

SCRUTINY REPORT



MEETING: OVERVIEW & SCRUTINY

DATE: 5th SEPTEMBER 2023

SUBJECT: PRESTWICH REGENERATION

REPORT FROM: BGI (MAJOR PROJECTS)

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1.0 BACKGROUND

- 1.1 Cabinet approval to proceed with RIBA Stage 3 design development and business case activity for the Prestwich Village Regeneration Project was secured in July 2023. This report provides a summary of project information supplied to Members at this development stage and associated background documentation.
- 1.2 As part of the Authority's vision for 2030, we are working collaboratively with our communities to achieve faster growth than the national average alongside lower levels of average deprivation. The 'Let's do it!' strategy focuses on building a better future for our children and young people, promoting inclusion, improving our environment and delivering improvements in quality of life.
- 1.3 In line with this vision, the Council's ambition is to bring forward a cohesive programme of regeneration in Prestwich, developing a new village centre which is inclusive, sustainable, reflects the needs and aspirations of local residents and delivers an attractive urban environment alongside a thriving local economy.
- 1.4 The project aims to deliver a framework for modern urban living in Prestwich which delivers an active and liveable place, reducing dependence on the motor vehicle, whilst providing local amenity and high-quality residential accommodation in a beautiful setting.
- 1.5 The Authority is mindful of the impact of Climate Change and our role in delivering a future for the borough which is sustainable. The proposed development and masterplan have been created with sustainability at its heart:
 - Delivering developments which are carbon neutral in their operation.
 - Delivering net gain in biodiversity whilst providing high quality, healthy green spaces.
 - By promoting a circular economy, where things are made and consumed in a way that minimizes our use of the world's resources, cuts waste and reduces carbon emissions.
 - Delivering social value and economic benefit to the community.

- 1.6 Cabinet approval was given in October 2021 for the Council and Muse Places Ltd to form the Prestwich Regeneration LLP (the "JV") to bring forward a multi-phase mixed use regeneration scheme.
- 1.7 The catalyst for the parties to work together was acquisition, by the Council, of the Longfield Shopping Centre (LSC) over which Muse has an existing Option to Purchase. Following constitution of the JV company, Muse transferred the Option to this entity which now has the necessary rights to draw down the land from the Council as landowner (in phases) subject to a number of conditions being met as per the JV Agreement.
- 1.8 The Regeneration Scheme has the potential to bring in significant capital investment, which will help to deliver the following regeneration, economic growth, and environmental improvements in Prestwich:
- The redevelopment of the Longfield Shopping Centre (LSC) will replace outdated, inefficient buildings (that are beyond their design life) with modern, flexible, and energy-efficient commercial and community spaces that will create a vibrant and resilient Village Centre and diversify the evening economy.
 - The consolidation of public sector occupiers (library, community spaces and potentially health facilities) into a modern hub building will enhance community service provision in Prestwich. The community hub and in particular the new library and community space will provide spaces for local community groups/organisations to curate and utilise for events in line with the Council's new Cultural Strategy.
 - The consolidation of the Village car parking into a mobility hub will unlock the existing surface level car parks for circa 200 energy-efficient homes in a sustainable location, which will help to retain and attract residents to Prestwich and deliver increased local spend.
 - Significant public realm improvement works will create flexible public spaces that can be used for a variety of events, with new tree planting and sustainable urban drainage systems.
- 1.9 The development proposed by the JV equates to circa £112m 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.

2.0 DEVELOPMENT PROGRESS

- 2.1 The Royal Institute of British Architects (RIBA) Plan of Work sets out how design and construction should progress and is broken down into eight key stages, running from 0 to 7. Each stage is further divided into a stage outcome, core tasks, core statutory processes (planning, building regulations, health and safety), procurement route and information exchanges. The stages are as follows:

- RIBA Stage 0: Strategic Definition
- RIBA Stage 1: Preparation and Briefing
- RIBA Stage 2: Concept Design
- RIBA Stage 3: Spatial Coordination
- RIBA Stage 4: Technical Design
- RIBA Stage 5: Manufacturing and Construction
- RIBA Stage 6: Handover
- RIBA Stage 7: In-Use

2.2 The RIBA Plan of Work provides a structured process for development in the built environment, alongside specific assurance gateways to enable decision makers to review and approve development quality a business case element. The Prestwich project has been developed under this model.

2.3 The RIBA Stage 1 design work completed in **February 2023** with the production of the initial Masterplan.

2.4 The RIBA Stage 2 design work commenced in March and completed in **June 2023**.

The RIBA Stage 2 work has included the following:

- An updated Masterplan incorporating strategic engineering requirements
- Updated Cost Plan (cost forecast)
- Design Reviews with Project Stakeholders
- Stage 2 Design Programme
- Obtaining pre-application Planning Advice
- Agreed route to Building Regulations compliance
- Stage 2 design team reports

2.5 The RIBA Stage 2 Masterplan (see appendix 1) has evolved in response to further technical/design work as part of Stage 2 and the feedback from the 'Community Conversation' consultation process.

2.6 Design and master-planning activity carried out to date has delivered a structured development phasing plan which recommends construction of the project in 2 broad phases.

2.7 Outputs from each phase are described as follows:

Phase 1 currently comprises:

- A new **Community Hub** (circa 37,500 sq. ft). Following discussions with officers, the design of the Community hub is being updated to contain:
 - A flexible library and community space at ground level (circa 4,500 sq. ft). This space would be flexibly designed so it can be set up in different formats i.e. areas of library space could be reconfigured to provide additional community space.
 - A business hub space at first floor to increase the opportunities to generate rental income from the building.
 - Space for new GP and health centre facilities at second and third floors. The JV is having ongoing discussions with the Fairfax and Longfield GP

practices and the National Care Alliance to seek agreement to move into the Community Hub. Following discussions with the NHS, the JV is undertaking an assessment of the capital costs to fit-out these floors to inform a proposed rental level to help inform the NHS's decision on taking the space. Should a commercial agreement with health stakeholders not be possible, the second and third floors could be switched to commercial office space.

- Retail spaces (circa 3,500 sq. ft) are also located at the ground floor of the building to help activate the public realm and generate a rental income.
 - Following discussions with officers, a feasibility / cost assessment is being undertaken to review the potential for additional public amenity / wellness space at roof level.
- A **Market Hall** (circa 10,000 sq. ft.) providing a mix of spaces for independent food retailers and traditional retailers.
 - A **Retail and leisure hub** building (25,000 sq. ft.) to provide high-quality, modern spaces for retailers and potential for a commercial gym operator.
 - A **Travel hub** incorporating cycle facilities and modern, safe car parking (circa 350 spaces) with electric vehicle charging infrastructure (circa 20% spaces) and car share provision for visitors and residents.
 - High-quality public realm, including a new **Village Square** that will be flexibly designed to include spill out spaces from surrounding retail / market buildings and accommodate a mix of different 'pop-up' uses, including markets, food festivals, art exhibitions and live performances.

2.8 The current delivery phasing approach for Phase 1 is as follows:

- **Phase 1A** – Travel Hub (construction Q3 2024 to Q3 2025)
- **Phase 1B** – Market building (construction mid 2025-mid 2026)
- **Phase 1C** – Community hub and retail/leisure hub (construction mid 2026 – mid 2028).

2.9 The key rationale underpinning the proposed phasing approach is to ensure there is adequate car parking in the Village centre throughout the delivery of the scheme and enable the retention and relocation of existing selected retail tenants during the construction process.

Phase 2 currently proposes:

2.10 Once the northern site is unlocked through Phase 1, Phase 2 of the Regeneration Scheme will deliver circa 200 residential homes across three plots.

EVOLVING FUNDING STRATEGY

- 3.1 There are currently multiple emerging strategies for funding Phase one, which are the subject of a detailed Development Plan.
- 3.2 Initial meetings between the Council/JV with external funding organisations in seeking grant awards to contribute towards funding have been productive and illustrate that the project will deliver significant outputs which would be attractive to these agencies, and that there is a high likelihood of external funding acquisition.
- 3.3 It should be noted that the delivery of Phase 1 will facilitate the Phase 2 for circa 200 residential homes by unlocking the site physically and improving the quality of 'the place', which will help to drive residential values and improve the viability of the residential phases.
- 3.4 The final funding strategy will continue to evolve and need to align with the final phasing and construction programme. Ultimately the funding strategy and construction programme, together with grant availability and deadlines, will continue to be evaluated and evolve.

DRAFT MASTERPLAN

- 4.1 The current (draft) masterplan can be seen in appendix 1. The plan 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.
- 4.2 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.
- 4.3 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.
- 4.4 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.

- 4.5 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.
- 4.6 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

- 4.7 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.
- 4.8 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
- 4.9 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. INDICATIVE DEVELOPMENT PROGRAMME (PHASE 1)

- 6.1 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	September/November 2022
Commence RIBA Stage 2 design – Concept	February 2023
Commence RIBA Stage 3 design – Developed	July 2023
Submit Hybrid Planning Application	November 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	March 2026

- 6.2 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:

Cabinet – July 2023: Prestwich Village Regeneration – Progress Update and Draft Development Plan

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Executive Director sign off Date:___ _____

Executive Team Meeting Date:_____