

## **AGENDA FOR**

### **RADCLIFFE CABINET COMMITTEE**

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**To: All Members of Radcliffe Cabinet Committee**

**Councillors** : E O'Brien (Chair), C Birchmore,  
C Cummins, J Lancaster, C Morris, B Mortenson and  
M Smith

Dear Member

#### **Radcliffe Cabinet Committee**

You are invited to attend a meeting of the Radcliffe Cabinet Committee which will be held as follows:-

<b>Date:</b>	Wednesday, 22 September 2021
<b>Place:</b>	Virtual meeting via Microsoft Teams
<b>Time:</b>	6.00 pm
<b>Briefing Facilities:</b>	If Opposition Members and Co-opted Members require briefing on any particular item on the Agenda, the appropriate Director/Senior Officer originating the related report should be contacted.
<b>Notes:</b>	

## **AGENDA**

### **1 APOLOGIES FOR ABSENCE**

### **2 DECLARATIONS OF INTEREST**

Members of the Radcliffe Cabinet Committee are asked whether they have any interests on any item on the agenda and if so to formally declare that interest.

### **3 PUBLIC QUESTION TIME**

A period of 30 minutes has been set aside for members of the public to ask questions. Questions must be submitted in advance to [democratic.services@bury.gov.uk](mailto:democratic.services@bury.gov.uk) no later than midday on Monday 20 September 2021.

### **4 MINUTES** *(Pages 3 - 8)*

Minutes from the meeting held on 27 May 2021 are attached.

### **5 LUF PROJECTS - PROCUREMENT UPDATE - PART A** *(Pages 9 - 20)*

A report from the Leader and Cabinet Member for Finance and Growth to Cabinet on 1 September 2021 and extract of the minutes of that meeting are attached. A verbal update will be provided at the meeting.

### **6 RADCLIFFE STRATEGIC REGENERATION FRAMEWORK – DISPOSAL OF LAND FOR HOUSING DEVELOPMENT AT SCHOOL STREET AND GREEN STREET - PART A** *(Pages 21 - 36)*

A report from the Leader and Cabinet Member for Finance and Growth is attached.

### **7 ANY OTHER BUSINESS**

### **8 EXCLUSION OF PRESS AND PUBLIC**

To consider passing the appropriate resolution under Section 100 (A)(4), Schedule 12(A) of the Local Government Act 1972, that the press and public be excluded from the meeting for the reason that the following business involves the disclosure of exempt information as detailed against the item.

### **9 LUF PROJECTS - PROCUREMENT UPDATE - PART B** *(Pages 37 - 58)*

Part B report from the Leader and Cabinet Member for Finance and Growth to Cabinet on 1 September 2021.

### **10 RADCLIFFE STRATEGIC REGENERATION FRAMEWORK – DISPOSAL OF LAND FOR HOUSING DEVELOPMENT AT SCHOOL STREET AND GREEN STREET - PART B** *(Pages 59 - 78)*

Part B report from the Leader and Cabinet Member for Finance and Growth is attached.

**Minutes of: RADCLIFFE CABINET COMMITTEE**

**Date of Meeting:** 27 May 2021

**Present:** Councillor E O'Brien (in the Chair)  
Councillors C Birchmore, C Cummins, J Lancaster, C Morris  
and M Smith

**Public Attendance:** No members of the public were present at the meeting.

**Apologies for Absence:** Councillor B Mortenson

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**1 APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Beth Mortenson.

**2 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**3 PUBLIC QUESTION TIME**

The following question was submitted in advance of the meeting by a member of the public, Judi Sheppard:

The documents relating to the tender for the operation and management of Radcliffe market, 'method of operation' (page 20) clearly shows that the use of the piazza (when appropriate) is for specialist markets, events and community activities. As far as I'm aware the piazza is a public place so why have the council entered in to a 5 year agreement accepting that they will not grant any rights or privileges to any person or company to hold or conduct the same type of markets within Radcliffe for the duration of this agreement, therefore preventing any community activities or street events.

Supplementary question - Other towns host popular themed weekend markets, from trendy street food, farmers markets, Christmas markets etc all of which would be of benefit to the town and bring a heart to Radcliffe. Bearing in mind that one of the social objectives of Radcliffe market is to 'support the community by continuing to support township events and community fundraising events' - How do the council intend to overcome these prohibitions and ensure that any future contracts do not have any clause preventing the quality of life through events and promotion of social cohesion.

Councillor Eamonn O'Brien responded:

When the agreement was first put in place with Radcliffe market it was a unique offer and a new working model. As part of that, time was needed to protect the market and let it find its feet by preventing direct competition on its own doorstep. The market is a fantastic space and is very popular with the community at its heart. The market board works well to encourage community involvement and anyone with any concerns or requests for community events to get in touch with the Board and work around the arrangement.

The council are committed to ensuring that the town centre developments in Radcliffe maximize the opportunity for local residents to come together and engage in a diverse and exciting programme of community and cultural events. Central to this will be the use of the public realm, and careful consideration and consultation will inform the design linking the piazza to the Hub, Market and Market Chambers buildings. We will be engaging with the Radcliffe Regeneration Advisory Group, Community Groups and local businesses to develop our design proposals and will explore design of the public realm in more detail in the coming months.

We recognize the concerns raised and are presently discussing the details of the management arrangements required to safeguard accessibility to our public spaces for all.

Councillor Mike Smith gave some context to how the issue arose, and officers advised that the council's legal team could investigate and provide advice in order to resolve any dispute.

The following question was submitted in advance of the meeting by a member of the public, Bob Birchmore:

As laid out in the prospectus, the Government Levelling Up Fund is a competition, there will be winners and losers. If Bury fail to secure Levelling Up funds, will the proposed scheme for Radcliffe still proceed and would the timescale be unaffected?

Supplementary question - Apart from the speculative Levelling Up scheme funding, is there any secure funding in place for Radcliffe regeneration??

Councillor Eamonn O'Brien responded:

The council has worked hard to come up with a high quality scheme with support from partners across the borough. This scheme was about more than physical regeneration but was about improving people's lives. This put our bid in a strong position, so hopefully it would be successful, but if not, the council had earmarked monies from the capital programme over the next 3 years. This demonstrated a clear commitment and would allow the continuation of the project. The plans would be reviewed, but a scheme would come forward.

The council are committed to delivering the projects outlined in the 2020 Radcliffe SRF and have prioritized the Hub project based on assessment of need and funding opportunities. In March 2021 Cabinet approved the acquisition of buildings within Radcliffe town centre; facilitating the creation of the development zone required to construct the new Hub. A detailed options appraisal has been undertaken, to ensure that the proposed project outputs are deliverable within the available budget envelope and timescales outlined within the LUF programme guidance. Given that Bury has priority status to receive funding, the council are confident that a high quality bid submission, aligned with the LUF appraisal requirements, will position our project favourably. Monies have also been earmarked from the council's capital programme over the next three years to support the delivery of regeneration schemes.

The Strategic Regeneration Framework also sets out a number of other key developments, including a new Secondary School and new residential developments that will provide much needed homes for local residents. Funding has already been secured to deliver the school and the brownfield land fund has been used to bring forward School street. The council is continuing to work with our partners, including Homes England, to bring forward the East Lancs Paper Mill.

The following question was submitted in advance of the meeting by a member of the public, Alan Sheppard:

On the 19th May there was a press release from the Ministry of Housing, Communities & Local Government, published on the gov.uk website, in which it was announced that a further 57 areas have been given funding to boost towns high streets. This funding is the Government's 'Welcome Back Fund' and yet again Radcliffe, a town much in need of such funding, has been awarded nothing. Obviously, funds would only be awarded if the ruling council was to make an application. Please can the Chair outline what, if any, application has been made on behalf of the town of Radcliffe? If no application has been made for this specific funding, why not?

Supplementary question - The regeneration of Radcliffe has supposedly been a priority for the Labour led council since 2011 so please can the Chair tell us what work has been done to prepare an application for a share this funding and what is the current status of Bury Council submitting such an application to the 'Welcome Back Fund'?

Councillor Eamonn O'Brien responded:

The announcement that a further 57 areas have been awarded funding to boost town centres stems from the Future High Streets Fund that was launched in December 2018.

Bury Council submitted an initial expression of interest for Prestwich, which at this time as at a more advanced stage in terms of masterplanning than other town centres. Unfortunately, this submission was not awarded any funds and the council was not invited to submit further bids in future phases of this fund. Bury was therefore not eligible to bid for the recent award of funds which started over two years ago.

Since 2018, the council has clearly positioned itself to be in a much stronger position to bid for future funding to help regenerate Radcliffe through the Strategic Regeneration Framework work. Indeed, the items on today's agenda are very much related to this - seeking the endorsement of this Committee to bid for the Levelling Up Fund.

In response to the supplementary question, as indicated in the main response, a tremendous amount of work has taken place to ensure that we are in a strong position to bid for regeneration monies. The latest fund is the Levelling Up Fund and we hope to ensure that we are able to access the full £20 million that is the maximum per bid. We will continue to explore future rounds of bidding of the Levelling up Fund and other funding as it becomes available, including the Shared Prosperity fund.

It should be noted that the authority has been successful in other funding bids – most notably through our partnership working with STAR Academies to secure £15 million for a new secondary school in Radcliffe and also the Brownfield Land Fund, to bring forward much needed new affordable homes.

## 4 MINUTES

**Agreed:** That the minutes of the meeting held on 18 March 2021 be approved as a correct record and signed by the Chair.

## 5 LEVELLING UP BID - RADCLIFFE CIVIC HUB - PART A

Councillor Eamonn O'Brien, the Leader of the Council and Cabinet Member for Finance and Growth, presented the report regarding the proposed Levelling Up Fund bid for a new Civic Hub in Radcliffe town centre.

With regards to stakeholder engagement, Members noted that the bid is based on a clear case for need and for change, and key to that is the level of stakeholder engagement. This is formed part of the wider SRF, which had wide governance arrangements with a Delivery Board and Advisory Board enabling a wide range of partners to be involved and webinars to ensure engagement despite Covid related disruptions. Engagement had included the full suite of council services, TfGM, GMCA, CCG colleagues as well as community groups, existing businesses and facilities.

It was noted that the bid was note about designs for the site but instead focussed on the drivers for the work. As such, the specifics of the design were not in place yet, and research and engagement would inform the ultimate design, which was only in concept stage currently.

With regards to the public services hub, it was noted that moving office staff would have the benefit of increasing footfall to retail facilities nearby, although this was only part of the plan. The hub would provide one space for multiple council services, making access easier for residents and negating the need for multiple visits. The detail as to which services would be based there and how they would be housed was still to be determined.

### **Decision:**

1. That Radcliffe Cabinet Committee recommends to Cabinet the development and submission a Levelling Up Bid application for a new Civic Hub in Radcliffe town centre. Final approval of the submissions on or prior to 18 June 2021 will be delegated to the Chief Executive in consultation with the Leader of the Council.
2. Recommends to Cabinet expenditure up to £125,000 to the Radcliffe project as required to support the development of proposals submitted as the bid to the Levelling Up Fund to enable the delivery of the project within the required timescales.

## 6 ANY OTHER BUSINESS

There was no other business.

**7 EXCLUSION OF PRESS AND PUBLIC**

**Agreed:** That the press and public be excluded from the meeting under Section 100 (A)(4), Schedule 12(A) of the Local Government Act 1972, for the reason that the following business involves the disclosure of exempt information as detailed against the item.

**8 LEVELLING UP BID - RADCLIFFE CIVIC HUB - PART B**

Councillor Eamonn O'Brien, the Leader of the Council and Cabinet Member for Finance and Growth, presented the confidential report which provided an update on progress made and the detail beneath the assumptions, financial planning and possible social outcomes of the proposals.

**Decision:**

That Radcliffe Cabinet Committee:

1. Notes progress to date on the development of the Radcliffe Civic Hub.
2. Recommends to Cabinet the development and submission a Levelling Up Bid application for a new Civic Hub in Radcliffe town centre. Final approval of the submissions on or prior to 18 June 2021 will be delegated to the Chief Executive in consultation with the Leader of the Council.
3. Recommends to Cabinet expenditure up to £125,000 to the Radcliffe project as required to support the development of proposals submitted as the bid to the Levelling Up Fund to enable the delivery of the project within the required timescales.

**COUNCILLOR E O'BRIEN**  
**Chair**

**(Note: The meeting started at 4.00 pm and ended at 4.52 pm)**

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<b>Classification:</b> Open	<b>Decision Type:</b> Key
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<b>Report to:</b>	Radcliffe Cabinet Bury Cabinet Committee	<b>Date:</b> 20 August 2021
<b>Subject:</b>	LUF Projects – Procurement Update – Part A	
<b>Report of</b>	Leader and Cabinet Member for Finance and Growth	

## 1. Summary

- 1.1. Following the announcement of the Levelling Up Fund (LUF) in the 2021 Budget, Bury Council submitted two bids in round 1 of the Fund in respect of the projects. The bids were required to evidence compliance with a mandatory spending programme; to commit to commence spending within the current financial year (FY 21/22) and for all spending of any monies awarded to be fully defrayed by March 2024. The bids were also required to outline a commercial case detailing a robust and compliant procurement route aligned with the spending programme, value for money, and deliverability.
- 1.2. A decision confirming a Levelling Up Fund funding award is expected in Autumn 2021.
- 1.3. This report provides an update to Members on the procurement of the projects' main contractors, having now been subject to a competitive tendering process, which culminated in the receipt of multiple submissions. Detailed consideration of those submissions has now been completed to identify the strongest tender returns and appointments are being recommended on that basis.

## 2. Recommendation(s)

Cabinet is recommended to:

- Note progress to date on the development of the Radcliffe Civic Hub and Bury Market Flexi Hall projects, in line with the LUF bid procurement strategy and spending programme requirements;
- Approve the contractor appointments to undertake design development and planning for both projects on behalf of the Council under pre-construction service agreements (the details of which are in the Part B paper); and
- Note that update reports will be presented to Cabinet upon completion of each RIBA Stage.

### **3. Reasons for recommendation(s)**

- 3.1. The Radcliffe Strategic Regeneration Framework (SRF) was adopted in September 2020 as the Council's policy for the future regeneration of the town. The development of a Hub in Radcliffe's town centre is integral to the SRF's aims, and access to monies from the Levelling Up Fund is crucial to the delivery of the hub.
- 3.2. In Area policy BY6 - Central Shopping Area, the current development plan states that the Council will encourage and support proposals for retailing and appropriate ancillary retail uses within Bury town centre's central shopping area.
- 3.3. In Area policy S1/1 - Shopping in Bury Town Centre, the Council will protect, maintain, and enhance the role of Bury Town Centre as a sub-regional shopping centre and promote the centre as a focal point for further development. In particular, the Council will support the expansion of the centre through the development of additional comparison shopping floorspace, complementary non-food retail warehousing and speciality shopping.

### **4. Alternative options considered and rejected**

- 4.1 Undertake all duties required to complete RIBA Stages 2-4 and go out to the market via a traditional tender route. This approach is not feasible due to limited internal resource to manage all design and planning activities. Moreover, the timescales required to fulfil these duties and follow a compliant traditional tender route would not enable compliance with the LUF spending criteria a programme.

### **5. Background**

#### **5.1 The Radcliffe Hub proposals**

- 5.1.1 The formation of the Radcliffe SRF was informed by a comprehensive community engagement strategy. Feedback was used to prioritise the interventions needed to create a town centre that felt safe. A key premise of the SRF is that a revitalised core will act as a catalyst for the regeneration of the wider town and fundamental to this is the proposal for a new Hub in the core of the town centre. The development of a new Hub has been identified as one of the SRF's priority projects which would bring together a mix of civic functions in an accessible and sustainable location in the core of the town centre.
- 5.1.2 The Hub project is a major regeneration priority project given the potential for the site to have a fundamental role in driving economic growth. Consultation feedback on the SRF showed that the proposals for a new Civic Hub in the heart of the town centre were particularly popular, with over 90% of consultees in favour of the project.

- 5.1.3 The challenge and the aspiration for the Hub development is to deliver a mixed-use scheme that is distinctive and one that delivers the right products of the right quality within the current market conditions, with the potential to incorporate council services, leisure facilities, high quality retail, food and beverage outlets, community events space and private office space.
- 5.1.4 The SRF is clear in specifying that the preferred location for a new Hub should be in the heart of Radcliffe town centre and, specifically, identifies the site of the existing 1960's precinct now in Council ownership. This location is strategically linked to the public transportation network, complements the Radcliffe Market proposals, and will significantly improve the image and environment of the town centre core.
- 5.1.5 The Radcliffe Civic Hub bid submitted to the LUF presented for consideration a sustainable town centre new build development and the refurbishment and repurposing of existing assets in council ownership.

## **5.2 The Bury Market and Flexi Hall proposals**

- 5.2.1 Cabinet previously approved proposals to develop regeneration plans for the markets area in May 2020. The key priorities of these plans were informed by an extensive public and stakeholder engagement strategy and endorsed by the Bury Market Taskforce. Approval was given to develop designs and business plans for an indoor Flexi Hall.
- 5.2.2 The Bury Market and Flexi Hall bid submitted to the LUF will present for consideration a sustainable town centre new build development and the refurbishment and repurposing of existing assets in council ownership.

## **5.3 The Levelling Up Fund – Programme & Procurement Criteria**

- 5.3.1 Arrangements for the Levelling Up Fund were announced in the 2021 Budget and outlined within the published prospectus document.
- 5.3.2 Bury has been designated within the highest priority category for funding, and based on an initial review, proposals for Radcliffe Hub and Bury Flexi Hall are well aligned with the funding criteria.
- 5.3.3 The bids submitted both outlined a commercial case predicated upon a robust and compliant procurement strategy that evidenced alignment with the following LUF assessment requirements:
- The fund will operate on a competitive basis, considering the priority category, deliverability, strategic fit and value for money.
  - The focus is on projects that delivery visible change, with first round targeted towards bids that can demonstrate deliverability and can begin within the current financial year. Bids had to be submitted by 18th June 2021 with spend complete by March 2024.
- 5.3.4 Given the current status of the projects in relation to early-stage design development, the delivery programmes submitted as part of the LUF bids outlined the following procurement activity; to support in-year spending,

alignment with an award decision, quality design development and due diligence, and awarded monies being fully defrayed by March 2024:

LUF Bid submission	May 2021
Expressions of Interest	June 2021
Tender period (4 weeks)	July 2021
Tender Analysis (2 weeks)	August 2021
Contractor Selection	August 2021
Agree and enter into PCSA (2 weeks)	September 2021
Contractor Mobilisation	October 2021
Commence Project Development (PCSA)	October 2021
LUF Award Decision	October/ November 2021
RIBA Stages 2-4	October 2021- June 2022
Stage Two Tender Period (4 weeks)	June 2022
Tender Analysis	July 2022
Approvals	August 2022
Enter into Main Construction contract	September 2022
Contract Completion	March-June 2024

## **5.4 Procurement Strategy**

5.4.1 Having appraised the various methodologies available, the procurement strategy for both projects is based upon a two stage Design & Build approach being adopted via a regional procurement framework.

5.4.2 In order that limitations are not set in terms of competition and market involvement, outside of procuring the design and construction of the directly delivered elements of the Projects, a developer-led route was also suggested as an appropriate mechanism for use on the Radcliffe North Block and Enterprise Centre. Traditional tender routes will also be adopted, in relation to consultant appointments, group 2 and 3 equipment and other miscellaneous procurement.

5.4.3 The scoring of procurement options assumes well-defined and robust Employer's Requirements and minimal client change introduced during the post-contract period and is based upon the key objectives of the Council. These objectives are as follows:

- Programme Certainty
- Risk Transfer
- Early Contractor Involvement
- Cost Certainty (Post-Contract)
- Design Control
- Durable/ Maintainable Product

## **6. Next Steps**

6.1 The Council will enter into a Pre-Construction Service Agreement (PCSA) with the selected contractor. The agreement covers the period from the

submission of first stage tenders up to the submission of a definitive second stage tender and entry into a main contract for the construction phase.

- 6.2 The PCSA contract will encompass the delivery of RIBA Stages 2-4, including but not limited to: the procurement and delivery of site investigations and surveys, design development (including stakeholder led and technical design), planning and consents, development of cost plan, programme, risk management plan, communications plan.
- 6.3 Upon completion of each RIBA Stage, a report detailing the updated project information (design, cost, programme, risk etc.) will be presented to Cabinet. This will be complemented by monthly contractor progress reports, and a dashboard report tabled at the monthly the BGI Capital Programme Board. A summary report from the BGI Capital programme Board will also be shared at the bi-monthly Radcliffe Regeneration Board, and quarterly Radcliffe Regeneration Advisory Group.
- 6.4 The Stage Two Tender will be informed and returned once all development work under the PCSA has been completed, and proposals reviewed, agreed, and signed off by the Council. Acceptance of the Stage Two Tender will enable the Council to enter into the main contract for the delivery of construction works.
- 6.5 In accordance with the project bids submitted to the LUF, it is anticipated that PCSA activities will be completed by June 2022, and a Stage Two Tender returned by August 2022.

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### **Links with the Corporate Priorities:**

7. The regeneration of Radcliffe and investment in Bury Market supports delivery of the Let's Do It strategy and the five themes that underpin the plan. The five themes all have a correlation to how we design our Towns. As we move towards a future in urban areas where people travel less, buy locally, work and access local services, we need vital and liveable neighbourhoods. This means the Council must think carefully about neighbourhoods and how they can be either built or re-designed to work well. Strategic investment in Radcliffe and Bury town centres and the delivery of the Hub and Flexi Hall projects, are fully aligned with this vision. A detailed economic value analysis, and synergistic strategic cases were included as part of the LUF bids.
8. Our Corporate Plan 2020/22 sets out key themes, principles, and deliverables to support the Borough of Bury as it recovers from the local impact of the Covid-19 pandemic and builds a better and brighter future for our population, communities, and businesses. The contractor will be seeking to implement apprenticeships, skill enhancement and placement opportunities with local education providers. Wherever possible, they will seek to utilise a local supply chain for labour and materials. The company has established a charitable

trust, which supports working with local community groups and charitable organisations to support programmes and projects being undertaken at a local level.

9. The Contractor has been fully appraised of the strategic drivers of the projects and understand how these capital developments will act as enablers to realising key objectives and benefits in both Bury and Radcliffe.

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### **Equality Impact and Considerations:**

- 10.If built, proposals will be brought forward to Cabinet in due course for comprehensive redevelopment, with a full resident and wider community engagement strategy included. The contractor has demonstrated a social value strategy as part of their tender submissions, which outline a robust methodology to stakeholder engagement including the inclusion of service users, staff, public sector partners, community organisations, 3<sup>rd</sup> party service providers and businesses.
- 11.Design development will be managed by the contractor and driven by a project brief that reflects the need for inclusive environments; ensuring our estate facilitates participation by all, is fully compliant to Part M of Building Regulations, and demonstrates best practice design principles. Equality Impact Assessments will be iteratively updated as design detail matures.

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### **Environmental Impact and Considerations:**

- 12.The Council has a pledge to be Zero Carbon by 2038. This means that the current estate needs to be rationalised and modernised with the likely outcome that all Council services will need to be provided in a new building, whilst sharing services and facilities with the wider public sector. The hub provides an opportunity for the Council to consolidate its estate. The contractor will be appointing BREEAM consultants as part of their design team. They will work with the appointed architects to ensure that sustainable construction methods and materials are utilised, and that buildings are designed to operate as efficiently as possible by adopting green technologies.

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### **Assessment and Mitigation of Risk:**

<b>Risk issues</b>	<b>Management Strategy/ Mitigation</b>
<b>Strategic - Business and External risks</b>	
<b>Reputational</b> – confidence in the ability of BC to deliver objectives undermined	Appointing an expert and experienced delivery team
<b>Catastrophe risk</b> – inherently unpredictable events – Covid, Brexit	Effective project management structures

<p><b>Regulatory risk</b> – changes in laws and regulations</p> <p>New planning bill - new design standards</p> <p>New building regs</p>	<p>Appropriate contingency provision in programming and budget</p> <p>Risk apportionment</p> <p>Ongoing proactive approach to risk management</p>
<b>Delivery Risks</b>	
<p><b>Land assembly</b> – risk that inability to secure land parcels impacts on scope/programme</p>	<p>Land assembly strategy – approach to securing VP</p> <p>Proactive negotiation</p>
<p><b>Site conditions</b> – risk that adverse / unforeseen site conditions result in cost increases</p>	<p>Site investigations – full SI report</p> <p>Appropriate cost planning and contractor engagement</p> <p>Form of contract / warranties etc</p>
<p><b>Design complexity</b> – risk of lack of clarity in objectives and service requirements</p>	<p>Engagement and consultation</p> <p>Clearly setting objectives</p> <p>Involving service leads – design</p>
<p><b>Build risk</b> – risk associated with contractor management / underperformance / site characteristics</p>	<p>Effective contract management following the Government Construction Strategy involving:</p> <p>Form of contract – NEC</p> <p>Soft-landing provisions - Operational led design</p> <p>Contract retentions</p>
<p><b>Supplier risk</b> – availability of expert contractors for site clearance and specialist activities; risk of contractor failure</p>	<p>Procurement strategy</p> <p>Due diligence – transfer risk to main contractor</p> <p>Contracting – risk transfer</p> <p>Local labour vs established operators</p>
<b>Programme risk – LUF bid requirements</b>	
<p><b>Permissions</b> – risk that delays in securing planning, building regs and highways approvals impacts on programme</p>	<p>SRF establishes principle</p> <p>Early engagement – pre-application</p> <p>Ensure planning strategy aligned with delivery strategy – phasing of applications</p> <p>Managing statutory consultees including Historic England</p> <p>Minimise pre-commencement conditions</p>

<b>Procurement</b> – the risk that strategy results in delays / impacts on objectives	Procurement strategy - work packages Form of contract – NEC programme is part of contract pack D&B approach Use of frameworks Early engagement with contractor Phasing plan – staged approach
<b>Funding approval</b> – potential for delays in external approvals to impact on deliverability	Ensure sufficient internal resource allocated to enable project to progress
<b>Financial risk</b>	
<b>Project costs</b> – risk that capital costs increase above projections	Carry out investigations Procure expert advice Contingency and Optimism Bias Risk allocation – contractor Monitoring and contractor relationship Manage value engineering
<b>Funding availability</b> – risk that capital funding is not secured at the requisite level to deliver the stated objectives	Scoping alternative options
<b>Financial performance</b> – risk that operational costs/income fail to achieve projections	Sensitivity analysis Prudent approach to business planning Appropriate budget provision for build-up in activity Planning for unforeseen costs

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### Legal Implications:

The procurement route undertaken is a lawfully compliant route through framework arrangements via the Northwest Construction Hub. The hub is a regional framework which allows access to a range of contractors. It is of note that the proposed design and build arrangements will allow a flexible approach to development of the levelling up proposals. At this stage the Council will be entering into a pre-construction services agreement only which will provide a flexibility.

Further Cabinet reports will follow as the project develops ensuring members are updated on the projects, risk and financial position. Once the pre-construction work has been completed the Council will then look to enter into a separate build contract which will be procured under the framework arrangements.

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## **Financial Implications:**

Both of these projects form part of the Councils capital programme. The levelling up fund allows for the projects to be accelerated and enhanced. This report seeks agreement to the awarding of the contract for the projects main contractors following a procurement process utilising framework agreements via the Northwest Construction Hub.

Should the Council not be successful in receiving all or part of the levelling up funds for both or either of these projects there is still the opportunity within this process to reduce the design specifications. There is also funding towards abortive costs if levelling up funds are unsuccessful.

It should be noted that until the outcome of the levelling up bids is announced later in the year the full scope of the works cannot be finalised. Therefore, flexibility has been built into these contracts to reflect that the scope and timing of the delivery of the projects may change subject to the availability and value of available funding. Further updates will be brought to Cabinet later in the year and throughout the duration of the projects

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## **Report Author and Contact Details:**

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## **Background papers:**

*LUF Bids - Radcliffe Hub & Bury Flexi Hall Projects*

*Procurement Strategy – Radcliffe Hub & Bury Flexi Hall Projects*

*NWCH Social Value Report - Radcliffe Hub & Bury Flexi Hall Projects*

Please note that the above listed documents were submitted as part of the LUF bid application packs

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

<b>Term</b>	<b>Meaning</b>
LUF	Levelling Up Fund
NWCH	Northwest Construction Hub – GM region-based procurement framework

D&B	Design and Build (form of contract) is an approach where a contractor will be responsible for designing an asset as well as all procurement, planning, and construction activity.
RIBA Stage	Incremental approach to the development and delivery of construction projects, as outlined by the Royal Institute of British Architects. The process includes seven stages from project inception, strategic development, detailed design, technical design and procurement, construction, commissioning and handover, and post occupancy
BREEAM	Building Research Establishment Environment Assessment Method – a methodology for assessing, rating, and certifying the sustainability of buildings
Soft Landings	As outlined in the Government's Construction Strategy, soft landings refers to a methodology that designs an asset with management and maintenance considerations acknowledged from the outset. The intention is that when the building is handed over, the occupation and running of the asset is as smooth as possible and problem free – i.e., a soft landing
PCSA	Pre-Construction Service Agreement – A contract that covers all activities required to develop a project ahead of the main construction contract being agreed and entered into
SRF	The Radcliffe Strategic Regeneration Framework
BGI	Business Growth and Infrastructure
OJEU	Official Journal of the European Union
NEC	New Engineering Contract

**Minutes of:** **CABINET**

**Date of Meeting:** 1 September 2021

**Present:** Councillor E O'Brien (in the Chair)  
Councillors C Cummins, R Gold, C Morris, A Quinn,  
T Tariq and T Rafiq

**Also in attendance:** Councillors N Jones, M Powell, R Bernstein and  
J Rydeheard

**Public Attendance:** No members of the public were present at the meeting.

**Apologies for Absence:** Councillor A Simpson

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**CA.133 LUF PROJECTS - PROCUREMENT UPDATE - PART A**

Councillor Eamonn O'Brien, the Leader of the Council and Cabinet Member for Finance and Growth, presented the report regarding the procurement of the main contractors for the Radcliffe Civic Hub and Bury Market Flexi Hall projects, having now been subject to a competitive tendering process which culminated in the receipt of multiple submissions, the details of which were set out in the Part B paper later in the agenda.

**Decision:**  
Cabinet:

1. Noted progress to date on the development of the Radcliffe Civic Hub and Bury Market Flexi Hall projects, in line with the LUF bid procurement strategy and spending programme requirements;
2. Approved the contractor appointments to undertake design development and planning for both projects on behalf of the Council under preconstruction service agreements (the details of which are in the Part B paper); and
3. Noted that update reports will be presented to Cabinet upon completion of each RIBA Stage.

**Reasons for the decision:**

- The Radcliffe Strategic Regeneration Framework (SRF) was adopted in September 2020 as the Council's policy for the future regeneration of the town. The development of a Hub in Radcliffe's town centre is integral to the SRF's aims, and access to monies from the Levelling Up Fund is crucial to the delivery of the hub.
- In Area policy BY6 - Central Shopping Area, the current development plan states that the Council will encourage and support proposals for retailing and appropriate ancillary retail uses within Bury town centre's central shopping area.
- In Area policy S1/1 - Shopping in Bury Town Centre, the Council will protect, maintain, and enhance the role of Bury Town Centre as a subregional shopping centre and promote the centre as a focal point for further development. In particular, the Council will support the expansion of the centre through the development of additional comparison shopping

floorspace, complementary non-food retail warehousing and speciality shopping.

**Other options considered and rejected:**

Undertake all duties required to complete RIBA Stages 2-4 and go out to the market via a traditional tender route. This approach is not feasible due to limited internal resource to manage all design and planning activities. Moreover, the timescales required to fulfil these duties and follow a compliant traditional tender route would not enable compliance with the LUF spending criteria a programme.

\* \* \*

**CA.140 LUF PROJECTS - PROCUREMENT UPDATE - PART B**

Councillor Eamonn O'Brien, the Leader of the Council and Cabinet Member for Finance and Growth, presented the Part B report which set out the details of the submissions received regarding the procurement of the main contractors for the Radcliffe Civic Hub and Bury Market Flexi Hall projects.

**Decision:**

Cabinet:

1. Noted progress to date on the development of the Radcliffe Civic Hub and Bury Market Flexi Hall projects, in line with the LUF bid procurement strategy and spending programme requirements;
2. Approved the contractor appointments to undertake design development and planning for both projects on behalf of the Council under preconstruction service agreements (the details of which are in the Part B paper); and
3. Noted that update reports will be presented to Cabinet upon completion of each RIBA Stage.

**Reasons for the decision:**

As set out for the Part A report.

**Other options considered and rejected:**

As set out for the Part A report.



<b>Classification:</b> Open	<b>Decision Type:</b> Key
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<b>Report to:</b>	Cabinet	<b>Date:</b> 09 September 2021
<b>Subject:</b>	Radcliffe Strategic Regeneration Framework – Disposal of land for housing development at School Street and Green Street	
<b>Report of</b>	Leader and Cabinet Member for Finance and Growth	

## PART A

### Summary

1. Housing sits at the heart of the Radcliffe Strategic Regeneration Framework (SRF), complimenting the councils' interventions and improvements in the town centre.
2. This paper outlines proposals to dispose of Council owned land at School Street and Green Street. In doing so this will allow the construction of 222 new homes (of which 125 will be of affordable tenures). The proposal will generate a significant capital receipt along with unlocking £30+million of private investment and driving economic growth.
3. The proposed developments are all planning policy compliant, deliver on the aspirations of the Radcliffe SRF and the Councils Let's Do It strategy.
4. The commercial terms are considerable, higher than the Councils book value and supported by an external best value report by CBRE. The School Street proposals save the council £882,000 of potential grant repayments.
5. Proposed control mechanisms have been proposed to ensure that the proposals are developed and will ensure the Council retains control if progress is not made.
6. This proposal has the potential to deliver hundreds of much needed homes and the proposed market engagement carefully orchestrates housing delivery programmes to not oversaturate the housing market at any one time.
7. Over 50% of the homes delivered will be that of affordable tenures that are designed to be more accessible to households with average incomes in Radcliffe than open market housing.

### **Recommendation(s)**

That Cabinet:

1. Approve disposal of land at School Street and Green Street in Radcliffe for housing development.
2. Approve the commercial terms of these disposals as set out in this report
3. Delegate approval of any further negotiations to the Director of Regeneration, Section 151 Officer and Monitoring Officer.

### **Reasons for recommendation(s)**

1. Enable the delivery of key sites as part of the Councils Strategic Regeneration Framework for Radcliffe.
2. Facilitate the Councils Brownfield first approach to housing delivery.
3. Delivery of much needed homes with a range of affordable tenures and typologies to reflect the modern demands of housing in Radcliffe.
4. Generate capital receipt upon the successful disposal of the sites.
5. Reduce revenue cost to the council of holding, maintaining and securing this long term cleared sites.

### **Alternative options considered and rejected**

An alternative traditional approach would be to appoint an agent, formulate development brief through planning analysis, collate marketing materials, openly market the site and attract commercial offers from the market. This would incur sales and marketing costs along with delaying the construction of homes by approximately 18 months. This would then risk oversaturation of the Radcliffe property market when other sites come online at the same time.

In line with the CBRE advice, the quality of the proposals is considerable, the affordable housing is in excess of the planning policy compliant threshold and accelerates the construction of the homes. In addition the commercial offer is considerably higher than the Councils book value.

The Council is also disposing of 40 other sites through the Accelerated Land Disposal Programme (ALDP). Capacity is limited and there is an acute housing need across the district. These disposals are oven ready, allowing resources to be spent unlocking other brownfield housing sites.

For these reasons this was discounted.

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**Report Author and Contact Details:**

*Name: David Lynch*

*Position: Assistant Director Regeneration*

*Department: Business Growth Infrastructure*

*E-mail: [d.lynch@bury.gov.uk](mailto:d.lynch@bury.gov.uk)*

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**Background**

- 1.1 The continued regeneration of Radcliffe remains a key priority for the Council and, to support this, the Council appointed Deloitte LLP in February 2020 to prepare a Strategic Regeneration Framework (SRF) for Radcliffe with the aim of setting out a comprehensive plan to direct the future growth and development of the town in a coherent and joined-up manner.
- 1.2 In June 2020, Cabinet approved a draft of the SRF for consultation purposes. This was followed by a six-week period of public consultation between 22 June and 3 August 2020 to seek the views and inputs from the wider public, key stakeholders and partners.
- 1.3 In September 2020, Cabinet approved a final version of the SRF as the Council's policy for the future regeneration of Radcliffe and as a material consideration in the determination of planning applications.
- 1.4 The final SRF proposes six priority projects that are primarily geared towards the regeneration of the town centre area, including:
  - The introduction of a Civic Hub in the centre of the town;
  - The revitalisation of Market Chambers;
  - New leisure facilities;
  - A transportation and parking strategy;
  - A new high school for Radcliffe.
  - Range of affordable on brownfield land to support regeneration programme
- 1.5 A key element of the SRF is that a range of new housing developments is delivered to compliment the regeneration programme in the town centre.
- 1.6 To make the new housing accessible to the people of Radcliffe, a housing development strategy has been developed to redevelop School Street and Green Street to provide a range of typologies and tenures that are accessible to average household incomes, key worker salaries and the average families:

- 1.6.1 Traditional housing suitable for families
- 1.6.2 Range of affordable tenures including affordable rent and shared ownership at a discount to open market value
- 1.6.3 Apartment typologies which are attractive to smaller households and a younger demographic
- 1.7 Several key housing sites are identified within the SRF document
  - 1.7.1 School Street – suitable for traditional family housing
  - 1.7.2 Green Street – gateway apartment led scheme
- 1.8 East Lancs Paper Mill – PLC housebuilder site coming forward Q4 2021 with Homes England
- 1.9 Development proposals have been designed to compliment and not compete with the large traditional PLC housebuilder site at nearby East Lancs Paper Mill but also to capture demand from nearby markets in Whitefield, Prestwich, Bury and Bolton.

## **2. Accelerated Land Disposal Programme**

- 2.1 Bury Council is embarking on a medium-term strategy of divesting itself of its large land estate with a view to a) raising capital through receipts b) unlocking economic potential of housing and employment sites and c) leveraging private investment on brownfield sites
- 2.2 School Street is included within the ALDP and consent was given by cabinet to dispose of them in March 2021
- 2.3 A traditional approach to disposing of surplus property assets would be to appoint an agent (i), market the site (ii) and agree terms (iii) and dispose subject to contract (iv)
  - i. Procurement currently taking 3-6 months using frameworks
  - ii. 3 months marketing period to ascertain best bids
  - iii. 3 months legal negotiations and due diligence on purchaser
  - iv. Subject to planning consent contract may require 12 months(Total period 12 – 24 months from commencement)
- 2.4 Were an OJEU disposal process be followed, this may also delay the procurement and disposal of the asset by another 24-36 months.

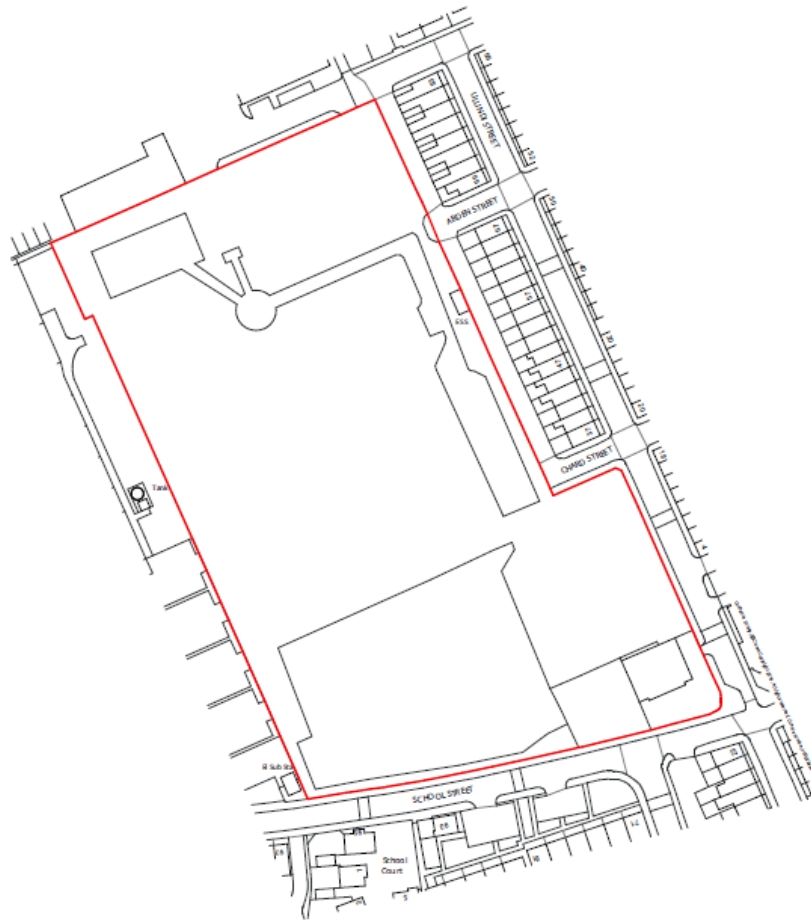


- 2.5 The accelerated disposal programme includes 22 sites approved by cabinet in March 2021 and 29 sites proposed for approval in June 2021 with more in the future.
- 2.6 Given team capacity constraints within the BGI directorate, there is a requirement to prioritize easily deliverable land disposals, accelerate the payment of cash receipts and accelerate the development of the land.
- 2.7 There are a range of disposal routes being implemented, the majority of which are openly marketed including the current sites of New Summerseat House in Ramsbottom and the old Fire Station in Bury. East Lancashire Paper Mill, the largest brownfield housing site in GM, is out of tender this through Homes England's Delivery Partner Panel 3 Framework and preferred developer will be announced later in the year.

### **3. Housing Demand**

- 3.1 Bury District is a large metropolitan borough of equivalent size to a small city, with all of the associated economic imperatives of delivering a proportionate supply of quality, affordable new homes to match levels of demand.
- 3.2 Greater Manchester is rapidly growing (twice the UK average) at 2.2% per annum, equating to the need to accommodate 61,000 additional people per year. Consequently, house price inflation is rapidly constraining affordability to average household incomes.
- 3.3 Bury's emerging Local Plan recognizes the need for housing growth and proposes an increase of 6800 new dwellings (net) to 2029. For this to be achieved this requires the delivery of an average of 400 new dwellings per annum.

#### 4. School Street Radcliffe M26 3AN



##### 4.1 Background

School Street in Radcliffe is a long-term brownfield site and the former home of the now demolished Grammar School. The site has been a source of anti-social behaviour.

- 4.2 The council has previously marketed the site for sale in 2014. Whilst five bids were submitted, the highest bidding party did not proceed following completion of ground investigations. The value of the final bids received is less than the proposed terms detailed in Part B of this report.
- 4.3 Brownfield Housing Funding from the Greater Manchester Combined Authority has been used to fund works to the site involving localized remediation and extensive drilling & grouting to coal mining seams beneath the land. The works are now complete.
- 4.4 The Council entered into the funding agreement to fund the remediation works. This has now been completed. Under the terms of the agreement the grant of £882,000 is repayable.
- 4.5 The proposed developer is a delivery vehicle of a local affordable housing group and has received cornerstone funding from GMCA. Due to the

continuity between their funding and the Brownfield Housing Funding they can be considered a special entity.

- 4.6 It should be noted that East Lancs Paper Mill is nearby, suitable for similar family housing and will be targeted by PLC housebuilders. At 400 units it is the largest brownfield housing site in GM. The local housing market has a saturation rate which may be breached were School Street be delivered in competition with ELPM. As such it would be prudent to accelerate the delivery of School Street through an off-market transaction, thus avoiding competition, retaining completion rates and protecting both projects viability.

4.7 Development proposal

- 4.8 In line with the aspirations of the Radcliffe SRF, family housing plays a key part in the regeneration of the town. Family friendly high-quality housing at accessible prices to average household incomes will be attractive to both the people of Radcliffe and new entrants to the town.

- 4.9 New homes delivery will assist with the town centre regeneration programme by increasing customer catchment and drive footfall.

- 4.10 The development is proposed to be 89 homes in total with a planning compliant 25% affordable homes (mix of affordable rent and shared ownership). It is anticipated that these homes will be designed for the needs of families and will be a mix of 3 and 4 bedroom houses.



- 4.11 In addition to a cash payment, the council would be gifted several 2- and 3-bedroom homes. The Councils housing development team will explore options including affordable rent, open market sale, private rent and management options including Six Town Housing.
- 4.12 The development will generate c.£158,000 per annum in additional council tax and around £576,000 in new homes bonus payments over four annual payments based on the assumption that the net gain of Band D properties complies with the current government scheme.

4.13 Affordable Housing

The proposal includes a policy compliant affordable housing provision equating to 22 new family homes.

It is expected that these homes will be a mix of affordable rent and shared ownership.

4.14 Delivery programme

- Exchange contracts – November 2021
- Planning submission – November 2021
- Commencement of works – March 2022
- First homes delivered - 2023
- Practical completion – 2024

4.15 Commercial proposal

Full details of the proposal commercial terms for the acquisition of the land on a subject to planning basis is contained within Part B of this report

- 4.16 The proposed disposal will generate a significant capital receipt.
- 4.17 The cash offer is considerably higher than the councils book value and is supported by an external best value report by CBRE.
- 4.18 The development proposal is fully planning policy compliant, delivers much needed affordable homes and most importantly accelerates the delivery of new homes to come to market and not saturate demand as other nearby developments such as East Lancs Paper Mill come online.

4.19 Legal control mechanism

In line with external advice received, the Council shall ensure that a mechanism for taking back control of the land is included in the event that the developer fails to secure planning within 12 months, commence works within 6 months of planning consent and an ultimate long stop of 36 months.

4.20 The delivery of this will be subject to contract drafting but is likely to be the term of the contract on a phased milestone basis.

4.21 CBRE best value assessment

4.22 The Council commissioned CBRE to conduct an external third party assessment of the proposed commercial terms, disposal proposal and development output in the context of achieving the prescribed requirements of best value as set out in Section 123 of the Local Government Act 1972.

4.23 This was conducted by assessment of the following:

- Development proposal
  - o Strategic fit within Radcliffe Strategic Regeneration Framework
  - o Quality of design
  - o Overall development viability
- Policy Context
- Rationale for disposal
- Deal structure
- Benefits to the council
- Value for money
  - Catalytic change
  - Preferred location
  - Investment
  - Protection of assets
  - Indirect benefits to the council
- Risk mitigation
  - Delivery
  - Affordability
  - Development
  - Completion

4.24 The report sets out "the potential to take positive steps towards achieving the strategic objectives of the SRF alongside plans for the core of Radcliffe Town Centre. Through the disposal of the sites the council can contribute to the regeneration of the town centre whilst providing much needed housing to contribute toward policy targets for the wider borough, whilst also regenerating brownfield land and achieving capital receipts."

4.25 CBREs report concludes that following assessment of the commercial terms alongside the wider development proposal, that the proposed disposal is favourable and that having benchmarked values and viability in the marketplace the proposed disposal represents best value.

## 5. Green Street Radcliffe M26 3AP



### 1.2 Background

Green Lane is the site which housed Radcliffe Swimming Pool until its roof was damaged beyond repair in 2013 and subsequently demolished in 2016.

- 1.3 The site is identified as part of the 2020 Radcliffe SRF as a key placemaking component of the town centre master planning – suitable for a gateway development of medium scale, up to 6 storeys in height, residential and provide a bookend the high street in Radcliffe.
- 1.4 The proposed developer is a local SME developer with a track record of delivery of mixed tenure residential led developments across GM. The company is currently based in Salford and the directors live in Bury District.
- 1.5 The site is currently hosting an NHS walk in testing facility. The disposal of the land for development will be conditional upon the Council achieving vacant possession. The NHS have confirmed their intentions to decant and the timeframe for this correlates with the proposed development delivery programme post planning consent being issued.
- 1.6 We have received a speculative offer following announcements of regeneration activity in Radcliffe, the publishing of the SRF and press releases / webinars containing details of the town centre projects and the hub building proposals contained within the Levelling Up bid submission.



- 1.7 The site is currently being used as an NHS Covid 19 walk in testing station and will continue to do until it is no longer required. The Council will be obligated to provide the acquisition land with vacant possession.

5.1 Development proposal

The development proposal is for 133 homes and 13,000 sqft commercial space. 103 of the homes will be affordable tenure shared ownership. This equates to an on plot affordable homes provision of 77% (25% is planning policy compliant). The developer will work with a local registered provider to deliver the affordable housing.

The development is proposed to be a mix of 1- and 2-bedroom apartments that are designed around the needs of smaller households not currently served by the surrounding established family orientated suburban housing marketplace.



- 5.2 The remaining 30 homes will be delivered as one unbroken private rented sector (PRS) investment and let out on an individual basis at market rent.
- 5.3 The 13,000 sqft commercial space will be anchored by an office which will relocate the developers head office, providing new employment in the heart of Radcliffe along with ground floor retail / food & beverage units.
- 5.4 The development will generate c.£181,000 per annum in additional council tax and around £800,000 in new homes bonus payments over four annual payments based on the assumption that the net gain of Band D properties complies with the current government scheme.
- 5.5 New homes delivery will assist with the town centre regeneration programme by increasing customer catchment and drive footfall. The

development proposal also includes relocating an existing business, creating new employment opportunities in the heart of Radcliffe.

5.6 Affordable housing

This development will deliver 103 new affordable homes for shared ownership.

5.7 Delivery programme

- Planning submission – December 2021
- Commencement of works – June 2022
- First homes delivered - 2023
- Practical completion – 2024

5.8 Commercial proposal

Full details of the proposal commercial terms for the acquisition of the land on a subject to planning basis is contained within Part B of this report.

5.9 The proposed disposal will generate a significant capital receipt.

5.10 The cash offer is considerably higher than the councils book value and is supported by an external best value report by CBRE.

5.11 The development proposal is fully planning policy compliant, delivers much needed affordable homes and most importantly accelerates the delivery of new homes to come to market and not saturate demand as other nearby developments such as East Lancs Paper Mill come online.

5.12 Legal control mechanism

In line with external advice received, the Council shall ensure that a mechanism for taking back control of the land is included in the event that the developer fails to secure planning within 12 months, commence works within 6 months of planning consent and an ultimate long stop of 36 months.

5.13 The delivery of this will be subject to contract drafting but is likely to be the term of the contract on a phased milestone basis.

5.14 CBRE best value assessment

5.15 The Council commissioned CBRE to conduct an external third-party assessment of the proposed commercial terms, disposal proposal and development output in the context of achieving the prescribed



requirements of best value as set out in Section 123 of the Local Government Act 1972.

5.16 This was conducted through assessment of the following:

- Development proposal
  - o Strategic fit within Radcliffe Strategic Regeneration Framework
  - o Quality of design
  - o Overall development viability
- Policy Context
- Rationale for disposal
- Deal structure
- Benefits to the council
- Value for money
  - Catalytic change
  - Preferred location
  - Investment
  - Protection of assets
  - Indirect benefits to the council
- Risk mitigation
  - Delivery
  - Affordability
  - Development
  - Completion

5.17 The report sets out “the potential to take positive steps towards achieving the strategic objectives of the SRF alongside plans for the core of Radcliffe Town Centre. Through the disposal of the sites the council can contribute to the regeneration of the town centre whilst providing much needed housing to contribute toward policy targets for the wider borough, whilst also regenerating brownfield land and achieving capital receipts.”

5.18 CBREs report concludes that following assessment of the commercial terms alongside the wider development proposal, that the proposed disposal is favourable and that having benchmarked values and viability in the marketplace the proposed disposal represents best value.

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### **Links with the Corporate Priorities:**

This proposal contributes towards meeting the Council’s priorities across a range of policy areas including increasing the supply of affordable housing to meet housing needs.

It sets out plans for the delivery of a diverse housing development on brownfield land and an opportunity to create successful and inclusive neighbourhoods in conjunction with the Bury 2030 Let’s do it Strategy.

Both sites are key deliverables of the Radcliffe Strategic Regeneration Framework and the wider regeneration programme.

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### **Equality Impact and Considerations:**

This proposal promotes equality of access to housing and demonstrates a positive impact on people with protected characteristics. It seeks to ensure that there is a mix of tenures and house types across the site to meet the needs of all residents and, recognises the specific housing needs of different client groups including low-income households, people who are homeless or at risk of homelessness and older people.

Whilst there are no direct equality issues, the development of this site will result in the regeneration of a run-down area which will improve the local environment by reducing opportunity for anti-social behaviour including fly-tipping. The development will also provide much need affordable homes for residents of the Borough.

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### **Environmental Impact and Considerations:**

The new homes are expected to be built to Future Homes Standard, in line with updated building regulations and necessitate exploring the installation of energy efficiency measures to reduce fuel bills and cut carbon emissions.

Nesting bricks to side elevations in shaded areas will encourage wildlife and provide nesting opportunities.

Both developments will include naturally planted habitats within the landscaping and public realm. Through the planning process, applicants are encouraged to explore inclusion of sustainable drainage systems.

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### **Assessment and Mitigation of Risk:**

<b>Risk / opportunity</b>	<b>Mitigation</b>
The Council has failed to achieve best value in accordance with Section 123 of the Local Government Act 1972	<p>The proposed deals are in excess of the council's book values.</p> <p>The development proposals are all planning policy compliant.</p> <p>The council has outsourced the best value assessment to CBRE and the conclusions support direct off market engagement.</p>
The developers fail to deliver on the proposals submitted. Land is not disposed of and lays dormant.	The Council will include sequential milestone longstops which time out the

	contract, allowing the Council to take control of the land.
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### **Legal Implications:**

Local Authorities have powers pursuant to s 123 of the Local Government Act 1972 to dispose of land. The Council can dispose of land in a manner it wishes provided it achieves the best value that can reasonably be obtained. A best value assessment has been completed by CBRE in respect of each proposed disposal. Paragraphs 4.23 & 5.16 set out the remit of the independent best value assessment. The assessment concludes that the proposal in the terms as set out in this report will satisfy the Council's obligations to demonstrate best value in the context of the accelerated plan and will meet the housing delivery objectives.

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### **Financial Implications:**

The overall financial consideration must include the existing liabilities and costs of the Council retaining ownership of housing sites. The cost of holding both School Street and Green Street costs the council around £xxx per annum

The two proposed land disposals have the potential to generate £m's of capital receipt to the council. Breakdown of the total capital receipt is contained within Part B.

Through negotiation the council has been able to transfer grant repayment to the purchaser of School Street. This has saved the Council £882,000.

Disposal of land usually necessitates the expenditure of fees to support technical due diligence, property agency, marketing costs and legal fees. As these proposals will be direct transactions, they save costs by only incurring legal fees.

The development proposals when complete will generate c. £339,000 per annum in additional council tax revenue to the Council.

On the basis of compliance with the government's programme, the development proposals have the potential to also generate £334,000 per annum in New Homes Bonus payments for four consecutive years based on the current New Homes Bonus government scheme.

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### **Background papers:**

The Radcliffe SRF and further information relating to it can be found on [www.bury.gov.uk/radclifferegeneration](http://www.bury.gov.uk/radclifferegeneration).

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

Term	Meaning
GMCA	Greater Manchester Combined Authority
SRF	Strategic Regeneration Framework
PRS	Private Rented Sector

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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