
REPORT OF THE STRATEGIC DIRECTOR FOR PLACE

TO THE CITY MAYOR FOR PROPERTY / REGENERATION BRIEFING

ON 9 NOVEMBER 2020

A5063 TRAFFORD ROAD CORRIDOR – SECTION 106 CONTRIBUTIONS INVESTMENT

RECOMMENDATIONS:

That the Lead Member for Planning and Sustainable Development notes;

1. The proposed expenditure of £1,354,314.49 of Section 106 contributions received towards the Trafford Road Corridor project; and
2. The intention to allocate future specific Section 106 contributions not yet received but identified for the Trafford Road Corridor project.

That the City Mayor approves;

1. The proposed expenditure of £1,354,314.49 of Section 106 contributions received towards the Trafford Road Corridor project; and
 2. To delegate Authority to the Strategic Director for Place, in consultation with the Head of Planning and S106 officer, to allocate specific Section 106 contributions not yet received but identified for the Trafford Road Corridor project.
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EXECUTIVE SUMMARY:

It is proposed to utilise a total of £1,354,314.49 of secured Section 106 contributions towards the A5063 Trafford Road Corridor project which has recently commenced, with specific future contributions identified within this report to be allocated once received.

The report to the City Mayor on 29 May 2018 committed the city council to provide local match funding of up to £4.5m to support the Trafford Road project. The intention is to maximise the use of Section 106 contributions from applicable local developments towards the project to reduce the amount of borrowing that would be required. A proportion of the anticipated Section 106 contributions to be made available to the project have been received and are available to be allocated.

The scheme is also being funded by the GMCA through Growth Deal and MCF grant funding streams. Following approval of the Full Business Case, at its meeting on 26th June 2020 the GMCA approved the release of the balance of the full allocation of grant funding to the project.

BACKGROUND DOCUMENTS:

- Report to the City Mayor for Property / Regeneration Briefing on 29 May 2020 which approved up to £4.5m of local match funding
- Notice of Decisions Agreed at the GMCA held on 26th June 2020 (item 17) which confirmed the allocation of £15.332m of grant funding to the Trafford Road Improvements project
- A5063 Trafford Road Improvements – General Arrangement – Overview Plan

KEY DECISION: NO

DETAILS:

1.0 Background

- 1.1 In line with the council’s Planning Obligations Supplementary Planning Document (SPD), Section 106 contributions were required from several developments in the vicinity of Trafford Road, Ordsall. These highway and public realm contributions have been identified as being appropriate to apply towards the £4.5m local match funding required for the Trafford Road Corridor project.

2.0 Allocation of the s106 funding

- 2.1 Initial contributions have been received to date by the city council from the following developments. The signed section 106 agreement require that the contributions be directed towards named projects as identified below.

s106	Development (Planning Application)	S.106 Received (£)	Named Projects
(289)	Dock Office (14/65100/FUL)	267,851.79	▪ Public realm works in vicinity of site
(320)	Michigan Avenue (15/66481/FUL)	1,036,463.70	▪ Trafford Road / Broadway Junction
(376)	King William Street (18/72048/FUL)	50,000.00	▪ Public realm and infrastructure works on Trafford Rd from Regent Roundabout to the Quays/Trafford Rd junction and/or Enhanced green infrastructure works within the area bound by the Quays Loop Rd, Broadway and Trafford Rd including Howard Street
TOTAL		£1,354,314.49	

- 2.2 The city council has not yet received all of the contributions that are expected to be

available for this project. As individual developments progress additional section 106 payments will be made to the city council at specific trigger points which will be allocated to the Trafford Road Corridor project, subject to separate approval reports. The status of these developments and the contributions that might be expected are summarised in the table below.

s106	Development (Planning Application)	S.106 Due (£)	Named Projects
(320)	Michigan Avenue (15/66481/FUL)	£362,529.78 (Invoiced)	<ul style="list-style-type: none"> ▪ Trafford Road / Broadway Junction
(354)	Furness Quay (17/69493/FUL)	1,000,000*	<ul style="list-style-type: none"> ▪ Improved connectivity along and over Trafford Road including works to improve crossing facilities for pedestrians and cyclists. ▪ Resurfacing of, and works to improve transport and pedestrian connectivity on, and to the Quays Loop Road from Sovereign Point to Trafford Road ▪ Off-site Affordable Housing
(397)	Navigation House (17/69345/FUL)	100,000*	<ul style="list-style-type: none"> ▪ To contribute towards public realm works to improve connectivity along and over Trafford Road and from the development to Trafford Road and / or resurfacing of the Quays Loop Road
(TBC)	Waterfront Quay (16/67568/OUT)	350,000*	New planning application and s106 to identify: <ul style="list-style-type: none"> ▪ Trafford Road / The Quays Junction
TOTAL		£1,812,529.78	

*All planning obligation payments are index linked. The expected contributions above are the baseline figures identified in the original section 106 agreements. The actual amounts received will likely be higher as RPI increases will be applied from the date that the original agreement was signed to the date of payment.

3.0 Proposed uses of the s106 funding and the wider benefits of the project

3.1 It is proposed to utilise the section 106 funding towards:

- A5063 Trafford Road Corridor project

3.2 The overall project value is £19.83m which comprises of funding from :

- Growth Deal 3 (£10.50m)
- Mayor’s Challenge Fund (£4.83m)
- Salford City Council Local Match Funding (£4.50m)

The GMCA has committed to provide a match funding grant to the city council totalling £15,332,000 towards the project, made up from £10,500,000 of Growth Deal 3 funding and £4,832,000 from the Mayor’s Challenge Fund for walking and cycling improvements.

3.3 The Trafford Road project aligns with the key strategic aims from “Salford 2025: A Modern Global City” by:

- Encouraging growth by supporting new businesses in a high-priority regeneration area;
- Providing additional highway capacity that will enable more ambitious development proposals to be accommodated;
- Improving existing transport links and supporting access to additional new homes, culture

- and sport;
- Supporting the development of the area by enhancing and accelerating opportunities for growth.

3.4 Salford City Council and, formerly, Urban Vision officers worked closely with TfGM and the Greater Manchester Cycling Officers to develop a detailed design layout which delivers enhanced, innovative cycling and walking facilities whilst delivering vehicular capacity improvements at junctions and reducing overall travel time along the corridor.

3.5 The Trafford Road Improvement works are comprised of the measures to upgrade the five junctions along Trafford Road to improve vehicular capacity, by realigning traffic lanes and optimising traffic signal phasing and timings, and provide improved and segregated facilities for cyclists and pedestrians including Cyclops junction layouts. The works will also include SMART technology to monitor and control traffic and variable message signing, to advise users of upcoming events that may affect their journey and any ongoing problems. In addition, there will be works to the public realm to improve the connectivity between residential areas of Ordsall and the businesses and recreational facilities within Salford Quays.

3.6 The public realm works will include soft and hard landscaped areas, rain gardens and sustainable drainage features, low level planting and trees, new street lighting, wayfinding signage and gateway features enhance public awareness of the area and give a sense of welcome.

4.0 Recommendation

That the Lead Member for Planning and Sustainable Development notes;

1. The proposed expenditure of £1,354,314.49 of Section 106 contributions received towards the Trafford Road Corridor project; and
2. The intention to allocate future specific Section 106 contributions not yet received but identified for the Trafford Road Corridor project.

That the City Mayor approves;

1. The proposed expenditure of £1,354,314.49 of Section 106 contributions received towards the Trafford Road Corridor project; and
2. To delegate Authority to the Strategic Director for Place, in consultation with the Head of Planning and S106 officer, to allocate specific Section 106 contributions not yet received but identified for the Trafford Road Corridor project.

KEY COUNCIL POLICIES:

- Salford City Council Unitary Development Plan 2004-16 (2006);
- Planning Obligations Supplementary Planning Document (2007);
- Planning Obligations Supplementary Planning Document (2015); and

- Planning Obligations Supplementary Planning Document (2019);
 - “Salford 2025 – A Modern Global City”
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EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:

The improvements will be of benefit to all. It is considered that there are no adverse impacts associated with this project. All proposals have been presented to the local community and the business community through public consultation events and feedback received has been considered in the design development. The proposals have likewise been presented and favourably reviewed by disability groups.

ASSESSMENT OF RISK:

Low – Developers can seek to legally challenge the city council to claim back Section 106 monies if not used on a scheme that mitigates the impacts of that development and/or spent in line with the requirements of the Section 106 agreement.

LEGAL IMPLICATIONS Supplied by:

Shared Legal Service (Juliet Mbam)

Comments: Section 106 contributions can only be expended in accordance with the terms of the planning obligations outlined in the agreement. The proposed expenditure of the s106 contributions outlined in this report on the Trafford Road Corridor would be in line with the terms of the respective agreements.

FINANCIAL IMPLICATIONS Supplied by:

Natalie Birchall
Ext 2316

The overall project is valued at £19.83m comprising: £4.83m MCF, £10.5m of Growth Deal 3 funding and £4.5m of local match funding by SCC.

Growth deal 3 funds must be spent by the end of March 2021 and the Mayors challenge funds by the end of March 2022.

The OBC received conditional approval in December 2018 and OBC development costs have been reimbursed to the council and FBC approval on the 26th June 2020.

The reports sets out an agreement to allocate contributions received to date totalling £1,354,314.49 to be available for Trafford Road.

Agreement in principle is required for future receipts as detailed in section 2.2 to be available for Trafford Road, totalling £1,812,529.78, of which £362,529.78 has been invoiced for and awaiting payment from the developer. The future agreements in place or under negotiation in the area that will generate further contributions to the scheme subject to the continuation of development activity. These funds can be used to further reduce or even eliminate the requirement for USB borrowing to support the scheme in later years depending upon progress with these developments.

SOURCE OF FUNDING:

Section 106 Contributions received from the development(s) at:

- £267,851.79 from Dock Office (Section 106 Ref: 289 - 14/65100/FUL)
- 1,036,463.70 from Michigan Avenue (Section 106 Ref: 320 - 15/66481/FUL)
- £50,000.00 from King William Street (Section 106 Ref: 376 - 18/72048/FUL)

PROCUREMENT IMPLICATIONS Supplied by: N/A

HR IMPLICATIONS Supplied by: N/A

**CLIMATE CHANGE IMPLICATIONS supplied in consultation with:
Mike Hemingway**

Comments: Climate change implications are considered through the planning application process, and where relevant appropriate mitigation will be identified through planning conditions and/or planning obligations. The Section 106 contribution(s) can only be used towards specific mitigation in accordance with the respective Section 106 agreement. This highway project incorporates cycle tracks and lanes to encourage this sustainable transport option.

OTHER DIRECTORATES CONSULTED: N/A

CONTACT OFFICERS:

Steve Davey (s106) TEL NO: Ext 3762
Richard Tindall (Project Lead) TEL NO: Ext 4866

WARDS TO WHICH REPORT RELATES: Ordsall