

# REGENERATION AND ASSET BOARD

Venue: Town Hall,  
Moorgate Street,  
Rotherham.

Date: Wednesday, 21 November 2007

Time: 10.00 a.m.

## A G E N D A

1. To determine if the following matters are to be considered under the categories suggested, in accordance with the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Minutes of the previous meeting held on 23rd October, 2007. (copy attached) (Pages 1 - 9)
4. Matters arising from the previous minutes.
5. Consultation on Property Disposals. (report attached) (Pages 10 - 12)  
Carole Smith, Strategic Property Manager, to report.
  - to consider wider community consultation of proposed disposals of Council land.
6. EXCLUSION OF THE PRESS AND PUBLIC  
The following items are likely to be considered in the absence of the press and public as being exempt under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended March 2006) (information relating to the financial or business affairs of any particular individual (including the Council)):-
7. Capital Receipts update. (report attached) (Pages 13 - 18)  
Carole Smith, Strategic Property Manager, to report.
  - to highlight changes to the forecast of capital receipts resulting in a revision of the Council's capital programme.
8. Land at Blyth Road, Maltby. (report attached) (Pages 19 - 23)  
Carole Smith, Strategic Property Manager, to report.
  - to seek approval for the disposal of the above-mentioned assets which are surplus to requirements.
9. Land at Scrooby Lane, Parkgate. (report attached) (Pages 24 - 36)  
Carole Smith, Strategic Property Manager, to report.
  - to update Members on the current situation with regard to the proposed grant of a lease of land at Scrooby Lane.

10. 34 Spring Street and 59-63 Carlisle Street, Rotherham. (report attached)  
(Pages 37 - 45)  
Carole Smith, Strategic Property Manager, to report.  
- to update the Board with the position on the occupation of the above premises.  
(A copy of Appendix 3 will be provided separately)

**For information:-**

11. Date, time and venue of next meeting:  
Wednesday, 19th December, 2007 at 10 a.m. at the Town Hall, Rotherham.

**REGENERATION AND ASSET BOARD**  
**Tuesday, 23rd October, 2007**

Present:- Councillor Stone (in the Chair); Councillors R. S. Russell, Sharman and Wyatt.: together with Councillor Akhtar, Chair of Regeneration Scrutiny Panel

Apologies for absence were received from Councillors Ellis, Hussain and Smith.

**43. MINUTES OF THE PREVIOUS MEETING HELD ON 12TH SEPTEMBER, 2007**

Resolved:- That the minutes of the previous meeting held on 12<sup>th</sup> September, 2007 be approved as a correct record.

**44. MATTERS ARISING FROM THE PREVIOUS MINUTES**

There were no other matters arising from the previous minutes not covered by the agenda items.

**45. TOWN CENTRE DEVELOPMENT GOVERNANCE**

Consideration was given to Minute No.70 of the meeting of the Cabinet held on 3<sup>rd</sup> October, 2007 in respect of the governance of the town centre development.

Resolved:- That the decision of Cabinet be noted.

**46. CAPITAL AND ASSET MANAGEMENT STRATEGIES, PLANS AND PROGRAMMES 2007-2012 MINOR STRATEGIC CAPITAL INVESTMENT BLOCK - ALTERATIONS TO CANKLOW DEPOT**

Consideration was given to a report, presented by the Facilities Manager, which outlined issues in respect of Canklow Depot. It was explained that the depot was currently used for the delivery of pest control and particular concern was highlighted that the office accommodation was unsuitable.

Reference was made to a site inspection of the depot by the Council's Senior Safety Officer on 24<sup>th</sup> April, 2007, noting the health and safety issues identified.

Consideration was therefore given to proposals to alter and up-grade the accommodation at this depot.

The Board noted the balance remaining in the minor strategic capital investment block.

Resolved:- That approval be given for the allocation of £12,555 from the 2007/2008 minor strategic capital investment block to enable alterations to the accommodation to improve the provision of office accommodation

for staff and to meet Health and safety at work legislation.

#### **47. COMMUNITY AND AREA ASSET MANAGEMENT PLANS**

Further to Minute No. 16 of the meeting of the Regeneration and Asset Board held on 11<sup>th</sup> July, 2007, consideration was given to a report, presented by the Asset Manager, which set out details of proposed quality criteria and methodologies, together with a programme and identification of a pilot community (Maltby) for the production of Community and Area Asset Management Plans covering the whole of Rotherham Borough.

The report also included proposals for updating the Council's land and buildings records. (Minute No. 37(2) of the meeting of the Regeneration and Asset Board held on 12<sup>th</sup> September, 2007 refers.) Proposals were also considered for the dealing with requests made to the various Directorates of the Council for transfers of assets and details of the new procedure were set out within the body of the report submitted.

It was pointed out that this work was necessary in order that the Council was adequately prepared to respond to Community Calls for Actions and Public Request to Order Disposal powers.

The Board considered a proposal to carry out a pilot in Maltby in order to assess how long the process for the whole of the Borough might take and what the associated resourcing requirements and cost might be.

Resolved:- (1) That the Community Involvement Team in the Neighbourhoods and Adult Services Directorate produce a pilot community plan for Maltby in accordance with the quality criteria and methodologies detailed in Appendix A.

(2) That the Corporate Property Management Team in the Environment and Development Directorate produce a pilot area asset management plan for Maltby in accordance with the quality criteria and methodologies detailed in Appendix A.

(3) That on completion of the pilot the Community Involvement Team in the Neighbourhoods and Adult Services Directorate and the Corporate Property Management Team in the Environment and Development Directorate report the resources implications of implementation for the whole borough.

(4) That the proposals for updating the Council's land and buildings records outlined in Section 7 of the report now submitted, be approved.

(5) That the actions for dealing with requests for transfer of assets, as detailed in Section 7 of the report now submitted be noted.

#### **48. EXCLUSION OF THE PRESS AND PUBLIC**

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act (as amended March 2006) (information relating to the financial or business affairs of any particular person (including the Council))

**49. HOUSING GREEN PAPER - ADDITIONAL GROWTH POINTS AND ECO TOWNS OPTIONS PAPER**

Consideration was given to a report, presented by the Housing Market Renewal Manager, relating to the implications of Rotherham making an expression of interest submission to the Department for Communities and Local Government for additional growth points and ECO-towns.

The report also included a formal response to the consultation on the Housing Green Paper.

Reference was made to the strong economic growth within the Sheffield City Region and South Yorkshire, and it was noted with within the Green Paper there was now an opportunity for the North of England, for the first time, to bid in a further round of additional growth areas, in addition to expressions of interest in new eco-towns. It was acknowledged that affordability was now a national, and not southern, issue.

Development options were detailed within the report, and it was noted that expressions of interest in both schemes provided the Council with an opportunity to consider moving forward proposals for regeneration and renaissance activity in a number of localities e.g. Waverley, Dinnington, Maltby, the Town Centre and the Dearne Valley (noting that this was not site specific).

The Board was informed that a South Yorkshire approach was being made. The short timescale was also highlighted.

Resolved:- (1) That the content of the report be noted.

(2) That evidence is prepared to be used to inform the Authority about the appropriateness of submitting a bid for an Eco Town and Growth point.

(3) That an officer working group is established with the sole remit of working on the Green Paper to provide a timely response to the submission deadlines.

(4) That a further report is presented to the Regeneration and Asset Board to inform a decision on the appropriateness of Rotherham bidding for an Eco Town and or becoming a Growth point.

(5) That Appendix 2 be submitted to the Department for Communities

and Local Government as the Council's response to the wider consultation.

#### 50. DISPOSAL OF LAND FOR THE PROVISION OF SOCIAL HOUSING

Consideration was given to a report, presented by the Director of Asset Management, relating to the practice of discounted land sales to Registered Social Landlords and how this practice contributes towards meeting identified affordable housing need in Rotherham.

It was noted that the delivery of affordable housing continued to be a significant national and Rotherham issue.

It was pointed out to the Board that, while Rotherham employs a number of approaches to obtaining affordable housing delivery, projected affordable housing targets are unlikely to be met without the key contribution of a Registered Social Landlord delivered Affordable Housing Programme. It was explained that under current guidelines from the Housing Corporation, this assumes the continuation of discounted land releases to Registered Social Landlords to facilitate development. It was acknowledged however, that this practice created conflict between the Council's priority of delivering affordable housing and its need to maintain a robust programme of asset sales.

The Board was referred to Appendix 1 of the report which detailed the following:-

- Estimated value of sites
- Price obtained from RSL
- Discount given
- Total grant received (Housing Corporation, HMR, RSL's own funds)
- Total value of developments

Attention was drawn to the "opportunity cost" and to the greater value of the discount in terms of the significantly higher financial resources it enabled to be levered into the Council. It was noted that the value per plot accorded with current Housing Corporation guidelines.

Members of the Board expressed the view that other methods of disposing of sites should be explored e.g. disposal on a leasehold basis.

Resolved:- (1) That the Board notes the role of discounted land sales in meeting affordable housing targets to support the policy of providing affordable housing in Rotherham.

(2) That Neighbourhoods, in conjunction with the Valuation Manager, Rotherham Investment and Development Office, explore the use of leasehold disposals and overage clauses in order to protect the Council's position in discounted land and that a report be submitted to a future meeting of the Board.

(3) That Neighbourhoods undertake discussions with Registered Social Landlords to challenge the assumption that disposal value per plot remains at £5,000.

#### **51. 2008-2011 AFFORDABLE HOUSING DEVELOPMENT PROGRAMME**

Consideration was given to a report, presented by the HMR Team Leader, which provided details of the work undertaken to formulate a draft Affordable Housing Development Programme, to meet identified needs within the Borough and support bids by RSL Partners to the Housing Corporation, for the 2008-11 Affordable Housing Development Programme funding allocation.

It was explained that Appendix 1 and 1a of the report identified RMBC sites required to support affordable housing delivery during the 2008-11 period, as Phase 1 of the proposed Rotherham Affordable Housing Programme. The location of the individual sites within various geographic areas of the Borough was noted.

The Board considered the disposal of those sites, listed in the Appendix, to identified RSL partners for the purpose stated, pursuant to General Consent under s25 of the Local Government Act 1988 for the disposal of land to Registered Social Landlords at an undervalue.

Reference was made to a table within the report which detailed the following:-

- Affordable housing type
- Pipeline 2008-11 (s106 + 2006-08 ADP)
- Proposed 2008-11 ADP
- Total number of affordable units 2008-11
- Average Annual supply of affordable units
- Annual Shortfall

Details of the following were also set out in Section 7 of the report:-

- total estimated market value,
- anticipated capital receipt,
- discount value,
- development value of units of affordable housing being built
- the Council's nomination rights

It was emphasised that the units provided would be exemplar and would be built in accordance with Design Quality Standards/Secured by Design and would meet the requirements of the ECO agenda.

It was noted that the bid would be submitted in November with a decision from the Housing Corporation being known in January, 2008.

Resolved:- (1) That the contents of the report be noted.

(2) That the detail of the proposed Affordable Housing Development Programme (Phase 1) for 2008-11 be noted together with the RSL partnering arrangements to support delivery.

(3) That approval be given for the disposal of the sites identified within Appendix 1 at the discount stated, and on the basis that the Council receives all of the benefits detailed in this report

(4) That a further report regarding Phase 2 of the Affordable Housing Programme be submitted to the Board in February 2008.

## **52. WATH REGENERATION PROGRAMME - LAND TRANSFER**

Further to Minute No. 41 of the meeting of the Regeneration and Asset Board held on 12<sup>th</sup> September, 2007, consideration was given to a report, presented by the HMR Team Leader, which summarised regeneration activity undertaken to date at the Wath Regeneration Area (former Wath White Bear estate) and recent work undertaken with our preferred RSL partner.

A copy of the Master Plan was made available at the meeting.

Reference was made to details of the proposed next phase of the regeneration programme, to deliver 205 new mixed tenure homes, 62% of which will be affordable and will include high quality standards in design and energy efficiency.

The Board considered a request to support the proposed regeneration programme and the subsequent disposal of the identified sites to facilitate the delivery of the programme.

The Board noted the current market value of the sites and the net receipt generated for the land sale proposal on the basis of a discounted value.

Concern was expressed about the prime location of Plot 1 and it was suggested that a higher return could have been sought for this site. It was explained that there would be enhancements in the value of the development. Reference was made to the previous debate about options for disposal (recorded at Minute No. 41 of the meeting of the Board held on 12<sup>th</sup> September, 2007).

Resolved:- (1) That the contents of the report be noted.

(2) That approval be given to the proposed next phase of the regeneration programme for the Wath Regeneration Area as detailed in the report now submitted.

(3) That approval be given for the disposal of the development sites,



identified in Appendix 1 - 6 to the report, at the discount stated, and on the basis that the Council receives all of the benefits as detailed the report now submitted.

**53. LAND TO THE REAR OF NO. 1 THOROGATE, RAWMARSH**

Consideration was given to a report, presented by the Senior Valuer, requesting consideration of a variation to a covenant on the above land which had been requested by the current owner.

The appendix to the report illustrated the land governed by the covenant.

Details of the covenant were explained, together with the proposed future use of the site which it was pointed out would contravene the existing covenant.

Consideration was given to the location of this site, and to the proximity of an adjoining Council shopping parade. The Board was of the view that the change to the covenant to allow the requested use would enhance a previously derelict site.

Resolved:- That the variation to the covenant be approved.

**54. ROTHERHAM ECONOMIC REGENERATION FUND (RERF) -  
DINNINGTON BUSINESS INCUBATION UNIT**

Consideration was given to a report, presented by the Implementation Officer, informing the Board that approval had been given by the Cabinet Member for Regeneration and Development Services on 17<sup>th</sup> September, 2007 (Minute No. 89 refers) for an approval of £500,000 capital from the Rotherham Economic Regeneration Fund, towards the construction of a business enterprise centre at Dinnington. The Board was advised that the Centre would be modelled on the successful Century Business Centre. The Board was also informed that the Dinnington Business Centre could attain an "excellent" BREEAM rating given the 'green' elements included in the design (including natural ventilation and lighting and the inclusion of a "bio-mass" boiler).

It was reported that the Centre would provide forty new start-up business units, with plenty of adjoining grow-on space. The Centre would be part of the Council's portfolio of business centres it was developing across the Borough.

A brief explanation was given of the purpose of RERF and details of the need for the funding for the Centre were set out in the report. It was noted that the funding would be needed over a two year period starting in the 2007/2008 financial year.

Resolved:- That the allocation of funding from RERF towards the construction of the Dinnington Enterprise Centre be noted.

**55. ASTON-CUM-AUGHTON SERVICE CENTRE**

Further to Minute No. 21 of the meeting of the Board held on 11<sup>th</sup> July, 2007, consideration was given to a report, presented by the Project Manager, relating to action to address the funding shortfall for the Aston-cum-Aughton Service Centre, which was the fifth to be developed out of a programme of six.

Reference was made to the practical and financial implications of this significant development. The complex nature of this development as a joint service centre was acknowledged. The Board noted that the development would provide a library facility and a Police Drop in Centre.

Resolved:- That Cabinet be asked to consider and approve an additional allocation of £253,000 from the major strategic investment block of the capital programme for the Aston cum Aughton Service Centre.

**56. THE RAIN BUILDING, EASTWOOD LANE, ROTHERHAM**

Consideration was given to a report, presented by the Director of Asset Management, which set out proposals for the future use and management of this building.

Reference was made to:-

- the background to the operation of this building since 1999
- RAIN's set-up costs
- Council policy re: community buildings
- Current lease and repairs situation

Details of a negotiated solution to the situation were set out in the report.

Resolved:- (1) That RAIN be asked to immediately repay all money owing to the Council.

(2) That RAIN be granted a new lease for a term of 25 years on full repairing terms at an initial rent of £9,000 per annum exclusive of rates subject to regular rent reviews.

(3) That the outstanding repairs be undertaken by the Council on condition that RAIN then takes over full responsibility for maintenance of the building.

**57. COMMERCIAL PROPERTY UPDATE**

Consideration was given to a report, presented by the Principal Valuer, which updated the Board on the disposal of commercial property.

Members of the Board referred to:-

- Properties at St. John's Green, Kimberworth

- Wentworth Craft workshops
- Social inclusion aspects of having a shop within housing estates
- Maintenance costs

Resolved:- (1) That the report be noted.

(2) That a further update report be submitted to the Board in three month's time.

**58. DATES OF FUTURE MEETINGS:**

Resolved:- That the Board meet as follows:-

Wednesday, 21<sup>st</sup> November, 2007 @ 10 a.m.

Wednesday, 19<sup>th</sup> December, 2007 @ 10 a.m.

**ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS**

<b>1. Meeting:</b>	<b>Regeneration and Asset Board</b>
<b>2. Date:</b>	<b>21 November 2007</b>
<b>3. Title:</b>	<b>Disposal of property – Consultation All Wards</b>
<b>4. Programme Area:</b>	<b>Environment and Development Services</b>

**5. Summary**

To consider wider community consultation of proposed disposals of Council land

**Recommendations**

**That Members confirm that the current practice of consultations remains in place**

## **7. Proposals and Details**

Council Disposal Policy specifies that before a report is taken to the Regeneration Board certain consultations are made both within the Council and externally.

Currently all Directors of Service, the Primary Care Trust, Area Assemblies, Town or Parish Councils and Ward Members are asked for their comments on any disposal and given 21 days to respond. The results of any consultation are then included in the reports to Capital Strategy and Asset Review Team and to Regeneration Board.

In instances where Ward Members have identified a local need, for example a local group who want the subject premises, an assessment of this is included in the report and recommendations made.

As a result of a recent proposed asset sale a request has been received from a resident for further consultation to be made prior to sales of property.

The resident has suggested that

- All proposed sales should be placed in the Advertiser
- Part of the web site should be set aside for notifications of this nature

## **8. Finance**

As Members will be aware the process requested by the applicant is broadly similar to the statutory procedure for dealing with planning applications. Consultation on this process generally involves writing to potentially affected parties, advertising in the Advertiser, erection of site notices and making information/staff available to answer queries. The costs of doing this vary according to the nature of the application.

The cost of advertising potential sales as the resident suggests will be in the order of around £500 per insertion, so over a year this would equate to around £6000. Additionally the staff costs of administering this process (preparing advertisements, answering queries, advising of outcomes etc.), would be in the order of £28,000.

These costs can not be deducted from the capital receipts as the consultation process does not improve the saleability of the asset. The monies therefore would need to be met from the Council's revenue budget.

The additional cost of providing this information on the Council's web site has not yet been addressed.

## **9. Risks and Uncertainties**

Widening the consultation process will delay the process of dealing with the future use of property assets, but will reach members of the public who would not normally approach Area Assemblies/Ward Members and involve themselves in the existing local democratic process.

## **10. Policy and Performance Agenda Implications**

Public consultation is an essential and vital part of the democratic process.

The consultation suggested by the resident would occur after land and buildings have been declared surplus to service requirements. At this stage the Director of Service would already have made consultations appropriate to the asset under consideration and consulted his/her Cabinet Member.

**11. Background Papers and Consultation**

Report to the Property Board June 2003 – Disposal Policy

**Contact Name:** Carole Smith, Strategic Property Manager, ext. 2192, carole.smith@rotherham.gov.uk

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of the Local Government Act 1972.

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