

Public Report with Exempt Appendices
Cabinet

Committee Name and Date of Committee Meeting

Cabinet – 07 July 2025

Report Title

Health Hub Development

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)

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Ward(s) Affected

Boston Castle

Report Summary

This report seeks approval to progress a proposal to refurbish 42-46 Effingham Street (the former Boots building) in Rotherham Town Centre for the purpose of developing a Town Centre health facility.

The proposal is to develop the building in two phases, with the first phase being to secure the provision of a pharmacy within the facility and to support the pharmacy's required relocation.

The second phase will be to develop the wider building in collaboration with health care service providers to provide a building that is equipped to facilitate the delivery of multiple health services direct to the public.

The proposal is to reallocate a portion of funding from the Town Centre Music Venue project, part of the Pathfinder programme, to fund the Phase 1 works and Phase 2 feasibility studies.

Recommendations

That Cabinet:

1. Approve delivery of Phase 1 of the Town Centre Health Hub project within the scope and budget as detailed at Appendix 1 and Exempt Appendix 2.

2. Approve the allocation of funding from the Pathfinder programme to progress to final design and implementation of Phase 1 and feasibility work for Phase 2.
3. Note the intentions for Phase 2 of the Town Centre Health Hub and approve the commencement of negotiations with interested parties for the provision of General Practice or other walk-in health services.
4. Note the intentions for the Town Centre Music Venue project.

List of Appendices Included

Appendix 1a Design Concept (Exterior)
Appendix 1b Design Concept (Ground floor plan)
Appendix 2 Financial Assessment - Exempt
Appendix 3 Equalities Impact Assessment
Appendix 4 Climate Impact Assessment

Background Papers

[Report to Cabinet April 2023 Regeneration Programme: Strategic Land Assembly](#)

Consideration by any other Council Committee, Scrutiny or Advisory Panel
None

Council Approval Required
No

Exempt from the Press and Public

An exemption is sought for Appendix 2 in relation to 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 of letting a tender.

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

Health Hub Development

1. Background

- 1.1 Rotherham has long standing ambitions for the regeneration of the Town Centre, which focus on the diversification of the offer including new residential communities and the leisure and service provision which will support them. This ambition is supported in the 2017 masterplan, 2021 Town Investment Plan and 2023 Place Based Investment Strategy.
- 1.2 This report seeks to promote 'Health on the High Street' within Rotherham town centre. The provision of health services in town centres is a proven model to reduce health inequality, improve access to health services as well as contribute to the regeneration of town centres by increasing footfall on the high street. This is a concept that has been promoted by central Government in recent years. Having been tried and tested across the country in areas such as Barnsley and Oldham, the Council wishes to build on the redevelopment and improvement of the markets and library services by providing a community hub for health provision.
- 1.3 Rotherham Town Centre is currently limited in its provision of health care services and the Council has been working in partnership with health service partners to consider how that provision may be increased. This project would see the first step in improving the provision of health services for the Town Centre and surrounding communities.
- 1.4 The Council embarked on a plan to acquire various underused land and property across the Town Centre including 42-46 Effingham Street, the former Boots building which was operating as a retail outlet until 2022 when Boots closed, leaving the building empty and unused. Acquisition was completed in May 2023 and the building is currently being used for storage by the Markets and the Events team, as well as a site office for the Markets and Library redevelopment project.
- 1.5 A phased approach to development is proposed with the intention of maximising available funding and the opportunity presented by the estate requirements of partners. This report seeks approval to proceed with the implementation of the first phase and development of the feasibility of the later phase(s).

2. Key Issues

42-46 Effingham Street

- 2.1 The building is a large property in a key, prominent Town Centre location, neighbouring the new Rotherham Markets and Central Library. There is a negative visual impact with the building remaining empty without activity that supports and adds to a vibrant Town Centre. While the Council has not actively marketed the building there have been no approaches from the private sector to let or redevelop the building.

2.2 Since acquisition, the building has been used as temporary storage for the Council's Markets Service and Events Team and as a site office base for Henry Boot Construction and their activities.

2.3 A phased approach to development is recommended as follows:

Phase 1 – Abbey Pharmacy

2.4 The ongoing redevelopment of the Indoor Covered Market building requires vacant possession of all properties on Howard Street to enable the works to be carried out, which require Abbey Pharmacy to vacate their current premises.

2.5 The Council's Property Services Team has engaged with all tenants affected by the market's project and sought to agree terms for relocation utilising the provisions under each individual lease.

2.6 The Pharmacy have protected rights under the Landlord & Tenant Act 1954 which includes an automatic right to renew their lease at the end of the term. They have a right to 'quiet enjoyment of the premises' until 26th June 2032. There is also a covenant within the lease that states that the 'Council agrees to indemnify the Lessee against all charges which would extend to relocation of the business in this instance.

2.7 Similarly, Property Services have engaged with the pharmacy and relocation to this building would be their preference. This solution would ensure the Council are able to secure the vacant possession required to continue with the market's redevelopment, while retaining the pharmacy service in the town centre.

2.8 The Council has been working with the pharmacy owners to fully understand their business needs and to incorporate their specific requirements into the evolving designs. The first phases of the design works have been completed for feasibility purposes and the pharmacy are happy that the design meets their trading needs.

Town Centre Music Venue

2.9 Rotherham's 2021 Town Investment Plan included a project to bring the former Guest & Chrimes site into use as a music venue. Having been unable to agree terms with the owner, this project later switched location to the former Empire Theatre building (Essoldo). Due to issues related to the costs of the project and the funding available, in July 2024 Cabinet agreed to move the project to the Council owned Alma Tavern, developing designs at costs to RIBA Stage 3 before returning to Cabinet with an update.

2.10 Stage 2 designs have now been completed and the updated cost plan demonstrates a cost significantly in excess of the funding available. Therefore, while there are benefits of supporting music provision in the Town Centre, the costs of the project are proving prohibitive to the public sector. It is therefore

proposed to seek private sector support for the project and the methodology for this is currently in review.

Funding Proposal

- 2.11 The estimated costs at this stage for the delivery of the phase 1 proposal are shown in the exempt Appendix 2. This includes significant mechanical and electrical works for the benefit of the whole building, as these cannot be done in isolation. It is proposed that the works will be allocated funding from the Pathfinder budget.
- 2.12 Rotherham's inclusion in the Pathfinder pilot programme, which provides greater freedom and flexibility in delivery, allows the movement of funds below the £5m 'material change' threshold, subject to oversight by Rotherham Town Board. It is proposed that a proportion of the remaining budget be reallocated to support delivery of phase 1 of the Town Centre Health Hub project.
- 2.13 Remaining funds will be retained to support improvement works towards a future provision at the Alma Tavern.
- 2.14 The Town Board approved this proposal being made to Cabinet on 12th June 2025.

Phase 2

- 2.15 There are two distinct phases to this proposal with the first being the relocation of the pharmacy and the second being the exploration of the development of a new Town Centre health facility within the remainder of the building.
- 2.16 The Council has been liaising with health providers over the last year. Providers recognise the benefit of a health provision in this location and are actively engaging with the feasibility process.
- 2.17 Evidence suggests there are multiple benefits to providing health services within easily accessible town centre spaces. The case study evidence within the Government prospectus for the Plan for Neighbourhoods exemplifies the 'Health on the High Street' approach taken in Barnsley. Evidence provided states that proximity to public transport has minimised missed appointments and has attracted an additional 55,000 visits to the town centre, supporting local businesses. It cites 'improved health outcomes and economic growth, improving patient care and fostering a greater sense of community' amongst the positive outcomes of the facility.
- 2.18 Additionally, the wider Government plan for change also aims to cut NHS waiting times and deliver more appointments during weekends and evenings. There is scope within phase 2 of the Health Hub project to directly address these issues by potentially offering services from a convenient location which could take pressure off existing NHS provisions within Rotherham.
- 2.19 In terms of phase 2, there have been no decisions on how the remainder of the building will be utilised, but it is envisaged that the building could be used by GPs, Health or Wellbeing operators This is being reviewed and a feasibility

study is being undertaken to deliver a connected and collaborative health provision in the Town Centre. A further report will be presented detailing these future operations and connectivity of users and services within the building. The future report will set out the arrangements that will be in place with any provider or tenants, including any levels of investment, leases and service charges.

Funding Proposal

- 2.20 Feasibility works will be undertaken to RIBA Stage 4 following professional advice from the Building Design team and a proposed budget for this is shown in the exempt Appendix 2. This would provide the full suite of feasibility works including initial designs and cost analysis. It is requested that this funding be allocated from the Pathfinder funding.

3. Options considered and recommended proposal

3.1 Phase 1: Pharmacy relocation:

- 3.1.1 **Option 1:** Relocation to alternative premises elsewhere in the town. This option has been fully investigated by the Council's Property Services team who have looked at all alternative town centre solutions including premises owned by the Council and premises under private sector ownership. There is a lack of vacant Council units within the town centre as the Council does not own a significant amount of property within the town centre area. There were a limited number of available options with private landlords.
- 3.1.2 Due to the terms of the lease, the Council would be required to carry out and fund all internal fit out works within a private landlord's property to ensure that the pharmacy could experience minimal interrupted trade. This would have been a permanent move for the pharmacy as they have clearly stated that they do not wish to move multiple times. **This option is not recommended**
- 3.1.3 **Option 2:** Remaining in their current location whilst works are undertaken. The Building Design Team has investigated this option and also taken professional advice from the Markets & Library contractor. They have looked at the possibility of installing a crash deck to protect the retail area of the building, this would involve the construction of a platform to protect the building areas below from any falling debris, but this would prevent the pharmacy from using the full extent of their property, including their staff welfare facilities. The contractor also strongly advised against this option.
- 3.1.4 Installing a crash deck would be an expensive solution and Property Services advise that this still would not mitigate the health and safety risks. It would also mean that the pharmacy shop front would be heavily scaffolded, and the unit would need to be accessed through the scaffolding by customers. This is not a solution recommended by in-house professionals or the contractors who will be carrying out the works on the markets redevelopment. **This option is not recommended.**

- 3.1.5 **Option 3:** Provision of a pharmacy outlet for occupation by Abbey Pharmacy within the former Boots building. This option would enable the Pharmacy to relocate close to their existing premises, therefore with minimal impact on their customer base. This is the preferred option of the pharmacy and would enable the vacant possession of their existing premises to prevent costly delays with the indoor market refurbishment contract. AHR architects have been appointed to develop proposals and cost implications for this option to establish feasibility. The detail of the feasibility including initial designs and initial cost advice is included within Appendix 1 & 2. It is proposed that this is developed into a full comprehensive specification and will then be subject to a procurement exercise to engage a contractor to carry out the works. Funding has been identified for this as an allocation from the Pathfinder budget. Details of the costs associated with this option are attached within exempt Appendix 2)

This option is recommended.

3.2 Phase 2: Town Centre health service provision

- 3.2.1 **Option 1:** Do nothing and allow the market to dictate the use for the property. This option would require the building to be sold on the open market. Given the Council originally acquired the property to prevent it being used for storage there is no guarantee that the building would either be purchased or that any future use would support town centre activity and vibrancy. At the present time the Council has received no enquiries from potential purchasers or leaseholders looking to locate in this part of the town.

This option is not recommended.

- 3.2.2 **Option 2:** Refurbish and advertise for letting as a retail unit. This would incur refurbishment costs without an identified end user. Due to the size of the building, it is unlikely that it would attract one single use, therefore it would incur significant additional refurbishment costs to be able to create multiple independently operated units. This option would require substantial additional feasibility work to explore whether this would be an option in terms of servicing multiple individual units.

This option is not recommended.

- 3.2.3 **Option 3:** Carry out full detailed studies and cost analysis based on refurbishing the building in partnership with healthcare providers to deliver a centralised 'health hub' that will provide much needed services for the town centre within an accessible location. This option would meet the needs of health care delivery partners and support RMBC's aspirations for the town centre.

- 3.2.4 The cost of feasibility works and design development are proposed to be allocated from the Pathfinder budget. The costs and detail of the required feasibility works are included within Appendix 2. This feasibility works will provide the information required to enable informed cost estimates to be prepared along with the assurance that the building can accommodate the needs of health service delivery partners to improve their service delivery to the town centre. The initial sketches that the feasibility will investigate are included at Appendix 1. These designs will be developed into a full

specification if the project is deemed viable and then subject to a procurement exercise to identify a contractor to carry out the works. This is the recommended option.

4. Consultation on proposal

- 4.1 Abbey Pharmacy have been consulted by the Council's Property Services team over the last 12 months and are fully aware, and supportive of the proposals.
- 4.2 Key strategic documents such as, the Long Term Plan for Towns, highlight the importance and transformational effect a town centre health provision can achieve. The case study evidence based on findings from Barnsley town centre further supports this. Consultation with representatives from health partners has been ongoing for approximately 12 months in order to prepare the design briefs to formulate the options for development of the second phase proposals.
- 4.3 Once feasibility designs have been developed, public consultation exercises can be scoped and planned in partnership with health care providers to ensure that the services planned to be delivered meet the needs and aspirations of the service users. The consultation plan will be developed and presented to Councillors for approval at the appropriate time in the process through a further report to Cabinet.

5. Timetable and Accountability for Implementing this Decision

- 5.1 Phase 1: relocation of Abbey Pharmacy: The timescales required for the procurement, will be determined by the appropriate route to market selected through the analysis undertaken in the pre-procurement business case (i.e. direct award via a Framework Agreement or competitive tender).

	Direct Award	Competitive Tender	
Milestone	Date completed	Date completed	Responsible
Procurement	October 25	December 25	Led by procurement team and Building Design Team
Mobilisation and Works Start on Site	November 25	January 26	Contract managed by Building Design Team
Completion of Works	January 26	March 26	Lease issues led by Property Services Team
Pharmacy relocation	February 26	April 2026	Led by Property Services Team

- 5.1.1 The proposed timescales are within those acceptable under the terms of the MHCLG Pathfinder. Whilst the original date for completion of spend was end

of March 2026, on 14th April 2025 MHCLG confirmed an allocation of £16.7m could be utilised up to end of March 2027.

5.2 Phase 2: feasibility of health hub provision within remainder of building

Milestone	Date	Responsible
Feasibility and initial cost advice	August 2025	Led by Regeneration Service
Design development to RIBA 4 and cost plan	October 2025	Led by Regeneration service
Funding strategy	November 2025	Led by Regeneration Service
Cabinet Approval	March 2026	Led by Regeneration Service

5.2.1 The proposed governance structure for the delivery of the feasibility and early design stage for the Health Hub is proposed as follows:

Project group:

5.3 Coordinated by the Regeneration Service and attended by the lead officers from the Regeneration Service, Building Design Team, Public Health Team, the Health Service providers and the Architect.

5.3.1 Progress from the Task and Finish Group will be reported through the Regeneration Programme Board and Capital DLT and the Markets and Library Board for phase 1.

5.3.2 Following completion and acceptance by all parties of the full feasibility and design works for phase 2, a project delivery governance structure will be proposed and detailed in a further Cabinet report.

6. Financial and Procurement Advice and Implications

6.1 All procurement activity detailed in this report must be undertaken in compliance with the relevant procurement legislation (Procurement Act 2023 or the Public Contracts Regulations 2015), which will be determined based on the route to market identified, as well as the Council's own Financial and Procurement Procedure Rules.

6.2 The estimated capital costs associated with these proposals, phase 1 and phase 2, are included within the exempt Appendix 2. It is proposed that phase 1, the pharmacy relocation and feasibility costs associated with phase 2, the development of the Town Centre Health Hub, are funded by reallocating Pathfinder funding earmarked for the Town Centre Music Venue. As the amount to be reallocated is below the MHCLG's £5m materiality threshold, there is no requirement to seek formal MHCLG approval. However, there is a requirement to seek the approval of the Rotherham Town Board for this funding reallocation.

6.3 Property Services have led discussions with the Abbey Pharmacy in respect of relocation. The current lease has a number of years to run and is protected

by the Landlord and Tenant Act. Under the current lease arrangements, the pharmacy are responsible for all internal repairs / maintenance and utility costs and this will continue to be the case once relocated. The Council will be responsible for all external repairs. The rent for the new premises will be set based on market value for the size of the new unit created.

- 6.4 In terms of phase 2, there have been no decisions on how the remainder of the building will be utilised, but it is envisaged that the building could be used by GPs, Health or Wellbeing operators. This is being reviewed and a feasibility study is being undertaken to deliver a connected and collaborative health provision in the Town Centre. A further report will be presented detailing these future operations and connectivity of users and services within the building. The future report will set out the arrangements that will be in place with any provider or tenants, including any levels of investment, leases and service charges.

7. Legal Advice and Implications

- 7.1 The Council's Property Services team has engaged with all tenants affected by the market's project and sought to agree terms for relocation utilising the provisions under each individual lease.
- 7.2 The Pharmacy has protected rights under the Landlord & Tenant Act 1954, which includes an automatic right to renew their lease at the end of the term. They have a right to 'quiet enjoyment of the premises' until 26th June 2032. There is a covenant within the lease that states that the Council agrees to indemnify the Lessee against all charges which would extend to relocation of the business in this instance.
- 7.3 All procurement activity detailed in the report must be undertaken in compliance with the relevant procurement legislation (Procurement Act 2023 or the Public Contracts Regulations 2015), which will be determined based on the route to market identified, as well as the Council's own Financial and Procurement Procedure Rules.

8. Human Resources Advice and Implications

- 8.1 There are no direct human resources implications arising from the recommendations in this report.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 Additional health provision located within the town centre improves accessibility and increases the Borough wide health service provision. A dedicated building serves to provide a full range of extended services including those targeted at specific and vulnerable groups.

10. Equalities and Human Rights Advice and Implications

- 10.1 There are no negative implications.

Phase 1, Pharmacy: positively supporting their relocation due to the refurbishment of the Indoor Market to retain their business within a town centre location.

- 10.2 Phase 2, Health Hub: improving access to health facilities for all communities and groups including vulnerable groups. Increasing health service provision in a more accessible setting. Increasing health service provision for new emerging town centre communities.
- 10.3 Initial Equality Screening Assessment (part A) completed and attached as Appendix 3.

11. Implications for CO2 Emissions and Climate Change

- 11.1 Locating services within the town centre ensures accessibility from bus and train links therefore reducing reliance on cars. There is no dedicated car park for this facility which again seeks to encourage public transport use.
- 11.2 Increasing the range of health services available from one location reduces the number of journeys people have to make to access multiple appointments for different services and treatments.

12. Implications for Partners

- 12.1. Health service delivery partners are very supportive of developing a health provision within the town centre and are keen to see this progress. This project will have a hugely positive impact on their service delivery and in turn the improved health of the local communities. A collaborative approach between providers will ensure efficient service delivery through one serviced building, benefiting the health services, patients and service users and the businesses within the town centre, as a result of the proven increase in footfall that this type of facility provides.

13. Risks and Mitigation

13.1	Phase 1 delivery costs exceed budget provision	Close management of the design process including meaningful value engineering will ensure that budget provisions are realistic and adhered to. Contracts for works will be detailed in the specification allowing for accurate pricing and construction risks will be appropriately allocated.
	Phase 2 feasibility study concludes that the building is not viable for this purpose	Initial surveys have shown that, structurally, the building is in good condition. Should the feasibility indicate that the refurbishment plans are not achievable then alternative plans will be investigated to ensure the building can be brought back

	into use and contribute to the vibrancy of the town centre.
Service delivery partners are unable to commit to the project	The project team will continue to work closely with partners to ensure that the new provisions within this building are able to be contained within their delivery plans and included within their financial planning. The project team will also continue to work with a range of potential delivery partners in parallel to ensure there are alternative options if required.

14. **Accountable Officers**

Simon Moss, Assistant Director Planning, Regeneration & Transport

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp OBE	23/06/25
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	20/06/25
Assistant Director of Legal Services (Monitoring Officer)	Phil Horsfield	18/06/25

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