

Report to CABINET – part A

Hollinwood Junction Strategic Partnering Agreement

Portfolio Holder:

Councillor Sean Fielding (Leader) – Cabinet Member for Economy and Enterprise.

Officer Contact: Helen Lockwood, Deputy Chief Executive – People and Place

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Reason for Decision

The purpose of the report is to seek approval for the Council to vary the existing Strategic Partnering Agreement with Langtree Property Partners to enable development to continue at Hollinwood Junction.

Recommendations

It is recommended that Cabinet: -

- (i) Approve the variation of the Strategic Partnering Agreement (SPA) with Langtree Property Partners.
- (ii) Delegates Authority to the Director of Legal Services to execute the legal agreements and any incidental and ancillary documentation relating to the variation of the SPA, on behalf of the Council.
- (iii) Delegates Authority to the Deputy Chief Executive – People and Place, in consultation with the Leader, Cabinet Member for Finance and Corporate Services, Director of Finance and Director of Legal Services, to grant any further necessary detailed approvals in connection with any other matters in relation to the variation of the SPA and authority for the Director of Legal Services to complete and execute any appropriate legal documents on behalf of the Council.

Hollinwood Junction Strategic Partnering Agreement

- 1 ***Creating a Better Place*** incorporates significant programmes of work that have been progressed over the past eighteen months in order to set out a comprehensive vision and strategic framework for the borough. These include the:
- Updated vision for Oldham Town Centre;
 - Housing Strategy 2019; and
 - Updated Medium Term Property Strategy.

Creating a Better Place focuses on building more homes for our residents, creating new jobs through town centre regeneration, and ensuring Oldham is a great place to visit with lots of family friendly and accessible places to go.

This approach has the potential to deliver 2,000 new homes in the town centre designed for a range of different budgets and needs, 1,000 new jobs and 100 new opportunities for apprenticeships, and is in alignment with Council priorities to be the Greenest Borough.

Oldham Council is ambitious and bold, and it is on the cusp of an exciting programme of significant change, which is essential to achieve its wider objectives including health, education and improved transport connectivity and public realm. Corporate land and property assets are critical to this agenda and therefore the previously approved Medium-Term Property Strategy (MTPS) has been refreshed to ensure it meets the scale of the change required.

At a strategic level, the work completed across the last eighteen months has confirmed that the property portfolio can be a catalyst for building new homes, creating job opportunities, re-skilling residents through new apprenticeship opportunities, and re-engaging communities and partners through property / estate co-location and collaboration. This strategic work also supports the Council's ambitions for inclusive growth, thriving communities and co-operative services.

Delivery of the ambitious programmes of work within '*Creating a Better Place*' requires efficient and effective systems and processes in place. Significant work has already taken place during 2019 to ensure the right resources are in place for robust, fit for purpose governance and effective delivery. Changes to the Council's Land and Property protocols are also proposed to further strengthen this.

2 Background

- 2.1.1 On the 20th June 2011, the Council entered into a Strategic Partnering Agreement (SPA) with Langtree Group Plc.
- 2.1.2 The SPA was entered into following a competitive tender process advertised in OJEU, by which Langtree was selected as the Council's development partner for the delivery of high-quality business space through the redevelopment of sites and associated infrastructure on the Council owned land known as the Hollinwood Junction site.
- 2.1.3 Under the SPA, Langtree are appointed to carry out management services. These services consist of submitting the Council's development plans, assisting the Council with the disposal of property, dealing with development receipts and undertaking all necessary preparatory work on the site prior to development.
- 2.1.4 The SPA also requires Langtree to enter into development agreements with the Council for individual phases of the Hollinwood Junction site.

3. Current Position

- 3.1.1 A development agreement has been entered into by Langtree and the Council under which Langtree carried out a Euro Garages development on the former Roxy Cinema site.
- 3.1.2 A highways contract has been agreed with a contractor for the construction of the phase 1 highway works.
- 3.1.3 The phase 1 highway works will provide the access into the wider Hollinwood Junction employment area.
- 3.1.4 The gas holder which prevented development of the employment site, has now been dismantled and the remaining void in the ground partially infilled, and the site has been acquired from National Grid.

4 Options/Alternatives

- 4.1 **Option One – Approve the variation of the existing Strategic Partnership Agreement with Langtree Property Partners to enable the development to continue at Hollinwood Junction.**

- 4.2 Advantages

Continuation of the existing partnering agreement with Langtree would allow the timely development of the Hollinwood Junction site and thereby enabling comprehensive regeneration of the area.

The development will create a significant number of jobs, stimulate the local economy and improve the local environment.

4.4 **Option Two – Do not approve the variation of the existing Strategic Partnership Agreement with Langtree Property Partners.**

4.6 Disadvantages

The phase 1 highway works would not start on site this year.

Development of the site would be delayed.

5 **Preferred Option**

5.1 **Option One – Approve the variation of the existing Strategic Partnership Agreement with Langtree Property Partners to enable development to continue at Hollinwood Junction.**

6 **Consultation**

6.1 Hollinwood Junction Board Members and senior council officers.

9 **Co-operative Agenda**

9.1 The Council is working co-operatively with Langtree to bring forward development at Hollinwood Junction. This will create a significant number of jobs, stimulate the local economy and improve the local environment.

10 **Human Resources Comments**

10.1 None.

12 **IT Implications**

12.1 None.

13 **Property Implications**

13.1 None.

15 **Environmental and Health & Safety Implications**

15.1 None.

16 **Equality, community cohesion and crime implications**

16.1 None.

17 **Equality Impact Assessment Completed?**

17.1 No.

18 **Key Decision**

18.1 Yes

19 **Key Decision Reference**

19.1 ECEN-08-20.

20 **Background Papers**

20.1 None.

21 **Appendices**

None.