

Committee Name and Date of Committee Meeting

Cabinet – 11 May 2026

Report Title

Rotherham Markets & Libraries

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

Yes

Executive Director Approving Submission of the Report

Andrew Bramidge, Executive Director of Regeneration and Environment

Report Author(s)

Lorna Vertigan, Head of Regeneration

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Ward(s) Affected

Boston Castle & Wath

Report Summary

The Wath Library and Rotherham Markets & Library schemes form part of the Council's long-standing programme of investment to regenerate town centres, increase footfall and modernise essential community infrastructure. Both schemes have progressed through design and into delivery but have encountered challenges during that process, resulting in increased costs and the need to revisit aspects of scope and delivery.

This report provides a summary of these challenges and seeks approval to increase the budget allocations for both projects, reflecting the outcome of detailed design development, construction stage risk resolution and updated cost forecasts.

Recommendations

That Cabinet:

1. Approves the revised budget of £12.02m for the Wath Library scheme, including an increase of £2.04m to be funded from unallocated Local Regeneration Grant, as set out in Appendix 1.
2. Approves the revised budget for the Rotherham Markets & Library scheme, increasing the total project budget to £46.84m, representing an additional £5.95m, funded as set out in Appendix 5.

3. Notes that the revised budgets reflect the completion of the detailed design, resolution of construction stage risks and the establishment of a more robust and deliverable position for both projects.
4. Notes the intention of the Chief Executive to commission an investigation into the development and delivery of the Rotherham Markets & Library project which has resulted in the cost increase noted in Recommendation 2.

List of Appendices Included

Appendix 1 Wath Library Cost Plan & Budget Implications
Appendix 2 Wath Library Equality Impact Assessment Part A
Appendix 3 Wath Library Equality Impact Assessment Part B
Appendix 4 Wath Library Carbon Impact Assessment
Appendix 5 Markets & Library Cost Plan & Budget Implications
Appendix 6 Markets & Library Equality Impact Assessment Part A
Appendix 7 Markets & Library Equality Impact Assessment Part B
Appendix 8 Markets & Library Carbon Impact Assessment

Background Papers

[Wath Projects – report to Cabinet July 2023](#)

[Wath Project Update – report to Cabinet July 2024](#)

[Rotherham Markets & Library – report to Cabinet August 2023](#)

[Rotherham Markets & Library – report to Cabinet December 2023](#)

[Capital Projects Update – report to Cabinet March 2024](#)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

No

Rotherham Markets & Libraries

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1. Background

- 1.1 Successful town centres are those that offer diversity, combining reasons to visit with places where people want to spend time. Evidence consistently shows that vitality is driven by a mix of uses, including active public realm, food and beverage offers, cultural activity and a regular programme of events that encourage dwell time and repeat visits.
- 1.2 Markets play a central role within this ecosystem, acting as traditional anchors that support independent traders, foster entrepreneurship and provide accessible, affordable shopping rooted in local character. When combined with high-quality public spaces, a food and drink offer and flexible spaces for events and social activity, markets help generate footfall, animate surrounding streets and create inclusive, vibrant destinations. Together, these elements underpin a resilient town centre that supports local businesses, strengthens community life and contributes to economic vitality, civic pride and overall wellbeing.
- 1.3 At the same time, libraries are evolving to become an even more integral part of the town centre offer. No longer simply repositories for books, modern libraries provide trusted, accessible spaces where residents can engage with Council services, access digital support, and receive assistance with matters related to employment as well as health and wellbeing.
- 1.4 As neighbourhood hubs, libraries provide space for advice services, civic engagement and democratic activity, including access to partner organisations, council and public service drop-ins, and opportunities for residents to engage with local decision-making through surgeries, consultations and community meetings.
- 1.5 Libraries also support learning, creativity and making, providing shared spaces, equipment and digital tools that enable individuals, community groups and small businesses to develop practical skills, test ideas and undertake creative or enterprise activity.
- 1.6 As inclusive, non-commercial “third spaces”, libraries play a vital role in tackling loneliness, bridging generational divides and fostering a shared sense of ownership and belonging, offering places where residents of all ages and backgrounds can see themselves reflected and feel part of a common civic life.
- 1.7 Their town centre presence drives footfall, supports inclusive access to public services, and offers welcoming environments for study, community connection and cultural activity. Together, revitalised markets and reimagined libraries help create town centres that are economically

resilient, socially supportive and connected to the everyday needs of local residents.

- 1.8 The Council has made significant strides with investment in the Borough's town centres, with capital investment underway in Rotherham, Wath, Dinnington, Swinton and Maltby, supported by operational investment with the Street Safe team, a programme of Shopfront Grants delivered by a new team of High Street Business Advisors, and a programme of library improvements successfully delivered across the borough.
- 1.9 In July 2024 Cabinet approved the delivery of a new Wath Library to the following scope:
- Development of a state-of-the-art library building
 - Improved public realm
 - Redesign of the site to enhance connectivity and visibility of town centre offer, and address perceptions of security
 - Provision of a new commercial unit in prime location on the market square to attract new businesses
 - Improvements to facilities for learning, working, and making
 - Improvements to the car park
- 1.10 The scheme for Wath Library was developed with the aim of transforming this prominent site in one of the Borough's principal settlements, with high quality place making in order to restore the cultural heart of the town centre, increase footfall, boost the local economy, and restore a sense of pride within the community. The scheme includes demolition of the existing library and the creation of a brand-new library to deliver a modern, inviting, and inclusive community facility. The redevelopment is designed to enhance the visitor experience between Biscay Way and the High Street to encourage visitors into the town centre. The scheme was approved at Planning Board in October 2024 and demolition of the old library began in February 2026.
- 1.11 In 2017, Rotherham's Town Centre Masterplan identified seven major development opportunities, all aimed at creating a more diverse, vibrant and attractive town centre that drives increased footfall. Within this vision, which has now been substantially delivered, Forge Island and the Markets and Library were identified as the two catalytic major projects for Rotherham, anchoring the western and eastern approaches into the town centre respectively. Future plans are now being developed for Rotherham Gateway, which will improve the northern approach to the town centre via Effingham Street, and exciting plans for new housing will complete the southern approach to the town centre along Sheffield Road and Westgate.
- 1.12 The Markets complex was recognised as a key anchor in the town centre, both for its historic significance and the potential to be a modern, attractive destination to draw people back into the heart of the town. The Markets occupy one of the most prominent and strategic positions in

Rotherham town centre. The relocation of the library into this area, the creation of a health hub, the proximity to Rotherham College, the Interchange, and key pedestrian routes cements this part of the town centre as a community, enterprise and service hub, creating a unique opportunity to create a cohesive cluster of essential services, leisure, and social spaces.

- 1.13 Modern markets are evolving into vibrant, multifunctional destinations that offer far more than traditional retail. The new Market Hall and its surrounding outdoor spaces will create opportunities to use the markets in fresh and imaginative ways, building on the success of feature events like the Bazaar while also providing a welcoming location for a wider range of gatherings, activities, and a traditional food offer. At the same time, collaboration with the College opens the door for the new market and library spaces to support partnership and enterprise adding real value to this part of the town centre.
- 1.14 With Forge Island now complete, and momentum building to bring forward new town centre residential opportunities, Rotherham has made significant progress in strengthening the town's core.
- 1.15 Together, these investments will enable the Markets & Library to once again become the beating heart of Rotherham town centre supporting economic vitality, increasing footfall, and reinforcing the town's identity and sense of place.
- 1.16 The Council appointed Henry Boot Construction Ltd as contractor for this project and work began on site in September 2023. The latest contractor programme indicates completion as follows:
- New Market Hall: June 2026
 - Library: Autumn 2026
 - Public Realm: Spring 2027
 - Market Gardens: June 2026
 - Library: December 2026
 - Market Square: Spring 2027
 - Indoor Market: Autumn 2027

2. Key Issues

- 2.1 For Wath Library, detailed contractor pricing and refinement of the scheme following appointment have identified cost pressures that cannot be accommodated within existing contingencies.
- 2.2 In March 2024 Cabinet was advised that the forecast cost of the Rotherham Markets & Library project was £40.9m. As the project has progressed from tender stage into construction, further design development, compliance requirements and risk resolution have resulted in an increase in forecast costs.

- 2.3 The cost increases now presented are the result of design completion, the resolution of risks that could not reasonably be identified at earlier stages, and the need to ensure that both schemes remain compliant, operationally viable and deliverable. This report therefore seeks Cabinet approval for revised budgets and funding arrangements.
- 2.4 **Wath Library**
- 2.5 In July 2024 it was reported to Cabinet that the total scheme cost was £9.9m. In July 2025 the Council appointed Tilbury Douglas as the preferred contractor to undertake Stage 4 designs. Having now refined the scheme costs, a cost increase of £2.04m has been identified.
- 2.6 Cost increases are largely due to:
- Increase in demolition costs of around £800k, largely due to the presence of previously unidentified and significant levels of asbestos.
 - Percentage fee increases as related to increase in construction costs.
 - Inflationary increases aligned with an extended delivery window due to delays in tendering, contractual negotiations, design and cost assessments
 - Additional design fees to reflect the requirement for more extensive design work.
- 2.7 Prior to approaching Cabinet an extensive analysis of potential value engineering options has been carried out, including considering the Library Service's brief to identify opportunities to reduce operational and construction costs. The outcome of this work was a potential option for a smaller building footprint and changes to the external design. However, these alterations would require a full redesign and new Planning approval, causing significant delays to the project. In addition, an increased level of design costs means that the alternative would not deliver value for money due to the significant reduction in amenity space.
- 2.8 A summary of the resultant cost and budget implications are provided in Appendix 1.
- 2.9 **Rotherham Markets & Library**
- 2.10 The scope and costs for the project have been reported to Cabinet throughout the development of the scheme. The last reported cost in March 2024 was £40.89m.
- 2.11 The scope as reported previously includes:
- 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 Outdoor Covered Market canopy and substantial refurbishment works including the provision of a new roof, delivering an enclosed flexible space as a new Market Hall.
- Delivery of a new central library for Rotherham including a café, meeting rooms, flexible gallery space, and a makers' space.
- Extensive improvements to all public realm surrounding the complex, including the delivery of a new tiered landscaped 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.

2.12 The Council entered into an enabling contract in September 2023 and the full construction contract in April 2024.

2.13 Over the course of the project's development, a number of challenges have arisen which has rendered the achievement of this scope undeliverable for the current agreed budget. Further, the delivery of the Outdoor Covered Market and Library has continued, in line with the agreed contract, resulting in insufficient budget to complete the project to the agreed scope.

2.14 While the challenges encountered are summarised below, the Chief Executive of the Council will commission an investigation into how these challenges have arisen and what lessons can be learnt.

2.15 **Delivery Challenges**

2.16 The Council tendered and entered into a contract, before key assumptions had been confirmed, resulting in an overestimation of project readiness. At contract award, the design and specification were insufficiently developed to be construction-ready, with undue reliance on value engineering assumptions and provisional sums. Contingency was underestimated, and an excessive level of risk was transferred to the Council.

2.17 **Project Specification**

While the project outcomes were defined, a corresponding detailed specification and confirmation of client requirements required further definition following contract award. This was in part due to a lack of stakeholder engagement early in the scheme.

2.18 This was evidenced through extended periods of clarifications and amendments to layouts and servicing, particularly for the Library and the food provision, the consequence being extended design periods and contractor costs due to delays.

- 2.19 **Value Engineering**
The costs presented at Cabinet included a number of value engineering opportunities which at the time were anticipated to be realised as the design was completed. However, this has not been the case and an element of the assumed savings have been added back into the project.
- 2.20 **Provisional Sums**
The contract with Henry Boots Construction Ltd contained £3.5m on provisional sums i.e. unconfirmed budgets against which actual costs would be attributed as the project progressed. The risk of any cost increase in these provisional sums was accepted by the Council.
- 2.21 **Health & Safety and Compliance**
During on-site delivery, further design changes have been required to address compliance and health and safety requirements for all elements of the project. These works are largely due to legislative changes or the discovery of unknown construction items during the project timeline. Any legislative changes would have been applied to the existing building regardless of the wider project.
- 2.22 Many of these requirements were unable to be identified at the point of contract award whilst areas of the markets were occupied, due to the nature of the invasive surveys required. Further assessment of the property concluded that the building was in a worse condition than originally assumed.
- 2.23 **Design**
At the point of contract award there remained significant elements of design work to be undertaken and drawings were not as well developed as assumed. The volume of design work required was further exacerbated by the requirement for clarification of specifications as outlined above. The consequence of this was far reaching.
- 2.24 The outstanding design work required the appointment of additional design expertise, this process in itself leading to significant delays and resultant costs due to the impact on the contractor's programme.
- 2.25 The volume of design work, clarification and consolidation between numerous design teams led to further delay and cost.
- 2.26 **Unidentified Cost Elements**
Additional costs were also identified post Cabinet. This included items such as insurance, utilities and diversion works which have proven essential for delivery but were not accounted for in the original budget or included in the contract.

- 2.27 **Contingency**
The contingency set at Cabinet was insufficient to absorb these cumulative impacts and was not reflective of the level of assumptions and risk associated with the project at this point in time.
- 2.28 **Governance & Resourcing**
Fundamental aspects were lacking at crucial stages of the project, which led to uncertainty in decision-making and meant the scheme was not prioritised for oversight, management and resource in a way that properly reflects its multi-faceted nature and scale.
- 2.29 **Eastwood Lane**
The original scope included the provision of office and meeting space intended for use by third sector and voluntary organisations. A tenant was identified at an early stage of the project; however, changes in the tenant's business requirements meant that the originally proposed accommodation was no longer suitable.
- 2.30 As a result, this element of the scheme has been re-specified to subdivide the space into smaller, more flexible units, which are considered more attractive to a wider range of prospective tenants. This redesign had a knock-on effect on the overall design programme, contributing to further delays and therefore cost.
- 2.31 **Public Realm and Events Space**
The UK High Street Task Force recognises events as a primary driver of footfall in town centres, with the Centre for Cities citing specific examples across the country where spend increased up to 30% during event days.
- Enhanced public realm is a core element of the scheme. With improvements to Eastwood Lane nearing completion, the benefits of this new outdoor space are already becoming apparent. The area represents a valuable events and leisure asset with the potential to become a defining feature of the town centre. A complementary enhancement is proposed, in the form of a large outdoor screen to strengthen the town centre offer by supporting major sporting broadcasts, national events and inclusion within the local events programme.
- 2.32 **Enabling Activity**
Sitting outside of the budget approved in March 2024 a number of additional investments are recommended to help secure the final product as a success. These include costs for fitting out where required for future use, additional wayfinding during the temporary relocation of traders, and relocation support for traders.
- These items total £950k.

- 2.33 Taken together these challenges have resulted in additional costs to the budget previously agreed at Cabinet and therefore a recommendation is made to increase the project budget by £5.95m.

3. Options considered and recommended proposal

3.1 Wath Library

Option 1: Proceed with the scheme as the scope agreed at Cabinet in July 2024 and the design as approved at Planning Board in October 2024 and increase the budget accordingly. While this option sees a cost increase it allows delivery of the scheme within the expectations of Cabinet and the public. **This option is recommended.**

- 3.2 **Option 2:** Proceeding with the value engineered option would require changes to the project scope and design, alongside an increased budget. While this option (Option 2) is approximately £200,000 cheaper than the recommended approach, it would introduce an additional 3–4 months of delay. The level of saving is not considered sufficient to justify the extended programme and reduction in amenity space and therefore **this option is not recommended.**

3.3 Rotherham Markets & Library

Option 1: Proceed with the scope as set out at 2.11 and increase the budget accordingly, bringing the total scheme costs to £46.8m acknowledging that this limits the product from achieving its full potential in securing the scope agreed at Cabinet.

This option is recommended.

- 3.4 **Option 2: Do nothing.** This option would see the completion of the Market Hall (Outdoor Covered Market) and Library and no works being undertaken on the Indoor Covered Markets or perimeter units on Howard Street and Eastwood Lane. This option would see the Indoor Market and perimeter units taken out of use and mothballed for a future provision.

This option is not recommended.

4. Consultation on proposal

4.1 Wath Library

Two periods of consultation and engagement have been carried out in Autumn 2023 and March 2024, with feedback from these sessions being used to inform and develop design plans. Council officers engaged with over 185 residents and stakeholders at the face-to-face events.

- 4.2 Recognising that young people were under-represented at the initial consultation events, further consultation took place with 50 students at Wath Academy in February 2024.
- 4.3 The recommended option facilitates the delivery of the scheme which has been consulted upon.

4.4 **Rotherham Markets & Library**

Extensive engagement and consultation with a wide range of stakeholders has been undertaken on the Markets & Library development project throughout the entire design period. Details of the consultation undertaken are provided in Appendices 6 & 7.

5. **Timetable and Accountability for Implementing this Decision**

- 5.1 As reported to Cabinet in July 2024 the Wath Library scheme was scheduled for completion in Spring 2026. The revised construction timeline will see completion in December 2027.
- 5.2 The latest contractor programme for the Markets & Library scheme indicates completion as follows:
- New Market Hall: June 2026
 - Library: Autumn 2026
 - Public Realm: Spring 2027
 - Indoor Market: Autumn 2027

6. **Financial and Procurement Advice and Implications**

- 6.1 The contracts referenced in this report were procured in line with the Public Contracts Regulations 2015. Any changes to these existing contracts must comply with Regulation 72 of those regulations. Where proposed changes significantly alter the cost or scope of a contract, there is a risk that the revised requirement could be viewed as being materially different from what was originally tendered. If this were to happen, suppliers who were not given the opportunity to bid, or who were not successful in the procurement exercise may challenge the Council's decision on the grounds of non-compliance with procurement law. Such a challenge could lead to financial costs for the Council and potential reputational impact.
- 6.2 The forecasted costs of the Wath scheme have increased as detailed in 2.5. Appendix 1 provides the costs and budget required to fund the original design. For this, the project budget will need to increase by £2.040m funded by unallocated Local Regeneration Grant (LRG). The use of this unallocated grant funding will be reported to Ministry for Homes, Communities and Local Government (MHCLG) through required monitoring returns. The revenue costs of this scheme have not been

considered as part of this update but were included as part of the July 2024 report to Cabinet.

6.3 Appendix 5 provides the costs and budget required to deliver the project. The proposed budget increase totals £5.951m, to be funded by unallocated Local Regeneration Fund £0.240m, unallocated Town Centre Investment Fund £1.660m and a contribution from the Council's Capital Contingency Fund £4.051m. Further details on the costs and funding are outlined in Appendix 5. As at 6.2 any use of unallocated LRF grant funding will have to be approved at the Town Board and reported to MHCLG through required monitoring returns. The revenue position of the scheme has not been considered as part of this update. It should be noted that the current revenue overspend in the Market's operations is £0.5m as reported in the December Financial Monitoring Report to Cabinet in February 2026.

6.4 The cost projections for both schemes are based on the latest information from the Council's construction partners and latest forecasts from the project team based on non-construction costs

7. Legal Advice and Implications

7.1 The legal implications in respect of compliance with the relevant procurement legislation are set out above. If the recommendations are accepted the appropriate variations to the respective contracts will be concluded with the contractors.

8. Human Resources Advice and Implications

8.1 Any workforce changes arising from the implementation of the recommendations will be managed in accordance with Council HR policies and procedures.

9. Implications for Children and Young People and Vulnerable Adults

9.1 Wath Library

The Council's Library Strategy offers a rich core service provision for children and young people with a wide range of initiatives. The service is aware that the number of young people aged 11+ accessing library provision is low. The new library will improve the offer for all users but with particular focus on this age group, with the provision of a modern inviting space to deliver a variety of programmes including code clubs, young readers groups, and a makerspace with new digital technology. Young people will also be encouraged to volunteer at their new library.

9.2 Rotherham Markets & Library

In collaboration with Rotherham College, Officers are exploring opportunities to involve students in the future Indoor Market. Early engagement is underway, with plans to launch student focus groups to help shape ideas about what they would like to see in the market. Separately, the Market's Operations Team is keen to develop a young enterprise element and is working with the college to define what this could look like. Given that Rotherham College's student population includes a high proportion of disadvantaged learners, the project is committed to ensuring their needs and perspectives are carefully considered as the scheme develops.

10. Equalities and Human Rights Advice and Implications

10.1 Wath Library

Consultation for the scheme has been open to all. The development aims to enhance the town centre through a new library and community facility, improved public spaces between Biscay Way and the High Street, and new commercial space units. Feedback requesting more ground-floor library space was incorporated into the July 2024 planning submission. Equality implications have been captured in a Part B assessment and will continue to be monitored throughout the development of detailed designs and ahead of a Full Business Case for the scheme.

10.2 Rotherham Markets & Library

Further details on the equality impacts of this scheme are detailed in the Part B assessment at Appendix 7.

10.3 In summary, consultation has been undertaken with a diverse range of stakeholders. This includes Market Traders, Library Staff, and users of these services. This represents individuals of differing age ranges, individuals from different ethnic/religious groups and traders/businesses within the local area. This consultation involved activities such as events, focus groups, workshops and online questionnaires in order to gain a wide-ranging reach, accessibility in relation to engagement and multiple opportunities for community feedback.

10.4 This approach has informed the redevelopment scheme design from inception through to construction, where feedback has been captured and taken into account to improve the design wherever feasible.

11. Implications for CO2 Emissions and Climate Change

11.1 Wath Library

The scheme is designed to promote a healthier and a more active Wath town centre, with improved public realm and landscaping. The replacement of the existing building will ensure much improved energy efficiency in the operation of the library and commercial unit. This will slightly offset the increased emissions during the demolition and rebuild of the library. Air source heat pumps and photovoltaic energy production will be included in the scheme.

11.2 The Council will ensure emission reducing measures are implemented wherever feasible in the design, construction, operation, and maintenance of the building and public realm.

11.3 Rotherham Markets & Library

The scheme is designed to promote a healthier and more active Rotherham town centre, with improved public realm, landscaping and leisure spaces. By reusing the existing indoor market building and improving its environmental performance, the waste and emissions related to demolition and rebuild have been prevented for this part of the development.

11.4 The new buildings will ensure much improved energy efficiency in the operation of the library, gallery/event space and café. The gas fuelled heating and cooling system in the existing indoor market building will be replaced with air source heat pumps which are powered by electricity, and all new buildings will be heated and cooled by renewable fuel sources. The inclusion of PV panels within the scheme will also help to reduce the council's carbon footprint and revenue requirements, saving the council 3.5tCO₂e annually.

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 Markets & Library scheme is widely seen as an important catalyst in regenerating Rotherham town centre and delivery of the recommended option further secures a positive future for the town centre. Likewise, the Wath Library project will have a positive impact on the local area providing improved services for local people and an improved sense of place.

13. Risks and Mitigation

13.1 **Risk 1:** Further cost increases as a result of a volatile construction market

Mitigation: Wath Library is contracted under a JCT contract allowing transfer of risk to the contractor. Adequate contingency is allowed for both projects to counter any further cost increases.

- 13.2 **Risk 2:** Lack of commercial interest in both properties following completion.

Mitigation: Marketing and lettings strategy to be developed. Incentives for tenants to be developed.

- 13.3 **Risk 3:**
Risk that trader expectations are not met, leading to reputational damage and deterioration in relationships.

Mitigation:
Managed through clear and consistent communications, ongoing engagement with traders, and transparent explanation of delivery timing, constraints and outcomes.

14. **Accountable Officers**

Simon Moss, Service Director; Planning, Regeneration & Transport

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	John Edwards	28/04/26
Executive Director of Corporate Services (S.151 Officer)	Judith Badger	28/04/26
Service Director of Legal Services (Monitoring Officer)	Phil Horsfield	13/04/26

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