

Committee Name and Date of Committee Meeting

Cabinet – 24 April 2023

Report Title

Regeneration Programme: Strategic Land Assembly

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

Yes

Strategic Director Approving Submission of the Report

Paul Woodcock, Strategic Director of Regeneration and Environment

Report Author(s)

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Ward(s) Affected

Boston Castle

Report Summary

This report seeks to set out the proposed use of the £1million Strategic Acquisitions Fund that was approved by Council in March 2023 for the Capital Programme.

The report also builds upon the Strategic Acquisitions reports to Cabinet in March and September 2022 and seeks the necessary approvals and delegations to enable the negotiation and subsequent acquisition of further third-party land and property as set out in exempt Appendix 1.

Recommendations

1. That the Assistant Director for Planning, Regeneration and Transport be authorised to negotiate the acquisition by agreement of the property interests at exempt Appendix 1, in consultation with the Council's Section 151 Officer and the Cabinet Member for Jobs and the Local Economy, and the Assistant Director of Legal Services be authorised to complete the necessary transactions.
2. That Cabinet approve the use of funds including the £1m Strategic Acquisitions Fund to enable the Council to acquire properties as set out in exempt Appendix 1.

List of Appendices Included

- Appendix 1 Property List (Exempt)
- Appendix 2 Equalities Impact Assessment
- Appendix 3 Carbon Impact Assessment

Background Papers

[Budget and Council Tax 2023/24 and Medium Term Financial Strategy](#)

[Strategic Acquisitions report to Cabinet March 2022](#)

[Strategic Acquisitions report to Cabinet September 2022](#)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

An exemption is sought for Appendix 1 under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report contains sensitive commercial information with regards to commercial agreements which could disadvantage the Council in any negotiations if the information were to be made public.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information, as the parties' commercial interests could be prejudiced by disclosure of commercial information.

Regeneration Programme: Strategic Land Assembly

1. Background

- 1.1 Rotherham Council has a significant regeneration programme following the allocation of Council capital funding and subsequent external funding. The impact of this programme will bring benefits across the entire Borough and the community of Rotherham.
- 1.2 The Council has secured over £70m from the Department for Levelling Up, Housing & Communities through the Town Deal and Levelling Up Fund. This comes in addition to the £12.6m from the Future High Streets Fund.
- 1.3 In addition to this central government funding, in 2021 the Council set aside £1m of its own capital, which is being used to bring strategically located, derelict and/or underused land and property into public sector use to further the regeneration of Rotherham.
- 1.4 In March 2023 a further £1m Council capital was allocated to continue the acquisition of strategically located land and property.
- 1.5 This report follows two previous reports presented in 2022 to address the need for public sector intervention to acquire land and property owned by the private sector, which is required for the regeneration of Rotherham, by delegating powers necessary to negotiate and acquire key strategic sites.

Rotherham Town Centre

- 1.6 The Town Centre is currently home to a number of vacant, abandoned and derelict buildings and acquisition and public sector control of privately owned properties is a route to deliver on the Town Centre Masterplan ambitions.
- 1.7 The land and property identified in Appendix 1 is required for the continued diversification and regeneration of the town centre. Should acquisition of this property be unsuccessful or its acquisition leaves a surplus budget, properties identified in the Cabinet reports submitted March 2022 and September 2022 will be considered for acquisition.

Funding

- 1.8 In addition to the 2021/22 allocation a further £1m top up to the 'Strategic Acquisition Fund' has been set aside in the 2023/24 budget setting as part of the Capital Programme. This will allow the Council to continue to react to acquisition and development opportunities swiftly and positively as and when they may arise and to support regeneration, housing and economic recovery.
- 1.9 Acquisition of property leads to the requirement for maintenance, security and management of properties which requires revenue expenditure. A budget has been made available through the MCA's Gainshare Feasibility Fund to be managed by the Asset Management Service.

2. Key Issues

- 2.1 Strategic acquisitions are necessary to bring privately owned land into the control of the public sector and deliver the regeneration programme. Careful consideration has been given to which acquisitions should be prioritised based on their strategic importance, state of repair and potential for the private sector to bring forward suitable development.

3. Options considered and recommended proposal

- 3.1 Consideration has been given to entering into partnership arrangements with landowners rather than taking full control of the land. In progressing negotiations, this approach will be considered on a project by project basis, however in many cases, and as understood through early consultation, landowners do not always wish to bring forward schemes fitting with masterplan ambitions, or development is not in the core business of the land owners.
- 3.2 Do nothing is not a recommended option, considering the Council's ambitious plans for economic growth and regeneration in the Borough.

4. Consultation on proposal

- 4.1 Where appropriate, affected landowners have been consulted and are fully aware how their land is vital to the pursuance of the regeneration of Rotherham.
- 4.2 Consultation and communications on the regeneration programme have taken place over the course of the development of funding bids and the programme itself.

5. Timetable and Accountability for Implementing this Decision

- 5.1 Landowners are keen to see progress on negotiation and acquisition expediated in a timely manner. The Council are prepared to move at pace following this Cabinet report.
- 5.2 Implementation of decisions to acquire property interests would see Delegated Officer Decisions being brought forward over the lifetime of the funds as agreements are reached.
- 5.3 Accountability for the implementation of the decision and negotiations will be led by the RIDO team with support from external consultants and the Council's Estates Team.

6. Financial and Procurement Advice and Implications

- 6.1 The acquisition of land falls outside the scope of procurement legislation and as such there are no procurement implications associated with the recommendations detailed in this report.

- 6.2 The Council's Budget, approved on the 1st March 2023 includes a £1m allocation to the 'Strategic Acquisition Fund' to fund the acquisition transactions planned in this report.
- 6.3 Acquisition of property leads to the requirement for maintenance, security and management of properties which requires revenue expenditure. A budget has been made available through the MCA's Gainshare Feasibility Fund to be managed by the Asset Management Service.

7. Legal Advice and Implications

- 7.1 There are no substantive legal issues arising from the content of this report.
- 7.2 Legal Services is liaising closely with RIDO and the Council's Asset Management Service to offer advice during the course of negotiations and will consider the terms of each individual transaction once these have been agreed on a case-by-case basis.

8. Human Resources Advice and Implications

- 8.1 There are no direct human resource implications arising from this report.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 There are no direct implications arising from this report.

10. Equalities and Human Rights Advice and Implications

- 10.1 Appendix 2 provides information of the Equalities Assessment process.
- 10.2 Full assessments will be carried out once the properties become part of a capitalised project.

11. Implications for CO2 Emissions and Climate Change

- 11.1 As set out in the Carbon Impact Assessment at Appendix 3 any acquisition which adds to the Council's portfolio could have an impact on the Council's overall emissions. This report seeks approval to use the Strategic Acquisitions Fund for the acquisition of further property, the way in which this property will be used is not sufficiently detailed to allow a full assessment to be carried out and as such further assessments will be completed during the Business Case proposals for acquired properties.

12. Implications for Partners

- 12.1. There are no implications anticipated from these acquisitions.

13. Risks and Mitigation

- 13.1 Full risk registers will be developed on a project by project basis and included in project Business Cases.

- 13.2 A programme wide Risk Register has been developed and is regularly monitored through the Regeneration Programme Board.
- 13.3 Delays and/or increased costs result in the inability to deliver regeneration due to the unwillingness of third parties to engage, including absent landlords, owners and occupiers. Early engagement with owners is now underway.

14. Accountable Officers

Lorna Vertigan, Strategic Regeneration Manager
 Tim O'Connell, Head of RIDO

Approvals obtained on behalf of Statutory Officers: -

| | Named Officer | Date |
|--|----------------------|-------------|
| Chief Executive | Sharon Kemp | 06/04/23 |
| Strategic Director of Finance & Customer Services (S.151 Officer) | Judith Badger | 03/04/23 |
| Assistant Director, Legal Services (Monitoring Officer) | Phil Horsfield | 03/04/23 |

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 This report is published on the Council's [website](#).