

Public Report with Exempt Appendices
Delegated Officer Decision

Committee Name and Date of Committee Meeting

Delegated Officer Decision – 28 May 2024

Report Title

Mainline Station Business Centre Feasibility Study

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

No, but it has been included on the Forward Plan

Strategic Director Approving Submission of the Report

Name of Strategic Director

Andrew Bramidge – Interim Director

Report Author(s)

Maria Smith, Senior Project Manager

Maria.smith@rotherham.gov.uk

Ward(s) Affected

Boston Castle

Rotherham West

Rawmarsh West

Report Summary

Rotherham Council intend to commission a feasibility study to understand the potential of investing in the development of a new Council-owned and operated business centre, at the heart of the proposed Integrated Mainline Rail Station. The study will test a number of options and whether a multi-functional building incorporating the station facilities into the business centre's ground floor is feasible and operationally desirable to key stakeholders. Feasibility Funding will be used to commission this study.

Recommendation

1. The South Yorkshire Mayoral Combined Authority (SYMCA) have allocated £3m revenue to Rotherham Metropolitan Borough Council as a 'Feasibility Fund'. A grant agreement has been signed to accept the funding and this report seeks to exercise the delegation to the Strategic Director for Regeneration & Environment in consultation with the Leader of the Council and Assistant Director Financial Services to allocate £100,000 of this fund for this feasibility study.

List of Appendices Included

- EXEMPT Appendix 1 Project Initiation Document - Mainline Station Business Centre Feasibility Study
- EXEMPT Appendix 2 Core Station Area Illustration
- Appendix 3 Equalities Impact Assessment
- Appendix 4 Carbon Impact Assessment

Background Papers

Towns Fund Approval to progress Station land acquisition as part of Town Deal
[Cabinet May 2022 minute 149 re towns fund implementation.pdf](#)
Decision to allocate and spend the £3m Feasibility Fund [REPORT TEMPLATE FOR CABINET & COMMISSIONER \(rotherham.gov.uk\)](#)
RiDO Business Centres: <https://www.ridobusinesscentres.co.uk/>
Rotherham Economic Growth Plan 2015 – 2025
Strategic Economic Plan (SYMCA, 2021 – 2041)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Name of Committee – Click here to enter a date.

Name of Committee – Click here to enter a date.

Council Approval Required

No

Exempt from the Press and Public

Yes or No? If yes, use text below.

Part Exempt (App 1 and 2)

*An exemption is sought for **Appendix 1 and 2** 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 as these appendices contain information relating to the acquisition.*

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information because the negotiations contain information which, if disclosed, could prejudice the council's interests.

Mainline Station Business Centre Feasibility Study

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1. Background

- 1.1 The proposed Integrated Mainline and Tram-Train Station presents a major opportunity for local jobs and productivity, regeneration, social inclusion, and improved health outcomes. It forms a key part of the regional priority to deliver an integrated transport solution and is ideally located in the South Yorkshire Investment Zone geography. It can offer a wider regeneration opportunity through the Masterplan and improved connectivity that supports the Town Centre regeneration.
- 1.2 The scheme is backed by the station governance structure (Board and Steering group) established with partners including the Department for Transport (DfT), Transport for the North (TfN), Network Rail (NR) and South Yorkshire Mayoral Combined Authority (SYMCA).
- 1.3 £10m was secured through the Town Deal to prepare the Station Masterplan and acquire land necessary to facilitate delivery of the station. A further £1m funding from the devolved City Region Sustainable Transport Settlement (CRSTS) funding was secured to develop the Outline Business Case (OBC).

2. Key Issues

- 2.1 The Station Masterplan sets out a blueprint for the regeneration of land in the station vicinity and focuses on the development of an Innovation Campus to the West of the core station area. This plan draws on the strengths of the Borough in advanced manufacturing and innovation, complementing and building on the existing offer at the Advanced Manufacturing Park, Sheffield Business Park and the University of Sheffield's Advanced Manufacturing Research Centre. The innovation campus at the station would form the north-eastern tip of the Advanced Manufacturing Innovation District (AMID). The Masterplan is close to conclusion with its delivery strategy expected imminently.
- 2.2 As part of the core station area, the Masterplan proposes a RiDO-operated business centre, anticipating that this could be an anchor building for the proposed Innovation Campus and act as a catalyst for wider, market-led investment and regeneration. Rotherham Council has a strong history of supporting start-up businesses and providing business space, including offices, some workshops and laboratories, on terms flexible and attractive to new businesses.
- 2.3 Dialogue with rail industry stakeholders has highlighted an opportunity for an innovative approach to the provision of the station facilities (waiting room, toilets, ticket machines etc.) and potential integration within the ground floor of the proposed RiDO business centre.
- 2.4 The station building is situated in the north-west corner of the core station area adjacent to the proposed car park and concourse linking the Mainline and Tram-Train platforms. The current designs identify key components for opening the station including the station building, car parking, bus circulation,

pick up/drop off facility, public realm, landscaping, and staff/customer welfare facilities (see Appendix 2). The initial Station Design Plot comprises an area of circa 1,800 sq. m with a proposed building footprint of approximately 900 sq. m with the potential for three floors should a dual-function building be the preferred option.

- 2.5 A feasibility study is needed to understand and develop the business case and design concepts for a new business centre in this location, ensuring a fit with the existing Council owned portfolio of Business Centres. The proposed study will need to consider whether there is sufficient demand, resource, and capacity in the Council to accommodate another business centre in the Borough.
- 2.6 The study will also explore whether rail facilities could be accommodated in the business centre and if a dual functionality building could work operationally for all relevant stakeholders. This will require engagement with those stakeholders including the rail industry, the RiDO Economic Development team and Asset Management.
- 2.7 The study outputs are required to inform the Full Business Case (FBC) for the station scheme and therefore, needs to demonstrate thorough option development work and shortlisting. Viability of the shortlisted options needs to be tested, exploring benefits, costs, and risks accompanied by high level design. The study will outline a preferred option and provide elements of a business case to enable its progression should it prove to be feasible.
- 2.8 £100,000 is required from the Feasibility Fund to complete this work and it is anticipated the study will be finished in September 2024. The work will be directly awarded through the existing AHR multi-disciplinary contract.

3. Options considered and recommended proposal

- 3.1 Officers considered not moving forward with the feasibility study for a business centre and simply progressing a traditional stand-alone station building to solely house the station facilities. This, however, would potentially miss an opportunity to contribute to the wider regeneration aims of the Station project and the Council.
- 3.2 Officers considered not progressing the feasibility study at this stage. This option was discounted as it would result in not having the required design information for the dual functional business centre/station building to input into Full Business Case for the scheme. This would create uncertainty around how the scheme is progressed and how the building will be costed.
- 3.3 It is recommended that the study is commissioned now, in advance of the Full Business Case for the mainline station project. This is necessary to enable appropriate detailed design work to be undertaken for the station, either as a separate stand-alone building, or integrated within the dual function building. It is recommended that the Feasibility Funding is utilised to enable this commission to happen within the required timescale for its completion.

4. Consultation on proposal

- 4.1 There has been considerable engagement with stakeholder partners through the project steering group and project board who oversee the Station project.
- 4.2 Engagement with Train Operating Companies and the potential Station Facility Owner has taken place in order to canvas their views on the requirements of the station building, to ensure that operational requirements are adequately reflected in the designs. This dialogue demonstrated the willingness of the rail industry to explore innovative approaches to new station buildings, including dual functionality.
- 4.3 Internal colleagues from across the Council, including the RiDO team, have been involved in a number of masterplan workshops and informal discussions to ensure compatibility and fit with emerging policies and proposals that impact the station design.
- 4.4 Soft market testing on the station masterplan has been undertaken with a number of developers and the concept of the innovation campus was extremely well received. All private sector organisations consulted recognised the important public sector role in land assembly, infrastructure provision and the importance of securing a strong anchor at the outset as a catalyst to further investment.
- 4.5 This report has been shared with the Cabinet Member for Transport and Environment and the Cabinet Member for Jobs and the Local Economy to ensure awareness of the proposals.

5. Timetable and Accountability for Implementing this Decision

- 5.1 The table below outlines the key dates for the Feasibility Study and how this will integrate with the deadlines/timelines for the station OBC approval and draw-down of funds for the FBC.

Business Centre Feasibility Study commissioned by RMBC	May 2024
Stakeholder engagement on business centre feasibility	June 2024
Start scoping FBC requirements	June 2024
OBC submission to SYMCA	July 2024
Draft feasibility study received for review	August 2024
Final feasibility study submitted to RMBC	September 2024
OBC decision from SYMCA (approval enabling drawdown of FBC funds)	October 2024
Start Full Business Case	January 2025

6. Financial and Procurement Advice and Implications

- 6.1 As the works are proposed to be awarded via the existing contract with AHR, there are no specific direct procurement implications to note as this route to market is compliant with the Council's own Financial and Procurement Procedure Rules as well as the Public Contracts Regulations 2015.
- 6.2 The feasibility fund has already been subject to previous agreed allocations.

Year	Agreed Use	Value £	Feasibility Fund Uncommitted £
2022/23	In year savings contribution towards regen costs	150,000	2,850,000
2023/24	In year savings contribution towards regen costs	200,000	2,650,000
2023/24	Resourcing, property management, consultation and marketing – Officer Decision March 2024	690,000	1,960,000
2024/25	Regen staffing costs – Officer Decision May 2024	144,000	1,816,000

The allocations of the feasibility fund approved to date total £1,184,000, the addition of the allocation in this report will mean that £1,284,000 is committed leaving £1,716,000 available for future use.

7. Legal Advice and Implications

- 7.1 The Cabinet Report of June 19th, 2023, includes a decision to delegate the allocation and spending of the Feasibility Fund to the Strategic Director for Regeneration & Environment in consultation with the Leader of the Council and Assistant Director Financial Services.
- 7.2 This report seeks a decision, in accordance with the delegation contained within that Cabinet Report, to approve expenditure from the Feasibility Fund.

The Feasibility Fund was established subject to a grant from SYMCA. The grant funding requires that any expenditure incurred is compliant with the

terms of the grant agreement, which requires that it is consistent with the project as described in that agreement. The project included in the grant agreement specifically refers to the second phase of the PBIS and “readying projects for funding and delivery”.

It is suggested that the allocation of £100,000 to conduct a study of the feasibility of locating a business centre within the proposed mainline train station is consistent with the terms of the grant and specifically falls within the description of proposed project spending included in the grant agreement’s project schedule.

The commissioning of the feasibility study will be subject to an existing contract with AHR, which I understand has been entered into under a council owned multidisciplinary framework agreement. I understand that advice has already been provided on the framework and procurement via the framework for this type of provision.

8. Human Resources Advice and Implications

8.1 There are no direct Human Resources implications arising from the recommendations contained in this report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 There are no such implications arising from this report.

10. Equalities and Human Rights Advice and Implications

10.1 See attached EIA (Appendix 3)

11. Implications for CO2 Emissions and Climate Change

11.1 See attached CIA (Appendix 4)

12. Implications for Partners

12.1. There are no such implications arising from this report.

13. Risks and Mitigation

13.1 **Risk:** Unexpected costs as study progresses increases budget ask from feasibility fund. **Mitigation:** A detailed brief has been prepared outlining expectations so consultants are aware of potential workstreams and can cost the study accordingly.

13.2 **Risk:** If feasibility study shows a Business Centre is not viable or the scheme is delayed, the work could be considered abortive. **Mitigation:** The results will inform future development and will be taken forward into the Full Business Case. Previous research has been undertaken as part of the masterplan to identify a Business Centre as a proposal worth exploration.

13.3 **Risk:** Study not completed in time in order to feed into FBC scoping. **Mitigation:** Study to be commissioned in May in order to provide sufficient time to complete by September 2024.

14. Accountable Officers

Maria Smith, Senior Project Manager
Lucy Mitchell, Regeneration Manager

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	Click here to enter a date.
Strategic Director of Finance & Customer Services (S.151 Officer)	Named officer	Click here to enter a date.
Head of Legal Services (Monitoring Officer)	Named officer	Click here to enter a date.

Report Author: Maria Smith, Senior Project Manager
Maria.smith@rotherham.gov.uk
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