

REPORT AUDIT TRAIL**CONSULTATION**

Name/Position	Portfolio/Ward/ Directorate	Date Sent	Date Received	Comments in para:
Councillor Robert Taylor	Cabinet Member for Transport, Jobs and the Local Economy	28/01/25	12/02/25	
<i>Simon Moss</i>	Assistant Director, Planning Regeneration & Transport, Regeneration and Environment	28/01/25	12/02/25	
<i>Chloe Parker,</i> Finance	Finance and Customer Services	28/01/25	29/01/25	6.1
<i>Lesley Tattersall,</i> Legal Services	Legal Services	28/01/25	11/02/25	7.1
<i>Helen Rowe,</i> Human Resources	Assistant Chief Executive's Office	28/01/25	31/01/25	8.1
<i>Karen Middlebrook,</i> Procurement	Finance and Customer Services	28/01/25	31/01/25	6.2
Equalities	Assistant Chief Executive's Office	28/01/25	30/01/25	
<i>Tim Hartley,</i> <i>Property and Facilities Services</i>	Head of Property	28/01/25	07/02/25	

<u>REPORT APPROVAL TRACKING</u>			
Equalities	Initial Screening completed and included with report	YES – Appendix 3	27/11/24
	Full Assessment completed and included with report	NO	Insert date agreed
Carbon Impact Assessments	Carbon Impact Assessment completed and included with report.	YES – Appendix 4	02/12/24
Background information	Cabinet September 2023: https://moderngov.rotherham.gov.uk/documents/s142908/Mainline%20Station%20Update.pdf Printed minutes Monday 18-Sep-2023 10.00 Cabinet.pdf		
Appendices	Appendix 1 Calendar House red line boundary Appendix 2 EXEMPT Terms of acquisition Appendix 3 Equality Impact Assessment screening Appendix 4 Carbon Impact Assessment		
Cabinet Member Approval	YES/NO (delete as appropriate)	Click here to enter a date.	
Report Authorised by Strategic Director	YES/NO (delete as appropriate)	Click here to enter a date.	
Report Authorised for publication by Chief Executive	YES/NO (delete as appropriate)	Click here to enter a date.	

Public Report with Exempt Appendices
Delegated Officer Decision

Committee Name and Date of Committee Meeting

Delegated Officer Decision – 14 February 2025

Report Title

Acquisition of Calendar House, Mangham Way

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

Yes

Strategic Director Approving Submission of the Report

Andrew Bramidge, Strategic Director of Regeneration and Environment

Report Author(s)

Lucy Mitchell

Lucy.mitchell@rotherham.gov.uk

Ward(s) Affected

Rawmarsh West

Report Summary

This report seeks to exercise the powers delegated at Cabinet in September 2023 (minute no.58) to negotiate and agree the acquisition of property interests related to the Mainline Station. Specifically, this report refers to the acquisition of Calendar House, Mangham Way as set out in Appendix 1.

Recommendations

1. Exercise the delegation to the Assistant Director Property & Facilities Services acting as Property Officer (delegated by Assistant Director Planning, Regeneration & Transport) in consultation with the Council's S. 151 Officer, Assistant Director – Legal Services, the Cabinet Member for Jobs and the Local Economy, and the Cabinet Member for Transport and Environment, to acquire the property interests in relation to Calendar House, Mangham Way as shown in Appendix 1.

List of Appendices Included

- Appendix 1 Red line boundary of Calendar House
- Appendix 2 **EXEMPT** Terms of acquisition
- Appendix 3 Equality Impact Assessment
- Appendix 4 Carbon Impact Assessment

Background Papers

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Cabinet – 18 September 2023

Council Approval Required

No

Exempt from the Press and Public

Yes or No? If yes, use text below.

An exemption is sought for Appendix 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 is requested, as this report contains commercially sensitive information regarding the purchase of land.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information due to the personal and financial nature of the information contained within Appendix 2.

Acquisition of Calendar House, Mangham Way

Background

- 1.1 The Council is working with partners to promote and progress development of a new Integrated (Mainline and Tram Train) Station in Rotherham. This new station will significantly improve local, regional, and national rail connectivity for local people and businesses, offering access to employment and business growth opportunities, and contributing significantly to the economic regeneration of the town.
- 1.2 The Council has prepared an Outline Business Case for the project for submission to SYMCA and the Department for Transport in February 2025. The purpose of the Outline Business Case is to secure further development funding to enable the project to progress to Full Business Case.
- 1.3 The Council has also secured £10m Towns Fund (now incorporated into the 'Pathfinder programme') investment to acquire the land necessary to accommodate the station and develop a masterplan for the area around the Integrated Mainline and Tram Train Station.
- 1.4 Cabinet (September 2023) approved the acquisition of the properties necessary to facilitate the station. At the same Cabinet meeting, authority to explore use of statutory acquisition powers was also approved.

2. Key Issues

- 2.1 The Masterplanning team has minimised the property interests affected by the station proposal, identifying those required to facilitate its delivery. Three properties are considered essential to secure delivery of the station and accommodate its facilities and supporting infrastructure.
- 2.2 This report relates to the acquisition by the Council of one of the required properties - Calendar House, Mangham Way, as detailed in Appendix 1.
- 2.3 The acquisition of this property is critical to the development of the station, providing essential emergency access/egress from the Northern platform necessary to satisfy Health and Safety operational requirements. The site brings additional benefits in enabling direct access to the station from the North of the town.
- 2.4 The property is in private ownership and currently offers accommodation for a regionally owned small business.
- 2.5 It is always the Council's objective to acquire property by negotiation, and with its appointed agents Gateley Hamer has now agreed Heads of Terms (Appendix 2) for the acquisition of the freehold interest.
- 2.6 The terms agreed are supported by valuation advice provided by Gateley Hamer on completion of a recent assessment of the industrial property market and within the overall budget available for land acquisition as reported to

Cabinet in September 2023. However, the purchase price is higher than original estimates provided by Gateley Hamer in 2022. This is a reflection of increased buoyancy in the industrial property market in Rotherham in recent years.

A leaseback arrangement for the property with the current owners has also been agreed – the mutually beneficial terms of which are also set out in Appendix 2.

3. Options considered and recommended proposal

3.1 Option 1: Do Nothing

A 'do nothing' option would result in the continued fragmented ownership of the overall land necessary to facilitate delivery of the mainline station, increasing project risk and undermining delivery. This option would also result in failure to use central government 'Town Deal' investment secured for this purpose from the previous Government's Department of Levelling Up, Housing and Communities (DLUHC).

This option is not recommended.

3.2 Option 2: Purchase the freehold interests in accordance with the Heads of Terms at Appendix 2

While the Council is willing to pursue its Compulsory Purchase Powers acquisition by negotiation should always be the preferred route for the Council. Terms have been agreed in line with the Council's appointed agent's recommendation and within the overall budget for land acquisition associated with the station approved at Cabinet.

This option is recommended.

4. Consultation on proposal

4.1 Gateley Hamer, the Council's appointed surveyors have been in negotiation with the landowner since funding was approved and Cabinet approval to acquire granted in September 2023, and on the Council's behalf made offers to secure the property.

4.2 The Station Board and Steering Group, made up of key partners and rail industry stakeholders, are aware of the land acquisition progress and supportive of its progression in order to de-risk the project. Similarly, the Town Deal Board has received regular updates on the land acquisition workstream and is supportive of this property acquisition.

4.3 Colleagues in the Property Team are fully aware of the property acquisition - the implications of which were considered by the Council's Asset Management Board in November 2024.

5. Timetable and Accountability for Implementing this Decision

- 5.1 Matters are currently with Legal representatives of both parties and progress of this will be managed by the Council's Legal and Regeneration teams. External solicitors appointed to complete this transaction have advised that exchange and completion of contracts is anticipated prior to financial year end, March 2025.

The funding deadline for the grant is currently March 2026, however the Council has been invited to profile spend up to March 2028 in the latest return to Government, indicating a likely extension to encompass the full extent of any timeline associated with the use of Statutory Acquisition powers should this be required.

- 5.2 The responsible officer for implementing this decision is Kevin Fisher, Assistant Director Property & Facilities Services acting as Property Officer (delegated by Assistant Director Planning, Regeneration & Transport) in consultation with the Council's S. 151 Officer, Assistant Director – Legal Services, the Cabinet Member for Jobs and the Local Economy, and the Cabinet Member for Transport and Environment.

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 financial information pertaining to this acquisition is included in the exempt Appendix 2 – Terms of Acquisition. This includes details of the purchase price and the short-term lease back arrangement. The cost of the acquisition is funded through the £10m Pathfinder grant allocation from MHCLG, and this forecast expenditure has been reported in the quarterly monitoring returns submitted to MHCLG.

- 6.2 The recommendations detailed in this report would be classified as a land transaction which is exempt from the application of procurement legislation. As such there are no direct procurement implications.

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

- 7.1 The recommendations of this report are in line with legal obligations, previous Cabinet decisions and the Council's constitution. There are no substantive legal implications arising from the contents of this report other than those detailed herein.

8. Human Resources Advice and Implications

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

10. Equalities and Human Rights Advice and Implications

- 10.1 Initial screening has been undertaken and no equalities or human rights implications have been identified arising from the recommendation in this report.

11. Implications for CO2 Emissions and Climate Change

- 11.1 No impact on borough wide emissions arise as a result of the purchase.

12. Implications for Partners

- 12.1. Partners and rail industry stakeholders are working closely with the Council on the development of the mainline station project and are representative on the project Board and Steering group that have oversight of the whole project and its inter-dependent workstreams. Partners acknowledge the importance of this land acquisition in de-risking the project.

13. Risks and Mitigation

- 13.1 While terms are now agreed there will remain a risk of the deal falling away up to completion of the transaction. The Council and its agents are in dialogue with the owner and will endeavour to keep matters on track.

The funding deadline of March 2026 remains a risk to the completion of the land assembly exercise for the mainline station. The Council has been invited to profile spend to March 2028 in the December 2024 return to Government. All endeavours to progress the scheme at pace are being taken, and acquisition by negotiation will de-risk the scheme.

Dialogue with MHCLG colleagues and where required Ministers will continue around the potential March 2028 deadline.

Other risks relating to the potential delay of the project and the impact on the land acquisition are outlined below:

Risk: delay to the timeline for the mainline station delivery.

Mitigation: the property will be leased back to the current occupiers who will pay all outgoings associated with the property during this lease period.

Risk: the tenant terminates the lease and there is delay to the timeline for the mainline station delivery or the project proves unviable in the longer term.

Mitigation: the property is marketable, and Property colleagues have confirmed that the property could be re-let by the Council on a further short-term lease, mitigating holding costs to the Council and potentially creating an income stream.

14. Accountable Officers

Simon Moss, Assistant Director Planning, Regeneration and Transport
Kevin Fisher, Assistant Director Property and Facilities Services

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp OBE	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.

Report Author: **Error! Reference source not found.**

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