

SCRUTINY REPORT



MEETING: OVERVIEW & SCRUTINY

DATE: 1ST NOVEMBER 2022

SUBJECT: PRESTWICH TOWN CENTRE

REPORT FROM: MAJOR PROJECTS

CONTACT OFFICER: ROBERT SUMMERFIELD

1.0 BACKGROUND

- 1.1 Bury Council aims to provide a transformative regeneration programme in Prestwich Village. It is seeking to develop a new town centre that is inclusive to the local community, facilitating business growth, cultivating enterprise and delivering new homes, whilst injecting quality and economic resilience at the heart of a thriving town.
- 1.2 The Council and Muse Developments Ltd (Muse) have agreed to form the Prestwich Regeneration LLP (the JV) to bring forward a multi-phase, mixed use regeneration scheme. It will comprise a Community Hub accommodating Council services (library, adult learning and community / well-being space) and Public Sector partners (potentially the NHS and GPs). In addition, there is an opportunity to deliver a market (food and beverage), retail space for established independent traders, residential apartment buildings, town houses and a green travel hub / multi storey car park.
- 1.3 As part of the JV, the Council will deliver a Community Hub as part of Phase 1 of the Regeneration Scheme. This will be a key viability component in achieving the transformation of the existing Longfield Shopping Centre (LSC).
- 1.4 The development proposed by the JV equates to circa £100m worth of investment over the course of the 10 year JV Agreement which will help to deliver regeneration, economic growth and environmental improvements for the benefit of Prestwich residents and its communities.
- 1.5 The catalyst for the parties to work together was acquisition, by the Council, of the LSC over which Muse has an existing Option to Purchase. Muse will surrender or transfer the Option to the JV, at the point it is constituted and the JV has the necessary rights to drawdown the land from the Council as landowner (in phases) subject to a number of conditions being met as per JV Agreement.

- 1.6 The regeneration of Prestwich supports delivery of the *Let's Do It* strategy and the five themes that underpin the plan. The five themes embedded within the plan overlap to provide a coherent approach to how we design our Towns. As economic, retail and working patterns change, the Council will adapt its plans in line with the strategy to deliver sustainable communities, improve economic growth and reduce deprivation.
- 1.7 The Council and Muse have now agreed legal terms for the formal creation of the JV and are working to develop high level plans before returning to Elected Members for further guidance on a gateway basis.

2.0 JOINT VENTURE & PROGRESS

- 2.1 Over the last 12 months, significant progress has been made on setting up the JV itself alongside planning and development activity. The following provides an overview of the JV objectives, overall concept, sustainable development, communication and engagement, vacant possession, funding, and an indicative development programme for Phase 1.
- 2.2 The JV will develop these strategies in more detail as the scheme progresses through design briefing and business case development.

The JV Objectives

- 2.3 The objectives of the JV with Muse are described below:
 - to bring forward in a timely manner, and responding to market demand, the development of the Regeneration Scheme;
 - to secure returns to the Parties (commensurate with their investment and level of risk) and
 - to maximise profits, in accordance with the Master Plan and requisite planning permission;
 - to support the Council in pursuit of its wider objectives in helping to deliver the requisite homes and jobs that balance financial, economic and social returns;
 - to deliver and implement the Regeneration Scheme which shall:
 - deliver a new civic hub that connects people to public services and employment.
 - provide a range of new residential homes including townhouses and apartments.
 - provide good quality safe and secure car parking facilities.
 - provide a good quality public realm and new civic square.
 - provide good quality ground floor retail, food and beverage opportunities and business space.
 - to approve the design development and viability assessment for the Phase Development Plans.
 - to cultivate pride in Prestwich Town Centre through delivering quality.

- to create a safe, accessible and well-connected space which is pedestrian and cycle friendly.
- to facilitate a locally focused, investable economy.
- to improve the local environment of Prestwich.
- to ensure the Council is not exposed to undue financial risk and gains best value.
- to ensure and encourage additional private sector investment, capacity and capability which is enabled to support the broad regeneration objectives of the Council.

Overall Concept / Key Elements of the Masterplan – mix of uses

- 2.4 The Masterplan presents an opportunity for a transformational mixed-use redevelopment in Prestwich Village to bring about much needed intervention and improvement to the social, physical and economic environment of Prestwich Town Centre. The Masterplan will be a guiding template for future development but equally it is flexible and able to adapt to changes in the market to ensure pace of development is maintained throughout an envisaged delivery period of 10 years.
- 2.5 The Masterplan will be delivered in several phases, and it may well be necessary to change the sequencing and timing of individual phases in the future to adapt to prevailing market conditions and priority requirements at the time.
- 2.6 The Masterplan will respond to feedback from local consultation and stakeholder engagement undertaken by the JV. It will be a robust plan with built-in flexibility which meets the JV's objectives for the regeneration of Prestwich Village to redesign and redevelop the existing centre to transform it into a modern, thriving place with a bustling Community Hub, a new and vibrant market dedicated to quality food and fresh produce and an enhanced leisure and retail offer all positioned among new public realm.
- 2.7 Importantly, it also provides for much-needed new homes to bring residents back into the town centre. The strategic objective of the Masterplan is to regenerate the heart of the town centre through the introduction of a new Community Hub to bring high quality jobs, new services and community facilities into the town centre; and to provide an opportunity for further phases of development offering high quality homes in the form of town houses and new build apartments, as well as providing an enhanced retail, leisure and parking offer for the town's residents and visitors.
- 2.8 The introduction of much needed residential and retail / leisure development with inviting public spaces will bring residents and consumers back into the town centre and help to support the evening economy.
- 2.9 A new green travel hub incorporating cycle facilities and modern, safe car parking for visitors and residents will assist in supporting the comprehensive development and will link it to the existing highway network and a key public transport node.

Sustainable Development Strategy

- 2.10 A bespoke Sustainability Development Strategy will be utilised on the Regeneration Scheme. The Sustainability Development Strategy comprises the following Vision and Goals. The Vision is to create exemplar sustainable net-zero developments that maximise social benefits and enhance the environment for future generations. The goal is to build communities that are founded upon social value and health and wellbeing.
- 2.11 The following objectives will be the cornerstones of the Sustainable Development Strategy for all new projects and will have Target and Aspiration Key Performance Indicators identified for each one:
1. **Net zero carbon** – to be net zero carbon in construction and during operation
 2. **Enhancing biodiversity** – delivering a net gain in biodiversity, whilst delivering high quality green spaces
 3. **Circular economy** – eliminating waste and improving resource efficiency through circularity
 4. **Health & Wellbeing** – delivering high quality spaces where people can live, work and thrive whilst positively impacting their physical and mental health
 5. **Social Value** - The positive social, economic, and environmental outcomes that we create for individuals, businesses and the government through our development activities
 6. **Wider sustainability** - Capturing wider sustainability issues such as Water, Transport & Certification
- 2.12 A Sustainability Champion will be appointed to the Client team to manage the Sustainable Development Strategy and ensure the design teams are pushing hard to achieve the required targets.

3.0 COMMUNICATION & ENGAGEMENT

Local Engagement and Consultation

- 3.1 A The JV will fully engage with key stakeholders and the community groups and residents of Prestwich through responsive public consultation on the development proposals to ensure an inclusive approach. The incorporation of the JV presents an opportunity to build a long-term partnership that can renew and re-energise the communities in Prestwich.
- 3.2 In order to generate awareness, interest and support for the Regeneration Scheme, a meaningful programme of engagement with stakeholders and the local community is critical.
- 3.3 Engagement styles and techniques will be selected and specially tailored to inspire and involve the communities we are working with. This process includes

agreeing a communications protocol and plan at the outset to ensure the activity connects with and engages with a wide range of people and businesses.

- 3.4 To aid the communication process, a dedicated website and social media account has been established. The JV's approach will ensure that these digital channels of communication are maintained alongside more traditional targeted physical displays, one to one meetings, handouts and press articles.
- 3.5 This multi-channel approach will be progressed to ensure that the risks that arise during the life of the JV can be fully appraised and addressed through each phase of development. This staged process of implementation and review will also ensure that outreach activity and communication with various community groups is transparent about the steps involved with the redevelopment and transformation of Prestwich Village. The following provides the key messages for the Communication and Engagement strategy for Prestwich.

Key Messages

- A new community heart for Prestwich Village, with spaces for local independent businesses to thrive sitting alongside a mix of high-quality homes and a new community hub.
- An inclusive place designed for and with the people of Prestwich, which everyone can be proud of and champions the village's unique community spirit.
- An ambitious vision which will attract new residents and businesses, creating a new town centre destination and cementing Prestwich as one of the best places to live and visit in the North West.
- An exemplar in sustainability with net zero carbon buildings and green public spaces, enhancing the environment for future generations.
- Promoting health and wellbeing through family-friendly, social places to meet, creative spaces for art and culture and outdoor spaces for community events.
- Delivering benefits for local people, through £100m investment in the local economy and the creation of jobs, building a legacy of social value.

Communications Strategy

- 3.6 A communications protocol to cover all media relations has been developed and signed by both Muse and the Council. All media activity including press releases must be agreed by both parties prior to issue.
- 3.7 In support of the JV's development activities the communications team have established five key objectives:
- to increase the brand presence across the region and in the sector
 - to drive footfall to consultation events
 - to create a positive sentiment towards the Regeneration Scheme

- to increase advocacy in the local and regional residential and business communities
- to develop thought leadership campaigns in key titles positioned to highlight the JV's plans, achievements and investment opportunities

4. LOCAL ECONOMIC BENEFITS & SOCIAL VALUE

- 4.1 The JV understands the importance and opportunity of collaborating with the local and wider Manchester City Region community to bring about positive economic and social benefits, through the development of the Regeneration Scheme.
- 4.2 A Social Value strategy will set out the minimum expected targets and outline the framework against which a more detailed, comprehensive Social Value Plan (SVP) is to be developed and subsequently implemented for each phase of the Regeneration Scheme.
- 4.3 A Social Value Plan will be brought forward for each phase of and will consider:
- Employment Opportunities
 - Local Economy & Community
 - Safety, Health & the Environment

The JV will give consideration to the young and old, and the more vulnerable parts of the community to assess how we can assist them through the Regeneration Scheme.

5. LAND ASSEMBLY

- 5.1 The JV will require a specialist consultant to provide advice on the VP strategy to be adopted and to guide the land assembly process. Keppie Massie have substantial experience in this area of operation and will advise Muse and the Council on securing vacant possession of the LSC and wider land assembly and relocation strategies, undertaking negotiations as required, to enable the proposed Regeneration Scheme to be delivered.
- 5.2 Keppie Massie have undertaken an initial review of the scheme, documentation, tenancies and will produce an outline strategy which enable Vacant Possession of the site. There has been ongoing engagement with the tenants and lease renewals are being dealt with on an operational basis.

6. FUNDING

- 6.1 The key funding assumptions are as follows:
- In principle, the Council wish to provide the funding required to deliver the Phase 1 development including demolition of the LSC, site preparation, the Community Hub and associated infrastructure, utilities, public realm and landscaping. Other

potential elements of Phase 1 could comprise the green travel hub / car park and a small retail building to accommodate existing valued independent traders decanted from the LSC.

- Given that a high-level design is not yet fully complete, it is not possible to estimate the capital cost of delivery of the programme. In line with all large scale development projects, costs are estimated at specific gateway stages where viability is assessed on the basis of affordability and development appraisal. The next gateway stage for the project is RIBA Stage 1 (Preparation & Briefing).

7. INDICATIVE DEVELOPMENT PROGRAMME (PHASE 1)

7.1 An indicative Master Programme has been prepared. The key activities and assumptions for Phase 1 are summarised below for ease of reference:

Key Activities	Indicative Commencement Dates
Conclude JV Legal Agreement	October 2022
Commence Stage 1 Masterplan, Phase 1 business case and public engagement	October/December 2022
Commence RIBA Stage 2 design – Concept	February 2023
Commence RIBA Stage 3 design – Developed	July 2023
Submit Hybrid Planning Application	October 2023
Commence Stage 4 design and Procurement	July 2024
Latest date for Vacant Possession	November 2025
Start Demolition and enabling works	December 2025
Commence construction of phase 1	March 2026
Complete Phase 1	October 2027

7.2 Activity over the next few months will involve:

- Design planning and options appraisal including an overall site masterplan.
- Development of early-stage communications and engagement plans.
- Continued development of vacant possession strategy.
- High level consultation with the key stakeholders.
- Development of demand model for the Phase 1 Hub development and wider development.
- Parking demand study.
- Identification of grant and other funding opportunities.

List of Background Papers:

N/a

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Executive Director sign off Date: 18/10/2022

Executive Team Meeting Date: _____