets should have definition, with boundaries that communicate where the edges of the street are to promote way-finding and interest. This encourages the visitor to keep moving and thereby investigate the wider Oldham town centre, and not just one street or place.

Places should be defined vertically and horizontally using elements including walls, trees and monuments etc., and should have qualities that engage the senses such as:

- Trees and soft/ hard landscaping;
- Beginnings and endings;
- Diversity;
- Variation in the old and new buildings, to be contrasting or complementary;
- Work with the topography of Oldham to help increase views and add drama;
- Include special design features: details, streetlights, signs, public art.

Places are more than just intersections, breaks in small plazas, or open spaces. They provide stopping places, pauses, reference points along the path and should practically support the users of that space such as adequate places to sit and with accessible toilets nearby.

Well designed and defined places will help to deliver the health equality objectives as noted previously by creating opportunities for social interaction, movement, natural surveillance and environments enjoyed by all.

2.4 Delivery objectives

Following on from the vision above, a series of objectives have been identified as being the Council's key objectives for the delivery of the Masterplan:

- **Comprehensive town centre development.** The requirement that the development of the Masterplan is one which is not delivered in isolation of the wider town centre.
 - **Securing phased delivery** over the long term. A structure which will provide the Council with most certainty in respect of delivery of the Masterplan over the longer term.
 - **Holistic approach to development which enables flexibility across phases.**
 - **Private sector engagement:**
 - Accessing private sector expertise and innovation in relation to design, quality and placemaking.
 - Accessing private sector capacity and resource to deliver the Masterplan.
 - **Financial Objectives:**
 - Minimising the Council's funding risk.
 - Accessing private sector funding/access to funding and covenant.
 - A risk share structure which enables the Council to share in risk alongside the private sector in return for a share in value uplifts/capture commensurate to its own investment(s).
 - **Flexibility.** A structure which is flexible in the following areas:
 - Enabling the Council to contribute to phased delivery both in monetary and/or covenant terms.
 - Flexing to market conditions over the long term.
 - Enabling the Council to add additional sites to the arrangement at a future date.
 - **Council participation.** A structure which enables the Council to participate in the development of the Masterplan both in terms of decision making as to phase delivery and in terms of development returns over the longer term.
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3.0 Progress on the masterplan

3.1 Soft market testing

Over the last 12 months a number of meetings have taken place with prospective development partners and funds who are active in the North West. All have expressed a strong interest in working with the Council over the long term to implement the proposals as set out in the masterplan. The key comments from prospective partners are as follows;

- Strong support for the ambitions behind the masterplan and the proposed phasing
- A willingness to work with the Council in partnership over the long term
- Council ownership is key to implementation of the masterplan and backed the Council's acquisition of the former magistrates court site
- Support the idea of a JV structure where both parties share risk and reward over the long term

3.2 Public Consultation

An important aspect of the due diligence on the Masterplan proposals has been to gather feedback from residents and businesses. The public consultation was launched on 21st September in the Egyptian Room at the Old Town Hall. Over 20 consultation events were held across the borough in venues such as libraries, markets, schools and Council offices. The events allowed residents the opportunity to view more detail on the proposals and to provide feedback on both the Masterplan as a whole and the individual sites. Visitors to the events were asked to complete a feedback questionnaire. In addition to the events an online questionnaire was placed on the Council website.

Around 500 people attended the events and 285 people completed the questionnaire. The list of events, the questionnaire, the results and a selection of the comments are in Appendix A. In summary the results of the questionnaire show:

- 83% of respondents either agree or strongly agree with the concept behind the Masterplan;
- 76% of respondents either agree or strongly agree that a new Tommyfield Market with a multi-storey (MSCP) car park should be built on the existing market hall site;
- 79% of respondents either agree or strongly agree with the plans to create a new Civic Hub;
- 70% of respondents either agree or strongly agree with the plans to create a new hotel with the QE Hall as a conference facility;
- 78% of respondents either agree or strongly agree with the plans to build good quality homes.

Consultation and engagement will continue throughout the delivery of the masterplan.

3.3 Tommyfield Market Hall

Consultation with market traders over the provision of a temporary and a replacement market hall has continued, with Tommyfield Market tenant liaison meetings having taken place on 27th June 2017, 24th October 2017 and 7th February 2018. During the February meeting attended by over 30 traders, the Council outlined its intention to construct and open a temporary market hall in late 2019, and to start work on a permanent replacement hall on the existing Tommyfield Market site during 2020.

In addition to tenant liaison meetings, there have also been informal discussions between traders and the Markets and Town Centre Manager about the market plans, revealing that approximately half of traders are in favour of the redevelopment and half are against. Those in favour are supportive of creating a modern market experience whilst those opposed are worried about potential disruption and the availability of stalls in the new scheme. Consultation continues, with a further tenant liaison meeting being scheduled for summer 2018.

As part of the consultation with tenants, the Council has been encouraging the market traders to re-establish the Tommyfield Market Traders' Association since September 2017. Whilst a group has yet to be formed, several traders have expressed an interest in participating.

3.4 Updated Masterplan

Key changes to the masterplan from the previous version dated June 2017 are to sites A and B only and are outlined in the table below. The updated masterplan is in Appendix B.

Site	June 2017	January 2018
A	Residential New 120-bed Hotel Refurbished Queen Elizabeth Hall. Retain Tower.	Residential Retain Tower.
B	Residential only	New hotel and integrated conference facilities; Residential
C	Residential only	No change
D	Office space only	No change
E	Market Hall Retail/ Leisure MSCP	No change

Previous masterplan proposals included the retention of the Queen Elizabeth Hall. Following further appraisal of the hall it was determined that spatially and functionally it fell way short of the required current event and conference venue standards. External consultants, Amion Consulting Limited, have advised that a significant project spend would still not bring the hall into a position where it could effectively compete in the local and regional market for a wide range of event types.

Further, it must be considered that other capital programmes are underway which may offer alternative options to the Queen Elizabeth Hall as a venue. For example, there may not be a case for improving the theatre performance area within the Queen Elizabeth Hall as the Council is currently building a new Coliseum Theatre which will provide a dedicated, high quality performance space.

In response, the retention of the Queen Elizabeth Hall has been removed from the Masterplan, thereby relocating the proposed hotel, but with combined new conference facilities on an alternative site. This was recommended by Amion Consulting Ltd who advised that "The option which emerges most strongly is to demolish the building and reuse the site to deliver the town centre masterplan."

As a result, this means that the remainder of the existing Civic Centre site is released for redevelopment. This in turn means that a more considered design response including

public green space will be possible for this site, without having to design residential units around an existing asset which could have potential noise/ juxtaposition implications.

The masterplan sets out a series of outline concepts for potential development and zoning across the town centre. It does not have the status of a statutory document, or for that matter a planning application; rather it acts as a guide to potential for future development options Members and the development community may wish to consider, which in due course would be subject to the normal rigour of the planning process.

3.5 Strategic Acquisitions to facilitate the masterplan

Oldham Magistrates' Court is one of several public sector-owned assets in Oldham town centre identified as no longer fit for purpose in the Oldham Town Centre Masterplan approved by Cabinet on 10th July 2017. On 26th February 2018, Cabinet approved the purchase of the Magistrates' Court building and land from the Government's Homes England (formerly Homes and Communities Agency).

Approval was also granted, subject to planning permission, for the demolition of the building to ground level and clearance of the site ready for development. The potential for a temporary 'pay and display' car park on site and the associated costs will be known once a traffic count is completed in March 2018 and once subsequent modelling has been undertaken and preliminary junction design completed. The cost of any temporary car park will be the subject of further approvals.

The consequence of this acquisition is that the new hotel and conference facilities could be located on this site, and potentially as an early phase. Four brands remain interested, with further update on the revised proposed hotel location and procurement of franchise, Management Company and construction to be arranged.

4.0 Market analysis and challenges

4.1 Oldham Town Centre

In recent years, the Council as part of its regeneration strategy has invested in a number capital projects in the town centre, such as the new leisure centre, Independent Quarter and Old Town Hall. The Old Town Hall scheme, apart from winning a number of national design awards, has transformed the leisure offer in the town centre. Since opening in October 2016, over 300,000 people have visited the new Odeon cinema.

The Council's planned investment in the new Heritage centre and Coliseum theatre will strengthen the town's already established cultural offer when they open in early 2020.

4.2 Town Centre Residential Development

Residential development in Oldham town centre currently suffers from the same viability issues that affect many of Greater Manchester's outer boroughs. However on the back of the success of Manchester city's transformation and the urbanisation trend, there is growing demand for residential units in vibrant centres that are accessible to employment opportunities and areas that offer excellent amenities including food, drink and entertainment and attractive places.

4.3 Retail

One of the key sites in the masterplan area is the Tommyfield Market. Replacement of the existing facility will provide the town with a modern, fit for purpose market to meet the needs of traders and visitors and provide a welcome boost to this part of the centre.

As part of an enhanced retail provision and alongside the new leisure offer within the Old Town Hall and other cultural attractions in the town centre, the new Market Hall and other retail development will help to strengthen the attractiveness of the town to investors, raise confidence and contribute to an overall increase in values. Partners will recognise and

endorse the importance of “stitching” development in the masterplan to the remainder of the town centre. This is key to achieving the necessary symbiosis between existing and new, and in further shaping Oldham town centre as an attractive place to live, shop and spend leisure time.

Whilst the masterplan proposes new retail and leisure space, there is no intention to substantially increase the amount of retail in the town centre, as the new space predominantly replaces existing accommodation which will be demolished.

4.4 Economic Benefits of Masterplan

An assessment of the economic benefits has been carried out by Amion on the updated Masterplan proposals. The findings of the assessment can be found in Appendix C, however key highlights include:

- the creation of 520 full time equivalent jobs supported over the length of the build;
- 670 net operational jobs within Oldham;
- 54,000 sq ft of new and refurbished employment space; and
- an additional £48m GVA contributing to the growth of the economy.

5.0 Options/Alternatives

Option 1:

Proceed with the project as detailed in this Report accepting the recommendations set out in this report and proceeding with the delivery strategy for the Oldham Town Centre Masterplan,

Option 2:

Do not accept the recommendations detailed in this Report to proceed with the delivery strategy of the town centre masterplan

Option 3:

Do not accept the recommendations and do not proceed with the delivery of the town centre masterplan

6.0 Preferred Option

The preferred option is Option 1

7.0 Consultation

The following groups have been consulted on the Oldham Town Centre Masterplan proposals:

- Town Centre Partnership
- Tommyfield Market Traders
- Public consultation events
- Oldham Civic Society

8.0 Financial Implications

Financial implications are covered in the report in the restricted part of this agenda.

9.0 Legal Services Comments

Legal implications are covered in the report in the restricted part of this agenda.

10.0 Co-operative Agenda

As a Co-operative Council, we are committed to delivering key regeneration projects, creating jobs and transforming opportunities for our residents. The proposals and recommendations outlined in this report will attract investment and encourage business and enterprise to thrive, ensuring residents are able to access a high quality town centre, with jobs and a strong retail offer. (Jonathan Downs)

11.0 Human Resources Comments

None.

12.0 Risk Management

The delivery of the Masterplan will be a number of complex projects which will need appropriate risk management systems in place to manage the risks on each project. (Mark Stenson)

13.0 IT Implications

None.

14.0 Property Implications

The property comments are contained herewith throughout this report. As and when developments progress, individual tenancy and letting arrangements will be reported at the relevant time to satisfy governance and approval requirements. (Peter Wood)

15.0 Procurement Implications

Public procurement is subject to the EU Treaty principles of non-discrimination; free movement of goods; freedom to provide services; and freedom of establishment. In addition to these fundamental treaty principles, the procurement process will need to ensure equality of treatment; transparency; mutual recognition; proportionality; and comply with the Public Contract Regulations 2015 and the Councils Contract Procedure Rules.

16.0 Environmental and Health & Safety Implications

Environmental and Health & Safety Implications are covered in Part B of the report.

17.0 Equality, community cohesion and crime implications

The report highlights the impact of proposals on a number of different equality groups including age and disabilities. It outlines how community wealth building will bring benefits to the local economy and residents whilst generating opportunities for residents of all ages. It will also enable equity in health, where everyone has a fair opportunity to achieve their full health potential. As well as supporting connections between communities, providing attractive space for social interaction by people of all ages and abilities, including families with children, older people, people with dementia or other long term health conditions. (Dominic Coleman)

18.0 Equality Impact Assessment Completed?

No

It is not envisaged the proposal will have a disproportionate negative impact on equality groups and an EIA screening will be completed as the plans are further developed.

19.0 Key Decision

Yes

20.0 Key Decision Reference

ECEN-26-17

21.0 Background Papers

The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

Name of File: Oldham Town Centre JV Cabinet Report Part A V2
Records held in Economy, Skills & Neighbourhoods Directorate, Civic Centre, West Street, Oldham, OL1 1UH
Officer Name: Roger Frith
Contact No: 0161 770 4120

22.0 Appendices

Attached to the report in the restricted part of this agenda.
