



## Report to Policy Committee

**Author of Report:** Alan Seasman, Service Manager City Regeneration and Major Projects

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**Report of:** *Kate Martin, Executive Director City Futures*

**Report to:** *Finance Sub-Committee*

**Date of Decision:** *7<sup>th</sup> November 2022*

**Subject:** *Levelling Up Fund – Attercliffe Acquisition*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 1275				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below: -				
<p><i>“The <b>appendix</b> is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>				

### Purpose of Report:

Sheffield City Council has been awarded £37m of the Levelling Up Fund. This includes £20m allocated for investment in Gateway to Sheffield and £17m allocated for investment in Attercliffe.

This report seeks approval for the use of some of the £17m Levelling Up Fund allocated resources for Attercliffe to acquire and refurbish the Adelphi Social Club and Land on the West Side of Attercliffe Road.

Please note that the exact amount of funds required for this acquisition and holding costs is placed in the appendix and is not to be shared publicly due to commercial sensitivity.

**Recommendations:**

- That the acquisition of the Adelphi Social Club and Land on the West Side of Attercliffe Road using the resources from Levelling Up Fund identified in Appendix 1 is approved.
- That should negotiations fail in relation to the Adelphi Social Club, Land on the West Side of Attercliffe Road and any future relevant and required acquisitions, then the committee agree they would be minded to the use of Council's Compulsory Purchase Order Powers to acquire suitable sites to secure acquisitions in line with the objectives of the Levelling Up Fund bid for Attercliffe.
- That the purchase costs be added to the Council's capital programme.

**Background Papers:**

None

Lead Officer to complete: -		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Damian Watkinson and Anoop Rughani</i>
		Legal: <i>David Sellars</i>
		Equalities & Consultation: <i>Ed Sexton</i>
		Climate: <i>Jessica Rick</i>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>SLB member who approved submission:</b>	<i>Kate Martin, Executive Director City Futures</i>
3	<b>Committee Chair consulted:</b>	<i>Bryan Lodge, Zahira Naz and Mike Levery, Finance Sub-Committee</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> <i>Alan Seasman</i>	<b>Job Title:</b> <i>Service Manager City Regeneration and Major Projects</i>
	<b>Date:</b> <i>27.10.22</i>	

**1. PROPOSAL**

## 1.1 **Background Levelling Up Fund and Attercliffe**

### Levelling Up Fund

- 1.1.1 The Levelling Up Fund provides Local Authorities with the financial resource to invest in their local communities to tackle economic differences persistent in cities, especially post-industrial cities like Sheffield. Such economic differences are present in people's work opportunities, living and health conditions, and general wellbeing. The Levelling Up Fund aims to 'level up' regions in the UK to tackle economic differences and drive prosperity.
- 1.1.2 In the Levelling Up Fund prospectus, the Government acknowledges that this prosperity can be measured in many ways. However, the most powerful barometer of economic success is the positive change people see and the pride they feel in places they call home.
- 1.1.3 Bids for both Gateway to Sheffield and Attercliffe were submitted in June 2021 and the success of both bids was announced on 28<sup>th</sup> October 2021. Sheffield was awarded the full £37m requested from the Government's Levelling Up Fund including £20m allocated for investment in Gateway to Sheffield and £17m allocated for investment in Attercliffe. Contracts were signed on the 8<sup>th</sup> of February 2022 with initial development funding released to the Council at the end of February 2022. The Council is required to demonstrate the use and delivery of the Levelling Up Fund funds for the allocated areas by March 2024.

### Attercliffe

- 1.1.4 The £17m allocated for investment in Attercliffe focuses on joining up investment in employment, travel and quality of life to transform perceptions of Attercliffe.
- 1.1.5 Investment in wider regeneration initiatives in Attercliffe includes links between Sheffield Olympic Legacy Park and the High Street. Allocation of funds to invest in Attercliffe will allow the creation of a more welcoming environment and street scene, and for the refurbishment of historic buildings in the area to provide a cultural hub and event space on the high street. This will strengthen Attercliffe's sense of community and pride in the local area.
- 1.1.6 The regeneration of Attercliffe will help to stimulate investment and make Attercliffe a better place to live, work and visit.

## 1.2 **Adelphi Social Club and Land on the West Side of Attercliffe Road**

- 1.2.1 The Adelphi Social Club is a landmark Sheffield property, a Grade II listed building. It was in operation as a cinema until 1967, then was subsequently used as a bingo hall and nightclub. The property is understood to have been vacant from 2006 to 2013, having been used for storage since 2013.

- 1.2.2 Considerable work is required on the building and requires substantial financial input to get it into a habitable state. Financial input can be provided by the Levelling Up Fund grant to transform the Attercliffe area.
- 1.2.3 The land on the west side of Attercliffe Road, next to the Adelphi Social Club comprises flat hard standing land which is secured by palisade fencing around the perimeter. The site is considered to be in fair condition, likely not requiring any significant work.
- 1.2.4 The acquisition of Adelphi Social Club and the land on the west side of Attercliffe Road ensure the reinstatement of a prominent site on the Attercliffe High Street, ensuring its future use and potential accessibility for the benefit of the local community. This will encourage further investment into the area and improve local community pride in Attercliffe.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 Following the recommendation in this proposal of acquiring the Adelphi Social Club and Land on the West Side of Attercliffe Road aims to:
- Help to stimulate investment in the area
  - Increase Council land and property ownership in Attercliffe allowing the Council to lead the way in regeneration in the area
  - Reduce inequalities in improving Attercliffe as a place to live, work and visit
  - Increase quality of life, health, wellbeing and happiness for local communities
  - Further enhance the visitor economy in Attercliffe and the wider Sheffield City Region
  - Improve national visibility and reputation based on the measured outcomes of the Levelling Up Fund grant
  - Provide the opportunity to create a new cultural/community use
  - Contribute towards achieving corporate objectives

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 In submitting the bid to the Levelling Up Fund there was consultation with local stakeholders including members of the local business community, Sheffield Children's NHS Trust, Sheffield Olympic Legacy Park, Scarborough Group International and Sheffield Hallam University. In addition, the bid had to have the explicit approval of the local MP.
- 3.2 A number of further updates have been provided to stakeholders. Further public engagement and participation in relation to these specific buildings will be undertaken as part of any requirements for listed building or planning consent.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality Implications**

- 4.1.1 An Equalities Impact Assessment has been undertaken for this acquisition to reflect the specific acquisition. Further Equalities Impact Assessments will be undertaken to reflect further acquisitions/refurbishments in line with the spending of the Levelling Up Fund grant.
- 4.1.2 Subject to the decision to acquire, and to inform future consideration of the use of the building/site, a full EIA will be undertaken to assess potential impacts affecting people sharing different protected characteristics and/or equality interests.
- 4.1.3 The initial assessment has determined that this proposal should have a positive impact on the Attercliffe and wider Sheffield City Region, including currently under-served communities by creating a stronger sense of place and community; increasing wider investment opportunities; improving the High Street which will hopefully result in greater job, retail and wider commercial opportunities to meet diverse community needs.

### **4.2 Financial and Commercial Implications**

- 4.2.1 The costs of the purchase of these assets will be funded entirely from the Levelling Up Fund allocation received from Central Government.
- 4.2.2 The Heads of Terms allow the Council to access the building and land to begin surveys and the initial/preliminary refurbishment works before the acquisition is complete. Refurbishment works will start almost immediately upon acquisition and the marketing of the building to an end user will be done in parallel. It is therefore estimated that holding costs should be no longer than 4 months and the funding will come from the Levelling Up Fund. A breakdown of these costs will be provided in due course.

See Appendix 2 for a breakdown of estimated holding costs. Any costs of holding the assets until acquired that are not able to be capitalised will be met from existing Regeneration and Property Services budgets.

- 4.2.3 The exit strategy for the building is to market the assets to an end user. The intended end user is not definite and is dependent on the bids that come forward in the marketing stage. It is planned that the end user will be an owner/occupier/operator and the assets are to be used for cultural/community purposes. The end user will provide capital in the form of a lease or rental income to minimise costs to the Council. A determination of the end user and revenue costs will be provided in due course.

### **4.3 Legal Implications**

- 4.3.1 Section 120 of the Local Government Act 1972 gives the Council power to acquire by agreement any land or property for amongst other things the purposes of the benefit, improvement or development of the Council's area. For the reasons set out in this report it is considered that the proposed acquisitions fall within this criteria.
- 4.3.2 Section 226 of the Town and Country Act 1990 provides that, the Council may acquire any land in its area if the Council think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to land.
- 4.3.3 Section 226 of the Town and Country Act 1990 provides that, the Council may acquire any land in its area if the Council think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to land.
- 4.3.4 At present the recommendation is that the Council is minded to make a Compulsory Purchase Order and no statutory process is being engaged. Negotiations should continue to buy all the interests required by negotiation. Should the Council decide to resolve to make a Compulsory Purchase Order this does not prevent negotiations from continuing and should not as Compulsory Purchase Order should only be used as a last resort.

#### 4.4 Climate Implications

- 4.4.1 Considerations of climate implications and an initial Climate Impact Assessment has been undertaken as appropriate for this specific acquisition.
- 4.4.2 The initial Climate Impact Assessment has determined that this proposal should have a neutral/positive impact on the climate. Acquiring a Grade II listed property will support Sheffield's work on climate change and the adopted Net Zero 2030 City Target due to reuse, reinstatement and refurbishment. It will also help to improve a sustainable and inclusive economy in the Attercliffe area creating opportunities for all residents.

#### 4.4 Other Implications

- 4.4.1 None

### **5. ALTERNATIVE OPTIONS CONSIDERED**

#### 5.1 Do nothing

If the Council decided not to acquire the Adelphi Social Club and Land on the West Side of Attercliffe Road, this property and land would unlikely be reinstated. It is likely that it would remain unused and inaccessible to the public or for other community beneficial reasons. This would continue

the under-investment in Attercliffe and its negative effects as such.

5.2 Purchase the site using Sheffield City Council funds

If the Council decided to acquire the property and land mentioned using internal funds, this would take a considerable amount of time to generate. The City Council would not be able to purchase and reinstate such a prominent site which will provide great economic and social benefits to the Attercliffe area and community.

5.3 Use Compulsory Purchase Order Powers

If no agreement to acquire had been reached, then the use of Compulsory Purchase Order powers would have enabled the Council to acquire the site.

**6. REASONS FOR RECOMMENDATIONS**

**6.1 That the acquisition of the Adelphi Social Club and Land on the West Side of Attercliffe Road using the resources from Levelling Up Fund identified in Appendix 1 is approved.**

6.1.1 This recommendation will help to stimulate investment in the area; strengthen the sense of community and pride in the local area; reduce inequalities; enhance the visitor economy; improve quality of life, health and wellbeing for local communities; contribute towards achieving corporate objectives.

6.1.2 It will allow for the building to be refurbished and then let or sold for community/cultural use with a number of potential occupiers already identified.

**6.2 That should negotiations fail in relation to the Adelphi Social Club, Land on the West Side of Attercliffe Road and any future relevant and required acquisitions, then the committee agree they would be minded to the use of Council's Compulsory Purchase Order Powers to acquire suitable sites to secure acquisitions in line with the objectives of the Levelling Up Fund bid for Attercliffe.**

6.2.1 Negotiations are progressing and are at various stages. While officers are striving to agree acquisitions without recourse to Compulsory Purchase Order powers the importance of these properties may require an order to be made as a last resort. Officers are therefore recommending that in principle should it become necessary as a last resort the committee will authorise the use of the Council's Compulsory Purchase Powers in pursuit of further acquisitions in line with the objectives of the Levelling Up Programme. A further report will be brought to the committee should this be necessary.

**6.3 That the purchase costs be added to the Council's capital programme.**

- 6.3.1 To ensure sound financial management of resources.
- 6.4 **That the Chief Property Officer in consultation with the Director of Legal Services negotiate and agree all necessary legal documentation needed to acquire the Adelphi Social Club and Land on the West Side of Attercliffe Road.**
- 6.4.1 To ensure completion of the acquisition.