

Committee Name and Date of Committee Meeting

Cabinet – 18 December 2023

Report Title

Rotherham Markets & Central Library

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)

James Green, Regeneration & Development Manager
James.green@rotherham.gov.uk

Ward(s) Affected

Boston Castle

Report Summary

Following the commencement of enabling works on site in September 2023 this report provides a further update on progress and proposals for the redevelopment of the Rotherham Markets complex to create the new Rotherham Markets and Library within Rotherham Town Centre.

The report also outlines and seeks approval to proceed to the next phase of development and delivery of the project.

Recommendations

1. That Cabinet approve development of the Rotherham Markets and Library complex to deliver the proposed Rotherham Markets & Library redevelopment within the values detailed in exempt Appendix 2.

List of Appendices Included

Appendix 1 Design Proposals
Appendix 2 Financial Information (exempt)
Appendix 3 Equalities Impact Assessment Part A
Appendix 4 Equalities Impact Assessment Part B
Appendix 5 Carbon Impact Assessment

Background Papers

Rotherham Markets & Library Redevelopment: [Cabinet Report 07 August 2023](#)

[Scrutiny Review Recommendations - Markets: Engagement and Recovery – 07 June 2022](#)

[Consultation on a New Library Strategy 2020 – 2025 Cabinet Report– 20 May 2019](#)

[Consultation and engagement on a Library Strategy and future service delivery model Cabinet Report – 20 January 2020](#)

[Recommendation from Cabinet – The new Library Strategy 2021 – 2026 and Action Plan for the Libraries and Neighbourhood Hubs Service – 11 November 2020](#)

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 2 – Financial Information under Paragraph 3 (Information relating to the financial or business affairs of any person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested as this appendix 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.

Rotherham Markets & Central Library

1. Background

- 1.1 The redevelopment and repurposing of the Rotherham Markets Complex was identified as a key project in the adopted 2017 Rotherham Town Centre Masterplan (TCM).
- 1.2 Previous public and stakeholder consultation for the Town Centre Masterplan and the Cultural Strategy identified a need to improve the cultural and leisure offer within Rotherham Town Centre. This involves improving the proximity and connectivity between key amenities, upgrading the quality of the built environment and delivering inclusive access to the different facilities on offer. This will have spill over effects for the wider town.
- 1.3 Bringing together the library, markets, food hall and gallery / event spaces on one site will provide the potential to increase footfall and in turn help support and sustain the future of the library service and the market. It will also provide the opportunity for the library and markets to work closely together in order deliver a more compelling offer to a wider range of residents and visitors.
- 1.4 Detailed designs were completed in June 2022 in advance of the submission of a planning application. Planning permission, RB2022/0881, was granted conditionally on 03 November 2022.
- 1.5 Alongside the determination of the planning application the Council undertook a procurement exercise to identify and secure a contractor under a two-stage design and build approach. Following a competitive process, Henry Boot Construction Ltd (HBC) were appointed to finalise designs for the redevelopment and to confirm development cost and approach.
- 1.6 On 7 August 2023 Cabinet approved the enabling works for the Rotherham Markets and Library development and delegated authority to award contracts for these early phase enabling works.
- 1.7 This contract award was made on 26 September 2023 and HBC commenced works on site in September 2023 with a works programme scheduled to run until March 2024.

2. Key Issues

2.1 Design development

Further technical design refinement has been undertaken by the Council's Building Consultancy team in partnership with HBC. As outlined in the 07 August 2023 Cabinet Report the proposed redevelopment will include the following elements:

- A refurbished and modernised Indoor Market that maintains the traditional Market atmosphere and current trading space.

- A new centrally located food hub to accommodate independent food retailers with a shared seating area.
- Demolition of the current Outdoor Covered Market canopy and substantial refurbishment works including the provision of a new roof, delivering an enclosed flexible space.
- Delivery of a new Rotherham Central Library including a café, meeting rooms, flexible gallery space, and a maker's space.
- Extensive improvements to all public realm surrounding the complex, including the delivery of a new tiered landscaping area opposite Rotherham College and a focal meeting point in the town centre at Market Square.
- Provision of office and meeting space for potential use by the third sector and voluntary organisations.
- Works to all public entrances enhancing accessibility and movement through the complex.

- 2.2 Independent experts Market Place were commissioned to provide specialist support to help shape the emerging concept designs for the redevelopment. Their report prepared in October 2019 was utilised to further define and develop the key design principles.
- 2.3 Careful consideration has been given to each individual component of the redevelopment plans prepared, reflecting these findings, to help ensure the regeneration aims of the Council and the full potential of the complex can be realised.
- 2.4 Enhancing the offer available across the complex to support the current retail focus is a key aspiration of the redevelopment proposals. It should be acknowledged that the strong performance of the Indoor Market within extremely challenging circumstances in past years highlights the important role that small independent retailers still play within the wider Town Centre offer.
- 2.5 The introduction of new, complementary uses and activities, such as the Central Library, food hub and flexible events space to the complex whilst modernising but maintaining the more traditional Indoor Market is a further key principle of the redevelopment, to support this important role and function moving forward.
- 2.6 Further details on the proposed redevelopment works, alongside visual extracts from the design model are available in Appendix 1 – Design Proposals. Final refinement is currently underway and a fully complete technical design is programmed to be completed in Spring 2024.
- 2.7 Capital costs
Development of the technical design information and construction programme detailed above have allowed for the refinement of anticipated capital costs. A range of market testing with subcontractors has been undertaken throughout 2023 to ensure that confidence in figures provided is as high as possible at this stage.

- 2.8 Current anticipated capital cost implications for delivery of the regeneration are presented in the exempt Appendix 2 – Financial Information, alongside an overview of how the Council proposes to fund the development works.
- 2.9 Revenue implications
The proposed redevelopment will also have an impact on associated revenue budgets, notably operational and maintenance costs.
- 2.10 A modelling exercise has been undertaken to allow for early comparison of estimates of these revenue costs, with the findings of this also presented in Appendix 2 (exempt). This modelling will be developed and refined further when the final design is agreed, and construction plans and timescales fully confirmed.
- 2.11 Main works contract award
To facilitate the proposed redevelopment and delivery of the Council's regeneration aspirations, a suitable construction works contract is required to allow for the controlled and safe delivery of works on site.
- 2.12 HBC have been appointed under a two-stage design and build approach to develop the final redevelopment plans, costings, and delivery approach. The main works contract would act as a standalone agreement with HBC and could be triggered once final costs are secured.
- 2.13 It is currently anticipated that the final costs for the main works will be confirmed in Spring 2024. Once final costs are available the Council must act swiftly to proceed with the contract and secure costs to avoid unnecessary additional costs related to inflation and other market pressures. A clear indication of an upper limit of the development costs is now available, as detailed in Appendix 2 (exempt) and, as such, this report seeks authority to approve the scheme within the upper budget limit outlined in Appendix 2 (exempt).
- 2.14 If the final costs are deemed acceptable, the Council will seek to award relevant contracts by Officer Decision to action the approved redevelopment works and facilitate the current programme being achieved.

3. Options considered and recommended proposal

Option 1 – Approve the scheme enabling the delivery of main works and contract award, subject to the budget parameters outlined in Appendix 2 (exempt). (recommended)

- 3.1 This option will allow for the full redevelopment of the Rotherham Markets and Library Complex in line with the plans as outlined in Appendix 1 via agreement of a construction works contract with Henry Boot Construction Ltd (HBC). This is considered to contribute significantly to the achievement of the Council's wider regeneration aims for the Borough, notably the objective to provide a transformed and rejuvenated Rotherham town centre.

- 3.2 This option provides an upper funding limit, allowing for a swift response once the costs are confirmed and mitigates the risk of additional costs as a result of inflation and other market pressures.
- 3.3 It is intended that the Strategic Director of Regeneration and Environment (R&E), would award the Main Works Contract with Henry Boot Construction Ltd (HBC) under delegated authority within the parameters stated in this report.

Option 2 Delay approval of the scheme until final prices are confirmed (Not Recommended)

- 3.4 An alternative option considered is to wait until the final Contract Sum is known (expected in March 2024) and then return to Cabinet to delegate authority to award the full Stage 2 Works Contract following receipt of this.
- 3.5 This would result in a delay to entering into the main works contract of approximately 3 months. A delay of this nature will result in increased costs being incurred to deliver the same full scope of works, due to inflationary and markets pressures resulting from an extended overall programme and existing costs provided not being able to be held for extended periods of time. There is also the risk of losing the contractor due to the time between final costs being confirmed and approval to commence.

Option 3 – Do not proceed (Not Recommended)

- 3.6 If the Council does not proceed with the main construction works, this would result in the non-delivery of the redevelopment project and the expected benefits not being realised. The complex is a Council owned asset, with responsibility sitting with the Council for the buildings general upkeep. The complex was constructed in 1971 and if the redevelopment project does not proceed, the Council will still be required to invest in the infrastructure on site or consider an alternative use for the complex moving forwards.
- 3.7 Failure to deliver the redevelopment of the Rotherham Markets and Library Complex is considered to present significant risk to achieving the Council's wider regeneration aims for the Borough, notably the objective to provide a transformed and rejuvenated Rotherham town centre.
- 3.8 It is recommended therefore that Cabinet:

Approves development of the Rotherham Markets and Library complex to deliver the proposed Rotherham Markets & Library redevelopment within the values detailed in exempt Appendix 2.

4. Consultation on proposal

- 4.1 Throughout the entire design period, extensive engagement has been undertaken on emerging proposals with a wide range of stakeholders as detailed further in the August 2023 Cabinet paper and associated Appendices.

- 4.2 The emerging concept designs for the redevelopment of the Markets complex were adapted to incorporate a new Central Library following a comprehensive process to identify a suitable town centre location. This proposed relocation was confirmed following the adoption of the Council's Library Strategy 2021 – 2026 in November 2020 after an 18-month programme of consultation and engagement. Further details are again provided in the August 2023 Cabinet paper and associated Appendices.
- 4.3 Engagement with businesses operating within the Markets complex will continue through the redevelopment period. Acknowledging this challenging and disruptive period, the Council has already approved a rent concession (as agreed as in the March 2023 budget report) of 50% for impacted businesses that was implemented from August 2023 and is to be continued throughout the construction programmes duration.

5. Timetable and Accountability for Implementing this Decision

- 5.1 It is currently programmed that the Council will enter a contract to deliver the main construction works to allow the redevelopment of the Rotherham Markets Complex as outlined in March 2024.
- 5.2 This will be subject to consideration of the final costs, which will inform the Final Business Case, and an Officer Delegated Decision to award the contract.
- 5.3 The works programme is currently estimated to last for 29 months with a targeted completion date in late 2026 to be confirmed.

6. Financial and Procurement Advice and Implications

- 6.1 The award of the works contract to HBC, was part of the scope of the procurement activity referred to in this report, which was undertaken in compliance with the Public Contracts Regulations 2015 (as amended) and the Council's own Financial and Procurement Procedure Rules. As such there are no direct procurement implications arising from the recommendations detailed in this report.
- 6.2 The financial implications for the capital development and the longer term revenue financial implications are outlined within Appendix 2 (exempt).
- 6.3 The report and appendices sets an upper funding limit to the scheme within which final contracts can be awarded enabling a swift response once the costs are confirmed and hence mitigates the risk of additional costs as a result of inflation and other market pressures.

7. Legal Advice and Implications

- 7.1 As set out in the body of the report the main contract for works has been procured in compliance with the Public Contracts Regulations 2015 (as amended).

7.2 A comprehensive NEC standard construction contract will be concluded with contractor to ensure delivery of the project and protect the Council's interests.

7.3 This is a decision for the Cabinet as this type of regeneration and development scheme is not one reserved to Council by Regulations or legislation.

8. Human Resources Advice and Implications

8.1 There are no human resources implications arising from this report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 There are no known implications for children and young people and vulnerable adults arising from this report.

10. Equalities and Human Rights Advice and Implications

10.1 A screening assessment and an Equality Analysis Form is attached.

10.2 Further consultation will be ongoing with protected characteristic groups to inform the operation and accessibility of the scheme and to monitor the ongoing equalities impact of the development.

11. Implications for CO2 Emissions and Climate Change

11.1 A carbon impact assessment is attached. The development is expected to achieve a BREEAM rating range from Good/Very Good and is located on a site that is within walking distance of the bus interchange, tram train and railway station.

12. Implications for Partners

12.1 There are no direct impacts from this decision on the delivery of services by partners. The delivery of the Rotherham Markets & Library scheme is widely seen as an important catalyst in regenerating Rotherham town centre and progress towards delivery is welcomed by all partners.

13. Risks and Mitigation

13.1 A comprehensive risk register has been prepared for this project and is monitored and updated by the Council's Building Design Team acting as Principal Designer for the redevelopment. Henry Boot Construction (HBC) also maintain their own construction risk register that is shared with the Council, this focuses on programme and construction related challenges and mitigations.

- 13.2 The cost plan presented in exempt Appendix 2 contains an allowance for risk management and mitigation when in contract. This will be utilised to address known and unforeseen issues as and when they arise.
- 13.3 Impact on existing Council services operating on the current site is a considered risk with this decision. This risk will be mitigated through careful sequencing and coordination of works onsite, ensuring any harm or impact on the ability of the Markets service to carry out their responsibilities is mitigated where possible.

14. Accountable Officers

Lorna Vertigan, Head of Regeneration

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	04/12/23
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	01/12/23
Assistant Director, Legal Services (Monitoring Officer)	Phil Horsfield	01/12/23

Report Author: James Green, Regeneration & Development Manager
01709 255837 james.green@rotherham.gov.uk

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