

Committee Name and Date of Committee Meeting

Delegated Officer Decision – 29 August 2024

Report Title

Feasibility Fund Allocation: Strategic Sites

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

Andrew Bramidge, Strategic Director of Regeneration and Environment

Report Author(s)

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Ward(s) Affected

Boston Castle

Report Summary

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 delegation to the Strategic Director for Regeneration & Environment in consultation with the Leader of the Council and Assistant Director Financial Services to allocate £600,000 of this fund to undertake feasibility work for the development of key strategic sites in Rotherham Town Centre.

Recommendations

1. Allocate £600,000 of the Feasibility Fund for activity described in Section 2 of this report.

Background Papers

[June 2023 Finance Update](#)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Name of Committee – Click here to enter a date.

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Council Approval Required

No

Exempt from the Press and Public
No

1. Background

- 1.1 The South Yorkshire Mayoral Combined Authority (SYMCA) have allocated £3m of revenue funding to the Council as a 'Feasibility Fund'. The aim of this grant is to facilitate the development and delivery of Rotherham's Place Based Investment Strategy (PBIS) by reducing capacity and capability constraints and contributing to the development and delivery of both capital and revenue projects. The PBIS was presented to Cabinet in February 2023.
- 1.2 In December 2022 the grant was accepted by the Council and the funding agreement signed. Further, in June 2023 Cabinet approved the allocation of the Feasibility Fund via officer delegation to the Strategic Director for Regeneration & Environment in consultation with the Leader of the Council and Assistant Director Financial Services.
- 1.3 To date £1.284m has been allocated to contribute toward resourcing, property management costs, consultation, marketing and communications and development of town centre projects and the development of a feasibility study for a new Business Centre.

2. Key Issues

- 2.1 Rotherham Council's long-term objective for the town centre sees the continued diversification of its offer. Attracting new uses, services, residential and leisure opportunities and moving away from the traditional retail market.
- 2.2 The masterplan for regenerating the town centre identified the need for derelict and long-term vacant sites to be brought into public ownership. This was the subject of Cabinet reports presented in March 22, September 23 and April 23. Significant progress has been made through use of the SYMCA strategic Acquisition Fund and Council funding, through both Voluntary purchases and Compulsory Purchase Orders.
- 2.3 The Council's success in securing public funds and its own investment in the town has attracted private sector interest in investing in the town's future. This is increasingly resulting in Rotherham being seen as a place to do business.
- 2.4 A cluster approach is considered necessary to create a sufficient quantum of development potential to tackle viability, and to create a greater sense of place in the town centre. A number of sites are considered as key to the regeneration of the town centre as follows, the core sites, comprising a first phase, are:
 - Snail Yard
 - Riverside Residential Quarter phase 1
 - 3-7 Corporation Street
- 2.5 The following opportunity sites could also play a significant role in the long-term regeneration of the town centre and will therefore be considered as a second phase of this programme, however their progress may follow alternative timelines and subject to varying stages of feasibility:

- Riverside Residential Quarter Phase 2
- Bailey House
- 2 Corporation Street, former Mecca Bingo
- 30 – 32 Corporation Street, former Lloyds and NatWest Banks
- The Statutes

Now is the time to capitalise on this interest and the strong progress made to date, to bring forward ambitious plans that will create a new community in the town centre, bringing with it a sense of place and long-term positive legacy for the town centre.

2.6 A programme of redevelopment is to be scoped, which will ultimately see the regeneration of town centre sites to create a mixed use, commercial and residential offer. Bringing in a new community which supports and builds on the momentum of Forge Island and other regeneration interventions to bring greater footfall and end users

2.7 Over the last two years the Council has taken a key step in realising its vision for growth by securing a number of stalled, underutilised and derelict sites in order to bring them into positive use. This funding allocation will accelerate the first stages of planning and feasibility for a programme of interventions which seeks to secure a future for these sites and meets the Council's long-standing aims for regeneration of the town centre as a vibrant and successful place.

2.8 In summary the funding will be used to produce:

- Development of concept designs and funding strategies
- Site surveys and investigations
- Fund Project Management costs
- Site appraisals

2.9 The three core sites are at the stage of readiness to move forward to design and planning permission stage and to review options for the best route to market: These are: Riverside Quarter, Snails Yard and 3 -7 Corporation Street. These are key strategic sites which will act as a catalyst for the wider development plans. Subject to the allocation of these funds, a procurement business case is in progress to appoint a Developer through a PCR compliant Framework and the estimated costs of this are c £400k, in addition, there will be "on costs" for Legal fees, planning fees and cost consultancy to evidence probity and Value for Money. Along with further site feasibility surveys on the remaining sites, a total initial allocation of £600k is sought. The culmination of this work will lead to recommendations to Cabinet on the proposed development strategy for these key sites.

3. Options considered and recommended proposal

3.1 Funding could be sought from alternative sources through capitalisation or Council revenue. The Feasibility Fund is specifically allocated for the

progression of Rotherham’s PBIS and the projects and ambitions described above are part of this strategy. The feasibility Fund is therefore considered the best source for this proposal.

3.2 Alternatively, this work could not be taken forward at this time. However, the capital funding allocated and the acquisition of these sites over the last two years has been for the specific purpose of regeneration and the achievement of Rotherham’s ambitions. With the availability of Feasibility Funding and Rotherham town centre’s ongoing regeneration now is considered to be the right time to undertake this work.

4. Consultation on proposal

4.1 Allocation of the funds will facilitate the delivery of the Regeneration Programme, the implementation of which has been the subject of extensive consultation. From May to July 2024 the Council undertook a significant consultation exercise focussed on the future of the town centre. Using the Place Standard Tool over 552 responses were received with many comments received around the need to vary the offer in the town centre and make use of vacant sites and building.

4.2 As project details are developed specific consultation will be undertaken.

4.3 The Rotherham Town Board have been established since 2020 and now oversee all Pathfinder funded projects, which make up the majority of Rotherham’s regeneration projects. Whilst this piece of work is not directly funded by Pathfinder the outputs will relate to Pathfinder funded projects and will therefore be reported to the Board for oversight.

5. Timetable and Accountability for Implementing this Decision

5.1 The first stages of feasibility and project planning will be completed by July 2025.

6. Financial and Procurement Advice and Implications (to be written by the relevant Head of Finance and the Head of Procurement on behalf of s151 Officer)

6.1 The feasibility fund has already been subject to previously 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	200,000	2,650,000

	towards regen costs		
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
2024/25	Business Centre Feasibility – Officer Decision June 2024	100,000	1,716,000

6.2 The allocations of the feasibility fund approved to date total £1,284,000, the addition of the allocation in this report will mean that £1,884,000 is committed leaving £1,116,000 available for future use.

6.3 There is no direct procurement implication with the recommendation for the allocation of monies from the Feasibility Fund. Where any of these funds are used to procure a Supplier to undertake services on the Council's behalf this must be procured in compliance with the Public Contracts Regulations 2015 or the Procurement Act 2023 (whichever is the applicable legislation at the time) as well as the Council's own Financial and Procurement Procedure Rules.

7. Legal Advice and Implications (to be written by Legal Officer on behalf of Assistant Director Legal Services)

7.1 Due to the funding and Grant Agreement attached to this Project, any funding conditions including any claw back provisions must be adhered to and passed on through further agreements if appropriate.

7.2 In respect of any funds that are allocated, consideration must be given to any subsidy control issues.

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 direct implications for Children and Young People and Vulnerable Adults

10. Equalities and Human Rights Advice and Implications

10.1 This request for approval relates to feasibility work which is predominantly desk top based but with limited site visits and intrusive ground investigations. As projects develop dedicated consultation will be undertaken and recorded through the Business Case/Gateway process.

11. Implications for CO2 Emissions and Climate Change

11.1 This request for approval relates to feasibility work which is predominantly desk top based but with limited site visits and intrusive ground investigations. The feasibility work will involve a detailed Carbon Impact Assessment for the future stages of development of these sites and these will inform a full business case which will be submitted for approval at a later date and prior to proceeding with any work beyond the feasibility phase.

12. Implications for Partners

12.1. The Feasibility Fund is provided by the South Yorkshire Mayoral Combined Authority and its use will contribute to the MCA's economic growth targets and the jointly owned Place Based Investment Strategy by delivering key outputs through the regeneration programme.

13. Risks and Mitigation

13.1 Expenditure in line with forecast is a risk in relation to timebound funding pots. However, the Feasibility Fund has a flexible timeline and the MCA will consider justifiable slippage against initial forecasts.

13.2 Project specific risks will be explored with the development of the individual project and its related Business Cases.

14. Accountable Officers

Lorna Vertigan, Head of Regeneration

Simon Moss, Assistant Director Planning, Regeneration & Transport

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)	Judith Badger	Click here to enter a date.
Assistant Director of Legal Services (Monitoring Officer)	Phil Horsfield	Click here to enter a date.

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