

Report To:	EXECUTIVE CABINET
Date:	7 February 2018
Cabinet Deputy/Reporting Officer:	Councillor Peter Robinson, Executive Member for Transport and Land Use Robin Monk, Director of Place
Subject:	TAMESIDE INTERCHANGE (ASHTON UNDER-LYNE) UPDATE
Report Summary:	To provide an update on progress in respect of the proposed Tameside Interchange (Ashton Under-Lyne) and seek Members approval to the revised land assembly proposal relating to where responsibilities lie within .
Recommendations:	<p>That Members AGREE:</p> <ol style="list-style-type: none"> 1. To reaffirm Tameside's role in acting as agent in progressing the land assembly required for the proposed transport interchange; 2. To note that Transport for Greater Manchester are to directly secure the Ministry of Justice facility at Francis Thompson Drive; 3. That if Transport for Great Manchester fails within a period of ten years to complete the Tameside Interchange to confirm that if either party brings the contract to an end, then TfGM shall: <ol style="list-style-type: none"> a. If no development works have commenced, transfer the land (including the MoJ offices) to Tameside for nil consideration; or b. If development works have commenced, pay to Tameside the value of the land (being the land which the Council transferred to TfGM together with the MoJ Offices) at the value on the 2018 transfer date; 4. To note the change of location of the Ministry of Justice temporary facility to land owned by Tameside MBC for a rent free period of up to 12 month; 5. To note and approve: <ol style="list-style-type: none"> a. Professional Planning fees in connection with securing planning permission for the Ministry of Justice temporary facility to land owned by Tameside MBC; and b. The payment of £20,000 to Groundwork to enable the connection into Birchcroft House of utilities required by the Ministry of Justice for the temporary site on land owned by Tameside MBC; 6. To delegate any consequential agreements arising out of the actions approved in this report to the Executive Director Governance and Pensions in consultation with the Executive Director of Place to agree and execute.

Links to Community Strategy: For the purpose of this report a successful outcome will support a Prosperous and Attractive Tameside for the benefit of the wider community.

Policy Implications: The new Tameside Interchange forms part of a multi-million investment package of measures for the whole of the Ashton town centre area as part of its wider Vision Tameside strategy. Together with the new sixth form college, the proposed shared Administration Centre, the St Petersfield development area and investments to the strategic highway network, Tameside continues to see a major reinvention of the borough's main administrative and retail centre within the borough. To fully complement the work it is important to successfully pursue the project land assembly in order to move forward with the interchange construction.

Financial Implications: Executive Cabinet at its meeting on 28 June 2017 approved the allocation of £445k of resources from the Council's capital investment reserve to fund the Council's agreed contribution to land assembly costs associated with the Tameside Interchange. The revised proposals set out in this document should deliver the intended outcomes within the approved £445k after taking account of related capital receipts (costs and receipts set out in table 1). The revised proposal is financially more advantageous overall as Stamp Duty Land Tax will now only be incurred once on the transfer of the land from the Ministry of Justice directly to Transport for Greater Manchester (TfGM).

(Authorised by the S151 Officer)

In order to minimise the tax liabilities associated with the scheme, it is now proposed that the Council acts as an agent to facilitate the transfer of all the required land to TfGM before the scheme commences. The original scheme was predicated on the Council retaining ownership of the land until the scheme was completed, at which point it would then be transferred to TfGM. The proposed revised arrangement will require the Council to incur costs and facilitate the transfer of assets prior to any work commencing on the interchange. In the unlikely event that the scheme does not progress to completion, there is a risk that the Council will have incurred significant costs without any tangible outcome, therefore it is essential that the legal agreements with TfGM protect the Council's financial investment in the scheme if it fails to progress.

Legal Implications: Central to the Interchange scheme is Probation Services vacating Francis Thompson Drive and relocating temporarily to land owned by the Council. If that does not happen then TfGM cannot commence the scheme. TfGM and the Council must ensure that Probation Services are bound to relocate as soon as the portacabins are in situ and the necessary services are connected into Birchcroft House.

(Authorised by the Borough Solicitor)

Once Probation Services have relocated the proposal is for all of the land required for the scheme to be acquired by TfGM. Simultaneously with this the Council will enter into a contract to acquire the residual land vacated by the scheme, the transfer to take place upon completion of the scheme.

If the scheme does not complete within a period of 10 years then the land earmarked for the scheme will be transferred to the Council at nil cost; or if works have commenced then the Council will be compensated for the value of the land.

The Council must ensure that a robust system of checks and measures is put in place to ensure that costs do not escalate and that the risk of Probation Services remaining at Francis Thompson Drive, or the scheme not completing are monitored and mitigated.

Risk Management:

Without an agreed way forward for the land assembly there is every likelihood the proposed new interchange will not proceed, risking the wider Vision Tameside investment strategy for the town of Ashton.

The original main objective for Tameside taking forward the land assembly package for the proposed interchange was to ensure the vacant land to the east of the site, once the interchange is complete, is developed in a manner to complement the wider Vision Tameside Strategy. The tax implications for Tameside and Transport for Greater Manchester in buying the land at Francis Thompson Drive and transferring at a later date to Transport for Greater Manchester will involve a separate Stamp Duty Land Tax payment on each separate occasion.

Failure to agree a land assembly package will risk this major development opportunity for the borough.

The risks associated with this initiative remain. The report provides an update in addressing these outstanding risk items.

Access to Information

The background papers relating to this report can be inspected by contacting the report writer, Nigel Gilmore.



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1.0 BACKGROUND

- 1.1 In July 2015 approval was secured through the Strategic Planning and Capital Monitoring Panel for Tameside to act as 'agent' only for Transport for Greater Manchester (TfGM) in securing land required for the initiative.
- 1.2 In agreeing to undertake the land assembly package, it was felt that Tameside were able to maximise future development opportunities of a residual 3,000m² of remaining land to the east side of the site once the new interchange had been completed.
- 1.3 In a further update to the above, a June 2017 Executive Cabinet report approved a series of recommendations in respect of the land assembly agreement made by Tameside MBC on behalf of TfGM.
- 1.4 For clarification TfGM are to directly secure the Ministry of Justice facility at Francis Thompson Drive.
- 1.5 **A copy of the original June 2017 Executive Cabinet report is attached at Appendix A.**
- 1.6 Progress and updates in respect of both of the above reports are set out below.

2.0 PROGRESS AND UPDATE APPROVAL REQUESTS

- 2.1 In order to minimise potential tax issues applicable to the scheme, TfGM has requested that all assembled land should be transferred into their full ownership before the initiative commences. HM Revenue & Customs have determined that Stamp Duty Land Tax (SDLT) is payable on the full market value of any land at the time of purchase. Any transfer of ownership from Tameside to TfGM post scheme completion will potentially increase the market value of the land and hence the amount of tax payable. SDLT costs will be shared equally between TfGM and Tameside.
- 2.2 The release of any land to TfGM for the benefit of the proposed interchange will not preclude Tameside from developing the residual land, highlighted in section 1.2 above, in support of the Vision Tameside initiative. All land transfers and subsequent development initiatives will be encapsulated in relevant legal agreements between both parties.
- 2.3 Approval is sought that should a 10 year longstop date reached and either party brings the contract to an end, then TfGM shall, either:
 - a. If no development works have commenced, transfer the land (including the MoJ offices) to Tameside for nil consideration; or
 - b. If development works have commenced, pay to Tameside the value of the land (being the land which the Council transferred to TfGM together with the MoJ Offices) (at the value on the 2018 transfer date).
- 2.4 TfGM have stated it will not bear any Tameside costs as they will have lost its £400k contribution toward the cost of the MoJ Offices.
- 2.5 All land transfers and subsequent development initiatives will be encapsulated in relevant legal agreements between both parties.
- 2.6 The approved MoJ, £800k compensation package as set out in recommendations of the June 2017 Executive Cabinet report was predicated on the MoJ making temporary use of Groundwork's Birchcroft office facility off Crowthorne Road in Ashton pending the purchase and fit out of permanent offices at Denton Business Park.

- 2.7 For clarification purposes Tameside MBC is unable to Compulsory Purchase land owned by a Government body
- 2.8 Although the purchase of the Denton Business Park facility subsequently fell through, the MoJ continued with their plans to utilise the Groundwork building at Birchcroft as an ongoing temporary measure. Subsequent investigations, however, identified asbestos remnants in its roof space rendering this option as unworkable.
- 2.9 In order to expedite the above a number of sites were examined across the Ashton Town Centre area for the MoJ as an alternative location. Given the need to access existing MoJ private cable data feeds, however, a temporary “portacabin” site has been identified on the same Birchcroft site off Crowthorn Road but utilising land owned by Tameside MBC. Planning permission for the facility, at a cost of £6,680 has been secured by TfGM on behalf of the MoJ. These costs, £3,340 each, will be shared jointly between TfGM and Tameside MBC.
- 2.10 A further £20,000 financial compensation package has been negotiated with Groundwork by Tameside MBC to enable sub metered water and electric service connections and the MoJ data feed, to those at the existing Groundwork Birchcroft building. These costs will be borne by Tameside MBC.
- 2.11 It is proposed that Tameside MBC provide the Tameside land at Birchcroft rent free for an initial 12 month period.
- 2.12 In its turn and outside the scope of this report, the MoJ have agreed to pay for the order and set up of the new portacabins and TfGM have separately agreed to pay for their substantial rental costs for a period of up to twelve months pending a move to permanent facilities within the borough.
- 2.13 Without the above funding contributions by Tameside MBC and TfGM, the new interchange will not proceed.
- 2.14 On scheme completion, the transfer of the residual development land to the Council from TfGM will be included as part of any legal agreement between both parties.
- 2.15 A summary of the existing and proposed cost amendments are set out below in Table 1. Proposed expenditure for the £800k MoJ compensation package are referred to in the appended June 2017 Executive Cabinet Report at section 3.
- 2.16 Section 4 of the June 2017 Executive Cabinet Report also refers to the New Charter land acquired for the project at £15,000. This cost will be reimbursed to the council and is noted in Table 1.
- 2.17 Nominal land rental costs for Portacabin use on the existing and currently unused Tameside land at Birchcroft highlighted in section 2.11 above are not included within the table
- 2.18 Legal, surveyor and other related costs are not included by either TfGM or Tameside MBC in the table

Table 1: Cost Summary to Facilitate MoJ Move from Existing Francis Thompson Drive site

	Cost	TMBC cost (June 2017 Report)	Current/ Amended Costs¹	Comment
<u>Expenditure</u>	(£)	(£)	(£)	
Francis Thompson Drive relocation package to MoJ	800,000	400,000	400,000	50% contribution by both Tameside MBC and TfGM
SDLT	29,950	29,950	14,775	50% contribution by both Tameside MBC and TfGM
New: Portacabin Planning fees (Birchcroft)	6,680	0	3,340	50% contribution by both Tameside MBC and TfGM
Birchcroft Utility Service Connections	20,000	0	20,000	See additional TfGM expenditure at section 1.10 of report
Total	856,630	429,950	438,115	
<u>Other Net Income and transferable costs to Tameside MBC on site of new Interchange</u>				
Transfer of Council owned Land to rear of existing MoJ offices to initiative (not previously included in June 2017 report)			7,600	
Transfer of land at Radcliffe Freedom Gardens offices to initiative(not previously included in June 2017 report)			5,400	
Amended Totals	856,630	429,950	425,115	
Previously reported: Purchase by the Council of freehold land at Assheton Close from New Charter. Direct cost to be charged to scheme via TfGM and therefore expected to be recovered.		15,000	15,000	See section 4 of appended June 2017 Executive Cabinet report
Amended Totals	856,630	444,950	440,115	
<u>Residual Land Value</u>				
Land valuation of residual development land	800,000	400,000	400,000	Value set out in Executive Cabinet June 2017 report.
Potential surplus/(deficit)		(29,950)	(25,115)	

2.19 In order to progress and conclude the above negotiations, there will be a continued need to move forward on a number of fronts both with TfGM and the MoJ. Whilst any overall increase in potential cost and future land development proposals contained in the June 2017 Executive Cabinet report will be brought to the attention of Members for further

consideration, Executive Cabinet Members are asked to delegate the continued negotiation and subsequent implications of such matters to the Executive Director Governance, Resources, and Pensions in consultation with the Executive Director of Place. Such delegated decisions to include land assembly, financial and tax considerations, and issues in respect of continued negotiations with the Ministry of Justice

3.0 RECOMMENDATIONS

- 3.1 As stated on the report cover.

APPENDIX A

Report To:	EXECUTIVE CABINET
Date:	28 June 2017
Executive Member/ Reporting Officer:	Councillor John Taylor – Deputy Executive Leader Damien Bourke – Assistant Director (Development and Growth)
Subject:	TAMESIDE INTERCHANGE (ASHTON-UNDER-LYNE) LAND ASSEMBLY GOVERNANCE
Report Summary:	Following approval at the July 2015 meeting of the Strategic Planning and Capital Monitoring Panel this report seeks approval for a land assembly agreement made by Tameside MBC on behalf of Transport for Greater Manchester in securing all the required land for the new Tameside interchange (Ashton-Under-Lyne).
Recommendations:	<p>That approval is given to the following inter dependant actions, in order to complete the land-assembly agreements which are necessary to facilitate the new Tameside interchange (Ashton-Under-Lyne) development:</p> <ol style="list-style-type: none">1. purchase by the Council of the Ministry of Justice facility at Francis Thompson Drive together with relocation compensation equating to a total compensation package of £800 subject to £400k being met by Transport for Greater Manchester; purchase by the Council of freehold land at Assheton Close from New Charter of £15,000;2. payment by the Council of any tax liabilities falling to the Council as set out in the financial implications within this report;3. delegation of any consequential agreements arising out of the actions approved in this report to the Executive Director Governance, Resources, and Pensions in consultation with the Executive Director of Place to agree and execute, including:4. Payment by Transport for Greater Manchester to the Council of £400,000 forming 50% of the compensatory payment to be paid to the Ministry of Justice;5. the transfer of the surplus residual land from Transport for Greater Manchester to the Council for £1 (i.e. the land of the current transport interchange that is not required for the new Interchange) following completion of the development, with any direct receipt split equally between the Council and TFGM, with Governance to be sought at a later date; and6. To agree with Transport for Greater Manchester how transactional costs arising out of the actions approved in this report, including any tax required to be paid, such as Stamp Duty and Land Tax, and Value Added Tax, and New Charter land costs are to be met.
Links to Community Strategy:	For the purpose of this report a successful outcome will support a Prosperous and Attractive Tameside for the benefit of the wider community.
Policy Implications:	The new Tameside Interchange forms part of a multi-million investment package of measures for the whole of the Ashton town centre area as part of its wider Vision Tameside strategy. Together with the new sixth form college, the proposed shared

Administration Centre, the St Petersfield development area and investments to the strategic highway network, Tameside continues to see a major reinvention of the borough's main administrative and retail centre within the borough. To fully complement the work it is important to successfully pursue the project land assembly in order to move forward with the interchange construction.

**Financial Implications:
(Authorised by the S151
Officer)**

It is important to note that a report on the Council's overall capital investment programme will be presented in September 2017 and that the approval of £444,550 at this stage (as per the recommendation) will be an initial call on the available resources. The intention is that approved schemes be financed from the Council's earmarked reserve for capital investment.

The transaction will be exempt from VAT as confirmed with the MoJ, however Stamp Duty will be required to be paid and has to be calculated on the full consideration given i.e. £800k.

The total Stamp Duty liability will be £29,550.

The purchase of the Freehold land at Assheton Close from New Charter at an agreed cost of £15,000 will be initially paid for by the Council and fully recovered from Transport for Greater Manchester as detailed in section 4 of the report.

**Legal Implications:
(Authorised by the Borough
Solicitor)**

Under s 120 of the Local Government Act 1972, the Council may acquire land by agreement in its area for the purposes of the benefit, improvement or development of the area. S227 of the Town and Country Planning Act 1990 provides a similar power provided the public benefit is identified, whether it be economic, social or environmental. When this matter was first considered some two years ago, on the 15 July 2015, the Director of Place recommended that in return for Tameside funding the costs of the two plots of land on behalf of TfGM and taking on the risk of land assembly and relieving TfGM of the liability of meeting the full costs of land assembly, the Council would receive the freed up area of land which has development potential and that the remodelling of the interchange in this way would be of benefit to the Town centre operation as well as users of public transport. Members were advised at that time that the value of the Commercial land was more valuable than the two plots and any profit on sale will be shared with TfGM on a 50/50 basis and that any potential risks could be better managed by Tameside as we were better placed to manage land Assembly than TfGM. Members were advised by the financial and legal monitoring officers that such benefits could not be guaranteed in the absence of planning consent and successful sale negotiations with a prospective purchaser and consequently Tameside's financial outlay remained at risk up to the point of sale. Unfortunately, for whatever reason the land negotiations with the MOJ to procure the probation site have not proceeded well and elected members now face a dilemma of agreeing to forward fund significant costs in order not to jeopardise the interchange project. The value of the probation premises are about £188K but it will be necessary to compensate the M OJ roughly £800 together with stamp duty payable of roughly £30K on top in order to avoid the very significant costs of delay in the remodelling and/or procurement of the interchange works. Whilst normally TfGM would have been liable for the cost of land assembly and relocation as a consequence of acquiring the probation office, these now fall to us having adopted that risk. It should be noted that these costs are somewhat defrayed as TfGM have agreed to pick up to £400K of

these costs. The remainder of the cost will be a first call against any receipt received for the commercial land and consequently the Council runs a risk that it may not be fully recovered, however, in the circumstances these are outweighed by the potential for the interchange project not to go ahead or be delayed significantly which will be of detriment to the viability of the town centre.

Risk Management:

Without an agreed way forward for the land assembly there is every likelihood the proposed new interchange will not proceed, risking the wider Vision Tameside investment strategy for the main administrative and commercial centre for the borough.

The main objective for Tameside in taking forward the land assembly package for the proposed interchange is to ensure the vacant land to the east of the site, once the interchange is complete, is developed in a manner to complement the wider Vision Tameside Strategy. Failure to agree a land assembly package will risk this major development opportunity for the borough.

The financial risks associated with the proposal are set out in section 5 of the report.

Access to Information

The background papers relating to this report can be inspected by contacting the report writer, Nigel Gilmore

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1.0 BACKGROUND

- 1.1 The current Ashton bus station and adjacent Metrolink terminus are located to the north west of Ashton town centre. Situated on Wellington Road it adjoins the Arcades Shopping Centre and is a short walk away from tram stop into Manchester. The current bus station was opened in 1994.
- 1.2 Members will be aware that plans have been in place for a number of years to modernise the existing facility. Initially these were proposed through an expansion of the adjacent Arcades Shopping Centre but following 2008 global downturn and more latterly longer term changes in the retail market this has not progressed.
- 1.3 In March 2014 the Greater Manchester Local Enterprise Partnership and Greater Manchester Combined Authority submitted a Growth and Reform Plan to Government. The plan sought a £400m share of the Local Growth Fund to support the region's transport and infrastructure requirements and within this £33m for a new Interchange in Ashton Town Centre. In July 2014 funding was awarded for three new interchanges across the conurbation at Ashton, Stockport and Wigan.
- 1.4 The Tameside project will see a new interchange constructed primarily on the existing bus station site, but with the footprint shifted to the west to improve links with the Metrolink terminus. The majority of stands will operate from a single concourse building. A small number of additional stands will be located alongside the existing tram stop.
- 1.5 In order to deliver the project, land is required from the Ministry of Justice (National Probation Service) at Francis Thompson Drive and New Charter Housing adjacent to Assheton House.
- 1.6 In July 2015 approval was secured through the Strategic Planning and Capital Monitoring Panel for Tameside to act as 'agent' for Transport for Greater Manchester (TfGM) in securing land required for the initiative.
- 1.7 In agreeing to undertake the land assembly package, Tameside can take full control of the future development opportunities of 3000m² of land to the east side of the site.



Figure 1 – Interchange General Layout Plan

- 1.8 Planning permission was secured in February 2016 and an indicative 3D plan of the proposed facility is shown above at Figure 1 above for information.

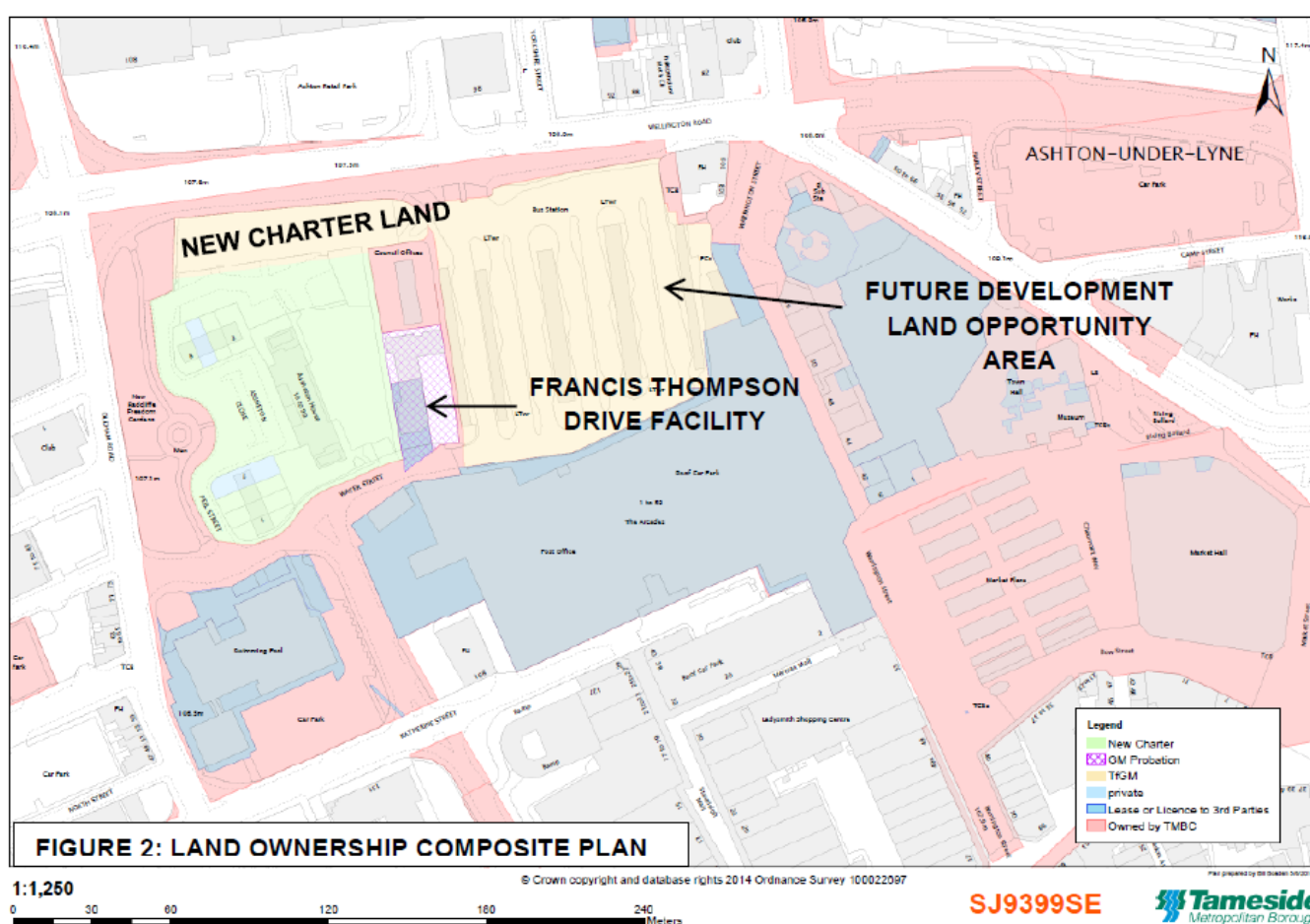
1.9 At the February 2017 Greater Manchester Combined Authority meeting full approval for the Tameside Interchange (Ashton-under-Lyne) was approved with the release of £33m to enable the delivery of the scheme.

1.10 This report provides updates to Members and seeks approval for the release of funds for the MoJ and New Charter areas of land.

2.0 LAND ASSEMBLY CONSIDERATIONS

2.1 In order to facilitate the initiative, a number of property and land interests are required. These are shown below at Figure 2 “Land Ownership Composite Plan”. The areas concerned are:

- The Ministry of Justice (MoJ) Building and associated land (Francis Thompson Drive); and
- Land currently belonging to the New Charter Group.



3.0 THE MINISTRY OF JUSTICE (MOJ) BUILDING AND ASSOCIATED LAND (FRANCIS THOMPSON DRIVE)

3.1 Terms were originally agreed to acquire the Freehold from the MOJ for the sum of £188,250 (exclusive of VAT) which was the mid-point between the two external valuations that were carried out on behalf of the Council and the MOJ. The draft agreement was predicated on the MoJ (National Probation Service) vacating Francis Thompson Drive and decanting into the Birchcroft Building, Crowthorne Road - a facility owned by Groundworks and leased to Tameside MBC.

- 3.2 The lease was based on a revised Heads of Terms agreement to re-gear the existing Tameside lease for a longer 10 year term to enable the simultaneous sub-letting of two separate parts to the National Probation Service and Community and Community Rehabilitation Company (CRC) on coterminous sub-leases for an initial minimum period of 5 years.
- 3.3 In addition to the above further costs related and alterations to the internal layout of the building were to be incurred bringing the overall costs to £230,000.
- 3.4 The provisional agreement had been negotiated over an 18 month period and had been in final preparation for internal Governance at the start of the current calendar year. A very late change in MoJ personnel at the beginning of the year, however, saw a distinct hardening of attitudes by the MoJ.
- 3.5 The MoJ revised stance centred on Birchcroft being unsuitable for their needs (now too small) and their identification of an alternative facility at Orbital 24, at Denton Business Park. In essence the MoJ demanded financial recompense around two scenarios – a £1m cash payment or £875k plus 50% of fees and stamp duty (total cost of approximately £960k) in order for them to purchase the Orbital 24 development outright. These demands are clearly unacceptable to both Tameside and Transport for Greater Manchester as the main scheme promoter.
- 3.6 With the need to commence construction of the new interchange as soon as possible three options were available:
- A complete redesign and subsequent retendering of the facility around the Francis Thompson Drive facility
 - Abandon the project
 - Agreeing to the MoJ demands
- 3.7 Whilst a complete redesign and subsequent retendering of the project is feasible, the costs (estimated at £2.5m) and potential 12 month scheme delay render this as unacceptable at this stage and would prove more expensive than acceding to the MoJ demands.
- 3.8 Abandoning a project that has incurred £2m of expenditure to date is an unacceptable option.
- 3.9 In relation to the £1m scenario as set out in the third option, further negotiation with the deputy Director of the MoJ estates has since taken place and a revised figure of £800k has been suggested as a compromise. Further it was agreed that this would be split equally between Tameside and TfGM.
- 3.10 Included within the above, is the MoJ interest in the Francis Thompson Drive facility being purchased for a nominal £1.
- 3.11 Whilst Member approval for the above would enable the scheme to commence as a priority, further Governance would be required at a later date in respect of the commercial land to the east of the site as set out in paragraph 1.7 above. Tameside officers are working on the premise that the residual land to the east of the site is transferred on completion of the interchange to Tameside and both TfGM and TMBC should benefit equally from any receipt received from the development of the development land.
- 3.12 The clear objective for Tameside is to maximise this receipt in order to recoup some of the extra, unforeseen costs of the MOJ relocation to both partners, and as such work towards retail led disposal as soon as an opportunity arises. TfGM colleagues would be consulted and any views in relation to the disposal will be considered as part of the development and in line with the Vision Tameside Framework.

- 3.13 With Member approval of the above and following their agreement of terms to acquire Orbital 24, the MOJ (National Probation Service staff) would temporarily move to Birchcroft whilst that building is fitted-out. Under the terms of the move a full rental agreement would be put in place during this period. MOJ fit out costs will be approximately £500k which will be borne by themselves

4.0 NEW CHARTER GROUP LAND

- 4.1 Terms have been provisionally agreed to acquire 1,604sq m of amenity land adjoining the current tram stop. The proposed purchase price is £15,000, based on an independent valuation of the land that has been carried out on behalf of TMBC. The area of land consists of a strip between the tram stop and Assheton House – see Figure 2 above. Members are asked to agree the purchase of this land.

5.0 FINANCIAL CONSIDERATIONS

- 5.1 At the time the original approval was granted in 2015 it was anticipated that the land assembly costs would at least be covered by the potential sale receipt from the development land. This was at the time when costs were anticipated to be in the order of £230k (see above).
- 5.2 As outlined above, the site assembly costs have increased significantly and the total outlay is now expected to be in the region of £850k, albeit this will be shared with TfGM, and currently does not include any rental income we have still to agree with MOJ for their decant location in Birchcroft.
- 5.3 Indicative valuations of the valuation site range between £800,000 - £1,000,000 based on assumptions around future use and planning. Therefore the financial position is much more finely balanced. Based on these figures there could be a loss of £50k or a modest surplus of £150k (before any sharing with TfGM) but ultimately this dependant on the development receipt actually received,

6.0 CONCLUSION

- 6.1 The new Tameside Interchange forms part of a multi-million investment package of measures for the whole of the Ashton town centre area as part of its wider Vision Tameside strategy. Together with the new sixth form college, the proposed shared Administration Centre, the St Petersfield development area and investments to the strategic highway network, Tameside continues to see a major reinvention of the borough's main administrative and retail centre within the borough. To fully complement the work it is important to successfully pursue the project land assembly in order to move forward with the interchange construction.

7.0 RECOMMENDATIONS

- 7.1 As stated on the report cover.