

**EXECUTIVE SUB-COMMITTEE FOR PROPERTY**

A meeting of the Executive Sub-Committee for Property was held on 20 August 2013.

**PRESENT:** Councillors D Budd (Chair), C M Rooney, J Rostron, B Thompson and N J Walker

**OFFICIALS:** David Allred and Sharron Brown

**APOLOGIES FOR ABSENCE:** Councillor M Carr

13/67 **MINUTES OF THE MEETING HELD ON 29 JULY 2013**

That the minutes of the Executive Sub Committee for Property held on the 29 July 2013 were taken as read and signed by the Chair as a true record.

13/68 **TO CONSIDER PASSING A RESOLUTION EXCLUDING THE PRESS AND PUBLIC FROM THE MEETING DURING CONSIDERATION OF THE FOLLOWING ITEM OF BUSINESS ON THE GORUNDS THAT, IF PRESENT, THERE WOULD BE A DISCLOSURE OF EXEMPT INFORMATION FALLING WITHIN PARAGRAPHS 1 AND 3 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972.**

That the decision to exclude all members of the press and public was agreed.

13/69 **HEMLINGTON GRANGE: SELECTION OF A PREFERRED DEVELOPER**

The Executive Director of Neighbourhoods and Communities submitted a report that sought approval for the appointment of a development partner for the Hemlington Grange site that outlined the financial issues relating to the development.

In October 2011, the Council's Executive approved a report to allow the procurement of a development partner at Hemlington Grange via an OJEU procurement route. Delegated authority was approved for the Director of Neighbourhoods and Communities to approve all necessary procurement stages and documents before seeking final approval from Executive to appoint the preferred development partner.

The report outlined in detail further information on:

- Assessment of the final bids;
- Financial position;
- Deductions from Capital Receipt;
- Increases to Capital Receipt;
- MBC Capital Deductions; and
- Future Maintenance.

The next steps were set out in a table within the report.

The report outlined in detail that there were two options available:

1. Option 1 - Appoint the preferred Council's developer partner in line with the OJEU procurement process (recommended); and
2. Option 2 - Do not sell and retain the site, with a view to remarket at a later date.

During the meeting the Deputy Mayor indicated that the contributions within the existing community were reflected within the Capital deductions recommendations set out in Appendix 1 of the report.

**ORDERED**

1. **That the preferred bidder as Middlesbrough Council's developer partner for Hemlington Grange be approved; and**

2. **That the capital deduction recommendations in lieu of section 106 payments as set out in appendix 1 be approved, with the review of contributions within the existing community to be approved with the Deputy Mayor.**

**REASON**

**The decisions were supported by the following reason:**

**At the final stage of the procurement process, the preferred developer partner achieved the highest scoring bid and produced a scheme that is capable of meeting the Council's aims and objectives for the site. The development of this site would deliver significant capital receipt to the Council over the coming years and further financial incentives through increased Council Tax revenue and New Homes Bonus. The development of the site would also provide a major capital investment in South Middlesbrough and provide a greater housing mix for the area.**

The decisions will come into force after five working days following the day the decisions were published unless the decisions become subject to the call in procedures.