

# SCRUTINY REPORT



**MEETING: Scutiny**

**DATE: 18/11/21**

**SUBJECT: Regeneration of the Borough**

**REPORT FROM: Paul Lakin**

**CONTACT OFFICER: Paul Lakin/David Lynch**

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## **1.0 BACKGROUND**

- 1.1 Scrutiny committee have requested an overview of the regeneration activity taking place across the Borough.

The Council has an ambitious regeneration programme which is designed to boost economic activity and participation across the Borough, maximise the use of Council land and assets, generate additional tax and commercial incomes and safeguard the future of our key town centres.

This is an extensive agenda. In order to best give an overview to the Committee of the activity that is live, a presentation has been attached, this allows for a visual oversight of the key current activity.

- 1.2 At the last meeting of Scrutiny a site visit to Radcliffe was undertaken to see the sites on the ground. It was agreed that the Chairman of the Radcliffe Regeneration Board would update this meeting.
- 1.3 Given the scale of the regeneration agenda (highlighted in Section 2) it may be that Scrutiny determines that it may wish to look in detail at one particular aspect of the regeneration programme given the challenges of overseeing this size of agenda.

## **2.0 ISSUES**

The BGI Directorate is leading on the following six major interventions and programmes:

- A £50m mixed-use regeneration programme in a JV with Muse Developments to redevelop Prestwich Town Centre
- A £150m proposal to acquire and redevelop the Millgate Shopping Centre, build a £36m Market Flexi-Hall in central Bury and to work with TfGM on a new £80m Transport Interchange
- A £40m 'Levelling-Up' proposal for a new Hub building in central Radcliffe
- A brownfield land programme, delivering 2,000 new homes on 100 acres of Council land

- A land disposal programme to deliver £29m receipts to reinvest in an 'Estates Transformation programme' which will see a major re-organisation of the local authority's estate
- The implementation of the Northern Gateway opportunity, the largest release of employment land in the north of England (20,000 jobs and 766 acres in Bury)

The cumulative value of this regeneration investment is estimated in the region of £360m, it will see the development of 900-acres of land and create 20,000 plus jobs.

The important thing to emphasise in regard to this regeneration programme is that:

- a) Most of the major external national regeneration funding has been confirmed in the Autumn 2021 budget. Notably the two 'Levelling-Up' proposals and the resources provided to TfGM for the new Interchange project. These rewards are in excess of £100m direct Government investment in the Borough.
- b) The brownfield housing programme will be delivered by a range of housing development organisations, including registered providers and the commercial sector. The Cabinet has already approved disposals to deliver five brownfield housing sites, and significant progress is being made on the East Lancashire Paper Mill site. The investment will be made entirely by the private sector/social housing sector, with the Council obtaining receipts, affordable housing, new homes bonus, future tax receipts and increased spending power in the local economy.
- c) The major town centre proposals for Prestwich and Bury town centre are proposed to be delivered in partnership with two of the most active and powerful development organisations in the region. Muse Developments are a part of the Morgan Sindall group, are well financed and have extensive experience of delivering schemes in Stockport, Salford, Blackpool, Chester and other key regional towns and cities. Bruntwood are one of the most powerful and innovative developers in the North West, with extensive experience of delivering development in Manchester, Leeds, Birmingham as well as in districts such as Trafford.
- d) The estates transformation work has been underpinned by the 'Accelerated Land Disposal Programme' which has seen non-strategic properties and buildings disposed of to the private sector to enable new development to come forwards. As the programme steps-up it will see expensive and outmoded parts of the Council's estate transferred. This will reduce Council running costs and deliver new regeneration, such as new houses on the site of Humphrey House and a private sector led and developed hotel on the site of the former Fire Station. Another key aspect of this programme is to improve the performance of the commercial estate, deliver on Council held economic land (Chamberhall and Bradley Fold) and drive improvements to our investment portfolio.
- e) The Northern Gateway site is largely in a single private ownership (obtained through strategic land acquisitions and direct ownerships) between development partners Russells and Harworth Homes. Between them these organisations have the development skills and expertise required to drive a site of this scale, the opportunity for the Council is work closely to help ensure the site infrastructure, business investment and local benefit are secured from development.

### **3.0 CONCLUSION**

This scale of regeneration will represent a major challenge for the Authority.

There are significant technical skills and requirements that will be placed in particular on the BGI Directorate to ensure delivery.

However, there are significant opportunities in terms of creating jobs, economic prosperity, thriving town centres and future revenues to support the Council.

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**List of Background Papers:-**

Presentation attached

**Contact Details:-**

*Paul Lakin*

Executive Director sign off Date:10/11/21