

Appraisal Panel Summary

Scheme Details

Project Name	Rotherham Town Centre Masterplan		
Grant Recipient	Rotherham Metropolitan Borough Council		
SCR Executive Board	Infrastructure	SCR Funding	£2,180,000
% SCR Allocation	54%	Total Scheme Cost	£4,052,425

Appraisal Summary

Project Description

There is a very clear vision for Rotherham Town Centre, stemming from the extensive work undertaken through the Town Centre Masterplan (TCM). Importantly, the vision and masterplan are 'current' and well-aligned to the unique and significant challenges facing the town centre. In summary, this vision and proposal will enable Rotherham's communities to reclaim their town centre as a space for families. Flipping the traditional role of town centres as commercial heartlands to create a focus on flexible residential, culture and curated retail to create a blueprint for a town centre that meets the needs of its communities and visitors alike, creating opportunities for inclusive growth, employment and sustainable development. This request includes three projects that are within the adopted Masterplan.

Public Realm Improvements

Improvements to the key streets in the heart of the pedestrianised Rotherham Town Centre. Works will include the complete resurfacing of Bridgegate, Effingham Street, College Street and Howard Street, as well as the replacement of all existing street furniture and lighting. Works will improve accessibility around the town centre and address existing DDA compliance issues.

HE Hub Acquisition & Demolition

The HE Hub site forms an integral part of the Rotherham Markets Complex redevelopment, one of the key projects in the Town Centre Masterplan. The site will house the new Community Sector Hub building to sit alongside the relocated Central Library, providing a 'one-stop-shop' service for social and community support provision for the local population. As well as high quality public realm. In addition, the new building and wider treatment will enhance a key gateway into Rotherham town centre. This future development is outside the scope of this project and is due to commence in late 2021/early 2022.

Riverside Precinct Acquisition & Demolition

The critical need for a major scheme was highlighted in the Masterplan – The Forge Island development is to act as a catalyst for the regeneration and repurposing of Rotherham town centre. Muse Developments Ltd were selected as the Council's development partner in 2018 to help bring forward this key catalyst site. Riverside Precinct, to which RMBC hold the freehold interest, is located on the east bank of the River Don forms an integral part of Muse Developments first stage of development on Forge Island, connecting the main island site to the rest of the town centre.

The proposal is to demolish the existing buildings on the site and undertake preparatory works to prepare the site for future development, and therefore forms part of the advanced enabling works to prepare the site for development by the Council's Forge Island development partner, Muse Developments Ltd.

Strategic Case

The proposed projects have a clear strategic rationale and would build on the wider work being undertaken for the adopted Town Centre Masterplan. In unlocking the Riverside Precinct and former Education Hub sites, this will enable the redevelopment of Rotherham town centre to come forward. The wider Town Centre Masterplan has a very strong strategic fit with the SEP and Renewal Action Plan.

The scheme has a clear strategic rationale, building on the work undertaken for the adopted Town Centre Masterplan. In unlocking the Riverside Precinct and former Education Hub sites, this will enable the redevelopment of Rotherham town centre to come forward.

In relation to the Renewal Action Plan, the scheme has the potential to counteract the market forces observed in urban centre operations in light of COVID-19, which has placed greater urgency for investment and regeneration in supporting their changing role. Public realm improvements in Rotherham have been identified as a shovel-ready infrastructure investment project that could support the town centre in modernising.

Value for Money

Given the nature of the projects being brought forward (principally demolition and public realm works), there are limited direct employment and GVA impacts that will be generated by the proposed project. However, without this project going ahead, future schemes, including the Rotherham Markets Complex redevelopment and the Forge Island development, would not be able to be brought forward as quickly as desired. The projects proposed in this application are fundamental in allowing the delivery of future schemes and it can be assumed that the completed schemes will generate significant employment and GVA benefits.

Aside from the economic benefits that might be generated in unlocking future schemes, there are a number of further economic benefits that will be generated through the projects included in this application:

- 20 safeguarded construction jobs
- 6,165sqm of new public realm (through the Town Centre Public Realm Scheme)
- 0.22ha brownfield land remediated

In addition to these benefits, the projects included in this application are expected to generate significant social and environmental impacts, which have not been accurately displayed by the applicant. Positive social value that could be generated includes an improved perception of the town and positive environmental benefits will also be generated by this project through an improved urban environment and an enhanced pedestrian environment which will encourage more town centre users to travel by public transport, cycle or walk.

Based on the evidence showed above, and the potential for the completed schemes (which would be unlocked through the proposed projects in this application) to generate significant economic benefits for Rotherham Town Centre, we recommend that overall, the project would represent strong value for money.

Risk

The risk register provided by the applicant provides a good overview of the potential risks associated with the project. A range of mitigation measures have been inserted into the risk register which, if followed, should mitigate any potential risks.

One of the key risks for the project is the need to acquire the long lease for the HE Hub. The applicant states that negotiations are already at an advanced stage, with a District valuer already instructed for the site. Failure to acquire this site would limit the potential for development in line with the Masterplan.

The projects have all been developed following the market analysis, which was undertaken as part of the masterplan's development and included stakeholder analysis, an independent 'market consultancy report' and a Retail & Leisure Study. All of these studies show the market demand for refocusing the town centre away from traditional retail uses to a blended approach. The two key schemes (Forge Island Development and the Rotherham Markets Complex redevelopment) show strong market demand, although these will have been dampened through COVID-19.

Delivery

There is already a clear project management plan detailed by the applicant, with the Town Centre Masterplan Project Board already established. A detailed project plan has been provided for the Riverside Precinct project (led by Muse Developments Ltd), although limited detail has been provided by the applicant relating to key milestones relating to each to the public realm improvements and the HE Hub development, particularly in relation to how this phase of work relates to the wider project.

For the HE Hub Acquisition & Demolition the Council are currently in final negotiations to agree the final purchase price for the current long lease and internal approval has already been secured for its acquisition and immediate demolition and remediation to prepare the site for the upcoming Markets Redevelopment.

For the Riverside Precinct the Council is still in negotiations with the single remaining unresolved lease in operation at the site, planning permission was granted for the wider Forge Island development in June 2020.

Legal

There are no State Aid concerns regarding this application, with all works set to be undertaken by Rotherham Metropolitan Borough Council, with contractors appointed through identified frameworks. All works are to take place on sites owned by the Council.

Recommendation and Conditions

Recommendation	Full award subject to conditions
Payment Basis	Payment on defrayal
Conditions of Award (including clawback clauses)	

The following conditions must be satisfied before contract execution.

1. Detailed milestones which will be monitored against, and if not met, may result in funding being withdrawn or clawed back.

The following conditions must be satisfied before drawdown of funding.

2. Following the procurement of a contractor, RMBC to confirm the final tender price is in line with the FBC Financial Case.
3. Agree detailed schedule of inclusive growth indicators and targets (e.g. % of [previously unemployed] locals offered permanent contracts and apprenticeships, mentoring and school engagement and engagement with the local supply chain) to ensure the project delivers wider social and economic benefits and that these can be captured, monitored and reported. This should include monitoring the use of green spaces, any benefits generated by those users and any neighbouring commercial developments.

The following conditions must be included in the contract

4. The acquisition of the long lease for the HE Hub has been complete before any costs can be drawn down for this element.
5. The acquisition of lease for the riverside is complete before any costs can be drawn down for this element.

Record of Recommendation, Endorsement and Approval

Rotherham Town Centre Masterplan

Appraisal Panel Recommendation		Board Endorsement		MCA Approval	
Date of Meeting		Date of Meeting		Date of Meeting	
Head of Paid Service or Delegate	Ruth Adams Deputy CEX	Endorsing Officer (Board Chair)		Approving Officer (Chair)	
Signature		Signature		Signature	
Date		Date		Date	
S73 Officer or Delegate	Simon Tompkins Finance Manager	Statutory Finance Officer Approval Name: Signature: Date:			
Signature					
Date					
Monitoring Officer or Delegate	Steve Davenport SCR CA Solicitor				
Signature					
Date					