
**Manchester City Council
Report for Resolution**

Report to: Executive – 28 June 2017

Subject: The Development of the City Council's Digital Asset Base

Report of: Strategic Director, Development

Summary

This report briefly updates members on the development of the City Council's Digital Asset Base and the establishment of Manchester Creative Digital Assets Ltd (MCDA) to operate, develop and manage the Digital Assets: The Sharp Project, Space Studios Manchester (previously branded as The Space Project) and One Central Park (OCP). It provides an update on the proposals for further investment into these three assets, in particular OCP and The Sharp Project, to enhance their competitive positions whilst continuing to deliver on the core economic priorities of stimulating growth, creating jobs and the attraction of new entrepreneurs, new business, capital and talent within the city's creative digital sector. In addition, it provides an update in relation to the demolition of the Wenlock Way office complex adjoining Space Studios Manchester.

Recommendations

That the Executive recommend that the City Council approve:

- (i) A Capital Budget increase of £4.27m on top of the existing capital approval of £5.3m, relating to the refurbishment of OCP (£8.97m) and the fit-out of office Space known as 'Silver' at The Sharp Project (£0.6m), funded from prudential borrowing, the cost of which will be funded from increased rental income.
- (ii) Authorise the City Treasurer in consultation with the Leader and Executive member for Finance and Human Resources to approve the capital budget and phasing of repayments subject to the development of a robust business case.
- (iii) Approve the carry forward request, referred to in the Revenue Outturn Report 2016/17 elsewhere on the agenda, for the 2016/17 Space/Sharp surplus from the 2016/17 to be transferred to the company.

The Executive is recommended to:

- (i) Note the progress to date in the development of the City Council's Digital Asset Base, the establishment of MCDA and the rebranding of The Space Project as Space Studios Manchester.
- (ii) Note the revised proposals in relation to OCP and request for an increase in the existing capital approval from £5.3m to £8.97m, that seek to enhance the

facility and ensure it will continue to contribute to the continued growth of the city's digital sector as set out in Section 3.0 of this report.

- (iii) Note the latest developments at The Sharp Project and the proposals to refurbish the 'Silver' production offices, on a invest to save basis, into modern offices befitting of the sector and to satisfy tenant demand at The Sharp Project as set out in Section 4.
- (iv) Note the latest position in relation to the phase known as 'Black' at The Sharp Project and the current proposals in relation to feasibility, refurbishment and the latest tenant enquiries.
- (v) To Note the progress of the demolition of the Wenlock Way Tower adjacent to Space Studios Manchester and note the estimated Capital cost of £2.3m to be funded from AMP.

Wards Affected Miles Platting & Newton Heath, Ardwick, Harpurhey

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	<p>Manchester is recognised as a leader in creative and media businesses. The proposals to expand the Digital Asset Base are geared towards strengthening and expanding the growth of Manchester's Digital Sector, helping to deepen and broaden Greater Manchester's existing Digital, Creative Content and Media sector.</p> <p>Continuing to the Digital Asset Base in Miles Platting & Newton Heath, Harpurhey and West Gorton will help to diversify the economic base of East Manchester whilst ensuring the city maintains its place as the second largest cluster of this type in the UK.</p>
A highly skilled city: world class and home grown talent sustaining the city's economic success	<p>A Manchester Digital Skills Strategy has been developed that aims to build a globally competitive skills base within the city, working with young people in the primary, secondary and tertiary education systems. This is aligned with work with Manchester College, the Manchester Chamber of Commerce, Job Centre Plus and Work Programme providers who will play a key role in helping local residents capture the wide range of accessible job opportunities that will be created through the Digital Asset Base.</p>

<p>A progressive and equitable city: making a positive contribution by unlocking the potential of our communities</p>	<p>MCDA and SharpFutures will engage with local education providers and local communities to ensure that the opportunities provided by the Digital Asset Base are accessible to local talent and that they positively contribute to unlocking the potential the communities in Miles Platting & Newton Heath, Harpurhey and West Gorton.</p>
<p>A liveable and low carbon city: a destination of choice to live, visit, work</p>	<p>The growth of the Digital Asset Base is helping to transform the profile and image of Miles Platting & Newton Heath, Harpurhey and West Gorton as a place to live, work and invest in. Developments forming part of the Digital Asset Base will aim to achieve energy efficient and improve the current EPC rating of existing buildings whilst looking to implement low carbon technologies.</p>
<p>A connected city: world class infrastructure and connectivity to drive growth</p>	<p>The city's digital infrastructure is critical to its future success, as connectivity underpins growth across all sectors. The growth of the Digital Asset Base will play a key role both in improving infrastructure and ensuring that infrastructure, including faster connectivity and increased bandwidth, is implemented across East Manchester by working with service providers who connect the assets.</p>

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

MCDA is in its first full year of operation and finalising the budget and business plan for the next three years. The proposals in this report include capital and interest to be repaid from MCDA's future commercial revenue streams. The request for approval of capital expenditure is on the basis of a finalised robust business plan.

Whilst projecting a small return over this period the financial position is tight and the company has not yet had the opportunity to establish any unringfenced reserves in order to deal with income fluctuations or unforeseen risks. It is therefore recommended in the report that the revenue balance held by the Council in relation to activities at Space and Sharp in 2015/16 and 2016/17 is transferred to the new company.

Financial Consequences – Capital

The report contains two proposals for investment in the facilities at the Sharp Project and One Central Park in order to support the continued growth of the City's digital sector. The recommendations in this report will increase the capital budget by £4.27m, £3.67m for OCP and an increase of £0.6m for The Sharp Project. The increase will be funded by prudential borrowing on an invest to save basis with the phasing of the repayments aligned to the anticipated financial return. The decision to invest will be in the basis of a robust business case and business plan.

The investment at OCP is to enhance and expand the existing facility to transform into a building that is fit for purpose which serves the needs of the targeted digital services market. The facilities at Sharp have been in operation for a number of years but will require investment as they are starting to show signs of wear and tear. The report sets out the proposal to invest £600k in the fit out of office space known as 'Silver'.

The repayment profile for both capital schemes needs to be aligned to the anticipated additional revenue and to avoid putting undue pressure on the company before the benefits of the investment are realised. The timing of repayments will be aligned to the profile in the business plan with a delegation to the City Treasurer in consultation with the Leader / Executive Member for Finance and Chief Executive to approve the repayment phasing.

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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.

- Digital Manchester, Executive, 14th March 2012

- The Sharp Project: Expanding Support to the Development of Manchester's Digital Sector, Executive, 12th September 2012
- Digital Manchester Update, Executive, 24th October 2012
- The Sharp Report, Executive, 5th December 2012
- The Development and Future Organisation of the City Council's Digital Asset Base, Executive, 24th July 2013
- The Development and Future Organisation of the City Council's Digital Asset Base, 22nd December 2014
- The Development of The Space Project, West Gorton 2nd March 2016
- Development of the Manchester Digital Sector Base, 29th June 2016

1.0 Introduction

- 1.1 In 2016 the digital sector within Greater Manchester employed nearly 62,000 people, within nearly 9,215 businesses, generating a GVA of £3.1bn to the city region. The majority of these jobs and businesses are located within Manchester. The City Council has recognised the need to stimulate the growth and attraction of new entrepreneurs, new business start ups, capital and talent within the city's digital sector as part of our core economic strategy.
- 1.2 The focus has been on expanding the city's Digital Asset Base by concentrating on businesses that are engaged in, or who support, the making, moving and / or manipulating digital content, locally, nationally and globally. As such the Council has sought to bring forward propositions which seek to expand the growth and diversification of digital industries; create pathways for employment; encourage new business start-ups; and in doing so, address where, but for the intervention of the public sector, there would be conventional market failure to respond to the opportunities to scale up and accelerate the growth of the city's digital economy.
- 1.3 The creation of The Sharp Project on Oldham Road, Newton Heath was the first key facility in the development of the City Council's ambition to diversify and grow our Digital Asset Base. The acquisition of OCP on Central Park and the development of Space Studios Manchester in West Gorton have contributed to the City Council's continued ambition of expanding and diversifying the city's digital economy. Taken together these three projects make a very visible and meaningful economic contribution to the attraction of new entrepreneurs, new business start ups, capital and talent to Manchester, helping to deliver on our ambitions to be a global digital city.
- 1.4 The report updates the Executive on the establishment of Manchester Creative Digital Assets Ltd, the company set up to develop and manage the city's Digital Asset Base. In addition, it provides an update on the second phase and the rebranding of The Space Project to Space Studios Manchester in Section 2.
- 1.5 Previous reports to Executive have set out a series of proposals to support and grow the city's digital sector through investment into all three assets. This report seeks new approvals for further Capital investment into the Digital Asset Base, in particular a revision to previously approved investment into One Central Park and new investment into The Sharp Project. In the last report to the Executive in June 2016, a budget of £5.3m was recommended and approved, subject to more detailed design. With regards to OCP and following further design work, independent market research and a critique of the design in relation to potential occupier requirements, this report seeks an increase in the approved Capital investment to £8.97m, as detailed in Section 3.0. In addition, this report seeks a separate Capital budget, also to be funded from prudential borrowing, to refurbish offices known as 'Silver' at The Sharp Project to satisfy growing tenant demand as detailed in Section 4.0. The report also provides an update on the demolition of the Wenlock Way Offices adjoining Space Studios Manchester in Section 5.

2.0 Establishment of MCDA to develop and manage the City Council's Digital Asset Base

- 2.1 In December 2014, delegated authority was approved by the Executive to the Chief Executive, City Treasurer and City Solicitor, in consultation with the Leader and Executive Member for Finance and Human Resources to finalise a structure for a new Company, wholly owned by the Council, to manage, develop and operate the Digital Asset Base. At the Executive in June 2016, it was confirmed that the name of this new company would be Manchester Creative Digital Assets (MCDA) Ltd and confirmed the establishment of the Board of Directors to comprise 4 MCC and 3 private sector representatives. The company was incorporated on 28th July 2016. The appointment of a new Chief Executive Officer and Financial Director were completed in October 2016, with both appointments commencing in post from January 2017.
- 2.2 In May 2017, The Space Project was rebranded as the Space Studios Manchester in advance of the completion of the site expansion, marking a new chapter of national and international high end TV, Film and Commercial production in Manchester following the establishment of MCDA.
- 2.3 The second phase of the Space Studios Manchester was approved by the Executive in March 2016, the scheme is currently 28 weeks into forty-nine week programme and is currently on programme to be completed by 20th November 2017. The project will double the size of the current facility and deliver an additional a 30,000 sq ft stage, 6,000 sq ft of support space, a 5,000 sq ft workshop and 45,000 sq ft of business units to be occupied by supply chain businesses. All business units are let off plan and there is preliminary international booking for the 30,000sqft stage
- 2.4 In June 2016, the Executive approved a budget of up to £1.4m to deliver tenant fit out works to the business units, to be delivered as part of the main contract as and when there was a specific tenant requirements. Two high profile 'anchor' tenants have signed up to terms and Agreements for Lease totalling 28,000 sq ft, allowing MCC to undertake the tenant fit out works on their behalf. The up front Capital costs are to be funded by MCC, to be repaid by the tenants through an amount over and above their rent within 5 years inclusive of interest. The total agreed costs to be funded from this budget is £0.612m and at this stage it is not envisaged that any other tenant fit out requirements will be carried out by MCC. However, it is considered prudent to retain this budget as additional contingency against these existing fit out works and against the main scheme until the project is complete and handed over in November 2017.
- 2.5 In addition to these two key lettings, terms have been agreed on an additional 7,500 sq ft and MCDA are on course to have leases in place on all marketed business units prior to the completion of construction, demonstrating high occupier demand. An additional 10,000 sq ft of business units, in addition to the 5,000 sq ft workshop will be retained for prop storage and ad hoc use by

productions to meet the likely demand for workshop and storage space once the new stage is operational.

3.0 The Redevelopment of One Central Park (OCP)

- 3.1 This section of the report updates members on the progress of the redevelopment of OCP following approval to concept proposals and a Capital budget in June 2016. The update summarises the outcomes of a subsequent independent market study and the revised proposals to remodel the building to make it suitable for the digital sector as its target market.

OCP Background

- 3.2 At its meeting on the 12th September 2012 the Executive authorised the acquisition of OCP. The acquisition was concluded on the 18th June 2014 for a price of £1.460m including Stamp Duty Land Tax (SDLT) and fees. The facility consists of 83,203 sq ft of lettable office space in 3 blocks, over 3 floors in a triangular layout surrounding an un-used central, open air courtyard, with a 272 space car park.
- 3.3 Prior to the completion of the transaction in June 2014 work was already underway to improve the operational performance of the facility and to establish OCP as the European headquarters for EON Reality, a global interactive 3D technology company. EON Reality are tenants leasing 10,000 sq ft for 10 years and have taken additional floor areas with the intention to expand further. Work to improve the operational performance has continued since the acquisition with officers working in conjunction with the managing agents, PAM Ltd, to reduce overheads; improving the procurement of FM services; tackling under-rented tenancies and improving the lettings to reduce vacant space achieved by offering flexible tenancies on 'easy in, easy out' terms. The building is c90% let and achieves a revenue surplus.
- 3.4 As a result of the active management of OCP the financial performance of the asset has significantly improved. Notwithstanding these improvements it is clear that the building, which is now 12 years old, needs additional capital investment to strengthen its performance and capacity to serve the needs of the target market of creative digital companies.
- 3.5 In order to develop a business case for further investment into OCP, a two stage feasibility study was carried out which included a review of the current facilities ability to provide for the digital sector. More specifically the team leading the feasibility study were tasked with producing a set of proposals that would change the perceived image of the building, thereby attracting a tenant base which fits the proposed concept, increases the rental value and seeks to further reduce the operational costs of the facility for the benefit of both tenants and the business. The outcome of this work and the concept redevelopment proposals were presented to the Executive in June 2016 and a Capital budget of £5.3m was approved to deliver the scheme, subject to more detailed design.

Preliminary Market Review

- 3.6 Following the completion of the initial RIBA Stage 2 report and development of concept designs presented to the Executive in June 2016, it was evident that the property market, specifically within the digital and creative sector was maturing with a number of new schemes either in the pipeline or being marketed to potential occupiers in Greater Manchester. . A preliminary market review was commissioned to seek advice in order to better understand the nature of the market, occupier requirements and develop appropriate specifications/criteria to suit the specific needs of the creative digital sector. Details of the response to the preliminary market review are covered in more detail in the Part B report which covers the more detailed and commercially sensitive elements of the revised business case.
- 3.7 Set out below is further details in respect of the revised scheme and design together with details of the revised Capital costs

OCP Revised Development Proposals

- 3.8 The revised proposals set out to transform OCP into a building that is fit for purpose and which serves the needs of the targeted digital services market. OCP is intended to attract mature companies within the sector looking for larger floor areas. The revised design is informed by detailed market analysis providing a better understanding of how the property market and occupier requirements have changed since the establishment of The Sharp Project. The final RIBA Stage 2 report includes proposals to:
- Create an additional 9,000 sq ft of lettable office floor area, by moving circulation into the central courtyard and reconfiguring the existing office space to create more flexible floor plates
 - Providing office space of c2,500 sq ft or less on the ground floor, fitted out and ready to occupy with minimal tenant fit out requirements with direct access to the courtyard
 - Offices of between 2,500 – 4,250 sq ft on the upper floors to cater for growing companies, with a specification allowing for tenants to undertake their own bespoke fit out to personalise the space
 - A large 10,000 sq ft suite, which can be split into two 5,000 sq ft units, aimed at larger occupiers looking to undertake their own fit out
 - Strip and replace all mechanical and electrical equipment within the offices, retaining only the primary plant where suitable to improve the operational efficiency of the building and reduce the service costs
 - Increasing design occupancy to make the offices more comfortable
 - Covering the central courtyard in a lightweight ETFE (a fluorine based plastic) roof, transforming the building with new internal space, complemented by event space on the Ground Floor and circulated by the new walkways
 - Audio Visual room and meeting rooms for hire and events with direct access to the courtyard
 - Improved cycle and shower facilities
 - Consolidated server rooms

OCP Revised Costs

- 3.9 The capital costs inclusive of preliminaries, design fees, inflation and contingencies the revised proposals as set out above are currently estimated at c£8.97m, an increase mainly driven by an improved mechanical and electrical strategy, improved specification in all offices, moving circulation from the core of the building onto walkways in the courtyard and is also reflective of the lack of investment into the the building to date. The budget figure is based on a commencement on site of April 2018 and a 13 month construction programme, subject to RIBA Stage 3 design commencing immediately. The revised budget also factors in the requirement to phase works to accommodate existing tenants and other related costs.
- 3.10 A full appraisal covering the operational costs, income and capital repayment based on various options is covered in the Part B report. It should be noted there is no net increase in revenue spend arising from the revised proposals, as the cost of the capital investment including interest is covered over time by increased rental income.

4.0 The Sharp Project: The Requirement for Further Investment

- 4.1 In the last report to Executive on the Digital Asset Base in June 2016, a case was put forward to utilise surplus revenue funding generated from the three assets to undertake initial feasibility work in order to assess the potential for the redevelopment of the 58,000 sq ft area known as 'Black' at The Sharp Project. In addition, it was proposed that the feasibility work would also assess ways to address the wider operational issues and consider ways of improving supporting functions (meeting rooms, car parking, creation of more office space etc) which are being placed under pressure due to the project's success and growing occupier demand.
- 4.2 Since the Executive report in June last year, the ground floor of 'Black' has been leased on a short term basis to an 'anchor' tenant of the business units at Space Studios Manchester, who will relocate once the project is complete in November this year. In addition, the first floor has continued to be used for production purposes. MCDA are currently dealing with enquiries for potential long term lettings for 'Black' which will potentially drive the redevelopment or could potentially lead to a tenant owned fit out of the existing space, with a reduced requirement for Capital expenditure by MCC. MCDA have also reviewed resources and considered the impact of various ongoing and planned capital schemes on the team going forward and have taken the view that the redevelopment of 'Black' can be delayed for the short term. This is likely to be until the expansion of Space Studios is complete, OCP is under construction and whilst potential tenant interest is fully considered. There is currently an opportunity to redevelop the office area known as 'Silver' offices.
- 4.3 The 'Silver' offices at The Sharp Project are currently used for low cost production offices and are the same specification as when MCC acquired the property in 2009 from Sharp Electronics. As the focus of productions move

from The Sharp Project over to Space Studios Manchester these offices in their current form will become obsolete and there is a requirement to improve them to a modern specification which will meet a growing tenant demand. There are a number of existing tenants interested in increasing their floor area which cannot currently be accommodated at The Sharp Project and will be required before OCP will become operational post refurbishment. This tenant interest, as well as an increase in rent, underpin the case for refurbishment.

- 4.4. The redevelopment of 'Silver' will provide c7,000 sq ft of net lettable area over two floors, with the intention of providing two offices of c3,500 sq ft. It is proposed that the current offices, including the mechanical and electrical plant are stripped out and the offices modernised to suite current occupier requirements, as informed by the independent market study into OCP. The aim is to provide open plan offices for a bespoke fit out to be provided by a tenant to suit their own requirements. Terms are being negotiated with a prospective tenant for c3,500 sq ft of the silver area post refurbishment.
- 4.5 It is proposed that the refurbishment of 'Silver' offices is funded through prudential borrowing on an invest to save basis, to be repaid through increased future rental income. The operational costs are already incurred by The Sharp Project so there is no anticipated increase in revenue costs. It is anticipated that the permanent letting of these offices should reduce overall landlord costs by reducing void periods, reducing communal areas and by modernising an area of the building with ageing infrastructure. The Capital costs are estimated at c£0.6m based on comparable office refurbishment projects being delivered through the North West Construction Hub (OCP and The Space Project) inclusive of design fees and contingencies.
- 4.6 The above costs are subject to design and tender and it is proposed that the design team is initially procured to prepare a design brief for the competitive tendering of an office fit out specialist contractor. This initial stage of work will be funded from revenue surpluses generated by the three projects, to be Capitalised (included in the above costs) on approval of the tendered scheme and on appointment of the contractor. It is recommended that the Executive approve the expenditure of c£60K from revenue surpluses generated by the project and an estimated overall Capital budget of £0.6m. This budget will be subject to the development of a robust business case and the competitive tender of an office fit out specialist contractor. It is recommended that the final approval of the budget is delegated to the City Treasurer in consultation with the Leader and Executive member for Finance and Human Resources. The detailed business case and overview of the tenant interest which underpins the commercial viability of the refurbishment is covered in the Part B report.

5.0 Demolition of the Wenlock Way Offices

Background

- 5.1 In October 2015 and March 2016, the Executive was provided with an overview of the overall Masterplan for Space Studios Manchester and the potential of future growth to include the Wenlock Way Office site consisting of

the Tower building, the former R&D block, the former Executive suite and a Canteen used as storage. The buildings were previously occupied by MCC staff and the decant and decommissioning of the buildings were completed in October 2016. It was suggested within these two reports that the feasibility of retaining the Executive Suite and Canteen for temporary use by Space Studios as production offices and storage, followed by a possible refurbishment for permanent use, would be considered. Previous feasibility exercises concluded that the retention and refurbishment of the Tower and R&D block would not be viable at an estimated cost of £8.7m against a demolition cost of £1.5 (this was backed up by two separate feasibility reports by MCC and the HCA).

- 5.2 It has since been concluded that the retention of the Executive Suite and former Canteen block is not a viable proposition due to: operational costs; ageing mechanical and electrical infrastructure; the costs of reconfiguration required (even for temporary use); security concerns; access and the added complexity of retaining the Executive Suite, which is in close proximity to the Tower building, during demolition. Therefore it is now proposed that all buildings will be demolished and the site left vacant ready for future development in line with the Masterplan presented to the Executive in October 2015. This will be subject to a viable business case to be reported to a future meeting of the Executive.

Timescales

- 5.3 Following the decant of staff and decommissioning of the buildings, the site has been made secure and surveys have commenced in order to prepare tender information for the appointment of a suitable contractor. In addition, in consultation with MCDA and due to the proximity of the demolition to Space Studios Manchester, the physical demolition has been delayed until winter 2017/2018 to minimise disruption to productions over the summer/ autumn period, when the stages are highly utilised. Carrying out the physical demolition works over the winter months, during a 16 week period, will ensure that disruption to productions is minimised as this is traditionally a quieter period for production activity. It is likely that physical demolition will be detectable within the production stages during noisy activity both acoustically and through vibration. Undertaking works during a period where utilisation is lower will minimise the risk of disruption to high profile productions and of harming the facilities reputation. During this period, the new stage being constructed as part of phase 2 will be fully operational and will not be impacted by the demolition. The strip out of the facility, including Asbestos and other 'quiet' demolition activity will commence in August 2017 in preparation for a late November start for physical demolition works.

Demolition Costs

- 5.4 In the report to Executive in March 2016, the cost of demolishing the Tower and R&D block was estimated to be c£1.5m which was backed up by two separate feasibility cost plans by MCC and the HCA. This cost assumed a demolition of the building to ground level, with the removal of the concrete

foundations and floor slabs to be removed as part of future site remediation. The inclusion of the former Executive Suite and Canteen in the scope of demolition will increase this cost. In addition, Asbestos surveys have revealed a higher than expected amount of Asbestos containing materials within the Tower building and former R&D block. There is also a requirement to provide improved boundary and security (lighting and CCTV) arrangements and to remove the ground floor slabs to ensure all noisy works are carried out within the period of lower utilisation, avoiding potential future disruption to the stages and the surrounding residential area. It should also be noted that since the MCC and HCA reports in 2014, construction prices have increased at a rate higher than inflation.

- 5.5 On the basis of the above, there is an approved budget of £2.3m within the Asset Management Programme (AMP) allocated to the demolition project which is based on independent cost advice. The final cost will be subject to tender and is expected to conclude by the end of July 2017. The key risks to costs are the method of demolition and the cost and method of removing Asbestos from the building. If the tendered costs came back over and above this amount, officers will work with the contractor to reduce the scope where possible to focus on the demolition of the buildings and removal of concrete slabs which are the key priorities to ensure it can be delivered within this budget.

6.0 Contributing to the Manchester Strategy

(a) A thriving and sustainable city

- 6.1 Manchester is recognised as a leader in creative and media businesses. The proposals to expand the Digital Asset Base are geared towards strengthening and expanding the growth of Manchester's Digital Sector, helping to deepen and broaden Greater Manchester's existing Digital, Creative Content and Media sector.
- 6.2 Continuing to the Digital Asset Base in Miles Platting & Newton Heath, Harpurhey and West Gorton will help to diversify the economic base of East Manchester whilst ensuring the city maintains its place as the second largest cluster of this type in the UK.

(b) A highly skilled city

- 6.3 A Manchester Digital Skills Strategy has been developed that aims to build a globally competitive skills base within the city, working with young people in the primary, secondary and tertiary education systems. This is aligned with work with Manchester College, the Manchester Chamber of Commerce, Job Centre Plus and Work Programme providers who will play a key role in helping local residents capture the wide range of accessible job opportunities that will be created through the Digital Asset Base.

(c) A progressive and equitable city

- 6.4 MCDA and SharpFutures will engage with local education providers and local communities to ensure that the opportunities provided by the Digital Asset Base are accessible to local talent and that they positively contribute to unlocking the potential the communities in Miles Platting & Newton Heath, Harpurhey and West Gorton.

(d) A liveable and low carbon city

- 6.5 The growth of the Digital Asset Base is helping to transform the profile and image of Miles Platting & Newton Heath, Harpurhey and West Gorton as a place to live, work and invest in. Developments forming part of the Digital Asset Base will aim to achieve BREEAM Very Good ratings or above and improve the current EPC rating of existing buildings whilst looking to implement low carbon technologies.

(e) A connected city

- 6.6 The city's digital infrastructure is critical to its future success, as connectivity underpins growth across all sectors. The growth of the Digital Asset Base will play a key role both in improving infrastructure and ensuring that infrastructure, including faster connectivity and increased bandwidth, is implemented across East Manchester by working with service providers who connect the assets.

7.0 Key Policies and Considerations

(a) Equal Opportunities

- 7.1 Each of the three Projects The Sharp Project on Oldham Road; OCP on Central Park; and Space Studios Manchester in West Gorton - will capture significant employment opportunities and ensure that Manchester residents have the opportunity to compete for the jobs that are created. In addition, there is a commitment to ensure that all three "Project" facilities will be accessible and well connected.

(b) Risk Management

- 7.2 A risk management strategy will be developed for the delivery of One Central Park which will continually be monitored to enable the Council to monitor and respond to risks throughout the lifetime of the project.

(c) Legal Considerations

- 7.3 If approved by the Executive, the City Solicitor will advise and support the delivery of the project.