

Business & Finance Scrutiny Committee

The Telford Land Deal and Growth Fund

15 November 2023

**Protect
Care and Invest
to create a
better borough**



The Telford Land Deal - Overview

10 year Partnership between Telford & Wrekin Council (TWC), Homes England and the Marches Local Enterprise Partnership (LEP)

- TWC responsible for practical delivery of Homes England land interests to the market
- TWC/LEP support of £19m Local Growth Fund investment
- Profit secured over and above agreed baseline values shared between the partners
- TWC profit share used to support strategic projects to drive growth

Objectives:

Delivery of outputs (2800 homes, 8,500 jobs and 300,000sq.m. commercial floor space)

Acceleration of site disposal and inward investment



Protect
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better borough

a co-operative
council



Telford & Wrekin
COUNCIL

Headline Achievements - Telford Land Deal

2015/16-2022/23

- Delivered the sale of a total of 32 commercial sites and 24 sites for residential development
- Gross sales income of £48.6 million.
- EFS of 163,871sqm (1,763,892sqft)
- Delivery of 2233 new jobs.
- 1535 new homes (684 affordable)

2022/23

- Gross sale income of £6.6 million
- EFS of 19,883sqm (214,018sqft)
- Delivery of 307 new jobs
- 251 new homes (102 affordable)

2023/24 (forecast)

- Gross sale income of c.£12.2 million
- EFS of 45,167sqm (486,173sqft)
- Delivery of c.260 jobs
- 48 new homes



Majestic Way



Hortonwood West

Growth Fund - Headlines

2016/7 – 2022/23

£79.4m investment fund - estimated to deliver an ongoing gross return of 6.47%

Linked to long term lettings of between 8-15 years

Growth in business rates in excess of £600,000 p.a.

Supporting delivery/safeguarding of 1445 jobs



Phase 1 - NiPark, Newport



Travelodge - Southwater



Tesco – Dawley (former Co-Op)

Benefits to Telford & Wrekin Council

- React quickly to the market
- Capitalise on investment demand
- De-risk sites for employment and residential development
- Provide bespoke buildings
- Invest in infrastructure and utilities
- Provides a unique 'package' service to investors:
 - Land Deal
 - Growth Fund
 - Invest Telford Pledge
- Income to support Council service delivery
- Job creation and safeguarding of jobs
- Fee income for Council services - biT/Planning

Land Deal Achievements



Plot 5B, Telford 54

- Site sold to existing adjoining occupiers - Torus.
- Supports a business expansion to deliver circa 1000sqm (10,763sqft) of additional employment floorspace
- Site completion June 2022.



Hortonwood Plot 11B

- Site sold to Portion Solutions Ltd
- Completed build of a 11,482sqm (123,591sqft) production and warehouse centre.



Hortonwood 11E

- Site sold HE2 Telford 2 GP Ltd
- Completed development of a DHL distribution centre totalling 6800sqm (73,194qft).

Land Deal Achievements



Majestic Way

- Sold to Living Space for a 39 unit development of affordable homes.
- Site completion April 2022.



Newcomen Way

- Sold to Keon Homes for a 55 unit development of affordable homes.
- Site completion October 2022.



Old Park 1&2

- Sold to Wrekin Housing Group for a development of 88 affordable homes.
- Site completion September 2023.

Growth Fund Achievements



Phase 2b Ni.Park

- Site supporting 3 x 1000sqm (10,000ft²) industrial units.
- Completed September 2023.



Station Quarter – Digital and Skills Hub

- Site supporting 4212sqm (45,500sqft) of floor space delivering education space.
- Work commenced Summer 2023.
- Site completion Summer 2024.



Orchard Business Park – Plot 12 Hortonwood 40

- Site supporting 24 industrial units totalling 5600sqm (60,000sqft).
- Site completion Sept 2023.



Hollinswood House – Community Diagnostic Facility

- Site supporting improved diagnostic capacity for SATH
- Landlords' contribution to fit out works
- Ground floor completed October 2023
- Completion Spring 2024

Land Deal Outputs

Output	Cumulative 8 year total
Employment floor space enabled	163,871sqm (1,763,892sqft)
Private sector investment	£440,850,872
Housing enabled	1535 (684 affordable)
Jobs Accommodated	2233
% of HE sites sold within Land Deal	56/79 sites 71%
Number of sites accelerated	8

**This slide shows cumulative figures for the Deal up to the end of 22/23.
Figures are reported annually to DLUHC**