



Middlesbrough Development Corporation Board

Date: Thursday, 14 March 2024 at 1.30pm

Venue: Tees Valley Combined Authority (Teesside Airport Business Suite, Teesside International Airport, Darlington, England, DL2 1NJ)

Membership:

Mayor Ben Houchen (Tees Valley Mayor)
Paul Booth (Independent Member)
Mayor Chris Cooke (Middlesbrough Mayor)
Mieka Smiles (Independent Member)
Idrees Rashid (Independent Member)
Steve Turner (Independent Member)

Associate Membership:

Julie Gilhespie (Group Chief Executive TVCA)
Clive Heaphy (Chief Executive, Middlesbrough Council)

Independent Advisor:

Mark Webster (Chief Constable, Cleveland Police)

AGENDA

1. Apologies for Absence

To receive any apologies of absence.

2. Declarations of Interest

To receive any declarations of interest.

3. Minutes of Previous Meeting

To approve the minutes as a correct record of the meeting held on Thursday, 28 February 2024.

4. Chair's update

To receive an update from the Tees Valley Mayor on key matters in relation to MDC since the last meeting.

5. Chief Executive's update

To receive an update from the Chief Executive providing an update on key matters since the last meeting.

6. Gresham update

To receive an update from the Chief Executive on Gresham and review the recommended approvals within the report.

7. Planning update

To receive a report from the Head of Planning providing an update on the position of planning service delivery and the status of planning applications.

8. Notification of Decisions

This Item reports to the Board, an Urgent Decision taken in respect of Business Rates pursuant to Paragraph 18 of the Middlesbrough Development Corporation Constitution.

Date and Time of Next Meeting

Wednesday, 24 April 2024 at 1.00pm.

Spencer Room, Middlesbrough Town Hall, Albert Road, Middlesbrough, TS1 2QJ



MIDDLESBROUGH DEVELOPMENT CORPORATION BOARD


Wednesday, 28 February at 1.00pm

Middlesbrough Town Hall, Spencer Room, Albert Road, Middlesbrough, TS1 2QJ

These minutes are in draft form until approved at the next Board meeting and are therefore subject to amendments.

<u>ATTENDEES</u>	
<u>Members</u>	
Mayor Ben Houchen (Chair)	Tees Valley Mayor
Mayor Chris Cooke	Middlesbrough Mayor (Elected Member of Middlesbrough Council)
Idrees Rashid	Independent member
Steve Turner	Independent member
Mieka Smiles	Independent member
<u>Associate Members</u>	
Julie Gilhespie	Associate Member
Mark Webster	Independent Advisor
Clive Heaphy	Associate Member
<u>Officers</u>	
Gary Macdonald	Group Director of Finance and Resources
Emma Simson	Acting Chief Legal Officer (Monitoring Officer)
Sarah Brackenborough	Head of Operations
Sarah Walker	Head of Investment Development
Amy Jiggins	Governance Officer
<u>Others in Attendance</u>	
Josh Woollard	Nathaniel Lichfield and Partners
Justine Matchett	Nathaniel Lichfield and Partners
<u>Apologies</u>	
Phillippa Storey	Independent member
Paul Booth	Independent member
Helen Kemp	Head of Planning

<p>MDC 38/2023</p>	<p>CHAIR’S WELCOME AND APOLOGIES FOR ABSENCE</p> <p>The Chair welcomed Members to the Middlesbrough Development Corporation (MDC) Board meeting.</p> <p>Apologies for absence were submitted as detailed above.</p>
<p>MDC 39/2023</p>	<p>DECLARATIONS OF INTEREST</p> <p>The following declarations of interest were made:</p> <p>Chris Cooke (CC) – Acting on behalf of Middlesbrough Borough Council in his capacity as an Elected Member and Mayor of Middlesbrough Council.</p> <p>Clive Heaphy (CE) – In his capacity as Chief Executive of Middlesbrough Council.</p> <p>Idrees Rashid (IR) – On the basis of his employment.</p>
<p>MDC 40/2023</p>	<p>MINUTES OF PREVIOUS MEETING</p> <p>RESOLVED: That the minutes of the meeting held on 24 January 2024 were approved as a correct record.</p>
<p>MDC 41/2023</p>	<p>CHAIR’S UPDATE</p> <p>The Chair provided an update on the Independent Review of Teesworks. He advised that following discussions with council officers and leaders, the response to the Secretary of State had been submitted, ahead of the 8 March deadline and was to be published in the coming days.</p> <p>It was noted that progress against the action plan might have implications on MDC.</p> <p>RESOLVED: That the Board noted the Chair’s update.</p>
<p>MDC 42/2023</p>	<p>CHIEF EXECUTIVE’S UPDATE</p> <p>Julie Gilhespie (JG) advised the Board that following the outcome of the Independent Review, it was anticipated that there would be an announcement by central government in relation to investment zones.</p> <p>It was agreed to circulate the business case to the Board once completed.</p> <p>Questions and comments were invited from the Board.</p> <p>CH queried whether there was any update in relation to the transfer of land and property from Middlesbrough Council (MBC) to Tees Valley Combined Authority (TCVA), which had been put on hold during the Independent Review. JG advised that there was no further update at the current time.</p> <p>RESOLVED: That the Board noted the Chief Executive’s Update.</p>

<p>MDC 43/2023</p>	<p>GOVERNANCE AND ELECTION UPDATE</p> <p>The Board was presented with a report which presented guidance on the upcoming Mayoral Election, particularly in relation to the pre-election period which commenced on 19 March 2024.</p> <p>RESOLVED – That the Board noted the update on governance and the pre-election period, which commenced on 19 March 2024.</p>
<p>MDC 44/2023</p>	<p>PLANNING UPDATE</p> <p>The Board was provided with an updated position on planning service delivery and the status of planning applications.</p> <p>Josh Woollard (JW) advised that since the report was written one planning application had been received. It was anticipated that the planning application would be presented to the April MDC Board.</p> <p>Justine Matchett (JT) advised that work was in the process of being undertaken to finalise the next draft stage in relation to the Gresham development. CC raised concern about through routes encouraging anti-social behaviour. A minor update was required to the first phase to ensure the design code reflected what was being built.</p> <p>It was noted that an updated version of the design code was to be circulated to the Board.</p> <p>In response to a query from the Chair it was confirmed that the consultation period had not yet commenced.</p> <p>CC suggested that it would be beneficial to have attendance from highways representatives at future Gresham meetings. JT reported that she would speak to Simon Thompson from MBC regarding his attendance at future sessions.</p> <p>RESOLVED: That the Board noted the planning update.</p>
<p>MDC 45/2023</p>	<p>TREASURY MANAGEMENT STRATEGY</p> <p>The Board was presented with a report on the Corporation’s Treasury Management and Capital and Investment Strategies for the financial year 2024/25.</p> <p>Gary Macdonald (GM) informed the Board of the Corporation’s legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.</p> <p>Questions and comments were invited from the Board.</p> <p>CC emphasised the need to ensure consistency with the tables and figures contained in the report. GM acknowledged the need for ensuring consistency of approach when submitting future reports.</p> <p>RESOLVED: That the Board approved the Treasury Management, Investment and Capital Strategies for 2024/25.</p>
	<p>Middlesbrough Development Corporation</p>

<p>46/2023</p>	<p>The Board was presented with the budget for 2024-25. GM advised that the budget provided the financial framework within which the Corporation will operate in the forthcoming financial year (2024-2025) and over the medium term.</p> <p>GM advised the initial estimates in terms of the forecasts, the funding revenues outlined within the table, and the capital investment, was all subject to Board approval, as and when business case(s) come forward.</p> <p>The Board was informed that the Medium-Term Financial Plan (MTFP) period highlighted that a total of £102m available resources including the borrowing facility agreed with TVCA.</p> <p>Questions and comments were invited from the Board.</p> <p>CC queried if there was any further information in relation to the transport fund and revenue breakdown. GM referred to paragraph 18 within the report which referred to revenue and capital items. He highlighted the revenue funding from the TVCA investment plan was included.</p> <p>It was reported that revenue shown was owned by the MDC to feature in the report. TVCA Cabinet allocated £10m funding to both Hartlepool and Middlesbrough Corporations.</p> <p>It was agreed to provide an additional table which showed the revenue strands separately.</p> <p>RESOLVED: That the Board approves the Budget for 2024-25; and delegates authority to the Chief Executive, Director of Finance and Resources, and the Monitoring Officer for expenditure on initial project development up to £1m.</p>
<p>MDC 47/2023</p>	<p>PROJECT PIPELINE UPDATE</p> <p>The Board was presented with a report on the projects in the masterplan pipeline for the MDC.</p> <p>The Chair invited questions and comments from the Board.</p> <p>Sarah Walker (SW) provided an update in relation to the commissioning of a structural survey required for the Crown building. It was advised the supplier had indicated that the building was in a poor condition. It highlighted that it may not be viable to maintain the building, although it was still at an early stage. It was advised to review the initial costs of the survey first.</p> <p>ES advised that as part of the procurement exercise, access to the building had been granted.</p> <p>The Board noted that Middlesbrough Council still owned the building.</p> <p>It was agreed to provide the Board with a further update once the procurement process was complete.</p> <p>CH confirmed Middlesbrough Council was monitoring the building closely, particularly in relation to health and safety. If the building presented a significant health and safety risk, then the necessary action would be undertaken.</p> <p>There was a discussion about the options for the Crown building. The Chair advised that safety was the priority. The outcome of the procurement exercise for the structural survey will inform next steps for Middlesbrough Council and MDC Board.</p>

	<p>CC asked Litchfield's to note that All Saints Church had raised concerns about changes to the vehicular access on the masterplan, particularly the Grange Road section, due to various events held at the church.</p>
<p>MDC 48/2023</p>	<p>ADDITIONAL AGENDA ITEM – GOVERNANCE</p> <p>The Board was presented with a paper which outlined a proposal to amend the MDC Constitution following a declaration of interest made by the Mayor of Middlesbrough. The MDC quoracy would be undermined if CC was required to leave the room during consideration of the item.</p> <p>The Chair asked members to note that CC was acting on behalf of the Middlesbrough Council and did not have a pecuniary interest in the item.</p> <p>The Chair advised that current law and guidance presented the issue which was likely to form part of the wider governance review and changes to other Development Corporations. He highlighted the importance of ensuring the correct processes and procedures were followed.</p> <p>RESOLVED: That the Board approves the amendment to the MDC Constitution, noted at section four of the report.</p>
<p><i>THE CHAIR PROPOSED A MOTION TO EXCLUDE THE PRESS AND PUBLIC FROM THE FOLLOWING CONFIDENTIAL ITEMS UNDER THE TERMS OF PARAGRAPH 3 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972</i></p>	
<p>MDC 49/2023</p>	<p>PROJECT PIPELINE UPDATE (ANNEXES TO THE REPORT CONFIDENTIAL)</p> <p>The Board received a report which provided an update on projects in the Masterplan pipeline for MDC.</p> <p>RESOLVED: That the Board noted the Project Pipeline update.</p>
<p>MDC 50/2023</p>	<p>PROPERTY ACQUISITIONS (REPORT AND ANNEXES CONFIDENTIAL)</p> <p>(CC declared an interest in this item and left the meeting room during the consideration of the item and the vote.)</p> <p>The Board received a report from the Group Chief Executive on property acquisitions recommended for approval.</p> <p>RESOLVED – That the Board approved the recommendations to acquire properties set out within the report.</p>
<p>51/2023</p>	<p>MEETING CLOSE</p> <p>The Chair thanked the Board for their attendance and closed the meeting.</p> <p>DATE OF NEXT MEETING:</p> <p>Thursday, 14 March 2024 at 1.30pm.</p>



AGENDA ITEM 5

REPORT TO THE MIDDLESBROUGH DEVELOPMENT CORPORATION (MDC) BOARD

14 MARCH 2024

REPORT OF GROUP CHIEF EXECUTIVE

CHIEF EXECUTIVE'S UPDATE

SUMMARY

This report provides an update to the Board on key activity not covered elsewhere on the agenda.

RECOMMENDATIONS

It is recommended that the Middlesbrough Development Corporation Board note the update.

DETAIL

Tees Valley Review Report

1. MDC Board was provided with an update on the Tees Valley Review Report at their meeting on 28 February.
2. Since the 28 February, the Tees Valley Mayor has set out an action plan for responding to the Secretary of State, to detail its proposed response to the Tees Valley Review panel's recommendations (Appendix 1), and has submitted this to the Secretary of State, and the other members of TVCA cabinet endorsed that plan (Appendix 2).
3. The Statutory Officer Working Group (SOWG), established to consider and approve the response to the report recommendations has met twice since the last update to Board. The SOWG is tasked with reviewing the recommendations and providing advice and drafting revised documentation for the consideration of cabinet and its committees.
4. Recommended actions will be taken to the TVCA Cabinet AGM. Any recommendations that effect Middlesbrough Development Corporation as a result, will be proposed to MDC Board for adoption, for consistency across development corporations.

Tees Valley Investment Zone (TVIZ)

5. The Tees Valley Investment Zone was formally announced on 6 March as part of the Spring Budget.
6. The total funding available to each IZ is £160m over 10 years (commencing April 2024), with an expectation of 60% match coming from private sector, third sector and local government. This funding can be used flexibly, including a five-year tax offer. Places can also receive 100% of the business rates growth in designated sites above an agreed baseline for 25 years.
7. TVCA is working closely with Teesside University (as significant research institution/co-signatory) on the Tees Valley Investment Zone.
8. IZs are aimed at catalysing a small number of high potential clusters in areas in need of levelling up to boost productivity and growth. They will support the development and growth of clusters to increase local innovation capacity, attract investment and strengthen the private sector.
9. TVCA and TU will continue to work with the Department for Levelling Up, Homes and Communities to co-develop the TVIZ. This is structured around a series of 'gateways' broadly covering vision, sector and economic geography, interventions, governance and delivery.
10. The TVIZ is focused on digital and technology as our priority sector, with identified high growth clusters in Middlesbrough and Hartlepool.

11. TVCA is seeking fully flexible spend of the £160m funding plus Business Rate Retention for dedicated sites. Retained Business Rates will be over and above the £160m. Interventions are being developed from the full policy menu which includes infrastructure, skills, business support, planning and R&D.

FINANCIAL IMPLICATIONS

This report is an update for information only therefore no direct financial implications.

LEGAL IMPLICATIONS

This update is for information only therefore there are no direct legal implications.

RISK ASSESSMENT

This update is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION & COMMUNICATION

This update is for information only therefore no further consultation and communication is necessary.

EQUALITY & DIVERSITY

This update is for information only therefore it does not impact on groups of people with protected characteristics.

Name of Contact Officer: Julie Gilhespie
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TEES VALLEY MAYOR BEN HOUCHEN

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Our Ref: BH/JG/JL-358

Rt Hon Michael Gove MP
Secretary of State for Levelling Up, Housing and Communities

By email: ministerial.correspondence@levellingup.gov.uk / PSMichaelGove@levellingup.gov.uk

28 February 2024

Dear Secretary of State

Thank you for your letter of 24 January in relation to the publication of the Tees Valley Review. You are correct in your assertion that I am extremely pleased with the panel's conclusion that there is no evidence of corruption or illegality at Teesworks. I am further delighted that the panel has recognised the incredible progress that has been made on the site in just three years since it was taken into local ownership. Their recognition of the creation of 9,000 jobs in developing so far just 17% of the site and the role that Teesworks will play in the Levelling Up and economic regeneration of Tees Valley is particularly pleasing.

I note also the panel's acceptance that the Mayoral Development Corporations (MDCs) are a new development tool and as such there are recommendations for Government to clarify its intention with regard to them, especially with respect to Combined Authorities and Local Authorities. This clarity is essential for all MDCs to realise their regeneration potential, particularly in areas that have been left behind economically.

Notwithstanding that, I welcome the panel's recommendations and will work at pace to develop an action plan for their implementation. To that end I have requested a comprehensive review of the recommendations and their implications for the TVCA / STDC constitutions and governance arrangements. Specifically, I have already done the following:

- Established a cross-authority working group, including statutory officers from all five constituent authorities (Chief Executives, Monitoring Officers and S151 Officers) to consider and agree an action plan for implementation of the recommendations. The action plan is included as an appendix to this letter;
- Appointed an STDC Board sponsor for the working group. Whilst most of the recommendations are noted as being for TVCA / STDC / Local Authorities to consider, the STDC Board sponsor will provide feedback on the proposals as they progress to ensure that they address matters from an STDC perspective;

Once this work is completed, the action plan, together with the revised governance arrangements and constitutions, will be submitted to the next available TVCA Cabinet and STDC Board together for approval. Part of the process will be consideration by STDC and TVCA A&G committees as well as TVCA Overview and Scrutiny committee.

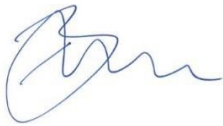
The amendments will also be incorporated into the processes and documentation of Hartlepool and Middlesbrough Development Corporations to ensure the best practice is consistent across all of the TVCA affiliated statutory bodies.

The Centre for Excellence in Scrutiny will be asked to consider the scrutiny arrangements and undertake training for officers and committee members following the establishment of the new committees following the AGM.

Whilst having the appropriate processes and documentation in place is essential, I recognise that ensuring these processes are embedded moving forward is equally important. To that end I intend to invite the LGA to undertake some workshops with Cabinet and senior officers within TVCA, STDC and the Local Authorities to ensure a level of independent rigour is applied to the implementation of the recommendations and to ensure that our governance systems work in practice going forward.

I trust this provides you with the information that you required.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Ben Houchen', written in a cursive style.

Ben Houchen
Tees Valley Mayor

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APPENDIX

Statutory Officer Working Group Action Plan

The following Action Plan sets out the detailed actions required by the relevant parties to ensure that TVCA and its constituent local authorities undertake the work required to both agree the actions to incorporate the recommendations made by the Tees Valley Review and to ensure that they are incorporated both into the culture and Governance Structure of STDC, TVCA, and, where applicable, its constituent authorities. TVCA is committed to delivering the required change at pace, while recognising that there is much work to do to ensure that the recommendations are complied with.

To this end, TVCA has established a Statutory Officer Working Group (SOWG), comprising of the TVCA statutory officers and a selection of statutory officers from the Local Authorities, including a mix of Monitoring Officers (MOs) s151/s73 Officers (FDs) and Chief Executives/Managing Directors (CEOs).

TVCA Cabinet will receive an update on the work done to date at its Cabinet meeting on 15 March, and will receive further updates at any future Cabinet meetings before the revised governance arrangements are brought for formal review. STDC Board will get similar updates at its meetings.

The SOWG will meet at least monthly over the coming months to move forward the recommendations. In addition, sub groups of MOs and FDs will consider certain points outside of meetings and come back to the SOWG with recommendations for endorsement. These recommendations will result in a number of protocols and revised constitutional documents which will be considered by TVCA and STDC's Overview & Scrutiny / Audit Committees before being taken forward for formal endorsement by STDC Board and TVCA Cabinet in September.

SOWG draft recommendations will form the basis of workshops with committee members and with TVCA Cabinet and STDC Board to ensure political oversight and engagement in advance of them being finalised. These workshops will take place after the June AGM when the STDC Board, TVCA Cabinet and their committees will be in place following the Mayoral election in May. This work will be supported by Mark Edgell at the LGA who has agreed to provide independent support to ensure that the proposals properly meet the requirements of the recommendations.

Once the revised constitutions and revised governance arrangements are in place, Mark will further undertake workshops with officers and members to ensure that the culture required to embed the recommendations is understood and in place.

ITEM	RECOMMENDATION	COMMENTARY	ACTION / PARTIES INVOLVED	OUTPUT	LEAD
REC NO	RECOMMENDATIONS FOR TVCA / STDC GOVERNANCE				
1	TVCA and STDC should develop a full understanding of the liabilities of both STDC and TVCA in relation to the activities of STDC and TWL and ensure appropriate management arrangements are in place to manage and mitigate the consequential financial risks to both organisations and the constituent authorities.	Understanding liabilities – the s73 Officers and then the Working Group will receive a Briefing from STDC s73 Officer on the present liabilities for STDC.	King's Counsel (KC's) advice on liabilities to be shared with all LA Monitoring Officers (MOs). By end of March s73/s151 Officer group to agree a position statement for TVCA Cabinet and STDC Board.	Report on liability position be agreed by SOWG to go to TVCA Cabinet / STDC AGM for approval.	TVCA FD/MO
2	TVCA and STDC should jointly agree the use of retained business rates over the 25 year period in support of both TVCA and STDC risks and liabilities and consider the funding strategy for liabilities that will exist thereafter. Such agreement to be agreed by TVCA Cabinet and STDC Board.	Understanding Business Rate income and associated borrowing – STDC s73 Officer to share a Briefing Note on the forecasting of Business Rates and associated borrowing.	S73/S151 Officer Group to agree briefing on Business rates and forecasting of associated borrowing.	Report to be agreed by SOWG to go to TVCA Cabinet / STDC AGM for approval.	TVCA FD
3	STDC update and maintain its financial model to reflect its current business model including identified retained liabilities and business rates forecasts in line with recommendations 1 and 2 above.	Model to be refreshed and shared with s73 / s151 group	s73 / s151 Group to agree refreshed model.	Model to be agreed by SOWG and presented to Cabinet together with paper setting out key assumptions and implications.	TVCA FD
6	TVCA Cabinet review its current delegations and directions to STDC to ensure it meets its statutory obligations, including appropriate oversight by Overview and Scrutiny Committees to enable value for money to be delivered and evidenced through effective scrutiny of significant decisions.	Working group agreed that the Scrutiny point will be addressed in response to the work for Recommendation (above) and that the Monitoring Officers will consider the Statutory Instruments of STDC and TVCA to understand their statutory basis. This will be reported back to the Working Group.	MO group to consider the statutory instruments of TVCA and STDC to advise on appropriate basis for TVCA O&S scrutiny. Update to inform revised constitutions.	Amendments to TVCA / STDC constitution as required particularly in respect of clarity on role and reach of O&S.	TVCA MO

ITEM	RECOMMENDATION	COMMENTARY	ACTION / PARTIES INVOLVED	OUTPUT	LEAD
7	TVCA and STDC invite the Centre for Governance & Scrutiny to undertake a review of the O&S function and produce recommendations as to improving it in line with the statutory guidance and new English Devolution and Accountability Framework 2023.	The Working Group acknowledged that there is likely to be some merit in this, but the Working Group will need to consider its own recommendations first before an invite is to be considered. Training for Members will also be considered in due course.	CGS to be contacted to review proposals re O&S above and also to provide training to both officers and committee members		TVCA CEO
8	TVCA and STDC should modify their constitutions to reflect any changes in delegations and directions that may arise from recommendations.	The Working Group agreed that this is a consequential recommendation which relates to amendments following this review. This will be picked up following the Working Group's wider review.	Amend constitutions as required to be endorsed by SOWG following proposal from MOs.	Amended constitution to be approved by TVCA / STDC Board.	TVCA MO
9	TVCA should amend its constitution to give effect to TVCA's duty to keep STDC's existence under review, to provide guidance to STDC, and to assess its own financial risks relating to STDC. We would recommend this be at least annually.	The Working Group agreed that this is a consequential recommendation which relates to amendments following this review. This will be picked up following the Working Group's wider review.	Amendment to TVCA constitution to be endorsed by SOWG following proposal from MOs.	Amended constitution to be approved by TVCA Cabinet.	TVCA MO
10	TVCA and STDC agree a protocol and code of conduct for shared statutory officers to ensure the boundaries between the two organisations are maintained, that advice is given in the best interests of the specific organisation, and that any and all communication is clear in terms of the organisation being represented.	Agreed that there should be a Code of Conduct for the joint statutory members. Propose to codify what an associate member is and that link to the relevant LAs. Working Group agreed that this will be picked up in the first instance by the Monitoring Officers, to bring back to the Working Group.	Protocol to be drafted to sit in constitutions of both STDC and TVCA. To be endorsed by SOWG following proposal from MOs.	Amended constitution to be approved by TVCA / STDC Board.	TVCA MO

11	TVCA review the group statutory officer roles and consider, where allowable in law, whether having different officers, perhaps drawn from the Constituent Authorities, would provide a greater degree of checks and balance.	Working Group discussed how LAs could have more involvement in the work of STDC – sharing papers etc in advance of meetings.	Protocol to be drafted to sit in constitutions of both STDC and TVCA. To include level of involvement of LA associate member on relevant Board to provide check and balance.	Amended constitution to be approved by TVCA / STDC Board.	TVCA MO
12	TVCA and STDC review their Financial Regulations and schemes of delegation to satisfy themselves that control is enacted at the appropriate level to facilitate the value for money test and ensure the STDC Board and TVCA's duty of oversight, is met as well as provide appropriate protections for officers. This should include the recording and reporting to STDC Board/TVCA Cabinet of key decisions taken under delegation.	The Working Group agreed that this is partly consequential – with a need for amendments to the Constitution in due course. It is understood that there is a need to be clear about what a Key Decision is. A review of Delegated Decisions will be carried out and an understanding of how these delegated decisions are reported back to the Board.	Constitutional amendment to TVCA / STDC constitution to ensure the appropriate recording of Key Decisions taken under delegation. To be endorsed by SOWG following proposal by MOs.	Amended constitution to be approved by TVCA / STDC Board	TVCA MO
13	TVCA should, in consultation with monitoring officers of Constituent Authorities, review and revise the local governance framework to ensure that greater degree of oversight over STDC and TWL is afforded to TVCA Cabinet members and the Constituent Authority statutory officers.	Working Group agree a proposal that the TWL audited accounts come to Cabinet once a year. Consideration will be given as to how TWL reports to STDC as a shareholder. Group will consider what constituent authorities means in this context. Working Group to propose that there is a relevant constituent authority for the relevant DC. Standing Item on Chief Execs Group to feed in with briefing from the relevant Chief Exec.	Protocol to be developed in STDC constitution to (a) Require TWL accounts to be presented to STDC Board and TVCA Cabinet annually; and (b) Clarify the role of LA associate member and allow for reporting to other LAs annually through existing TVCEX group. Proposed constitutional amendments to be endorsed by SOWG.	Amended constitution to be approved by STDC Board.	TVCA MO

ITEM	RECOMMENDATION	COMMENTARY	ACTION / PARTIES INVOLVED	OUTPUT	LEAD
16	Review the makeup of the Board, including the Chair and role of associate members, to ensure relevant expertise and knowledge is in place to support the Mayor in setting and delivering his strategic ambitions, under the current phase of delivery.	Discussed the role of the Chair. Clarify post or individual when it comes to some appointments. Role of associate members – codify role. Propose a recommendation re the skills of the Board. Skills audit. Full biographies of those proposed to Cabinet, provided to Cabinet. Noted the need to ensure the Board's skills are appropriate to meet the needs of the Development Corporation.	Produce a skills table for the Board to be agreed by SOWG and recommended for approval to TVCA Cabinet.	Amended constitution to be approved by TVCA.	TVCA CEO
17	Ensure the Board are provided with comprehensive and accurate reports, supported by appropriate advice in a timely fashion so they can properly consider and debate the decisions to be made.	Agreed that Monitoring Officers will consider format of Board Reports and report back to the working group.	MOs to provide template for SOWG consideration.		TVCA MO
18	Any oral advice and supporting presentations should be made publicly available (where possible) to support the decision record.	It was agreed that oral advice and presentations at Board Meetings will be recorded in minutes.	Future meeting action.		TVCA MO
19	The Monitoring Officer should ensure training for all STDC / TVCA members and officers takes place on conflicts of interest and ensure proper declarations are made and individuals recuse themselves appropriately in meetings.	It was agreed that training for STDC / TVCA members on conflicts of interests and declarations of interest will be provided.	TVCA MO to organise.		TVCA MO
20	A robust and comprehensive briefing arrangement be put in place between statutory officers of TVCA / STDC and the constituent members to ensure there is a collective and considered understanding of the opportunities and implications of proposed decisions.	It was agreed that pre-agenda meetings would be considered to ensure that all those with an interest could be briefed.	SOWG to recommend pre agenda meetings for TVCA Cabinet. SOWG to recommend pre agenda meeting for Leader / CEX of RCBC before each STDC Board.	Amended constitutions to be approved by TVCA / STDC Board.	TVCA MO

ITEM	RECOMMENDATION	COMMENTARY	ACTION / PARTIES INVOLVED	OUTPUT	LEAD
21	STDC should articulate and document the agreed arrangements with the JV partners in a single document.	It was agreed that a full 'bible' of all contractual documentation be produced with a timeline alongside.	Discussions with external legal advisers as to how this is undertaken.		TVCA MO
22	STDC should explore opportunities to influence when and how land is drawn down and developed and if possible, renegotiate a better settlement for taxpayers under the JV agreement.	It was agreed that JG will write to TWL in due course.	STDC CEO to write to JV to negotiate how this is achieved.	Letter and response to come to STDC Board / TVCA Cabinet for consideration.	TVCA CEO
23	Once a final position is agreed with the JV Partners this should be formally shared with the STDC Board and TVCA Cabinet for approval.	Dependent on recommendation 22.	As 22	As 22	TVCA CEO
24	All STDC recruitment be subject to fair, open, and transparent processes.	Agreed. Will be recorded in a Policy or similar.	Recruitment policy to be updated and shared with Board.	Policy to be approved at STDC Board.	TVCA CEO
25	The STDC executive regularly review operations on site to ensure JV Partner activity is not incurring risks and liabilities for STDC.	Noted and agreed. STDC to consider TWL input on site, into procurement activities, financing etc and report back to the Working Group.	Quarterly reporting to STDC Board to be shared with TVCA if its position changes. To be incorporated into MTFP report annually for both STDC and TVCA.	STDC Board reports TVCA Cabinet reports	TVCA FD
26	Monitoring Officer to review the approach to confidentiality and the handling of FoI to ensure that the public interest test is properly understood and applied. Devise a local protocol to clarify what information will be deemed confidential and on what basis and provide training for staff. This should include guidance on the disclosure of confidential information to TVCA Cabinet, Overview & Scrutiny and TVCA / STDC Audit Members who should have enhanced rights of access.	Agreed. Noted improvements in FOIs. FOI policy will be brought to the Working Group.	SOWG too be briefed on policy and processes in place. Recommendations to changes to be approved by STDC Board / TVCA Cabinet.	STDC Board Reports / TVCA Cabinet reports	TVCA MO

ITEM	RECOMMENDATION	COMMENTARY	ACTION / PARTIES INVOLVED	OUTPUT	LEAD
27	Director of Finance and Resources review internal audit arrangements and provide advice to both TVCA and STDC Audit Committees as to how these can be strengthened. Consideration should be given to securing CIPFA or other external support to provide independent assessment of proposed changes.	Agreed. GM will review and report proposals to Working Group.	Report to SOWG	Board / Cabinet report of any proposed changes.	TVCA FD
28	Director of Finance and Resources work with the external auditor to support the completion of their value for money arrangements work for 2021/22, including any additional risk-based work that may arise in light of the Panel's findings. The progress of this work should be reported to TVCA and STDC Audit Committees.	Agreed. GM will review and report proposals to Working Group.	Report to SOWG	Board / Cabinet Report of any proposed changes.	TVCA FD
RECOMMENDATIONS FOR HMG					
4	Government should clarify its proposals for landfill tax in terms of public sector land remediation, including timescales for legislation, as currently eligibility for the scheme and STDC's liability for tax are an ongoing, and increasing risk.	Working Group agreed that this will require clarity from Government but Acting Monitoring Officer for STDC will share KC Advice received by STDC on the subject, with the Monitoring Officers in the Working Group for initial review and then with the wider Working Group.	STDC Board update to be produced to take account of latest position on schemes. STDC MO to share KCs advice when finalised.	STDC Board report. Financial implications to be built into model in 3 above and shared as part of reporting to TVCA Cabinet / STDC. Legal advice to be shared with STDC Board / TVCA Cabinet.	TVCA FD / TVCA MO

5	DLUHC to clarify the regulations in respect of TVCA and STDC (and if necessary other combined authorities and development corporations) including oversight, reserve matters and consents as well as stranded liabilities.	<p>Working Group agreed that clarity is required from HM Government.</p> <p>Monitoring Officers in the Working Group will review:</p> <ul style="list-style-type: none"> - current Reserved Matters - Counsel's advice in relation to TVCA Overview & Scrutiny and its relationship with STDC. <p>The Monitoring Officers to then report back to the Working Group.</p>	Awaiting clarification from HMG.		TCVA CEO
RECOMMENDATIONS FOR LOCAL AUTHORITIES					
14	Constituent members should ensure they seek advice and guidance from their own statutory officers ahead of TVCA Cabinet meetings to ensure they get an independent view to inform their strategic decision making.	Cabinet members shall seek advice from their own statutory officers ahead of Cabinet meetings.	Cabinet papers to be available to statutory officers in CEX meeting month before Cabinet as currently but codified into constitution. CEX to share with their other SOs	Amended constitution to be approved by TVCA / STDC Board.	TVCA MO
15	Statutory officers of constituent members should ensure they inform themselves of the statutory context of STDC / TVCA and maintain an active and inquisitive engagement with both organisations to ensure they can effectively provide independent advice to their own organisations and fulfil their statutory obligations to them.	Statutory officers of Constituent Authorities should familiarise themselves of the statutory context of STDC and TVCA . STDC / TVCA can provide initial briefing notes to assist, as required,.	As 14 above STDC / TVCA officers to run briefing session for leaders and SOs of Las.		TVCA MO



My Ref: RC/AB/443
Your Ref:

Municipal Buildings
Church Road
Stockton-on-Tees
TS18 1LD
SAT NAV code: TS19 1UE

Tel: 01642 527032
Email: robert.cook@stockton.gov.uk
Date: 27 February 2024

Dear Lord Houchen

Responding to Panel's Recommendations of Tees Valley Review

We understand that the Panel has requested that you respond to the Secretary of State with an initial report indicating how TVCA will respond to their recommendations.

The working group created to consider the Recommendations has formulated an Action Plan which has been considered over the last week. We agree that you should now issue the Action Plan to the Secretary of State demonstrating TVCA's proposed approach to progressing the Recommendations.

In addition, it would be helpful if at the Cabinet meeting on the 15th March we can discuss and agree how we as Cabinet move forward over the coming months to oversee the development of this work, the process for ensuring transparency and appropriate rigour and scrutiny is applied to each of the workstreams.

Yours sincerely

Lord Ben Houchen
Tees Valley Mayor
Tees Valley Combined Authority

Sent via email: ben.houchen@teesvalley-ca.gov.uk



Councillor Bob Cook
Leader of Stockton-on-Tees Borough Council



Councillor Stephen Harker
Leader Darlington Borough Council



Councillor Paddy Brown
Deputy Leader of Hartlepool Borough Council



Councillor Chris Cooke
Mayor of Middlesbrough Council



Councillor Alec Brown
Leader Redcar & Cleveland Borough Council



Under the terms of paragraph 3 of schedule 12a Local Government Act 1972, the appendices to this report are not for publication.

AGENDA ITEM 6

REPORT TO THE MIDDLESBROUGH DEVELOPMENT CORPORATION BOARD

14TH MARCH 2024

REPORT OF GROUP CHIEF EXECUTIVE

GRESHAM

SUMMARY

At its meeting on 29th November 2023 Middlesbrough Development Corporation approved the appointment of development partner, Tarras Park Properties Limited and entered into a Pre-Development Services Agreement in relation to a site wide masterplan, which sets out the strategic case for the development of the site, and the next phase of development required to deliver this vision. The mixed-use proposal for the site is primarily residential led. Early indications of the construction cost of this scheme place it in the current top 10 largest construction schemes in the North-East.

This report provides an update on the development of the scheme, the delivery of the site wide masterplan, and requests approval for the next stage of development funding, which will take the project to planning submission.

RECOMMENDATIONS

It is recommended that the Middlesbrough Development Corporation Board:

- i. Notes the progress made to date.
- ii. Approves the site wide Masterplan Document (Confidential appendix item 6.1).
- iii. Approves the draft Heads of Terms of the Development Management Agreement (Confidential appendix item 6.6) and delegates authority to the Chief Executive Officer, S73 Officer and Monitoring Officer to approve the terms of and enter into the Development Management Agreement on those terms.
- iv. Approves an allocation of £2m to fund the next phase of development, including:
 - a. £875,000 via variation to the Pre-Development Services Agreement towards the next phase of development work. To progress towards planning permission (over a period of 2 months until the Development Management Agreement is entered into)



Middlesbrough
Development
Corporation

and delegates authority to the Group Chief Executive Officer, S73 Officer and Monitoring Officer to approve the terms of and enter into a variation to the Pre-Development Services Agreement to provide for this funding in advance of entering into the Development Management Agreement.

- b. £1.125m towards the next phase of development work allocated under the Development Management Agreement, to progress towards the submission of planning permission in Summer 2024.

DETAIL

1. At the meeting on 30th January 2023 the Board approved the Middlesbrough Development Corporation Masterplan. In the MDC Masterplan, Gresham is identified as a Focus Area to be progressed in the short-term bringing forward a new mixed-use development for the town, supporting the growth of the university and creating local facilities for the existing community.
2. At the meeting on 22nd March 2023, the Board approved a competitive dialogue procurement to seek a private sector development partner and at the board meeting on 29th November 2023, the board appointed Tarras Park Properties Limited (TPPL) as development partner.
3. The indicative proposal was based on the opportunity outlined in the invitation to tender. This suggested a mix of uses for the site and formed the basis of the subsequent Competitive Procurement dialogue. The approach of the bid was a for MDC to fund phase one which includes:
 - Outline planning for the site; and
 - Design and detailed planning for the first project including production of a full business case that will identify any viability gap and allow the project to come to market.
4. Future phases will follow a similar approach. The objective being to develop discrete projects that are capable of being brought forward for investment.
5. Following board appointment, the Pre-Development Services Agreement (PDSA) was signed. This legal agreement set out the scope of the first stage of the initial development phase, to deliver a site Masterplan and allocated £400,000 to cover the for three months.
6. Between formal board meetings and during the development of the masterplan, the board has provided feedback at workshops with the developer which were held on 13th December 2023 and 7th February 2024. This provided an opportunity for all Board members to understand the development of the design ideas and potential solutions for the focus area. The abridged masterplan slides discussed at the workshop were shared via email link to the Board. The feedback provided has led to the ambitious, yet deliverable scale of the masterplan shared with this report.
7. The Gresham Masterplan Document and evidence base is attached to this Report at confidential appendix item 6.1 (with masterplan appendices at 6.1.1 to 6.1.16). The Masterplan papers are marked confidential due to the sensitive commercial information contained within.

8. The masterplan provides a strategic case for the overall site and proposes two projects in phase 1 (65% of the whole site). The first (1a), would provide build to rent, purpose-built student accommodation and office space including a potential police/community safety hub. High level construction costs for the first phase are estimated to be £113 million. The second (1b) proposes a hotel and office accommodation with construction cost estimated to be £29 million. Cost plan can be found in confidential appendix item 6.2.
9. The Masterplan is supported by demand assessments for each use type proposed by the developer. These demand assessments are also used towards evidencing the commercial viability of the scheme; this demand will attract investors to fund the scheme.
10. Phase 1a provides 389 student residential units, 227 private residential units and 846 sqm office space; phase 1b provides 153-bed space hotel and 388 sqm office space.
11. An indicative phase 2 provides a further 40 student residential units, and 278 private residential units.
12. The current economic assessment suggests the 4-year construction period for the whole site (Phase 1 & 2) could support 875 direct jobs pa, 1,025 indirect jobs pa and an estimated £122.2m GVA pa.
13. On completion of the whole scheme, the ongoing impact of students and residents living on the completed site could generate £10.3m of net additional expenditure each year, which would support 125 jobs pa in local retail, leisure, and hospitality businesses. In addition, the hotel provision could support 40 permanent jobs pa, 20 indirect jobs pa, and the additional visitor stays could bring an additional £7.2m in overnight visitor expenditure pa.
14. The Viability Process flow chart in the Heads of Terms document sets out the decision stages (confidential appendix item 6.3). This takes the development through the more detailed design process as follows:
 - i. Development of Masterplan (complete);
 - ii. Outline Planning for the site and RIBA stage 3 design on phase 1 which will identify viability gaps. This report is requesting approval to move to this stage and fund the related costs; and
 - iii. Consideration of identified viability gap and funding to RIBA stage 4 and appointment of contractor (this will form a future report to Board).
15. MDC Board is being asked to fund £2m to achieve (ii) above. This funding will be either reimbursed from the project costs or used towards funding any viability gap.
16. It is expected that the first phase will have a viability gap, but it is hoped that the investment will reduce viability gaps over time and may even generate a return.
17. The £2m current ask is to fund professional fees based on the construction cost estimate (confidential appendix item 6.4). For the first phase the construction costs are estimated at c£142million.
18. The professional fees for developing the Phase 1a & 1b scheme to RIBA stage 4 is a further £2 million. Approval for this development phase is not sought in this report.

19. The fees proposed by the development team have been independently benchmarked by external advisers, by comparison with average fees from public sector procurement frameworks. All fees are below expected maximum average fee value and considered value for money. This report is provided in the confidential appendix item 6.5 'Professional Fees Review Report'.

FINANCIAL IMPLICATIONS

20. The main financial implication associated with this report is the development costs associated with progressing to a hybrid planning application. The estimated cost is £2million.
21. These development costs are to be funded from the £5m grant identified for the Gresham development.
22. A further allocation of £2.5m will be required to progress to FBC, this will be subject to a future Board decision.

LEGAL IMPLICATIONS

23. **Procurement:** The Competitive Dialogue Process to reach preferred bidder stage was carried out in accordance with the Public Contracts Regulations 2015 and overseen by an appropriate officer team. The preferred bidder has experience of working with publicly funded regeneration schemes and understands the need to ensure compliance with procurement regulations throughout their subcontracting, where public funding is utilised.
24. **Third Party Procurements:** The proposal put forward in the Competitive Dialogue procurement includes the reliance on trusted third parties to provide specific expertise. The Developer has committed to compliance Public Contracts Regulations 2015 in sourcing works, goods, and services pursuant to the Development Management Agreement, where public funding is made available.
25. For the next stage of development phase, the costs put forward by the third-party consultants, has been independently benchmarked. This has been achieved by comparison with average fees from public sector procurement frameworks. All fees are below expected maximum average fee value and considered value for money. This documented methodology has been reviewed by TVCA Procurement and Legal Teams to ensure compliance with Public Contracts Regulations 2015.
26. **Legal Agreements:** The MDC has entered into a Pre-Development Services Agreement with TPPL. This covers the phase of development required in advance of agreeing contractual documentation in respect of the delivery of the Project. It provided for the procurement and management of the master planning exercise for the site, in accordance with the terms of the Developer's Bid Proposal and the scope of services of the third parties appointed by the Developer and which have been approved by MDC.
27. This Pre-Development phase has generated the site wide Masterplan, which will then lead into the longer-term Development Agreement. Both these agreements are/will be in line with the parameters of the Competitive Dialogue process to ensure continued compliance with the Public Contracts Regulation 2015.

28. The completion of the Pre- Development phase is marked by the delivery of the site masterplan. On approval, of the masterplan as recommended to this board, the Development Agreement will be entered into.
29. The draft Heads of Terms for the Development Management Agreement together with relevant analysis are included in confidential appendix item 6.6. The attached Heads of Terms are for the proposed Development Management Agreement with the Development Partner procured for the Gresham site. This agreement will manage the workstreams and payment contributions up to an including the final viability assessment and Full Business Case. An identified site will be governed by a separate Development Agreement once the viability of the same has been established and a full business case prepared. The Heads of Terms for those separate agreements will be brought to the board as part of those processes.
30. Subsidy Control: A subsidy arises where financial assistance:
- i. is given, directly or indirectly, from public resources by a public authority,
 - ii. confers an economic advantage on one or more enterprises,
 - iii. is specific, that is, is such that it benefits one or more enterprises over one or more other enterprises with respect to the production of goods or the provision of services, and
 - iv. has, or is capable of having, an effect on:
 - a) competition or investment within the United Kingdom,
 - b) trade between the United Kingdom and a country or territory outside the United Kingdom, or
 - c) investment as between the United Kingdom and a country or territory outside the United Kingdom.
31. The proposed development arrangement was procured via an open competitive dialogue procurement process in accordance with the Public Contracts Regulations 2015. The open nature of the process means that the preferred bidder has not be placed at a selective advantage and therefore is not an unlawful subsidy.
32. The legal and procurement colleagues will continue to work on the project to ensure that it is always compliant with the Subsidy Control Act 2022.

RISK ASSESSMENT

33. In line with TVCA Group policy, a project delivery risk register has been developed and will be reviewed regularly at MDC project meetings. The TVCA risk register is cognisant of the impact that TPPL held risks could have on the successful delivery of the scheme. The open sharing of risk information provides an overview of which organisation has the liability for the risks, enabling escalation should issues arise.
34. Risks to delivering the proposal at this stage of project development are around the timing of completing the asset transfer and confirming land ownership. The availability of land will impact on signing the legal agreement, the programme timeline, the layout, and design of the scheme. Once the site area and scope for the scheme is confirmed, cost, programming, and commercial viability risk will be reduced. As mentioned earlier in this report, MDC officers are working with the developer to mitigate these risks.

35. The viability of the proposals is not yet proven, as this assessment will take place in the next phase of the development process. It is anticipated there will be viability gaps, the scale of which is not yet known. To reduce the extent of potential viability gaps, cost review and re-design will iterate along with appraisal iterations, to arrive at a balanced outcome.
36. Unknown future plans for the significant building in a prime location of the site, The Crown, present a risk to the delivery of phase 1b. To mitigate this risk, a condition survey is to be undertaken, and depending on the survey findings, options analysis will be carried out. Currently these unknown factors impact on the scope of the planning permission for phase 1b the developer is progressing. To mitigate this delivery risk, a pause until this unknown is removed could be affected. This would cause delay or a change to the proposed use of that part of the site.
37. For this early stage, it is expected that higher level risks will reduce as the programme progresses. Existing management systems and routine activities are sufficient to control and reduce risk at this time.

CONSULTATION & COMMUNICATION

38. As referenced above, the board has been consulted during the development of the masterplan, in addition to individual stakeholder engagement that the developer has undertaken independently as part of the development process.
39. Following board decision, the outcome of the progress made on the Gresham proposal will be communicated via press release and the usual media channels.

EQUALITY & DIVERSITY

40. It is not anticipated that the contents of this report have negative equality and diversity implications.

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AGENDA ITEM 7

REPORT TO THE MIDDLESBROUGH DEVELOPMENT CORPORATION BOARD

14th March 2024

REPORT OF THE HEAD OF PLANNING

PLANNING UPDATE

SUMMARY

Responsibility for the determination of planning applications within the Middlesbrough Development Corporation boundary lies with the Middlesbrough Development Corporation [MDC]. In a transitional arrangement, planning functions were initially delivered by Middlesbrough Borough Council [MBC], these have since transferred under the responsibility of the MDC appointed Head of Planning with functional delivery provided by Lichfields.

In accordance with the approved Scheme of Delegation, there are no planning applications due to be reported to Board for determination.

RECOMMENDATIONS

It is recommended that the Middlesbrough Development Corporation Board note the updated position of planning service delivery and the status of planning applications submitted for consideration.

DETAIL

1. A transition agreement was reached with Middlesbrough Council [MBC], whereby it temporarily delivered the planning function on behalf of MDC.
2. MBC are currently managing 12 planning applications on behalf of MDC. It is not anticipated that any of these applications will need to be reported to Board for determination, as required by the approved Scheme of Delegation.
3. Delivery of planning service functions relating to town and country planning and development control within the Middlesbrough Development Corporation area is now overseen by the Head of Planning with operational services delivered through Lichfields.
4. 39 planning applications have been submitted to the MDC since the end of the transition period.

5. 23 of these applications have been determined, with 19 decisions made in line with the statutory determination period and 3 decisions within a short and agreed extension of time with the Applicant. Extensions of time were required as additional information or minor amendments to the plans were required to enable officers to determine the application. 1 application was withdrawn.

6. 5 applications are pending validation, as of 4th March 2024.

7. Of the 10 applications currently under consideration, 8 applications are within the statutory determination period and an extension of time has been agreed with the Applicant on the remaining 2 applications due to the need for amended plans to be submitted. It is anticipated that 1 application will need to be reported to Board for determination by virtue of the application being submitted by MBC, as required by the approved Scheme of Delegation.

5. Local planning authorities in England are required to submit quarterly returns to central government to provide summary information relating to the number and status of planning and related applications in each quarter. Access to complete this process for the Middlesbrough Development Corporation was provided in October 2023 and January 2024 and future quarterly returns have been submitted as required.

6. The Head of Planning has received 3 communications relating to planning enforcement during the period. One matter has been investigated and no action is required. The second matter has been investigated and it is considered expedient to request that a formal planning application is submitted to regularise the works which have taken place to a listed building. A letter has been sent to the occupier of the building in question. The third matter has been investigated and it is considered expedient to issue a formal enforcement notice. The notice has been issued and officers are engaging with the owner of the building. The recipient of the enforcement notice has appealed, and officers are awaiting correspondence from the Planning Inspectorate with regards to a start date for the appeal.

7. At the last meeting on 28 February the Board was informed that Middlesbrough Council had opened consultation on their local plan, closing on 15 March. The Head of Planning and Lichfields are continuing to look at MDCs response to this consultation, liaising with officers at Middlesbrough Council, and a verbal update will be given at the Board meeting.

FINANCIAL IMPLICATIONS

6. There are no financial implications.

LEGAL IMPLICATIONS

7. Planning Powers were conferred on to MDC on 1 June 2023 giving MDC the power to determine planning applications within the redline boundary.

RISK ASSESSMENT

8. This subject matter of this report is categorised as low risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION & COMMUNICATION

9. The subject of this report is a matter for MDC Board information only therefore no additional consultation and communication has been undertaken.

EQUALITY & DIVERSITY

10. This report does not impact on groups of people with protected characteristics.

Name of Contact Officer: Helen Kemp
Post Title: Business Support Director & Head of Planning
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Email Address: helen.kemp@teesvalley-ca.gov.uk

Middlesbrough Development Corporation

Delegated Planning Decisions since Board Meeting on 28th February 2024

Application Number	Address	Summary of Development	Delegated Decision
N/A	N/A	N/A	N/A

Current Applications

Application Number	Address	Summary of Development	Status
23/5067/FUL	Deltic House, 11-13 Zetland Road	Change of use from offices, beauty salon, nightclub to hotel with internal alterations and minor changes to rear elevation	Validated 19 th December 2023 Under consideration
23/5068/LBC	Deltic House, 11-13 Zetland Road	Change of use from offices, beauty salon, nightclub to hotel with internal alterations and minor changes to rear elevation	Validated 19 th December 2023 Under consideration
23/5069/FUL	60 Albert Road	Removal of three existing self-service machines and installation of one new machine on southern elevation , installation of 2No. vents on eastern elevation.	Validated 7 th December 2023 Under consideration
23/5077/DIS	Stack	Discharge of conditions 5, 10, 11, 12, 14, 15, 16 and 17 of planning permission 22/0795/FUL	Validated 22 nd December 2023 Under consideration
23/5079/FUL	Centre North East, Albert Road	Replacement glazing and re-decoration of existing building, re-cladding of Unit 3 frontage and construction of glazed entrances to Albert Road and Corporation Road	Validated 29 th January 2024 Under consideration
23/5082/FUL	34-36 Borough Road	Conversion of existing retail and residential units to form 10no. Studio flats (sui generis) and 2no. retail units (Class E) with associated alterations to front, rear and side elevations	Validated 30 th January 2024 Under consideration

Application Number	Address	Summary of Development	Status
		including installation of 2no. dormer windows.	
23/5083/ADV	Natwest, 106 Linthorpe Road, Middlesbrough	Replacement of 2No existing ATM collars with new Natwest branding	Validated 29 th January 2024 Under consideration
23/5086/ADV	17 Captain Cook Square	6 No. illuminated fascia signs	Validated 13 th February 2024 Under consideration
23/5087/FUL	17 Captain Cook Square	Installation of roller shutters	Validated 8 th February 2024 Under consideration
23/5088/ADV	Double 11. Boho X, Lower Gosford Street	Exterior signage for company name and logo on south elevation (individually illuminated lettering and logo)	Validated 8 th February 2024 Under consideration

Enforcement Register

Address	Unauthorised Works	Requirements
Bloom, 1 Albert Road	External lighting, artificial foliage and signage	14 th December 2023 – letter sent requesting submission of retrospective planning and listed building consent applications for external lighting and foliage and advertisement consent application for signage.
12-14 Borough Road	Development not in accordance with planning permission	14 th February 2024 Enforcement Notice served requiring breaches to be rectified. Takes effect 18 th March 2024 unless appeal lodged.



DELEGATED DECISION (URGENT DECISION – PARAGRAPH 18, Middlesbrough Development Corporation Constitution)

This form should be used to record decisions taken under delegated decision arrangements by the Chief Executive in consultation with the Chair of the Board, Statutory Officers (the Group Director of Finance and Resources and the Monitoring Officer), where the decision needs to be taken on less than 28 day’s notice and it is not practicable to form a quorate meeting of the Board.

A record of this decision must be submitted to Board. An annual record is also maintained by the Monitoring Officer.

OFFICER: Group Chief Executive	DATE DECISION TAKEN: 1 March 2024
DECISION NO:	LEGATION POWER AND PAGE OF CONSTITUTION Paragraph 18 – Middlesbrough Development Corporation Constitution

DESCRIPTION OF DECISION:

MDC has taken an urgent decision in line with its constitution (Rule 18 of the Middlesbrough Development Corporation Constitution) as follows:

- The decision of the Corporation under s.47 of the Local Government Finance Act 1988 is that discretionary relief should apply from 1 April 2024 where the criteria is met, and at the rate provided for, under the Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Scheme
- The decision of the Corporation under s.47 of the Local Government Finance Act 1988 is that discretionary relief should apply from 1 April 2024 where the criteria is met, and at the rate provided for, under the Business Rates Relief: 2023 Supporting Small Business Relief scheme;

both of the above schemes are Government Schemes, but which the law provides are administered by Middlesbrough Council and Middlesbrough Development Corporation (in their respective areas), pursuant to s47 of the Local Government Finance Act 1988.

Middlesbrough Development Corporation and Middlesbrough Council will comply with the compensatory provisions as set out in the Middlesbrough Development Corporation (Functions) Order 2023. This ensures that Middlesbrough Council is not left in a detrimental financial position as a result of the Development Corporation's decisions on Discretionary Rate Relief.

The above decisions have been taken for the businesses as set out in writing by Middlesbrough Council to the Corporation.

REASON WHY IT IS IMPRACTICAL TO GIVE LONGER NOTICE OR CONVENE A MEETING OF MIDDLESBROUGH DEVELOPMENT CORPORATION:

Middlesbrough Council, as billing authority, is required to implement the required billing processes for the above schemes for financial year 1 April 2024 – 31 March 2025. That billing process started on 1 March 2023 and therefore MDC is required to take an urgent decision to ensure that this process can be completed.





FINANCIAL IMPLICATIONS:

The discretionary rate reliefs are issued under:-

- Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Scheme; and/or
- Business Rates Relief: 2023 Supporting Small Business Relief Scheme.

The relief schemes are temporary Government backed schemes which will in line with the eligibility criteria set out in the relevant guidance, reimburse local authorities that use their discretionary relief powers under Section 47 of the Local Government Finance Act 1988 (as amended) to grant relief.

Therefore there are no financial implications of this decision as all rate reliefs issued should be recoverable from Government for the loss of income under the rates retention scheme as a result of awarding the relief that falls within the definitions in relevant guidance, using a grant under Section 31 of the Local Government Act 2003.

EXISTING BOARD DECISION WHICH ASSIGNED THE NECESSARY FUNDING:			
Not applicable.			
PROCESS OF PARTNER CONSULTATION:			
The Group Chief Executive has, in compliance with Paragraph 18 of the Middlesbrough Development Corporation Constitution, consulted with the Chair of the Board, s73 Officer and Monitoring Officer and in addition, with Officers from Middlesbrough Borough Council, as the billing authority.			
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:			
Any delay in making this decision would be in order to bring this decision to a Board Meeting. If this option were taken it would delay Middlesbrough Council being able to issue bills to businesses, causing uncertainty for those businesses.			
Taking this decision will enable Middlesbrough Council to issue invoices to businesses for the start of the financial year and not create any uncertainty for local businesses.			
ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:			
There are no actual or perceived conflicts of interest.			
SIGNATURE:	SIGNATURE:	SIGNATURE:	SIGNATURE:
			
GROUP CHIEF EXECUTIVE	CHAIR MIDDLESBROUGH DEVELOPMENT CORPORATION	MONITORING OFFICER	GROUP DIRECTOR OF FINANCE & RESOURCES
DATE: 01/03/2024	DATE: 01/03/2024	DATE: 01/03/2024	DATE: 01/03/2024
<i>All sections below are for Governance Team use only</i>			
DATE REPORTED TO MANAGEMENT GROUP:			

Once fully complete and signed off please return to the Governance Team.