

**Manchester City Council  
Report for Resolution**

**Report To:** Resources and Governance Overview and Scrutiny Committee –  
10 March 2011

**Subject:** Manchester Central – Castlefield Strategy Project (Great  
Bridgewater Street acquisition)

**Report of:** The City Treasurer

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**Summary**

The purpose of this report is to outline the rationale for the acquisition of land at Great Bridgewater Street.

**Recommendations**

The Committee is asked to note that the Chair will be requested to exempt the Key Decision relating to the Capital Expenditure Approval, to cover the purchase price and associated costs, from the call in process.

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**Wards Affected:**

City Centre

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**Contact Officers:**

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**Background documents (available for public inspection):**

## **1.0 Introduction**

- 1.1 MCC have provisionally agreed terms to acquire a 0.27 acre site on Great Bridgewater Street which will need to be completed urgently as the current terms are only available until the end of March 2011. If contracts are not exchanged by this time the commercial terms will need to be renegotiated. Exemption from the call in process is therefore being sought for the related Capital Expenditure approval.

## **2.0 Background**

- 2.1 The site lies within the Manchester Central – Castlefield Strategy regeneration project area. This is a public transport led regeneration scheme which will facilitate improvements to the Metrolink system.
- 2.2 The opportunity has arisen to make a strategic acquisition of this key site, which will ensure continuity of servicing and access to MCR Central during the phased implementation of the regeneration proposals and will lead to significant cost savings because the Council will have more control over the land holdings in the area.
- 2.3 The acquisition will also increase the Council's equity stake in the area and it's ability to generate a return from any commercial aspects of the project.
- 2.4 The Capital Programme, to be approved by Council on 9 March, includes £1.3m to cover the acquisition and associated costs. The total acquisition costs can be met within this budget.

## **3.0 Timescales**

- 3.1 Confidential terms have very recently been agreed for the acquisition, however, these are only available until 31<sup>st</sup> March 2011 due to timescales imposed by the vendor. If contracts are not exchanged within this time the terms will need to be renegotiated and the transaction may be jeopardised.
- 3.2 Capital Expenditure approval is required in order to progress the acquisition, however, any delay in the associated Key Decision will potentially undermine the Council's ability to acquire the site.

## **4.0 Recommendation**

- 4.1 Recommendations can be found at the front of this report.