Manchester City Council Report for Resolution

Report to:	Executive – 1 June 2016
Subject:	New Islington Marina
Report of:	Strategic Director (Strategic Development)

Summary

The purpose of this report is to set out the background and details of a request for capital funding to rectify problems encountered in the New Islington Marina.

Recommendations

The Executive is recommended to:

- 1. Note the contents of this report and that a number of defects have come to light associated with core infrastructure within the New Islington Marina that require immediate attention.
- 2. Approve a capital budget of £350,000 to allow the delivery of essential enabling works associated with works to the canal arm in the New Islington Marina.
- 3. Note that further requests for capital funding will be made once a fully costed work programme for the wider Marina is available.
- 4. Note that problems identified relate to core infrastructure delivered by English Partnerships (now the Homes and Communities Agency) and that Council officers are in discussions with the Homes and Communities Agency to establish arrangements whereby the costs of remedial works are recovered in full by the City Council.

Wards Affected: Ancoats & Clayton

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The remedial works of the New Islington Marina will allow the continued regeneration of New Islington which will deliver a range of good quality homes in a variety of types and tenures, increasing housing choice which will increase the prospects of retaining and attracting economically active residents whilst helping to build a sense of place and positioning the area as a neighbourhood of choice.

A highly skilled city: world class and home grown talent sustaining the city's economic success	The New Islington Marina remedial works will allow unobstructed access to the New Islington Free School and will also support the continuation of residential growth construction projects which will provide both training and employment opportunities for the local community.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The New Islington estate offers the potential to help deliver the Manchester Residential Growth prospectus, helping contribute to and meet the demand for new homes in the city. The redevelopment of the site will involve the creation of high quality new environments and the provision of facilities that are accessible to the local community. The remedial works to the marina will complete the aspirations for the area and will help build a strong sense of place with a unique identity for New Islington whilst also creating a socially integrated neighbourhood with a range of new homes / businesses and Primary School.
A liveable and low carbon city: a destination of choice to live, visit, work	The New Islington Marina remedial works will contribute to creating a liveable and low carbon city by supporting the delivery of new build homes, improving the local environment and improving connectivity to local amenities and services for the wider community.
A connected city: world class infrastructure and connectivity to drive growth	The New Islington Marina will contribute to the vibrancy and attractiveness of the area and will create a seamless connection from the East Manchester neighbourhoods to the City Centre and the employment opportunities it has to offer.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

There are no revenue consequences arising from the recommendations in this report.

Financial Consequences – Capital

The recommendations in this report, if approved, will increase the capital budget by \pounds 350k in 16/17 funded by Council resources.

Additional capital works will be required and the scope of these will be the subject of a further report to the Executive once a fully costed work programme is available.

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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.

N/A

1.0 Introduction

- 1.1 The purpose of this report is to make the Executive aware of a number of issues that have been identified with key elements of the core infrastructure within the New Islington Marina and to make a series of recommendations to commence a programme of remedial works to rectify these matters.
- 1.2 At the outset it should be noted that English Partnerships (EP) led on the delivery of the initial phases of redevelopment of New Islington and in particular in letting and managing contracts for the construction of the Marina. EP was subsumed into the Homes and Communities Agency (HCA) when it was created in 2011. However in recent years the HCA has passed responsibility for the stewardship of public sector assets and estate management to the City Council.
- 1.3 Recent events have brought to light a range of defects associated with the core infrastructure associated with the New Islington Marina that require further specialist investigation and remedy. These issues are primarily related to raised water levels in the Marina that are causing seepage onto adjacent development sites and sink holes on the promenade. There is also a defective sewer that requires decommissioning.

2.0 Background

- 2.1 New Islington was designated a Millennium Communities project in 2002, with the initial phases of regeneration delivered by EP/HCA. The project involved the clearance of the Cardroom Council estate, and the creation of a new neighbourhood comprising up to 1,400 mixed tenure houses and apartments, a new canal marina and park; a new Health Centre and Primary School and associated public realm.
- 2.2 To facilitate the delivery of the initiative the City Council transferred its land interests to EP / HCA by way of a 250 year lease, with EP/HCA funding the cost of resident relocations, land assembly and the delivery of key infrastructure works. The Marina and associated public realm was constructed in phases by the public sector, with initial contracts for the Marina let and managed by EP; and the final elements of the public realm works being delivered by City Council.
- 2.3 The residential component of the New Islington scheme was significantly impacted upon by the economic recession that started in 2008. In 2013 the City Council acquired a number of development plots from the HCA. As this acquisition left EP/HCA with no remaining land interests in the area they surrendered their 250 year head lease and the City Council took on lead responsibility and custodianship of New Islington including the Marina, with responsibility for overseeing the management and maintenance of estate infrastructure.

3.0 Current Position

- 3.1 The Marina construction was completed in 2007 and was physically connected to the Rochdale Canal in 2011. It is now occupied by 34 residential canal boats, all of which pay mooring fees that are used to contribute to the management and maintenance of the marina.
- 3.2 In addition to this, development interest in the area has recommenced, Manchester Life is building 302 residential units on the site adjacent to the canal arm, Urban Splash are also on site with their "HoUSe" development and to date have delivered 44 units, and have a live planning application for a further 21 houses and 84 apartments. The New Islington Free School is also under construction and will open in September 2016.
- 3.3 Over the past 18 months a number of problems have been identified with the public realm in and around the Marina (for example sink holes on the public promenade; and water ingress onto surrounding development sites). In response to this the City Council has commissioned survey works to understand the extent of the problems and to identify a range of solutions to address matters.
- 3.4 Arcadis consultants, who specialise in hydrological surveys, were appointed to lead on this work and have undertaken a range of site investigations including a CCTV survey, topographical survey and ground penetration radar. The results of these investigations have been provided to the City Council and in summary, the main issues are:
 - Raised water levels within the marina and the consequent seepage of water through the non-waterproofed sections of the marina, mainly the coping stone joints into the adjacent development sites and the roadway;
 - The presence of poor quality "fill" material beneath the public promenade which is consequently being washed away by water seepage and causing sinkholes;
 - A deflected surface water drains and a fractured deep sewer pipe that is beyond economic repair and should be decommissioned;
 - The requirement to provide an alternative foul drainage solution for the boater's hut;
 - The need to permanently secure and make watertight two canal arm spurs that are no longer required.
- 3.5 Arcadis also recommend a number of remedial solutions to resolve the issues currently being experienced in the marina. These are:
 - Relaying of all coping stones with waterproof joints to retain water.
 - Re-grading of the public promenade to ensure that runoff from rainfall will discharge directly into the marina and not into surface water drainage pipes/sewers.
 - Closure of the two canal spur arms by stopping up with a watertight connection to the existing canal wall.
 - Decommissioning of the defective sewer and filling the pipe with concrete.

- Removal of up to 2-3m depth of the "poor fill" beneath the promenade and replace it with appropriate engineering fill material that is more stable and less prone to washout.
- Re-routing of foul drainage for the boaters' hut.

4.0 Progress to date and next steps

- 4.1 Officers in the City Council's Capital Programmes Team have reviewed the information provided by Arcadis and have recommended that remedial works need to be broken down into a series of work packages; commencing with some initial enabling works and then further phases of construction works.
- 4.2 The enabling works will facilitate the development of an agreed scope and associated costs relating to a comprehensive programme of remedial works. The first phase of remedial works will deal with the issues affecting the canal arm and the two canal arm stubs to ensure that these parts of the Marina are fully watertight.
- 4.3 Officers are currently working up detailed estimates for these enabling works but they will include: -
 - relocating the 5 boaters currently moored in the canal arm to temporary serviced moorings within the wider marina;
 - provision of electricity and water services at the temporary moorings,
 - installing a portadam system to drain the canal arm and also 2 further pumping systems to drain the canal arm stubs to allow the piling solution to be undertaken;
 - providing security to protect the portadam system;
 - procurement of specialist technical services to undertake extensive site investigations across the whole of the marina;
 - undertaking necessary repairs to enable the bascule bridge on the Ashton Canal to be opened to enable the temporary moorings to be accessed;
 - procuring a range of specialist consultants and contractors to design and deliver a remedial scheme that will address the water seepage through the coping stones and install a watertight seal for the two canal arm stubs.
- 4.4 The initial enabling works and the subsequent remedial works to the canal arm will require the boaters currently moored on the canal arm to be moved to alternative temporary serviced moorings in the wider marina. Notice to relocate to these alternative moorings was served on the boaters on 26 April, giving the boaters 4 weeks notice period. Simultaneously a letter was delivered to all the boaters explaining the need to undertake a series of remedial works within the marina. At this stage it is not clear what the implications of the works for the boaters will be, although they have been informed that in the worst case scenario the Marina will need to be drained and all the boaters will need to leave for the duration of the works.
- 4.5 Installation of the portadam and pump to the canal arm at the earliest possible opportunity will enable the water levels in the canal arm to be reduced to below the coping stone joint to stop the water seepage.

4.6 Simultaneously officers are working towards designing, costing and procuring schemes for the phased programme of remedial works, which will address all the remaining issues in the wider marina.

5.0 Funding Requirements

- 5.1 There is currently no capital budget identified to address defects / undertake remedial works associated with these areas of estate core infrastructure, therefore an alternative source of funding will be required to cover the costs associated with rectifying the issues identified above.
- 5.2 The City Council is in dialogue with the HCA to agree the basis upon which the City can recover all costs associated with the EP contracts to construct the Marina.
- 5.3 Discussions with the HCA are ongoing and further reports on this matter will be brought back to the Executive as this matter progresses. The HCA are also investigating warranties associated with contracts for the original design and construction of the Marina infrastructure.
- 5.4 Local ward members have also been briefed on the present situation and been copied into correspondence sent to the Boaters currently residing in the marina, informing them of the need for 5 boats to be relocated so that we can undertake the initial phase of essential works.
- 5.5 Officers are requesting a capital budget of £350,000 to cover all costs associated with the initial enabling works; to a point where a contractor can be appointed to undertake the first phase of remedial works. This is an estimated upper limit cost for the enabling works which will be confirmed during the project life cycle.

6.0 Contributing to the Manchester Strategy

(a) A thriving and sustainable city

- 6.1 The remedial works of the New Islington Marina will allow the continued regeneration of New Islington which will deliver a range of good quality homes in a variety of types and tenures, increasing housing choice which will increase the prospects of retaining and attracting economically active residents whilst helping to build a sense of place and positioning the area as a neighbourhood of choice.
- 6.2 The remedial will also sustain and secure the long term future of the New Islington Marina.
- 6.3 The works will support the delivery of new homes within the New Islington Estate.

(b) A highly skilled city

6.2 The New Islington Marina remedial works will allow unobstructed access to the New Islington Free School and will also allow the continuation of residential growth construction projects which will provide both training and employment opportunities for the local community.

(c) A progressive and equitable city

6.3 The New Islington estate offers the potential to help deliver the Manchester Residential Growth prospectus, helping contribute to and meet the demand for new homes in the city. The redevelopment of the site will involve the creation of high quality new environments and the provision of facilities that are accessible to the local community. The remedial works to the marina will complete the aspirations for the area and will help build a strong sense of place with a unique identity for New Islington whilst also creating a socially integrated neighbourhood with a range of new homes / businesses and Primary School.

(d) A liveable and low carbon city

6.4 The New Islington Marina remedial works will help create a liveable and low carbon city by supporting the delivery of new build homes, improving the local environment and improving connectivity to local amenities and services for the wider community.

(e) A connected city

6.5 The New Islington Marina will contribute to the vibrancy and attractiveness of the area and will create a seamless connection from the East Manchester neighbourhoods to the City Centre and the employment opportunities it has to offer.

7.0 Key Polices and Considerations

(a) Equal Opportunities

7.1 None directly

(b) Risk Management

7.2 The risks associated with the programme of works will be managed by the Capital Programmes Team and the Strategic Development Team using the Manchester Method methodology. The risk log will be reviewed and updated regularly.

(c) Legal Considerations

The City Solicitor has been represented in all discussions relating to the programme of works and will continue to advise the City Council in all discussions relating to use of HCA resources to fund the scheme.