**EXECUTIVE CABINET** Report to:

Date: 27 September 2023

**Executive Member:** Councillor Dave Sweeton, Executive member for Inclusive Growth,

Business & Employment

**Reporting Officer:** Julian Jackson - Director of Place

Subject: **ASHTON MAYORAL DEVELOPMENT ZONE** 

**Report Summary:** The report seeks approval to create a Greater Manchester (GM)

> Mayoral Development Zone (MDZ) around the Ashton Growth Corridor to be known as the Ashton Mayoral Development Zone

(AMDZ).

Recommendations: That Executive Cabinet APPROVE:

> To formally establish a Mayoral Development Zone (MDZ) around Ashton Growth Corridor to be known as the Ashton Development Zone (AMDZ).

The establishment of the AMDZ Board. (ii)

A budget of £100,000 (to be resourced via the (iii) unallocated Levelling Up Capacity Grant awarded to the Council of £125,000 in 22/23 and £70,000 23/24) to support the proposed next steps in Section 5 of this

report.

The TMBC Director of Place to implement the AMDZ and (iv) manage the programme of works in Ashton associated with its establishment and delivery, subject to on-going performance and reporting to Executive Cabinet.

That Executive Cabinet NOTE:

The principles of the business case and development (v) strategy for the AMDZ, and in noting agree to them without modification.

(vi) The above recommendation will also be sought by the GM Combined Authority.

**Corporate Plan:** Key aims of the Corporate Plan are to provide opportunities for

people to fulfil their potential through work, skills and enterprise and to ensure modern infrastructure and a sustainable environment that works for all generations and future generations. The interventions that will be supported by the proposed Ashton Mayoral Development Zone will deliver against these aims in the areas of

job creation, modern infrastructure and a sustainable environment.

The proposed interventions will support the policy aims of the Council's Inclusive Growth Strategy 2021, Tameside Climate Change & Environment Strategy, the Council's growth priorities agreed at Council February 2020 and the Places for Everyone joint

development plan document.

**Financial Implications:** There is no recurrent revenue budget for the proposed AMDZ. The

decision to create a budget in 2023/24 is wholly dependent on external funding received/to be received.

The Council received Levelling Up Fund Capacity Revenue Grant

**Policy Implications:** 

(Authorised by the statutory Section 151 Officer & Chief Finance

## Officer)

of £0.125m in 2022/23, all of which was carried forward to 2023/24 to support expenditure in this financial year. A further £0.070m has been received in 2023/24, providing a total of £0.195m of grant funding to support the budget approval in the recommendations.

As such, the Council is in a position to apply the grant received to the creation of a budget for 2023/24 only. Should the grant not be utilised in full in 2023/24, the Council can direct a further one-off budget creation in 2024/25 with the remaining funding.

The grant is to fund revenue costs associated with the formulation of high-quality bids which will support future developments. The creation of the AMDZ around the Ashton Growth Corridor will complement work planned to Ashton Town Centre and Public Realm as outlined in sections 2.5 – 2.10.

The AMDZ is expected to increase local taxation in future years. Whilst there are no certain time frames for growth, it is expected to be beyond the partial reset on the Greater Manchester pool in 2025/26 and as such will provide local taxation growth to Tameside under the new devolution deal agreed for GM.

Business rates growth will support the Council's Medium Term Financial Strategy (MTFS) and longer-term financial sustainability. Additional rates income can also support in the delivery of the Council's priorities for expenditure to deliver Corporate Plan outcomes where budget requirements allow for suitable and appropriate investment.

## **Legal Implications:**

# (Authorised by the Borough Solicitor)

As set out in the main body of the report the Mayoral Zone is not a legal entity in itself and will not have any governance and decision making powers.

However, it will serve as an effective mechanism to bring together the various work steams affecting the area, continue to drive momentum, encourage further investment in the area and raise the profile of the area and opportunities generally.

## **Risk Management:**

Risks associated with the proposal are set out at Section 6.

#### Access to Information:

#### CONFIDENTIAL

Not for Publication: The appendix to this report contains exempt information relating to paragraph 3 and 10 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended) in that it relates to private financial and business affairs of the Council and a series of developers active within the Borough.

### **Background Information:**

The background papers relating to this report can be inspected by contacting Mike Reed – Head of Major Programmes

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### 1. INTRODUCTION

- 1.1 The Council has identified the Ashton Growth Corridor, comprising St Petersfield, Ashton Moss and Ashton Town Centre, as one of its priority areas to deliver growth and implement the objectives of the Tameside Inclusive Growth Strategy 2021-26. The location forms part of the Greater Manchester (GM) Eastern Growth Cluster, which is one of six Growth Locations across GM that will deliver new development, create and retain jobs, offer better job opportunities, enable training and skill development to increase the number of residents in employment.
- 1.2 The GM Eastern Growth Cluster comprises the Ashton Growth Corridor and the Hyde Growth Triangle. The major development opportunities within the Ashton Growth Corridor are St Petersfield, Aston Moss, and Ashton Town Centre.
- 1.3 The GM Strategy as supported by the Places for Everyone (PfE) Joint Development Plan, within the final stages of its examination, seeks to rebalance the GM economy by accelerating the economic growth and competitiveness across the northern areas of GM. A number of GM local authority areas, including Tameside, perform significantly worse overall than the regional centre and southern areas and this is forecast to continue to worsen unless there are co-ordinated interventions to address this.
- 1.4 Central to PfE is to deliver inclusive growth across the nine boroughs through making the most of locations and assets best placed to support economic growth and in particular boost the competitiveness of the northern districts. Critical to this is to provide quality investment opportunities that help to address disparities and creating places which will be more resilient to change. Currently there are high levels of deprivation within areas such as Ashton, characterised by relatively low incomes, low house prices, low qualifications, low economic activity, low proportions in higher managerial/professional occupations, and poor average health. Significant interventions will be required to address these issues through the provision of a good supply of high quality development sites, investment in the town centre and major infrastructure improvements.
- 1.5 The Tameside Inclusive Growth Strategy identified the following four key challenges for the borough:
  - Low levels of skills attainment only 29% of Tameside residents are qualified to NVQ4+, compared to 41% and 44% in Greater Manchester and England respectively.
  - Poor health outcomes health of the population of Tameside is generally worse than Greater Manchester and England with lower life expectancies and percentage of life spent in good health (72% for females in Tameside compared to 75% and 77% in Greater Manchester and England).
  - Low levels of productivity from 2014-2018 Tameside's productivity declined by 0.8% compared to an increase in Greater Manchester of 7.7%. This is due to the sectoral mix of Tameside and a lack of growth in higher productivity, knowledge intensive sectors
  - The number of residents that are low paid Tameside has the second lowest average gross weekly pay in Greater Manchester, with median gross annual earnings of £27,706 below the average for England as a whole of £31,490.
- 1.6 The Indices of Deprivation (IMD) combine a range of economic, social and housing indicators to provide a measure of relative deprivation, i.e. they measure the position of areas against each other within different domains. Tameside is ranked 23 most deprived out of 333 authorities; based on the IMD average rank. It is a weighted average of the seven IMD domains: Income Deprivation, Employment Deprivation, Health Deprivation and Disability, Education Skills and Training Deprivation, Barriers to Housing and Services, Living Environment Deprivation, and Crime. Specifically, with regards to income deprivation, Tameside is ranked 34 most deprived out of 333 authorities; based on the IMD average rank.

Furthermore the Ashton Growth Corridor area falls within the St Peters and Ashton Waterloo wards which are within the top 10% most deprived areas nationally.

### 2. ASHTON DEVELOPMENT ZONE

- 2.1 It is therefore proposed, to support the delivery of these ambitions, by creating a GM Mayoral Development Zone (MDZ) for the Ashton Growth Corridor area to be known as the Ashton Mayoral Development Zone (AMDZ). The AMDZ will bring together the leader of Tameside Council alongside the GM Mayor and other relevant organisations and agencies to work in partnership to deliver a joined up approach to realising the full potential of this area.
- 2.2 The AMDZ will cover the Ashton Growth Corridor and consist of the project areas of St Petersfield, Ashton Moss, and Ashton Town Centre, with a focus on supporting the delivery of growth and innovation in this location, considering how the impacts and benefits can be felt more widely. The area already benefits from significant strategic transport infrastructure. However, there is an identified need to capitalise more effectively on these assets to accelerate delivery of development and drive the viability and vitality of the Town Centre to support further investment and growth. It is proposed that the boundary of the AMDZ is kept flexible and constantly under review at this stage to maximise the potential opportunities.
- 2.3 The St. Petersfield Masterplan (2021) has been completed to provide the long term strategy for the delivery of new development across an area of Council owned sites. The area is identified for the development of a mix of uses including residential and additional employment space in the form of a hub for innovation and the growth of the digital, creative and tech sector in the long term, to complement the completed Ashton Old Baths scheme, whilst also delivering increased town centre residential development in the short term. This has the potential to support the growth of innovative businesses in the locality with future pathways to both larger office premises in the St Petersfield area and advanced manufacturing and materials science employment space at Ashton Moss
- 2.4 Ashton Moss is a significant employment development site with potential to provide grow on space for Tameside's manufacturing and engineering sectors due to the current lack of available development space in the Borough whilst also providing an opportunity to attract inward investment. The site provides a significant opportunity to deliver new employment space for advanced manufacturing and materials science uses, alongside greater engagement with Higher Educational Institutions. A development framework for the Ashton Moss Innovation Park is currently being finalised by the Council working with the private sector landowners. A draft¹ of which supported the examination process of Places for Everyone.
- 2.5 The Council has secured £19.9m from the Levelling Up Fund (LUF) for Ashton Town Centre. The specific interventions being funding via the LUF have been prepared in the context of the emerging wider strategic vision for Ashton Town Centre. These interventions are critical to unlocking the comprehensive redevelopment of the Town Centre as well as helping to deliver a catalytic economic and social impact for the local community. The works funded via LUF are focused on commencement of the refurbishment programme for Ashton Town Hall; public realm improvements, with a focus on the Market Square; and enabling works on the former interchange site. These interventions will provide the initial stage in making Ashton Town Centre attractive to existing businesses and their employees, alongside new businesses and workers from St Petersfield and Ashton Moss developments to both live in and use the centre.
- 2.6 The AMDZ will be a strategic partnership to drive and accelerate growth and fulfil the potential of the area. It will help to raise the profile of the Ashton Growth Corridor and Tameside as a

<sup>&</sup>lt;sup>1</sup> Examination document OD27 <a href="https://www.hwa.uk.com/site/wp-content/uploads/2023/02/8367">https://www.hwa.uk.com/site/wp-content/uploads/2023/02/8367</a> DevelopmentFramework DRAFT 230220.pdf

whole; positioning the opportunities that exist for future funding, investment and GM support. It will provide a mechanism for effective engagement with key organisations both from the public and private sectors, whilst strengthening wider stakeholder relationships, including those with the local community.

- 2.7 The ambition for the AMDZ is to enable the Ashton Growth Corridor to fulfil its potential and contribute to Tameside and GM growth aspirations, maintaining the momentum of successful regeneration already underway across the area. Collectively, St. Petersfield, Ashton Moss and Ashton Town Centre are major catalysts for growth but require a longer-term vision and strategy to deliver and maximise the potential of existing assets. The programme for the delivery of these areas which achieves the objectives of the growth location will be set out through the development of a Business Case overseen by the AMDZ Board.
- 2.8 The draft vision for the AMDZ area is for it to be "an economic growth engine for the east of Manchester City Region with the potential to strengthen links with Yorkshire offering highly accessible employment opportunities, supported by exceptional further educational institutions and a choice of attractive and affordable homes within a thriving historic market town on the doorstep of the Peak District".
- 2.9 Connecting residents to jobs will be an important component with both improved connectivity within the project areas of the AMDZ and across the wider area to better connect existing communities. The Ashton Growth Corridor already benefits from strong public transport connectivity via the Metrolink connecting Manchester City Centre with Ashton. connectivity into Manchester City Centre and to Leeds available by rail from Ashton-under-Lyne station and the completion of the Transpennie Rail Upgrade has the potential to increase train frequency and improve journey times. At the heart of the GM Bee Network will be a step change in the quality and availability of bus services connecting residential areas to employment growth. New bus services will be embedded in the proposals for Bus Reform which, through a new franchising arrangement, will ensure high quality, low carbon fleet vehicles, integrated ticketing, and attractive passenger facilities. Key routes in Ashton are to benefit from Quality Bus Transit (QBT) interventions and will be improved using a Streets for All approach to enhance both the efficiency and quality of services (though bus priority) and the ease and attractiveness of walking and cycling options to access services and destinations.
- 2.10 Achieving the ambitions of the AMDZ will require a focused, long-term plan with a clear framework to identify the priority actions, appropriate financial resources and leadership. External financial support from LUF has already been secured to deliver the first stage of regeneration in Ashton Town Centre and TfGM has secured funding through CRSTS, including the QBT projects and infrastructure funding programmes some of which is supporting activity in this area. Furthermore, the GMCA and Homes England have both provided revenue funding to support the sites in the AMDZ area. The Council is continuing to work with developers and land owners that have a controlling interest at Ashton Moss and key sites within Ashton Town Centre, in addition to seeking a development partner for its land holdings at St Petersfield.
- 2.11 There are a range of anticipated benefits arising from the implementation of the AMDZ as follows:
  - Assist in strategically focussing development activity across the area.
  - Align public sector investment to assist in unlocking the area's potential.
  - Provide the profile and ability to create a diverse mix of investment propositions.
  - To bring together appropriate experience and capacity in development and placemaking from across the public sector to support delivery of a long-term programme.
  - Enable a single place integrated approach supported by a long term business plan for these activities.

- Capitalise fully on the existing strategic infrastructure already in place in the locality to deliver growth and address deprivation challenges in the area,
- Make full use of the Devolution Deal levers with the area of the Brownfield Housing Fund, Single Settlement relating to Housing and Transport, Influence of the Affordable Homes Programme, Growth Zones, Investment Zones and partnership with Network Rail.
- 2.12 In addition, the AMDZ will support the Council's wider corporate priorities for growth across all town centres within Tameside and our strategic sites, such as Godley Green which will provide the strategic housing supply for the Eastern Growth Cluster.
- 2.13 Agreement is therefore sought to formally establish the AMDZ. The formal establishment of the AMDZ will provide a clear mechanism to align public and private sector investment and ensure that there is commitment to the principle to delivering inclusive and sustainable growth across the three areas of St Petersfield, Ashton Moss and Ashton Town Centre.

#### 3. PROPOSED GOVERNANCE

- 3.1 The AMDZ will be a non-statutory entity that provides overarching strategic direction for this area and seeks to further refine the ambition and delivery challenges. It will demonstrate coordinated local commitment to bringing forward developments and engage with funding partners to make the strategic case for their support. The delivery and specific governance for strategic development sites, such as Ashton Moss, St Petersfield and Ashton Town Centre will remain a function of the Council with decisions being made via the usual executive decision routes.
- 3.2 It is envisaged that membership of the AMDZ Board will include the Leader of the Council; the GM Mayor; the Chief Executive of the Council; senior representatives of the GMCA, Homes England, and Transport for Greater Manchester (TfGM); relevant Council Executive Members; the Council Director of Place, the Council Section 151 Officer, a Council legal representative; a representative from a Higher Education Institution, a representative from Central Government, and other senior representatives of relevant external public or private sector organisations to be identified.
- 3.3 An AMDZ Officer Working Group will meet quarterly and manage the day to day workings of the AMDZ with responsibility to review the work programme for the AMDZ; coordinate staff resources across the Council, GMCA; TfGM and other key stakeholder groups; and seek to align partners' investment planning and resources within the AMDZ.
- 3.4 The AMDZ Board and supporting governance structure will collectively develop priority projects for public sector funding to stimulate change and lever growth. While the AMDZ will focus on the three project areas of St Petersfield, Ashton Moss and Ashton Town Centre, it is important that the work of the AMDZ considers how the impacts and benefits of development in these area can be widely felt across the Eastern Growth Cluster and Tameside as a whole, with specific linkages to work already underway in respect of town centre regeneration, business supply chains, cluster networks and links between research and business.

### 4. HIGH LEVEL OBJECTIVES

4.1 Following establishment, the AMDZ Board will agree its key Objectives and prepare a draft Strategic Business Case for approval. The board members will include private sector representation creating a robust public private approach to bringing forward proposals within the AMDZ.

- 4.2 The AMDZ Board will develop a Strategic Business Case for the delivery of the following high level objectives for the area, consistent with local, regional and national policy, consisting of:
  - Improve choice of homes, in particular modern energy efficient homes for rent and sale including affordable homes.
  - Attract large scale employment in target sectors, with a focus on Advanced Materials and Manufacturing, Health Innovation, Digital, Creative and Media and Clean Growth.
  - Grow and diversify the Ashton Town Centre offer including housing, leisure, health and culture, whilst increasing footfall.
  - Reduce property vacancy rates in the area by repurposing space to create a more diverse offer in the Town Centre and make better use of existing sites and premises.
  - Strengthen and grow the existing businesses within the area.
  - Contribute to the delivery of the transport strategy for the area that capitalises on the
    existing strategic transport infrastructure and enhances connectivity between different
    parts of the Town Centre, in particular St Petersfield and Ashton Interchange, with
    improved walking/cycling routes and better quality public realm.
  - Contribute to the delivery of the social infrastructure and amenity required to support an increase in the business and residential population of the area and to benefit existing residents.
  - Attract public and private sector investment to support the delivery of employment and residential growth.
  - Work with partners including Further Education Colleges and Higher Education Institutions to ensure that the local labour force has the skills to meet the need of new and growing businesses, residential and employment growth.
  - Ensure that the development of inclusive and sustainable growth of the AMDZ are contributing to the wider regeneration of the Eastern Growth Cluster and Tameside as a whole.
  - Through the AMDZ the Council will work closely with the GMCA, TfGM, Homes England, other relevant public bodies and the private sector to achieve its objectives.
- 4.3 This work will also contribute to the achievement of a range of outcomes, including:
  - Increased population living in Ashton.
  - Increased vitality and viability of the Town Centre and extended length of stay and spend of visitors.
  - Increased council tax and business rates.
  - More diverse employment opportunities.
  - Enhanced skills and attract higher skilled and higher paid jobs.
  - Boosted northern competitiveness of Greater Manchester.
  - Improvements in health and wellbeing outcomes.
- 4.4 The Business Case will set out and refine the project programme that will be closely aligned to and include the programme for transport improvements.
- 4.5 The AMDZ Board will prepare a Strategic Business Plan for approval by the Council and the GMCA on an annual basis prior to it being adopted formally by the AMDZ. By the end of March 2024, it is proposed that AMDZ will deliver against the following objectives:
  - A joint Investment Strategy agreed with the Council, GMCA, TfGM, Homes England, GMCA and the other AMDZ Board members.
  - Production of a dynamic delivery pipeline demonstrating how the employment and housing delivery for the area will be achieved over the short, medium and long term.
  - Initial engagement as the AMDZ with other infrastructure partners together to develop an infrastructure roadmap to set out the requirements to enable delivery within the MDZ area.
  - If required, a land acquisition strategy will be developed to support the objectives of the AMDZ vision.
- 4.6 The Business Case will focus on refining the programme for delivery in the three areas of St Petersfield, Ashton Moss and Ashton Town Centre. In doing its work the AMDZ Board will at

all times consider how the development of these three areas will benefit the wider Eastern Growth Cluster and Tameside as a whole.

- 4.7 The AMDZ Board will receive future project progress updates and more detailed delivery plans and investment propositions to achieve the development programme. The work programme will also consider the most appropriate longer term delivery mechanisms and identify the need for any further additional analytical and evidence work required, specifically in respect of more clearly articulating the Economic Case and benefits for the AMDZ and seek specific funding for the component projects.
- 4.8 The AMDZ Board will monitor progress against expected benefits from the development. Each project will be supported by a risk register and risk mitigation strategy as part of existing project governance arrangements within Tameside. Key stakeholders will be identified and a communication and stakeholder plan will also be brought to an early meeting of the AMDZ Board. Through regular reporting to the Council's Executive Cabinet and the GMCA there will be transparency and accountability of delivery in the AMDZ.

### 5. PROPOSED NEXT STEPS

- 5.1 The proposed next steps in relation to the AMDZ are set out below:
  - To formally establish the AMDZ Board and prepare a draft Strategic Business Plan for approval by the Council and the GMCA on an annual basis prior to it being adopted formally by the AMDZ.
  - To prepare the Ashton Growth Corridor Investment Prospectus and Strategy, which will be a highly visible document which provides a clear vision, showcases the Ashton Growth Corridor assets and opportunities including recent and future investment. This will provide a clear strategy which articulates the development potential and a pipeline of sites and the role that the public sector can play working with the private sector to unlock investment.
  - To complete the process for procurement of a developer partner for the Council owned sites at St Petersfield to maintain momentum for the next stages of development within this area, with the procurement to be finalised in the context of the wider future opportunities across the AMDZ.
  - To finalise the Ashton Moss Development Framework for Council approval and continue discussions with private sector landowners at Ashton Moss to determine the programme and detailed next steps to enable future development.
  - To continue delivery of the Ashton Town Centre LUF programme for the period to 31 March 2025.
  - To continue discussion with private sector land owners within Ashton Town Centre and undertake options testing and viability assessment as part of comprehensive review of development opportunities in the Town Centre.
  - To complete an assessment for Council owned opportunity sites to determine which could potentially be released early to support a first phase of residential development in the Town Centre.
  - To engage with public and private sector landowners, local developers and Register Providers, and TfGM.
  - To engage with key stakeholders including large local businesses, health providers/occupiers, education providers, Universities and research institutions, and MIDAS.
  - To continue evidence gathering, including updated footfall information and analysis of vacancy and take up of commercial space over the last 5 years.

## 6. RISK MANAGEMENT

6.1 The main project risks associated with the proposal have been identified in the table below.

Table 1: Risk

Risk Area	Detail	RAG Rating	Mitigation	RAG Rating
Programme	Some sites for future development are not in Council ownership / control, but rest with private landowners. May impact on ability to deliver.		Existing relationships the major private sector land owners are being formalised through relevant arrangements.	
Programme	Lack of capacity within the Council and partners to undertake workstreams in line with expectations.		Early engagement to understand requirements and make best uses of resources via agree programme.	
Financial	Insufficient budget to complete the scope of works required.		Early engagement with partners will help to clearly understand requirements and maximise opportunities for external funding.	

# 7. CONCLUSION

7.1 The creation of a Mayoral Development Zone (MDZ) to be known as the Ashton Development Zone (AMDZ) will support delivery of the GM Eastern Growth Cluster Growth Location and the Council's growth ambitions at St Petersfield, Ashton Moss, and Ashton Town Centre. This will help to maximise the full potential of the Ashton Growth Corridor and capitalise on the existing assets and infrastructure in the area to deliver growth.

# 8. RECOMMENDATIONS

8.1 As set out at the front of the report.