

Public Report with Exempt Appendices
Cabinet

Committee Name and Date of Committee Meeting

Cabinet – 19 October 2020

Report Title

Town Deal

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)

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Ward(s) Affected

Borough-Wide

Report Summary

The Town Deal is a £3.6bn programme seeking to “unleash the economic potential” of 100 places across the country. Rotherham has an opportunity to bid for up to £25m through this fund or up to £50m if it is considered that “exceptional circumstances” apply. Bidding will take the form of a Town Investment Plan.

This report provides an update on the development of the Town Investment Plan and seeks approval for the Strategic Director of Regeneration and Environment, in consultation with the Cabinet Member for Jobs and the Local Economy and the S.151 Officer to submit the Town Investment Plan and any necessary supporting documentation.

Recommendations

1. That Cabinet endorses the Town Investment Plan Emerging Project Summary (Appendix 5).

2. That delegated authority is given to the Strategic Director of Regeneration and Environment, in consultation with the Cabinet Member for Jobs and the Local Economy and the S.151 Officer, to agree the final content and submit the Town Investment Plan and subsequently to agree the Town Deal Heads of Terms.
3. That approval is given to acquire the freehold interest necessary to enable a Town Deal Accelerator scheme as detailed in Appendix 6, and the Head of Legal Services be instructed to complete the necessary legal documentation once terms for the acquisition have been agreed.
4. That delegated authority is given to the Strategic Director of Regeneration and Environment, in consultation with the Cabinet Member for Jobs and the Local Economy and the S.151 Officer, to agree the final Town Deal Accelerator scheme as detailed in Appendix 6, if the preferred scheme is not progressed.

List of Appendices Included

- Appendix 1 Equality Impact Assessment
- Appendix 2 Town Deal Geography Map
- Appendix 3 Town Deal Process
- Appendix 4 Town Deal Board Membership
- Appendix 5 Town Investment Plan Emerging Project Summary (Exempt)
- Appendix 6 Town Deal Accelerator (Exempt)

Background Papers

Town Centre Masterplan
Local Plan

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Name of Committee – Click here to enter a date.

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Nil

Council Approval Required

No

Exempt from the Press and Public

An exemption is sought for Appendix 5 –Town Investment Plan Emerging Project Summary (Exempt) and Appendix 6 - Town Deal Accelerator, 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 in relation to Rotherham’s bid for funding, the projects it aims to fund and property affected by such proposals.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information because release of such information could jeopardise the Council’s ability to achieve its aims for Town Deal.

Town Deal

1.	Background
1.1	<p>The Town Deal is a £3.6bn programme seeking to “unleash the economic potential” of 100 places across the country. Rotherham has been given the opportunity to bid for up to £25m through this programme. The Government has advised that bids of up to £50m will be considered in exceptional circumstances for the most ambitious and credible projects.</p> <p>The Fund will focus investment on 3 main areas of activity:</p> <ul style="list-style-type: none"> • <i>Urban regeneration, planning and land use</i> – strengthen local economic assets, including site acquisition, remediation and preparation. • <i>Skills and enterprise infrastructure</i> - providing space to support skills and small business development • <i>Connectivity</i> – local transport schemes, plus delivery of improved digital connectivity <p>The ‘bid’ for funding will be a Town Investment Plan.</p>
1.2	<p><i>Town Deal Accelerator</i></p> <p>On the 1st July 2020, the Council was advised of an opportunity to access £1million ahead of the main Town Deal. This money is being made available to accelerate projects which can be delivered before the 31 March 2021 and which fit with the overall aims of the Town Investment Plan.</p>
1.3	<p><i>Town Deal Board</i></p> <p>A requirement of the Town Deal programme was that the Council set up an overarching Town Deal Board. This was established in January 2020. The Town Deal Board serves an advisory function. It is the vehicle through which the vision and strategy for the town is defined and the Town Investment Plan is produced. The role of the Town Deal Board is to:</p> <ul style="list-style-type: none"> • Develop and agree an evidenced based Town Investment Plan • Develop a clear programme of interventions • Coordinate resources and influence stakeholders <p>Details of the Board members can be found at Appendix 4. Meeting minutes can be found on the Council’s website: https://moderngov.rotherham.gov.uk/mgCommitteeDetails.aspx?ID=1192</p>
2.	Key Issues
2.1	<p><i>Rotherham’s Town Deal</i></p> <p>The Town Deal will be an agreement in principle between government, the Council and the Town Deal Board. It will set out a vision and strategy for the town, and what each party agrees to do to achieve this vision. The underlying interventions to achieve this vision will be set out in the Town Investment Plan.</p>

2.2	The Town Investment Plan is required to be a long-term strategic document with an evidential and analytical basis for the projects it proposes. It should also set out a vision for Rotherham with a strategy that can set the direction for the economic turnaround of the town over a decade, including reference to economic recovery.
2.3	The Town Investment Plan covers a geography prescribed by MHCLG and detailed in Appendix 2. Potential interventions focussed in the Eastwood, Templeborough and town centre areas have been considered and examined which reflects the Town Deal geography.
2.5	<p>A number of investment opportunities have been identified these are summarised below with further detail available at the virtual public exhibition website https://vpc.tetratecheurope.com/rotherham/</p> <p>Eastwood</p> <ul style="list-style-type: none"> • Upgrade link to Parkgate • Improve connectivity at St Anne's roundabout • Environmental improvements at Fitzwilliam Rd • New housing development at York Rd Netherfield Court and other areas • Refurbishment of selected properties and landscape improvements <p>Templeborough</p> <ul style="list-style-type: none"> • Urban Agriculture • Business park and innovation centre • Bridge link to Blackburn Meadows • Connectivity improvements to Sheffield Rd, Ickles Roundabout and Bessemer Way • Route cleaning and maintenance • Wayfinding and signage <p>Central and Town centre</p> <ul style="list-style-type: none"> • Linked water side development sites for residential and supporting uses to create a Riverside community • Outdoor green spaces, squares and water to support, leisure, evening and food & drink diversification • A contracted retail core to strengthen the retail circuit and maximise the benefit of the markets complex • Gateway improvements <p>Additional detail is provided in exempt Appendix 5.</p> <p>These interventions have been developed with advice from a team of multi-disciplinary consultants and in consultation with the Town Deal Board, the Council's Senior Leadership Team, Service Leads, the Leader and Cabinet Member for Jobs & the Local Economy along with input gathered through consultation with local residents, stakeholders and businesses.</p>

2.6	For Eastwood the interventions focus on the need for a more diverse, better quality and secure housing offer and to build on the transport connections such as the new tram/train stop.
2.7	The focus for Templeborough is around supporting and developing the existing innovation and the successful business community through the development of a 'Heart of Templeborough', better links to the new tram/train stop and improved connectivity.
2.8	The town centre proposals build on existing interventions such as Forge Island to provide a new residential community with the aim of increasing footfall and supporting existing businesses as well as interventions to tackle rundown buildings and increase the town's leisure offer.
2.9	Connectivity runs through the proposals as a general theme and focusses on how to provide safer and more pleasant routes around the town and better connectivity into and out of the borough.
2.10	<p>The development of the Town Investment Plan continues to be an iterative process. The emerging proposals detailed in Appendix 5 will be thoroughly tested against deliverability and impact with MHCLG's specialist advisors to ensure a robust Town Investment Plan. The timeframe for development of the Town Investment Plan means proposals will continue to be developed and refined right up to the point of submission. To facilitate this process, and allow the Town Investment Plan to be improved as detailed proposals are developed and feedback received, this report requests delegation to the Strategic Director of Regeneration and Environment, in consultation with the Cabinet Member for Jobs and the Local Economy and the S.151 Officer to agree the final content and submit the Town Investment Plan.</p> <p>Until the point of submission regular updates will be provided to the Town Deal Board, the Council's Senior Leadership Team, Service Leads, the Leader and Cabinet Member for Jobs & the Local Economy.</p>
2.11	The Council was awarded a total of £173,000 of revenue funding to enable the production of the Town Investment Plan and subsequent Business Case. To date £156,508 has been committed to facilitate production of the Town Investment Plan.
2.12	<p><i>Town Deal Accelerator</i></p> <p>The £1 million accelerator aims to bring forward relevant projects ahead of the main Town Deal. Schemes must be deliverable by 31st March 2021.</p> <p>Potential projects must respond to the immediate challenges faced by each of the Town Deal towns, including:</p> <ul style="list-style-type: none"> • Improvements to or new parks and green spaces and sustainable transport links. • Improvements to town centres including repurposing empty commercial properties.

	<ul style="list-style-type: none"> Demolition or site remediation where this will have an immediate benefit. <p>A long list of potential projects was produced and evaluated considering risks, benefits and fit with the Town Deal. Details of the preferred scheme and implications can be found at Exempt Appendix 6.</p> <p>The S.151 Officer wrote to MHCLG on 14th August to confirm the preferred proposals.</p>
2.13	<p>Funding for the Town Deal Accelerator is entirely dependent upon the scheme being delivered by 31st March 2021. In addition to the preferred scheme, further options for the Town Deal Accelerator are being explored should it not be possible to secure the necessary agreements and approvals to allow the preferred scheme to progress to be delivered in time.</p>
3.	Options considered and recommended proposal
3.1	<p><i>Town Investment Plan Options</i></p> <p>The precise content of the Town Investment Plan will be determined following further consultation, testing and analysis of the emerging interventions proposed and described in Appendix 5.</p>
3.2	<p>Options have been considered for the timing of submission of the Town Investment Plan. MHCLG have been clear that the timing of the Council's submission will not impact on its success.</p> <p>A coherent, well tested plan with deliverable projects is required and as such time must be built in after completion of the draft to make best use will be made of MHCLG's central advisory team to check and challenge the draft Investment Plan.</p> <p>The Town Deal guidance is clear that the Town Investment Plan must be aligned with other initiatives and funding streams. The outcome of complementary funding streams, such as the Brownfield fund and Sheffield City Region commitments will be better known by November 2020.</p> <p>Therefore, to ensure Rotherham has a high-quality Town Investment Plan which clearly meets the criteria of the Town Deal Guidance it is proposed that the Plan be submitted in January 2021.</p>
4.	Consultation on proposal
4.1	<p><i>Town Deal Consultation</i></p> <p>Board meetings: The Board has met monthly since 28th February 2020 and has contributed to the development of the projects which will be put forward for Town Deal funding.</p>

	<p>MyTown Portal: A series of questions has been posed on this MHCLG run forum. Responses will be collated and considered when considering which projects should be put forward for Town Deal investment.</p> <p>Virtual consultation: Starting in September and running until November utilising a remote consultation platform, users will be able to virtually explore a 'village hall' set up to view plans. Questions will be posed, and comments gathered.</p> <p>The development of projects will be appraised against comments gathered through the virtual consultation and the MyTown Portal.</p> <p>The consultant team have held sessions with numerous stakeholders and businesses in the Town Deal area in the preparation of the emerging proposals set out in Appendix 5.</p>
4.2	<p><i>Town Deal Accelerator</i></p> <p>The Town Deal Accelerator long list of projects was discussed with the Leader and Cabinet Member for Jobs & the Local Economy in consultation with the Strategic Director, Regeneration & Environment and was tabled at the Housing & Regeneration Programme Board, both on 28th July 2020.</p> <p>Endorsement of the scheme came from the Town Deal Board on 4th August 2020.</p>
5.	Timetable and Accountability for Implementing this Decision
5.1	Refinement of the projects and drafting of the Investment Plan will take place between October 2020 and January 2021, with check and challenge sessions with MHCLG's central support team in December 2020. 21.
5.2	The Town Investment Plan will be submitted in Cohort 3 by the end of January 2021.
5.3	If the bid is successful, then Heads of Terms for the Town Deal will be negotiated and agreed by the Strategic Director of Regeneration and Environment, in consultation with the Cabinet Member for Jobs and the Local Economy and the S.151 Officer
5.4	Post submission of the Town Investment Plan the project team will immediately begin work on the Business Case, with the aim of submitting the Business Case in late 2021 to release funding.
5.4	<p><i>Town Deal Accelerator</i></p> <p>The 'Accelerator Fund' has a requirement to be spent by March 2021. A delivery programme has been prepared and subject to successful negotiation of terms works could start in January 2021.</p>

6.	Financial and Procurement Advice and Implications (to be written by the relevant Head of Finance and the Head of Procurement on behalf of S.151 Officer)
6.1	The appointment of further external support will be subject to procurement and will be conducted in line with the Council's own Financial and Procurement Procedure Rules and the Public Contracts Regulations 2015.
6.2	The planned total estimated capital cost of the Accelerator scheme is £1,000,000 and subsequent Towns Deal Investment Plan made up of a series of constituent projects forming a single programme will be amount in aggregate to between £25m- £50m. Once the investment plan is finalised and a Final Business Case agreed with funding in place the Towns Fund can be included in the Council's Capital Investment Programme
6.3	Approved funding to date for the Towns Deal and for the offer of the 'Accelerator Project' is a revenue grant of £173,000 from MHCLG. It enables the production of the Town Investment Plan and subsequent Business Case. A Final Business Case signed off by all parties is the final stage before award of funding. Existing approved resources within the Directorate of Regeneration and Environment have been applied to working up the scheme, however from submission of the Town Investment Plan to completion of the Business Cases additional external resources will be required.
6.4	The next steps will be to agree the contents of the Investment Plan and then to agree Heads of Terms leading to a Full Business Case and final funding agreement. The cost is greater than the £173,000 originally awarded and is expected to be in the region of £100,000 for 2021-22 but is within scope to be charged to the final scheme and therefore be fully funded. If abortive costs are incurred (that is, development costs for an unfinished scheme) there would be a revenue pressure. While likely much less than £100,000 the Directorate for Regeneration and Environment will mitigate this eventuality from existing 2021-22 revenue budgets
6.5	As at August 14 th 2020 the Council has submitted bid letters, including on behalf of the S.151 officer supporting the Accelerator bid.
6.6	Acquisition of the site intended for the Town Deal Accelerator scheme is expected to result in revenue expenditure in the region of £15k to £30k and will be met from the Council annual property budgets
7.	Legal Advice and Implications (to be written by Legal Officer on behalf of Assistant Director Legal Services)
7.1	There are no direct legal implications arising from the content of the Report.
8.	Human Resources Advice and Implications
8.1	No direct HR implications arising from this report.

9.	Implications for Children and Young People and Vulnerable Adults
9.1	There are not considered to be any direct implications for Children & Young People and Vulnerable Adults
10.	Equalities and Human Rights Advice and Implications
10.1	A copy of the Equality Screening Form is attached at Appendix 1. A further report will be completed upon completion of the Town Investment Plan when the full potential impact of the Town Deal is known.
11.	Implications for Ward Priorities
11.1	The Neighbourhood Ward reports will be considered in the compilation of the Town Investment Plan. The Rotherham East, Boston Castle and Rotherham West Wards will be particularly impacted by any improvements to the town centre, Eastwood Templeborough.
12.	Implications for Partners
12.1	The Town Investment Plan is being developed with the active engagement of partners. The proposals reflect a broad consensus among partners on priorities for investment.
13.	Risks and Mitigation
13.1.	The full content of the Town Investment Plan will not be known at submission to Cabinet - A summary of emerging projects is presented and it is proposed that delegated authority is given to the Strategic Director of Regeneration and Environment, in consultation with the Cabinet Member for Jobs and the Local Economy and the S.151 Officer, to agree the final content and submit the Town Investment Plan and subsequently to agree the Town Deal Heads of Terms.
13.2	Community Engagement - Due to Covid restrictions the option of face to face consultation is no longer available. Consultation is instead being conducted through virtual methods. The Council will use newsletters and social media to promote this consultation and encourage the community to engage in the creation of the Town Investment Plan.
13.3	A project specific risk register has been prepared for the Snail Yard development that is reviewed weekly by the established Project Team. There are currently no high-risk items identified.
14.	Accountable Officers
	Simon Moss, Assistant Director Planning, Regeneration & Transport
	Tim O'Connell, Head of RIDO

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	05/10/20
Head of Legal Services (Monitoring Officer)	Named officer	05/10/20

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