BRIEFING TO TOWN CENTRE PARTNERSHIP

Town Centre Investment Strategy Update

Portfolio Holder: Cllr Howard Sykes, External Relations & Special Projects
Report Author: John Studholme
Date: 9th February 2011

What the issue is:
To provide an update to the Town Centre Partnership on the Town Centre Investment Strategy progress

Requirement from the Town Centre Partnership:
Comments are invited from the Town Centre Partnership to feed back to the Town Centre Working Group and Steering Group

How to be actioned:
☐ Report author attending
☐ Discussion item
☐ Presentation
☐ Workshop
Town Centre Investment Strategy Update

Background

2.1 The Town Centre Investment Strategy (TCIS) is a key project within the Town Centre Action Plan as indicated in the updated extract below:

### Objective 2: Improve the variety and quality of the Town Centre offer

<table>
<thead>
<tr>
<th>No. &amp; Status</th>
<th>Project</th>
<th>Committed Funding</th>
<th>Lead &amp; Project Manager</th>
<th>Key Milestones</th>
<th>Current Position</th>
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<tbody>
<tr>
<td>3.1 Green</td>
<td>Town Centre Investment Strategy</td>
<td>Revenue (2010/11 - 2013/14) - £350,000</td>
<td>Oldham Council</td>
<td>• Produce draft in February</td>
<td>Consultants have been engaged to support the preparation of the strategy and progress is on target to achieve the key milestones.</td>
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<td>This Strategy will set out a framework for future investment in the Town Centre and identify key opportunities, guiding the acquisition of sites and their subsequent development</td>
<td>Capital: acquisitions (£2m), Coliseum (£1.45m), Metrolink (£6.1)</td>
<td>John Studholme</td>
<td>• Produce final strategy in March</td>
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<td>• Begin market testing with developers in December</td>
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<td>• Start procurement of developer partner(s) in March</td>
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2.2 The primary aim of this strategy is to create an investment framework to inform strategic investment decisions and help realise the full potential of Oldham Town Centre. It will also help to:

- attract and secure public and private investment, and
- ensure the identification and delivery of opportunities created by the stimulus of Metrolink 3b in order to build on the Town Centre's strong retail and education base.

2.3 The strategy will involve a series of overlapping stages and reiterative work to:

- develop the investment framework
- produce a prospectus
- test the prospectus with public sector organisations and private developers, investors and end users
- procure private sector partners, and
- deliver significant new developments.

2.4 The strategy will be strongly geared towards establishing a clear long-term vision and framework with clear delivery arrangements for future investment in order to give confidence to potential investors and developers.
2.5 Evidence of the Council’s continuing commitment to future investment is already clear to see in the Town Centre. Work was recently completed to make Oldham Town Hall a more attractive development proposition. Development of the Regional Science Centre is nearing completion. Work has begun on the Mahdlo youth centre. Major capital allocations have been approved including £1.45m for the Coliseum Theatre, £2m for strategic acquisitions in the Town Centre and £6.1m for works related to Metrolink. All this will be highlighted along with more development proposals in a prospectus produced as part of the TCIS. Most importantly the strategy will set out how the proposals can be achieved.

Progress

3.1 Consultants are now appointed and started work on the 20th October. Taylor Young is the Masterplanning consultant and Amion is the Economic and Financial Modelling consultant. Further arrangements have been made for the engagement of property advice and project management support. A work programme is attached at Appendix 1. A series of regular – initially fortnightly – meetings has begun with the consultants with work well progressed on the development of the investment plan and prospectus.

3.2 Members of the Town Centre Partnership may recall that a Town Centre Review was undertaken between October 2009 and January 2010. The outcomes of that Review informed the production of the Town Centre Action Plan and form the basis for the current work on the TCIS. The Review highlighted three main drivers for the regeneration of the Town Centre:

- Metrolink – this will stimulate and create development opportunities.
- Young People – a high proportion of the population. It is important that firstly, they benefit fully from first class education, training and employment opportunities, and secondly, that once they have jobs they do not leave the borough.
- Residential development – re-shaping the Town Centre to a more appropriate size will leave sites available for new Town Centre uses, principally residential, creating opportunities to provide more housing and to better connect the Town Centre to the surrounding residential areas. Rather than replicate the buy-to-let apartments model that failed with the housing market collapse, a buy-to-live model is proposed with more traditional-style housing.

3.3 Further work has begun on the Review proposals with a more detailed examination of key development opportunities. The aim here will be to identify both long-term realistic, commercially attractive and deliverable projects as well as quick wins. Initial work is concentrating on isolating key development opportunities. All this work is further informed and supported by the Greater Manchester Town Centres Study report and the wider strategic context emerging at city region and national level.
3.4 Both the masterplanning and the economic and financial modelling consultants are working together on the advancement of the Review work. This will ensure that the proposals taken forward will work from a design point of view and also from an economic and financial perspective. The economic aspects of the work will include assessment of the impacts of the projects to be taken forward. The assessments will be on the basis of Investment Plan criteria which will be embedded in the strategy and used for assessment of all future proposals over the life of the TCIS. These criteria will be in line with those which have been developed through work on the Manchester Economic Independent Review (MIER) and taken forward in the Greater Manchester Strategy and Strategic Framework (GMS and GMSF) and the Local Investment Plan (LIP2).

3.5 As well as looking at the economic benefits that will derive from new developments the consultants will explore funding sources and developer, investor and end user interest. Although there are currently severe constraints on public sector funding it is inevitable that there will be calls for early investment in pre-development works (e.g. new infrastructure and advance public realm improvements) in order to attract private sector investment. New and innovative methods of funding will be investigated, including for instance the Regional Growth Fund and the Jessica Evergreen Fund.

Governance

4.1 New governance arrangements are proposed to oversee and direct the TCIS work. At the time of writing the proposed arrangements are subject to approval through the Council’s processes. It is recommended that there will be a working group directed by a steering group (the Town Centre Steering Group) chaired by a lead member and where necessary reporting to Cabinet for decision-making. It is proposed that the Town Centre Partnership and the private sector generally are involved and represented in the governance arrangements at working group and steering group levels.

Consultation

5.1 Council officers, elected members and the Town Centre Partnership (via the Town Centre Cabinet Members meetings) have been consulted throughout the work to date on the TCIS. Most recently there has been detailed consultation on the public realm aspects of the strategy with a workshop held on the 2nd February. Further and wider consultations will be carried out during work on the development and implementation of the strategy.

Recommendation

6.1 That the report be noted and comments provided.