Summary Sheet

Council Report
Cabinet and Commissioner’s Decision Making Meeting – 11 September 2017

Title:
Rotherham Town Centre Masterplan

Is this a Key Decision and has it been included on the Forward Plan?
Yes

Strategic Director Approving Submission of the Report
Damien Wilson – Strategic Director, Regeneration & Environment

Report Author(s)
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Ward(s) Affected
Boston Castle

Executive Summary
A Masterplan has been produced for Rotherham Town Centre; this includes viability and deliverability analysis, and an Implementation Plan to help to turn the vision and plans into reality. The Masterplan identifies early delivery of redevelopment on Forge Island as an essential catalyst to wider regeneration.

This report seeks the approval of Cabinet and Commissioners to adopt the recently completed Town Centre Masterplan. It also seeks agreement to go out to the market to secure a development partner to redevelop Forge Island.

Recommendations

1. That the Rotherham Town Centre Masterplan be adopted.

2. That the Council go out to the market to secure a development partner for Forge Island.

List of Appendices included
Nil
Background Papers
A copy of the masterplan is available at http://www.wyg.com/rotherham-town-centre

The 2016 Supplementary Planning Document can be found at http://www.rotherham.gov.uk/downloads/download/113/additional_planning_guidance

Consideration by any other Council Committee, Scrutiny or Advisory Panel
Improving Places Select Commission – 19 July 2017

Council Approval Required
No

Exempt from the Press and Public
No
Title:
Rotherham Town Centre Masterplan

1. Recommendations

1.1 That the Rotherham Town Centre Masterplan be adopted.

1.2 That the Council go out to the market to secure a development partner for Forge Island.

2. Background

2.1 A vibrant town centre is vital to the future economic prosperity of Rotherham, attracting people to live, work, visit and invest in the borough. The Town Centre needs more people living within it, a culture and leisure offer encouraging people to visit and for businesses to locate here, providing jobs for local people. The Sheffield City Region has acknowledged this importance by making urban centres a priority within their refreshed Strategic Economic Plan (SEP).

2.2 The Rotherham Renaissance Programme was agreed in 2005, following widespread consultation with residents and businesses. The Renaissance Programme delivered a number of major regeneration projects including; Riverside House, Westgate Demonstrator, the refurbished train station and a new Tesco store. However, the recession of 2008 impacted on investor confidence and significant parts of the programme were not delivered.

2.3 In 2016 the Council adopted a Supplementary Planning Document (SPD) for the Town Centre. This document sets out the spatial and planning framework for the regeneration of the Town Centre. The SPD identified a series of development sites, which were essential to the sustainable regeneration of the Town Centre.

2.4 Subsequent to the SPD it was agreed that a full Masterplan was required for the Town Centre, providing detail on the projects required to revitalise the Town Centre and how they would be funded and delivered. After an open tender process, the work was awarded to White Young Green (WYG) supported by Lambert Smith Hampton.

2.5 The brief for the Masterplan was that it should

- Be implementation focused
- Identify specific deliverable projects
- Be bold but commercial, pragmatic and realistic

3. Key Issues

3.1 The Masterplan is an important opportunity for Rotherham. It allows the Council, other key land-owners and stakeholders to explore possibilities to enhance and support regeneration and growth in this key area of the town and allows the Council to set out its expectations for the content and timing of development proposals.
3.2 The Masterplan contains a series of proposals and plans which bring to life how the Town Centre can move forward. It includes proposals to transform a number of key sites across the Town Centre utilising the river and canal, open spaces and feature buildings. At the heart of the Masterplan is a vision to create a much-improved visitor experience with more to do and to see particularly targeted at families and young people.

3.3 Highlights of the Plan include:

- Forge Island developed into a major leisure destination including a new cinema, a quality hotel and a food and drink offer;
- The former Guest & Chrimes building turned into a “new and exciting” destination leisure offering, with potential for very significant numbers of visitors each year;
- More than 350 high quality riverside homes, offering buyers spacious, well-designed waterfront living at competitive prices;
- The opening-up of Rotherham outdoor market, with a new attractive stepped entrance and space for a new community advice hub;
- A new higher education development at Doncaster Gate scheduled to open in September 2018;
- A refurbished bus interchange and multi-storey car park, funding for which has already been secured;
- A series of upgraded streets and spaces including a vibrant green space at Effingham Square and new pedestrianised setting and traffic calmed environment at the junction of Wellgate, High Street and Doncaster Gate.

3.4 Forge Island is identified in the Masterplan as a major component of a re-invigorated Town Centre offer and a catalyst for the regeneration of adjacent sites. The Masterplan’s proposals for a major leisure destination are consistent with the SPD which identifies Forge Island as a strategic development site and states:

“Forge Island will be a mixed-use leisure hub. Proposals should seek to incorporate a mix of residential units and leisure developments (including A3/A4/D2 uses), to help create a new and vibrant Leisure Quarter in the centre of Rotherham that compliments the existing Retail Quarter.”

3.5 The Masterplan identifies the appointment of a development partner to realise the vision for Forge Island as a critical next step. The need to move forward quickly is clearly articulated.

4. Options considered and recommended proposal

4.1 Do nothing – wait for the market to deliver projects in the Masterplan. Discussion with developers and operators has highlighted the importance of having the Council fully involved in the delivery of the Plan. This option gives less certainty in terms of delivery and timescales of those projects highlighted as a major priority.
4.2 **Adopt the Masterplan and Procure a partner through a joint venture or other partnership arrangement to deliver all projects and schemes in the masterplan** - Delivery of the Masterplan is a long term project and will require a partnership approach. However, experience has shown that where a single developer has options over multiple sites, this can lead to some sites being delayed or not delivered. Breaking the Masterplan down into smaller deliverable packages provides greater control of the prioritisation and timing of regeneration schemes.

4.3 **Adopt the Masterplan and go out to the market to secure a development on Forge Island** through one of the following routes

   a) The Council appoints a development manager who manages the development process on the Council's behalf for a fee.

   b) The Council seeks a development partner to form a Joint Venture development for the development of Forge Island. Upon completion of the scheme the Council has the option to retain the asset(s) as an investment or sell to the investment market. – This is the PREFERRED OPTION.

   c) The Council sells the Forge Island site to a developer with a brief that the site should be developed to provide a mixed leisure and hotel development. While the Council may get a receipt for the land, this is likely to be minimal and would result in the loss of influence over how the development is delivered.

   d) The Council acts as full developer and designs the scheme, obtains planning permission and funding, tenders and manages construction works and secures end–users. "", All development management and project management is done “in house”. Upon completion of the scheme the Council has the option to retain the asset(s) as an investment or sell to the investment market. This option provides the greatest level of control but is resource intensive. The Council is not an experienced commercial property developer and would benefit from the specialist experience and expertise that a development partner will provide. This option will also carry the greatest risk to the Council on what will be a multi-million pound project, with estimated costs of over £35m.

4.4 It is recommended that option 4.3(b) is the preferred option. Work will be undertaken with Procurement and Financial Services/Legal Services to further develop this. This option will give the Council the greatest control over the development, while utilising external expertise where required to ensure best value.
5. **Consultation**

5.1 There has been extensive consultation during the production of the Masterplan, which has included:

- Member workshops
- Stakeholder workshops
- Individual meetings with private sector land and property owners.
- Soft market testing with developers and end-users
- Discussions with Historic England, particularly in relation to the Guest & Chrimes site
- An open exhibition in the town centre, which was very well attended

6. **Timetable and Accountability for Implementing this Decision**

6.1 It will be a long–term task, 5-10 years, to tender and deliver all the projects set out in the Masterplan, with a number of them sitting outside Council control. RiDO and Regeneration and Environment Directorate will take the lead on the delivery of the Masterplan but will need to work with a range of colleagues across the Council and in the private sector. Plans will be worked up for those sites within Council ownership, detailing how the projects will be delivered; including full costs, funding sources, timescales and potential partners.

6.2 Development of Forge Island has been identified as a priority. The site and much of the surrounding land is already in Council ownership and developments to the West of the Town Centre; including the Law Courts, Riverside Precinct, and Corporation Street, as well as linking with both the rail station and bus interchange. A brief is currently under development and it is intended this will be taken to the market by September 2017 to secure a development partner. With the requirement to obtain planning permission, this is likely to lead to a start on site during the second half of 2018.

6.3 The Council has an allocation of funding for the Town Centre, under their Capital Programme. This, along with Council land holdings, will be used to drive forward the developments in the Masterplan, but as a funding option of last resort and where it can be shown to draw in other public and private investment to ensure developments proceed.

7. **Financial and Procurement Implications**

7.1 The proposed recommendation will be subject to a formal procurement process undertaken in accordance with the Public Contract Regulations 2015 and the Council’s own Standing Orders.

7.2 The approval and funding of individual capital projects associated with the implementation of the Town Centre Masterplan, would be considered within the overall context of the Council’s Capital Strategy and capital priorities.
8. **Legal Implications**

8.1 None for adoption of the Masterplan. The legal implications for each element identified by the Masterplan will be considered at the time.

8.2 With regard to progressing the development of Forge Island, detailed legal advice will need to be taken on questions of procurement, state aid, best consideration, taxation and risk allocation in due course. However, until the preferred route for bringing any development forward is identified and responses are received from the market, it is not possible to anticipate what implications will arise. Accordingly, it is recommended that officers liaise closely with Legal Services regarding preparation of the brief referred to in 6.2 above and in considering responses to it.

9. **Human Resources Implications**

9.1 There are no Human Resource implications to this paper

10. **Implications for Children and Young People and Vulnerable Adults**

10.1 A major plank of The Masterplan aims to make the Town Centre a place that young people wish to visit, where they feel safe and which provides a range of activities, including the leisure hub proposed for Forge Island.

10.2 Young people have been involved in the development of the Masterplan and this dialogue will continue during the implementation phase.

11 **Equalities and Human Rights Implications**

11.1 None

12. **Implications for Partners and Other Directorates**

12.1 The Regeneration and Environment Directorate will lead the delivery of the Masterplan. Successful implementation of the Masterplan will require engagement from other directorates and a range of partners, both public and private.

13. **Risks and Mitigation**

13.1 **Lack of private sector interest** in bringing forward the development on Forge Island

13.2 Mitigation – discussions have been held with a number of operators and developers and there is a definite appetite to deliver a leisure development on this site. This will be tested by a full procurement process during Autumn 2017.

13.3 **Failure to secure buildings** needed for the development of Forge Island and the surrounding area
13.4 Mitigation - Initial discussions with property owners seem positive. A scheme can still be delivered even with the buildings excluded, should an agreement not be reached.

14. **Accountable Officer(s)**

   Paul Woodcock – Assistant Director Planning, Regeneration & Transport  
   Simeon Leach – Policy and Partnerships Manager

Approval Obtained from:-

Strategic Director of Finance and Customer Services:- Jon Baggaley

Assistant Director of Legal Services:- Lesley Doyle

Head of Procurement (if appropriate):- Karen Middlebrook

Human Resources:- John Crutchley

This report is published on the Council’s website or can be found at:-