

**Manchester City Council
Report for Resolution**

Report To: Executive – 24 March 2010

Subject: A Strategic Partnership with Manchester City Football Club

Report of: The Chief Executive
The Chief Executive, New East Manchester Ltd

Summary

The report updates the Executive on a new long-term partnership between the City Council, New East Manchester Ltd and Manchester City Football Club, which will focus on delivering continued investment, jobs and community benefits to east Manchester. A Joint Development Board has been formed between the three parties, which will oversee the development of a transformation plan for east Manchester, focused on the area around the City of Manchester Stadium.

Recommendations

The Executive is asked to:

1. Welcome the new strategic partnership between the City Council, NEM and Manchester City Football Club and in particular the Football Club's commitment to the regeneration of east Manchester;
2. Endorse the Chief Executive's action in agreeing the Memorandum of Understanding with MCFC; and
3. Request that Officers bring forward reports on progressing the strategy and key schemes as and when appropriate.

Wards Affected:

Ancoats and Clayton
Bradford

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	The partnership between the Council, NEM and MCFC will build on the regeneration work already underway in east Manchester to ensure that the future development of the area makes a significant contribution to the economic performance of Manchester and the wider sub-region.

Reaching full potential in education and employment	The Council, NEM and MCFC share a desire to deliver long lasting economic and community growth to east Manchester, and will work together to explore the possibilities for commercial development which would provide significant opportunities for businesses and residents.
Individual and collective self esteem – mutual respect	The partnership with MCFC will enable the partners to work together to secure opportunities for those who can to work, provide educational and training opportunities which will help give young people the best start in life and deliver a range of recreational and sporting opportunities for local residents and visitors alike.
Neighbourhoods of Choice	The agreement between the parties builds on the sports legacy from the Commonwealth Games and any new investment will build on this legacy and will have a positive impact on the area as a place in which to live, work and invest.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

At present the costs for the Sportcity Programme Team are being funded from the HCA's existing £9.9m contribution to support regeneration at Sportcity. In respect of City Council owned land there are no direct consequences for the Revenue Budget from this report.

Financial Consequences – Capital

If any schemes are identified for the City Council landholdings in the area any disposals to a third party would be at best consideration. Any Capital Expenditure required will be need to be taken through the Gateway Process and included in the Capital Programme.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

2008 – 2018 East Manchester Strategic Regeneration Framework (December 2007)

Report to the Executive for Resolution, Sportcity, (23rd July 2008)

1.0 Introduction

- 1.1 This report sets out proposals for a new long-term partnership between the City Council, New East Manchester Ltd (NEM) and Manchester City Football Club (MCFC) which will focus on developing the parties' mutual ambitions for east Manchester, focusing on the area around the City of Manchester Stadium.

2.0 East Manchester Joint Development Board

- 2.1 The City Council and NEM have been in discussion with MCFC and their owners over the past months and we have collectively identified that there are real synergies between the Club's strategic requirements and the City Council and NEM's economic and regeneration aspirations for east Manchester.
- 2.2 The City Council, MCFC and NEM have now signed a Memorandum of Understanding (MOU) to work together to create a transformation plan for the area around the City of Manchester Stadium. A Joint Development Board (JDB) has been formed between the three parties including the Chief Executive and the Chief Executive of NEM as members. The JDB will collectively harness the respective strengths of each of the partners: the parties' land ownerships, the Council and NEM's track record in regeneration and access to public funding; and MCFC's commercial leverage with brand partners and its track record of investment in all aspects of the Club's development.
- 2.3 The MOU underlines the commitment of each of the parties to a long-term partnership to develop their mutual ambitions for the area. The combined interest of land held by the three parties totals some 200 acres including 59 acres recently acquired by MCFC. The JDB agreement is founded on the three parties' shared view that the nature of any and all commercial development in the area needs to reflect the long term goal of creating a year round destination that delivers long-term sustainable economic and community growth.
- 2.4 The MOU establishes this strategic partnership and the JDB, and sets out the shared objectives and priorities of the three parties moving forward. The City Council is committed to the continued regeneration of east Manchester with a focus on continuing the process of rebuilding the area's economic base; enabling local people who can work to work; giving our young people the best possible start in life; creating a competitive housing offer; and ensuring that the quality of life for all residents is improved. NEM will continue to work to raise the profile of east Manchester, inspiring confidence and new investment, helping to sustain and accelerate the regeneration momentum already established and in the long-term, creating a destination leisure opportunity. The Club's ambition is to create a successful and sustainable world-class football club at the heart of the Manchester community

3.0 Development Proposals

- 3.1 In the short-term the JDB will look at improvements that are designed to strengthen the destination role of the Sportcity site around the City of Manchester Stadium, including events and interim uses. The objective of this investment will be to enrich the visitor experience by enhancing the physical environment and providing amenities to better exploit the existing assets for the benefit of the Club and the wider community. This will result in a better space for fans on match days and also provides activity for residents and visitors on non-match days.
- 3.2 MCFC has now completed a 14-month study of leading elite sporting facilities around the World. This due diligence will inform the Club's decision as to what additional football facilities may eventually be a feature of MCFC's contribution to the regeneration of east Manchester.
- 3.3 In the medium to longer-term the JDB will look at proposals for commercial development of land held by the three parties in order to capitalise on the opportunities presented for further regeneration in east Manchester and to create a nationally significant destination. Further announcements will be made on schemes when appropriate planning submissions have been made to the City Council. MCFC now own 59 acres of land in the Openshaw West area of east Manchester. The club have confirmed that over time, the potential development of this land would form part of the Club's contribution to the regeneration of east Manchester as part of the long-term, holistic approach to regeneration being taken by the Council, NEM and MCFC.

4.0 Reviewing the Regeneration Strategy for East Manchester

- 4.1 The City Council, in partnership with NEM, has provided strategic leadership to develop a long-term sustainable vision for the future of east Manchester and helped to secure key investments such as the Metrolink tram system, the collection of world-class facilities at Sportcity, which were constructed for the 2002 Commonwealth Games; and the significant investment in the renewal and additions to the High School estate, all of which have been pivotal to the regeneration of east Manchester as a place in which to work, invest, live and visit.
- 4.2 The City of Manchester Stadium and the associated facilities around it have been central to raising the profile of east Manchester, inspiring confidence in east Manchester and generating new investment which will help sustain the regeneration momentum already established. New infrastructure, such as the world's first, bespoke indoor BMX arena is being added to the existing world-class infrastructure at Sportcity to create a unique collection of sporting assets.
- 4.3 The creation of a destination leisure opportunity in east Manchester has been a core element of the Council and NEM's long-term regeneration strategy for the area and NEM are bringing forward proposals to Government and their regeneration agencies to remediate land around the City of Manchester

Stadium to provide a platform for commercial development. This is subject to a separate report on this agenda.

- 4.4 MCFC's commitment to east Manchester has encouraged NEM to commence a mini-review of the East Manchester Strategic Regeneration Framework to ensure that the benefits flowing from this partnership are recognised and maximised.

5.0 Conclusions

- 5.1 The City Council and NEM are committed to the continued regeneration of east Manchester with a focus on continuing the process of rebuilding the area's economic base; enabling local people who can work to work; giving our young people the best start in life; creating a competitive housing offer; and ensuring that the quality of life for all residents is improved.

- 5.2 This new partnership confirms that MCFC will become an engine of regeneration in east Manchester providing an unparalleled opportunity to secure investment in the area which will be benefit residents and workers, sports men and women and the wider community.

6.0 Contributing to the Community Strategy

(a) Performance of the economy of the region and sub region

The partnership between the Council, NEM and MCFC will build on the regeneration work already underway in east Manchester to ensure that any commercial development makes a positive contribution to the economic performance of east Manchester and the wider sub-region. The agreement between the parties provides an unparalleled opportunity to restore economic dynamism to east Manchester.

(b) Reaching full potential in education and employment

The parties have agreed to work together to look at proposals for commercial development on the area around the City of Manchester Stadium. This would provide significant opportunities for businesses and residents to benefit from any investment. All the parties are keen to secure local employment and to ensure local suppliers are utilised.

(c) Individual and collective self esteem – mutual respect

The partnership provides the opportunity to deliver long lasting economic and community growth to the east Manchester area. Further investment in the area will provide opportunities for those who can to work, secure a range of educational and training opportunities which will help give young people the best start in life and provide a range of recreational and sporting opportunities for local residents and visitors alike.

(d) Neighbourhoods of Choice

The agreement between the parties builds on the sports legacy from the Commonwealth Games, which gave Manchester the City of Manchester Stadium, the Velodrome and more recently the world's first purpose built indoor BMX arena. Any new investment by the parties will build on this legacy and the Club's commitment to promote investments in quality of life for local residents and will have a positive impact on the area as a place in which to live, work and invest.

7.0. Key Polices and Considerations

(a) Equal Opportunities

- 7.1 The agreement provides the opportunity for the Council and NEM to work with MCFC to look at the development possibilities for the area, which could create new employment opportunities for local people. There is a commitment to ensure that design standards will comply with the highest standards of accessibility.

(b) Risk Management

- 7.2 A risk management strategy will be developed for any projects resulting from this agreement that are undertaken or managed by the Council, which will be continually monitored to enable the Council to respond to risks during the lifetime of the project concerned.

(c) Legal Considerations

- 7.3 City Solicitors have been involved in the preparation of the MOU and will continue to advise in relation to the project, addressing the legal implications for individual pieces of work as they may arise.