

Creating a Better Place [Part A]

Portfolio Holder(s):

Councillor Shah, Leader of the Council and Portfolio Holder for Economic and Social Reform

Councillor Jabbar MBE, Deputy Leader and Cabinet Member for Finance and Low Carbon

Councillor Chadderton, Deputy Leader and Cabinet Member for Neighbourhoods

Councillor Roberts, Cabinet Member for Housing

Councillor Mushtaq, Cabinet Member for Education and Skills

Councillor Chauhan, Cabinet Member for Health and Social Care

Councillor Moores, Cabinet Member for Children Services

Councillor Akhtar, Cabinet Member for Economy and Enterprise

Senior Responsible Officer:

Helen Lockwood, Deputy Chief Executive People and Place

Report Author:

Emma Barton, Director of Economy

26 July 2021

Reason for Decision

Cabinet approval was obtained in August 2020 for the Council's 'Creating a Better Place' strategic framework and capital regeneration programme. It was agreed that this programme should be reviewed to confirm alignment with the borough's economic recovery in support of the financial implications associated with responding to the Covid-19 virus.

This report seeks approval to formally accept new external funds to support delivery, for various projects to proceed through to the next stage of delivery, and for additional community engagement to take place in line with activities now permitted under the Government's roadmap to recovery.

Recommendations

Cabinet Members are asked to approve:

- the proposed approach to project delivery to accelerate economic recovery and to accelerate the potential for contributing revenue savings to the Council's financial plans.
- the acceptance of external funds to accelerate delivery of new homes and job creation in support of Oldham's economic recovery plans.
- the draw-down of council funds from the approved budgets within the Council's capital programme to support progress and delivery of priority projects.
- to approve the proposals within the detailed appendix documents which support a reduction in carbon and new sustainable, green energy solutions within projects in support of the Green New Deal.

Creating a Better Place

1.0 Background:

- 1.1 'Creating a Better Place' strategic framework was approved by Cabinet in January 2020 before the Covid-19 pandemic arrived in the UK, to provide a new focus 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.
- 1.2 In light of the pandemic, the Council had to respond with the provision of significant funding support to ensure the safety and welfare of Oldham's local communities. This resulted in a serious funding impact on the Council's financial plans, and therefore the programme was reviewed, refined and re-prioritised in August 2020.
- 1.3 Engagement activities have continued through the various lockdown periods to ensure local communities, members and town centre businesses could have their say about the regeneration priorities and projects in flight following the review. Important messages about family friendly activities, improved accessibility, sustainability, green energy, new jobs, new businesses, filling empty units, more things to do and places to visit came through strongly in alignment with Council ambitions and covid recovery plans.
- 1.4 This report seeks approval to formally accept new external funds to support delivery of much-needed homes; for various projects to proceed through to the next stage of delivery; and, for additional community engagement to take place in line with activities now permitted under the Government's roadmap to recovery.

2.0 Creating a Better Place: Programme Update

- 2.1 The very best towns and cities around the world have one thing in common – they are both people and quality focused. Quality of place is paramount to thriving communities and we want Oldham to be a place where people feel they belong, an exciting place where people can live, work and spend time.
- 2.2 With a new focus on economic recovery, alignment with ensuring Oldham meets its housing need continues to be of paramount importance. This report includes new funding opportunities to bring forward development on brownfield sites in the town centre and across the borough.
- 2.3 Our aim is to provide a diverse housing offer that meets the needs of different sections of the population at different times in their lives. Our proposals go beyond numbers alone with a focus on the significant contribution a quality housing offer makes to quality of life. Oldham's Housing Strategy was approved at full council in July 2019. The Strategy highlights the priorities and needs for the borough and is supported by a robust delivery plan that sits behind it to enable its objectives to be achieved.
- 2.4 In alignment with GM strategies such as the GM Local Industrial Strategy and the emerging new Greater Manchester Strategy, it allowed us to set out a new vision for Oldham town centre as part of the August 2020 review of the Creating a Better Place programme, which recognises that the purpose of town centres is changing at scale and pace. This is linked to the renewed purpose for town centre living, growing our own local economy, ensuring there is enhanced, new and improved green open space and family friendly leisure activities.
- 2.5 The pandemic has seen national retailers close their doors and decisions made not to reopen, partially due to more residents choosing the shop on line for safety and convenience. This contributes to a cycle of disappearing shops, reduced visitor numbers and a potential

rise in anti-social behavior. However, the changing focus on social enterprise, starting new business ventures, apprentice opportunities for work and skills development, and 'building back better' through development and construction employment opportunities is increasingly more important to ensure residents have access to paid work to support themselves and their families.

- 2.6 The pandemic saw instant / overnight changes to office requirements and commercial accommodation and a renewed reliance on technology. This is true for the Council too, and therefore provides an opportunity to review land and property assets to ensure effective use for service delivery, and targeted investment to ensure safety and compliance is maintained.
- 2.7 The review of Creating a Better reduced the value of the capital programme by c£100m, but still supports important revenue savings opportunities to ensure the best use public funds are prioritised and delivered. As there are many interdependencies between the various themes and work programmes, decisions will need to be made in alignment with the Council's Medium-Term Financial Strategy and Capital Programme.
- 2.8 The following sections provide an overview of the projects seeking approval for progress through this report, with more detail and legal / financial terms appended in the part b reports.

3.0 Creating a Better Place: Project Update (Key Decision Ref: ESR-03-21)

3.1 Royton Town Hall (Key Decision Ref: ECEN-15-19)

- 3.1.1 Royton Town Hall has been identified as an asset for retention and investment as part of the Council's Creating a Better Place Asset Review. In August 2020, Cabinet approved the revised Creating a Better Place programme which committed to including this project, and in March 2021, the Council's Capital Strategy was approved which confirmed and allocated capital funds to support this project as part of the district centre economic and social recovery.
- 3.1.2 The project brief has been reviewed with ward members to ensure the building would be refurbished to ensure it was accessible, friendly and welcoming, includes sustainable / energy efficiency measures, and accommodates all the community needs identified from engagement over a period of time.
- 3.1.3 The detailed report appended outlines the findings from the building survey work, planning approvals, timescales for delivery and Cabinet are asked to approve the draw down of funds against the approved allocation in the capital programme to support commencement of works this year.

3.2 Brownfield Housing Land Grant (Key Decision Ref: HSG-07-21)

- 3.2.1 The purpose of the technical report appended is to seek Cabinet approval for the Council to enter into a Brownfield Housing Land Grant Agreement with the Greater Manchester Combined Authority (GMCA) for Derker; and with the GMCA and Greater Manchester Passenger Transport Executive (GMPTE) for Southlink.
- 3.2.2 In total, this is £6.5m (£2m Derker, and £4.5m Southlink) external funding to help accelerate the delivery of new homes on challenging brownfield sites in the borough.
- 3.2.3 Cabinet is requested to approve acceptance of the funds and enter into the detailed funding agreements appended to the report.

3.3 Spindles: Stage 3 Approval and Outline Business Case (Key Decision Ref: ESR-03-21)

3.3.1 The Spindles Strategic Outline Case (SOC) was approved in December 2020 which approved the commencement of a RIBA Stage 2 design, development of the procurement strategy and the Outline Business Case (OBC).

3.3.2 The OBC confirmed the following objectives:

- **Regeneration and Town Centre Activation:** Increasing footfall and activation of the centre through intervention, reduction of void space in prime retail areas to consolidate and improve the town centre offer – create a destination for North Manchester and Oldham.
- **Social Value Benefits:** Providing opportunities for Employment, Learning, Skills and Social contributions across the design, procurement, delivery and operational phases of the project.
- **Championing a Green Recovery:** Supporting the Green New Deal embedding sustainability and net zero carbon ambitions within the project
- **Reduction in Asset Cost Base:** Enabling the relocation of Tommyfield Market from a building that is failing and has significantly exceeded its expected lifetime, reducing immense investment requirements in out of date buildings that are no longer fit for purpose, remove backlog maintenance concerns and support energy efficient / sustainable buildings.
- **New Town Centre Homes:** Enabling core town centre regeneration proposals to be commenced by releasing key sites for commercial and residential development.

3.3.3 The OBC also set out preferred development options following community and business engagement activities throughout the lockdown period, which included priorities for more family friendly activities, improved accessibility, low carbon / sustainable / green energy solutions, new jobs, filling empty units, more things to do and places to visit came through strongly in alignment with Council ambitions and CV19 recovery plans. This was embedded into the project and supported four priority areas:

- **Market:** Relocation of Tommyfield Market into Spindles creating a new market which will better serve the needs to Oldham and its residents, driving footfall and creating a more vibrant town centre to support market and independent traders.
- **Events and Conferencing:** Creation of a new events and conferencing space to hold up to 400 people for a variety of events and Council requirements replacing the existing QE Hall.
- **Archive Store:** Creation of a publicly accessible archive store which will bring the archive into the town centre and allow much greater accessibility and a storage facility that provides greater protection and security
- **Flexible Workspace:** Creation of a new modern flexible workspace for the Council housing between 600 and 900 workstations, meeting and breakout spaces with high environmental standards supporting the productivity and wellbeing of everyone who works there. The exact number of workstations required is dependent on the outcome of the new ways of working strategy which will be developed in parallel with the Stage 3 design through the next stage.

3.3.4 The detailed assessments within the OBC work also helped confirm the spend to date on the acquisition of the freehold and leasehold of the Topman unit, to save the town centre asset and protect the businesses within the shopping centre. Since the original town centre masterplan was developed pre-2018, the projects have been reviewed, refined, aligned with community priorities and financially scrutinised to test value for money and the best use of public funds.

3.3.5 All the different cost elements associated with the acquisition of the Spindles and former top man unit are summarised in the table below:

	Purchase	Stamp	Fees	Total
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	Price £000	Duty Land Tax £000	£000	£000
Spindles/Town Square	9,500	465	335	10,300
Unit 3 (Former Top Man Store)	300	8	8	316
Total	9,800	473	343	10,616

- 3.3.6 Funding for the Spindles project has already been approved through Creating a Better Place budget in August 2020 and Capital Programme Budget setting in March 2021. Redevelopment cost estimates continue to be scrutinised to test best value considerations and opportunities for external funds. The OBC mapped out the most recent cost estimates for the project which showed a **further £10m reduction** in the anticipated capital allocations.
- 3.3.7 Since, then external Towns Deal funding has also been secured (subject to Cabinet approval of funding terms) for two projects which fall within the Spindles remit: Tommyfield Market and a flexible office space, enhancing the economic and financial case for the redevelopment and investment further. The project aligns with the Creating a Better Place programme which through reviewing projects and the use of council assets for enhanced sustainable, energy efficiency, meeting customer needs in addition to accelerating **c.£3m p/a** revenue savings.
- 3.3.8 The detailed paper appended to this report sets out the next steps and decisions required to continue the delivery of the Spindles Redevelopment in line with accelerating economic recovery, protecting / securing / creating local jobs. and supporting the Council's medium term financial plan. This report includes the latest concept plans to be discussed by Cabinet ahead of confirming the next stages of the project and for community engagement. The report also sets out the detailed design work needed through to RIBA Stage 3 ahead of submitting a planning application later this year.
- 3.3.9 After receiving feedback from staff, residents, market traders and the business community from engagement exercises throughout the lockdown period, the report also seeks Cabinet approval for a new extensive public consultation over summer to develop ideas and suggestions further and help shape, steer and influence the redesign, to help change the future of the building and support our town centre and local economy to recover from the Coronavirus pandemic.

3.4 Strategic Asset Review (Key Decision Ref: ESR-03-21)

- 3.4.1 It is essential that Oldham Council has a property portfolio which is 'fit for purpose' and helps contribute to the strategic ambitions set out in the Creating a Better Place ("CaBP") programme, the Place Based Initiative, New Ways of Working and encouraging greater public sector collaboration. Under CaPB, redeveloping or reusing assets is a catalyst for the wider regeneration of the borough, embedding opportunities to reduce carbon emission, embrace new green technologies, and redevelop brownfield sites, to reduce demand on Green Belt locations
- 3.4.2 The Asset Review has analysed all property, land and buildings owned by the Council to help support financial sustainability within the Medium Term Financial Strategy (MTFS), which sets out total revenue savings targets from CaBP of £8.2164m by end of 23/24 and capital receipts of £11.1m by end of 24/25.
- 3.4.3 The purpose of this Strategic Asset Management Update report is to provide an update on the wider strategic asset management activity and seeks approval to do a deep dive on properties with the greatest potential to deliver efficiencies and better outcomes, so that resources can be targeted and prioritised.

3.5 Parking Permits

- 3.5.1 Free parking permits were introduced by the Govt to support keyworkers with providing the urgent and immediate support needed in direct response to the pandemic ... this was never going to be a permanent arrangement and the Govt decided to withdraw this free parking permit with effect from 21 June 2021 as part of the next step in the roadmap. When the final step was deferred to 19 July, Oldham Council agreed to extend the use of free passes across the borough to align with the new deadline.
- 3.5.2 TEAM Oldham are in interim working arrangements as we continue with current flexible working arrangements until at least September 2021, following escalating health concerns in the borough and new national guidance released for workplace safety.
- 3.5.3 The parking policy update being considered in the report appended talks about reinstating pre-covid parking arrangements in the town centre and permits being reissued under pre-covid rules and regulations, ahead of a new flexible permits being introduced to support emerging post-covid new ways of working.
- 3.5.4 For those needing to park in Oldham Town Centre - the pay and display operations for members of public will remain. More information about purchasing a parking permit can be found out by emailing: Parking.services@oldham.gov.uk.
- 3.5.5 The report also seeks permission for Oldham staff to use the unused floors of the Spindles Car Park, now it is Council ownership, to boost footfall in the town centre and take the pressure off other town centre car parks for the benefit of local businesses, shoppers and visitors.

4.0 Consultation and Community Engagement

- 4.1 Consultation and engagement work has taken place over the last two years with stakeholders, partners, Council teams and services, elected members, public sector organisations and different voices from our local communities to help clearly define regeneration ambitions, and to ensure that the projects were local priorities and ideas and suggestions were embedded into the work now progressing.
- 4.2 The reports appended seek permission to continue with more community engagement to allow Oldham's local communities to shape, steer and co-design the next stages of the project developments.
- 4.3 Specific project consultation will take place at the applicable time in conjunction with standard practice for project development / planning application considerations.

5.0 Financial Comments

- 5.1 Financial information is contained within the part b reports appended to this report.
(Andrew Moran, Assistant Director of Finance)

6.0 Legal Services Comments

- 6.1 Specific legal information is contained within the part b reports appended to this report.

- 6.2 External legal advice may be required from time to time to support the delivery of Council Projects as part of the Council's Capital Programme and aligned to the Medium-Term Financial Strategy. This will dovetail with in-house legal teams and help to ensure all necessary steps are taken/documents are in place to protect the Council's position and commercial interests. Any such commissions will be obtained through lawful and compliant procurement exercises to ensure value for money and services are fit for purpose.
- 6.3 All work carried out/advice given will need to be governed by and in accordance with the Council's Constitution.
- 6.4 Any contracts for the supply of works, goods or services made in the name of the Council will need to comply with the Council's Contract Procedure Rules and all relevant EU regulations. All land transactions will need to comply with the Council's Land and Property Protocol. All financial transactions will need to comply with the Council's Financial Procedure Rules.
- 6.5 In developing the Medium-Term Property Strategy and Projects to support it alongside the Council's Capital Programme the Council will need to be mindful of the following;
- Procurement issues
 - State aid issues
 - The Council's Fiduciary Duty
 - Best Consideration
 - Vires Considerations
- 6.6 Part B of this report contains information as is detailed in Paragraph 3 of the revised Part 1 of Schedule 1A of the Local Government Act 1972. The exclusion from publication is justified for the reasons stated.
- 6.7 All legal issues will be reviewed and kept under advisement during the process and as Schemes and Projects come forward and progress.

(Rebecca Boyle)

7.0 Co-operative Agenda

- 7.1 The revised programme, the new vision, direction and approach provides numerous opportunities to support the development of a Co-operative Borough both through how decisions are taken and the engagement of key partners, service providers and communities in this; and the creation of new opportunities for development that includes more co-operative businesses.

(Jonathan Downes)

8.0 Human Resources Comments

- 8.1 None identified at this time.

(Adele Savage)

9.0 Risk Assessments

- 9.1 All risk information is contained within the part b reports appended.

(Mark Stenston)

10.0 IT Implications

- 10.1 None identified at this time.

(Chris Petrie)

11.0 Property Implications and Health & Safety

11.1 All property information is contained within the part b reports appended. (Peter Wood)

12.0 Procurement Implications

12.1 All procurement information is contained within the part b reports appended to this report.
(Dan Cheetham)

13.0 Environmental and Health & Safety Implications

13.1 Creating a Better Place is an essential transformational element in achieving these environmental targets and wider economic regeneration objectives such as building the green economy.
(Andrew Hunt)

14.0 Equality, community cohesion and crime implications

14.1 There has been a detailed stage one Equality Impact Assessment completed for the Creating a Better Place programme. Colleagues in Policy have reviewed this document and have provided feedback. At the heart of the projects contained within this programme there is the desire to enhance to community cohesion and promote equality.
(Sarah Whittle)

15.0 Equality Impact Assessment Completed?

15.1 An Equality Impact Assessment was completed as part of the Creating a Better Place Programme review in August 2020. This will be reviewed again as the projects progress and are further developed.
(Gail Aspinall)

16.0 Key Decision

16.1 Yes

17.0 Key Decision Reference (for Creating a Better Place)

17.1 **ESR-03-21**

NOT FOR PUBLICATION by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 and it is not in the public interest to disclose the information because it is commercially sensitive.
APPENDICES: PART B Reports

- 1 Royton Town Hall (Part B report)
- 2 Brownfield Housing Land Grant (Part B report)
- 3 Spindles – Stage 3/4 design and OBC Update (Part B report)
- 4 Strategic Asset Management Update (Part B report)
- 5 Parking Permits (Part B report)