

Public Report with Exempt Appendices
Cabinet

Committee Name and Date of Committee Meeting

Cabinet – 28 March 2022

Report Title

Regeneration Programme: Strategic Land Assembly

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 purpose of this report is to seek the necessary approvals to enable the negotiation and subsequent acquisition by private treaty agreement of all third-party land and property rights required to deliver the Regeneration Programme.

This report also seeks a Resolution in Principle to investigate the use of Compulsory Purchase Order powers.

Recommendations

1. That Cabinet authorise the acquisition of the Freehold and Leasehold interests in the land and properties shown edged red for identification purposes only on the plans at Appendix 1.
2. That the Assistant Director for Planning, Regeneration and Transport be authorised to negotiate the acquisition by agreement of the property interests at Appendix 1, in consultation with the Council's Section 151 Officer and the Cabinet Member for Jobs and the Local Economy, and the Assistant Director of Legal Services be authorised to complete the necessary transactions.
3. That Cabinet grant a Resolution in Principle to investigate the use of Compulsory Purchase Order powers. In the event that terms cannot be agreed in relation to all or any of the property interests, or cannot be agreed

within the prescribed timeframe, a further report may be submitted to Cabinet seeking a formal resolution to acquire those property interests through the exercise of the Council's Compulsory Purchase Powers.

List of Appendices Included

- Appendix 1 Red Line Boundary Plans
- Appendix 2 Riverside Residential Quarter & Mainline Station Additional Land Information
- Appendix 3 Equalities Impact Assessment
- Appendix 4 Carbon Impact Assessment

Background Papers

[Town Investment Plan](#) (redacted version)
[Rotherham Town Centre – Levelling Up Application](#)
[Cabinet Decision 3-7 Corporation Street](#)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

An exemption is sought for Appendix 1 & 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 sensitive commercial information with regards to commercial agreements which could disadvantage the Council in any negotiations if the information were to be made public.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information, as the parties' commercial interests could be prejudiced by disclosure of commercial information.

Regeneration Programme: Strategic Land Assembly

1. Background

- 1.1 Rotherham Council is embarking on its most significant regeneration opportunity following the securing of major public sector investment. The impact of this programme will bring benefits across the entire Borough and the community of Rotherham.
- 1.2 The Council has secured over £70m from the Department for Levelling Up, Housing & Communities through the Town Deal and Levelling Up Fund. This comes in addition to the £12.6m from the Future High Streets Fund.
- 1.3 This funding will enable the Council to develop and deliver a comprehensive programme of regeneration across the town centre and the Borough as a whole.
- 1.4 This report addresses the need for the public sector intervention to acquire land and property owned by the private sector which is required for the regeneration of Rotherham by delegating powers necessary to negotiate and acquire a series of sites as detailed in Appendix 1.

Riverside Residential Quarter

- 1.5 Originally identified in the 2017 Town Centre Masterplan, the Riverside Residential Quarter lies along the spine of Sheffield Road adjacent to the River Don. The masterplan for this area focusses on bringing new life and a new future to the town centre through a new mixed-use residential community.
- 1.6 Early works are underway on Council owned sites with the remainder of the land being in private sector ownership.
- 1.7 Having secured funding from the Town Deal and Levelling Up Fund, the Council now has a comprehensive package of investment to acquire some strategic development sites as detailed in Appendix 1. Further acquisition will depend on the availability of additional funds.
- 1.8 Throughout 2022, further funding will be sought from the Brownfield fund to facilitate the remediation and redevelopment of the identified sites. A development partner for town centre residential sites will be the subject of a further Cabinet report later in 2022.

Leisure & Cultural Quarter

- 1.9 The Leisure & Cultural Quarter extends across the River Don to incorporate Forge Island, now well underway with development partner Muse, and along Corporation Street. This area falls within an ambitious masterplan which will see a revived leisure economy for the town centre and builds on the direction set by Cabinet (Jan 2017) in working towards a compulsory purchase order for key sites in Corporation Street.

- 1.10 The area is currently home to a number of vacant, abandoned and derelict buildings which now have potential for redevelopment due to Town Deal and Levelling Up funds. However, acquisition of some properties is still necessary to bring forward this masterplan.
- 1.11 Having now secured funding from both Town Deal and Levelling Up, the Council is able to bring vacant, derelict sites back into use and provide the complementary public realm and connectivity to enliven this area of the town. Early negotiation is underway with some landowners and a route to development is being explored on a phased basis.

Mainline Station

- 1.12 Rotherham has the opportunity to promote a major change in its transport connectivity by facilitating the development of a new Mainline station. Selected acquisition is required to de-risk the project. Further information is provided in Appendix 1 and 2.

Eastwood

- 1.13 Eastwood has a clear identity and the opportunity to develop and take advantage of its location on the edge of the town centre and close to Parkgate.
- 1.14 Plans are underway to bring forward a more diverse and better-quality housing offer on Council owned sites as well as plans to improve connectivity. Future development of the area will depend on the re-use and redevelopment of strategically important sites to create a quantum of public sector owned land. Specific sites are set out in Appendix 1.

2. Key Issues

- 2.1 Strategic acquisitions are necessary to bring privately owned land into the control of the public sector and deliver the regeneration programme. Careful consideration has been given to which acquisitions should be prioritised based on their strategic importance, state of repair and potential for the private sector to bring forward development.
- 2.2 The timescales imposed by the secured funding (set out in section 5) require the Council to move at pace and, considering the quantum of sites for acquisition, it is considered appropriate that Cabinet consider approving the overall acquisition of the Freehold and Leasehold interests in the land and properties identified, whilst the Assistant Director for Planning, Regeneration and Transport, in consultation with the Section 151 Officer and the Cabinet Member for Jobs and Local Economy, negotiates the terms and conditions including the price.
- 2.3 Acquisition by agreement is the Council's preferred route and is a precursor to any potential CPO, however given the length of time and cost implications of pursuing CPO it is vital the Council prepares itself for this potential route. This report seeks a Resolution in Principle to investigate the use of Compulsory Purchase Order powers. It does not constitute a Formal

Resolution to make a CPO. If CPO action is deemed to be required, it will be the subject to a future report to Cabinet for authority to make a CPO.

3. Options considered and recommended proposal

- 3.1 The preferred option is to acquire all properties by agreement, Compulsory Purchase Order Powers will be exercised if it is the only way to assemble the parcels of land necessary to facilitate delivery of the programme. Negotiation is a mandatory precursor to any CPO action and therefore moving straight to CPO is not an option for consideration.
- 3.2 Consideration has been given to entering into partnership arrangements with landowners rather than taking full control of the land. In progressing negotiations this approach will be considered on a project-by-project basis, however in many cases, and as understood through early consultation, landowners do not always wish to bring forward schemes fitting with masterplan ambitions, or development is not in the core business of the landowners.
- 3.3 Do nothing is not a recommended option, considering the Council's ambitious plans for economic growth and regeneration in the Borough.
- 3.4 Acquisition of each property could be brought forward on an individual basis, however, considering the quantity of land and property for acquisition and the timeframe dictated by funding it is considered that seeking approvals on a site-by-site basis would introduce a significant risk to the programme, in terms of readiness for timely acquisitions and delivery of the programme. It is considered more appropriate and efficient to delegate acquisition as described in this report.

4. Consultation on proposal

- 4.1 Where appropriate, affected landowners have been consulted and are fully aware how their land is vital to the pursuance of the regeneration of Rotherham. In most cases, the first stages of negotiation have begun.
- 4.2 Consultation and communications on the regeneration programme have taken place over the course of the development of funding bids and the programme itself. Specific consultation on project proposals will take place as schemes move forward.

5. Timetable and Accountability for Implementing this Decision

- 5.1 Business Cases are in development for all projects. Being able to progress the status of acquisitions is fundamental to the robustness and integrity of these Business Cases.
- 5.2 Levelling Up monies are profiled for spend by March 2024 and Town Deal by March 2025.

- 5.3 The timetable for the implementation of a Compulsory Purchase Order is around 12-18 months.
- 5.4 Implementation of decisions to acquire property interests would see Delegated Officer Decisions being brought forward over the lifetime of the funds as agreements are reached.
- 5.5 Should officers be unable to reach agreement, or fail to reach agreement within the funding timeframes, further reports will be presented to Cabinet in line with project programmes.
- 5.6 Accountability for the implementation of the decision and negotiations will be led by the RIDO team with support from other services.

6. Financial and Procurement Advice and Implications

- 6.1 There are no direct procurement implications relating to the acquisition of sites. However, for potential demolition requirements as detailed at 2.4, the Contractor appointed to deliver the works must be selected in accordance with the Public Contracts Regulations 2015 (as amended), and the Council's own Financial and Procurement Procedure Rules.
- 6.2 The relevant funding for the Capital acquisitions is provided from government Levelling Up Fund and Towns Deal grants. The final authorisation to proceed to plan is subject to government approval following appraisal of Final Business Cases. In some cases, projects will progress alongside partners and developers and will also only progress subject to Final Business case approval.
- 6.3 After acquisition there are revenue implications for long term property holding. Where possible costs will be managed within the terms of the government grant. Existing approved land and property budgets can be utilised. Work is underway to establish the full liability.

7. Legal Advice and Implications

- 7.1 Other than as detailed in the body of this report, there are no material implications arising from the contents of the report.
- 7.2 It is recommended that Legal Services is involved as early as possible in respect of each acquisition to ensure that sufficient resources (whether internal or external) are available to deal with the acquisition in a timely manner.

8. Human Resources Advice and Implications

- 8.1 There are no direct human resource implications arising from this report.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 There are no direct implications arising from this report

10. Equalities and Human Rights Advice and Implications

- 10.1 Appendix 3 provides information of the Equalities Assessment process for all Town Deal and Levelling Up Fund projects.
- 10.2 Full assessments will be carried out in preparation for the submission of Full Business Cases.

11. Implications for CO2 Emissions and Climate Change

- 11.1 There are not considered to be direct impacts from the acquisition of properties.
- 11.2 CO2 emissions and climate change is being considered in the development of each of the related projects.

12. Implications for Partners

- 12.1 There are no implications anticipated from these acquisitions.

13. Risks and Mitigation

- 13.1 Full risk registers will be developed on a project by project basis and included in project Business Cases. A programme wide Risk Register has been developed and is regularly monitored through the Regeneration Programme Board.
- 13.2 Delays and/or increased costs result in the inability to deliver regeneration due to the unwillingness of third parties to engage, including absent landlords, owners and occupiers. Early engagement with owners is now underway and the potential use of CPO is to be explored.

14. Accountable Officers

Lorna Vertigan, Strategic Regeneration Manager
Tim O'Connell, Head of RIDO

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	14/03/22
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	10/03/22
Assistant Director, Legal Services (Monitoring Officer)	Phil Horsfield	10/03/22

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