

REGENERATION AND ENVIRONMENT ASSET MANAGEMENT – ESTATES TEAM

Officer Delegated Authority Approval

Delegated authority is sought in accordance with the scheme of delegation of executive decision-making powers in line with the Financial Regulations approved by Council 25th January 2017. The Property Officer is authorised in accordance with Appendix 5 of the Constitution of the Council, Financial and Procurement Procedure Rules Part 1 – Sections 27.9 through 27.13 to carry out functions on behalf of Council and the Executive

Property Transaction Requiring Approval

Transfer of land – Refer to Paragraph 34.5.1 of page 249 of Financial Regulations January 2017

Details of Asset

Millfold House Redevelopment Site, Westgate, Rotherham Town Centre – See Appendix 1

Information and Background

The Council's Strategic Housing & Development Service are delivering a new residential scheme of market sale and affordable rented housing on the former Millfold House site off Westgate, Rotherham Town Centre. As part of the redevelopment the Council have agreed a land swap with J. Parkinson & Sons (JPS) whereas the Council will acquire the areas coloured purple and red on the attached plan at Appendix 1 and JPS will acquire the land coloured blue from the Council. The outcome of this land swap will enable the Council to develop a block of apartments which without these additional areas of land would have led to an overall development of 39 dwellings. With the inclusion of these areas of land this will enable a further 6 apartments to be developed, improving the financial performance of the scheme as a whole (as measured by Net Present Value and Internal Rate of Return). As part of the land swap deal the Council have also agreed to construct 4 garages on the land they are transferring to JPS, coloured blue. These garages will replace JPS's existing garage/office which needs to be demolished as part of the development.

Although the land swap itself will be carried out at a £1 peppercorn, the overall additional costs in developing the site for 6 more apartments will be £1m which includes the cost of constructing the garages on behalf of JPS, demolition, piling works, drainage and utilities, etc. The actual cost benefit to JPS however will be £92,412 which includes the construction of the garages and the demolition of their existing garage/office.

It is expected that the additional 6 apartments will realise an additional £25k in rental income per year, therefore the cost benefit to JPS will be offset after approximately 3 years and 8 months.

Consultation and Additional Supporting Information

Does This Delegation Require A Valuation? NO

Has Consultation Taken Place? YES Consultation has taken place with the Neighbourhoods who are developing the land.

Outcome of Consultation - Neighbourhoods have no objection to the proposed land transfer as this will provide for a larger density development which over a 40 year period will increase rental income by over £1m.

Approved by Financial Services (Owen Campbell) on 11th September 2020

Approved by Legal Services (Lesley Tattersall) on 8th September 2020

Requires Entering onto Officer Decision Forward Plan? YES

Date Entered onto Forward Plan

Additional Supporting Information The overall development was approved by Cabinet & Commissioner's Decision Making Meeting on 16th October 2017 which included authorisation for the Assistant Director of Planning, Regeneration and Transport to acquire any necessary additional land purchase to improve the scale of development potential. A more recent officer decision record is attached which sought approval in principle to the land swap as approved by Tom Bell, Assistant Director of Housing Services on 18 December 2019.

Due to capacity issues the Council's Legal Services have contracted Freeths Solicitors to deal with drafting the necessary contracts which they have already started. Their fees for dealing with this particular work will be approximately £8,000, the Council have also agreed to pay JPS's legal fees which will be a further £2,000. The Council's surveyors fees will be covered by the existing arrangement between Neighbourhoods and Estates Team who pay for the Principal Estates Surveyor's work on an annual basis.

As this is an essential requirement as part of the overall development of the site, no additional consultation has been undertaken.

Officer Seeking Approval: Jeremy Nicholson, Senior Estates Surveyor, Estates Team Ext: 54039



Approved by:

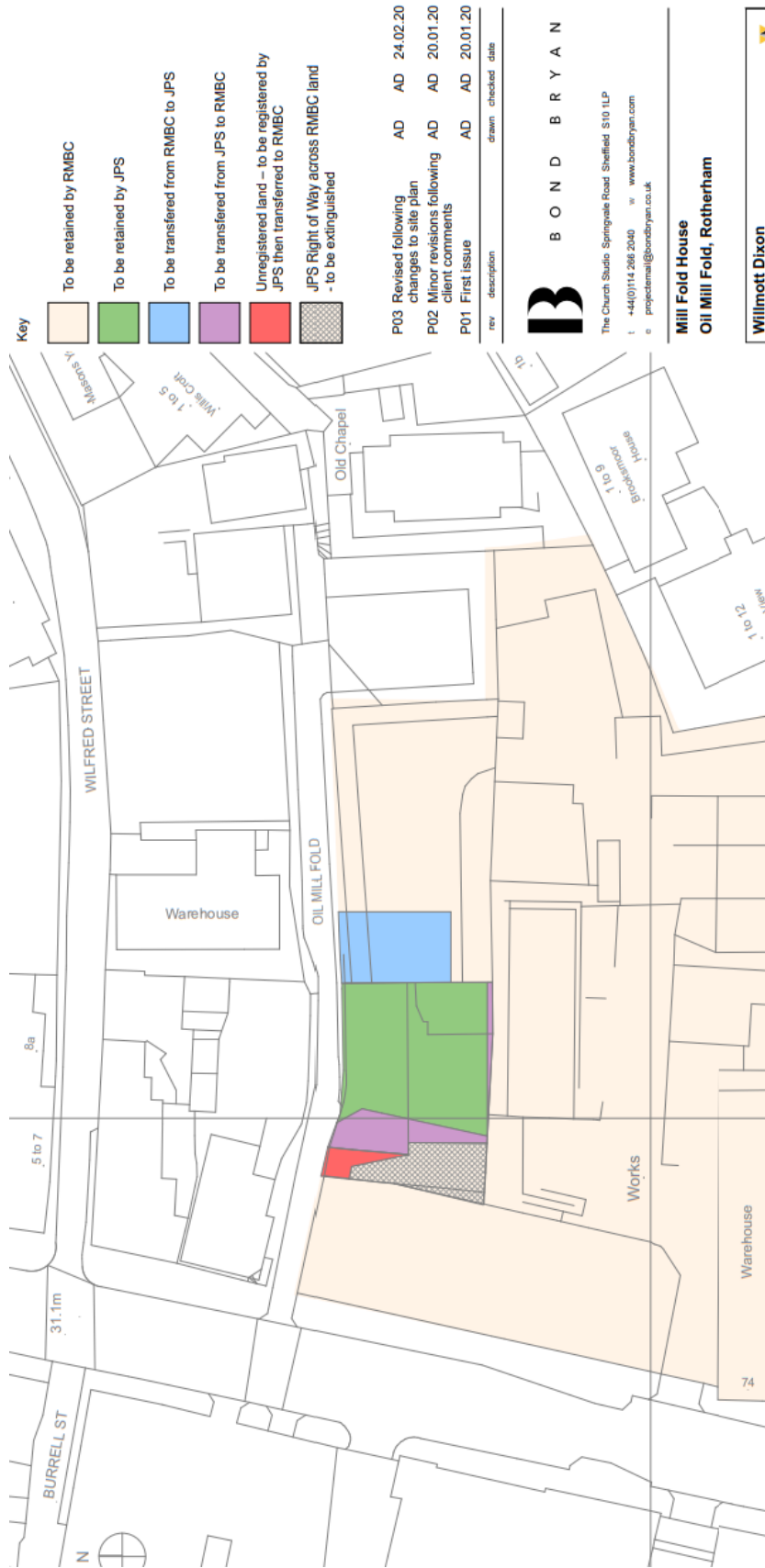
**Jonathan R Marriott BSc (Hons) PG Dip Mgt MRICS
Head of Asset Management – Asset Management Service**

Authorised by: 
Tom Bell
Assistant Director of Housing Services

Authorised by: 
.....
Simon Moss
**Assistant Director of Planning, Regeneration &
Transport**

Date: 24/09/2020

Appendix 1



- Key**
- To be retained by RMBC
 - To be retained by JPS
 - To be transferred from RMBC to JPS
 - To be transferred from JPS to RMBC
 - Unregistered land - to be registered by JPS then transferred to RMBC
 - JPS Right of Way across RMBC land - to be extinguished

P03 Revised following changes to site plan	AD	AD	24.02.20
P02 Minor revisions following client comments	AD	AD	20.01.20
P01 First issue	AD	AD	20.01.20

rev	description	drawn	checked	date
-----	-------------	-------	---------	------

B BOND BRYAN

The Church Studio, Springvale Road, Sheffield, S10 1LP
 t +44(0)114 266 2040 w www.bondbryan.com
 e projectemail@bondbryan.co.uk

Mill Fold House
Oil Mill Fold, Rotherham

Willmott Dixon