

## THE EXECUTIVE

A meeting of the Executive was held on 26 September 2019 at in .

**PRESENT:** Councillors Mayor A Preston (Chair); Councillors B Cooper, A High, C Hobson, D McCabe and M L Smiles and A Waters

**PRESENT AS OBSERVERS:** J Cain

**ALSO IN ATTENDANCE:** Councillor M Storey

**OFFICIALS:** S Bonner, J Bromiley, B Carr, R Horniman, A Hoy, T Parkinson, A Perriman

**APOLOGIES FOR ABSENCE:** Councillors D Davison and J Thompson

### DECLARATIONS OF INTERESTS

There were no Declarations of Interest made by Members at this point in the meeting.

#### 19/29 OVERVIEW AND SCRUTINY BOARD - CALL IN REFERRAL

The Chair of the Overview and Scrutiny Board (OSB) submitted a report for the Executive's consideration.

The report proposed recommendations, for the Executive's consideration, following the OSB Call-In of 16 September 2019. The report recommended that the Executive reconsiders its decision in respect of the long-term lease of the Gresham housing site to the Thirteen Group, which was taken on 27 August 2019.

In the absence of the Chair of the OSB, the Deputy Monitoring Officer presented the comments, and subsequent recommendations, of the OSB.

Comment 1 - There was insufficient evidence that formal consultation had taken place with important partners and stakeholders, namely Teesside University and MHomeS.

The OSB heard that formal consultation was not required due to a lack of proper agreements being put in place. However, it also heard that informal discussions had taken place, specifically with Teesside University, but those had not been evidenced in the report submitted to the Executive on 27 August 2019.

The OSB was of the view that, as Teesside University had expressed an interest in developing a Student Village (neighbouring the Gresham site), formal consultation should be evidenced. Similarly, the OSB was in agreement that MHomeS had sufficient interest in the site to warrant formal consultation.

The OSB was in agreement that inclusion of such information would make the decision-making process more robust and transparent.

*Recommendation 1 - That formal consultation be undertaken and evidenced with both Teesside University and MHomeS.*

The Executive Member for Regeneration advised that there was no requirement to formally consult the University with regard to the decision. The Council had however held many business meetings with the University, where they had made their position clear, in that they were keen to see Gresham developed after years of inactivity.

The Executive Member for Regeneration also confirmed that there was no requirement for the Council to formally consult with MHomeS.

Comment 2 - The decision deviated from approved plans and policies, namely the Gresham

Master Plan and Local Housing Plan as approved in 2018 and 2014, respectively.

The OSB was of the view that the decision did not adequately rely on information contained in relevant policies and plans. In light of that, insufficient information was provided, especially in relation to schools and infrastructure, public open spaces and the size of the development.

*Recommendation 2 - That information contained within relevant policies, such as the Gresham Master Plan and Local Housing Plan, be used and evidenced in the decision.*

The Executive Member for Regeneration advised that the proposal put forward was in line with the 2014 Local Plan and the Master Plan produced in 2018. As with any other development, any matters of detail would be an issue for the planning process. The 2014 plan proposed 200 houses at Gresham, and the proposal would provide 179 of these houses.

Comment 3 - The decision of 27 August 2019 did not demonstrate a transparent process of developer choice.

The OSB was of the view that insufficient information was provided to demonstrate which other developers, aside from Thirteen Group, had been considered. Whilst the OSB recognised the site posed challenges, it was of the view that more effort should have been made to approach a wider range of prospective developers.

The Board also commented that the inclusion of a cost comparison between prospective developers would be advantageous.

*Recommendation 3 - That a tendering process for prospective developers be demonstrated.*

The Executive Member for Regeneration advised that there had been plenty of opportunity for developers to propose schemes at Gresham, and no developers had come forward. He advised that the Council had received a very good proposal from Thirteen that fit in with what the Council required and there had been no further interest in the site. A Housing Developers Event had been held on 23 April 2018 and all developers were made aware of the event.

A Member asked the Executive Member to explain how MHomes planned to build the homes and whether they would employ developers to build the homes. The Director of Regeneration advised that they would procure contractors.

A Member queried whether the Call-In process would have any effect on the redevelopment of Gresham. The Executive Member advised that it may look like the Council had a lack of ambition but the Council aimed to proceed with the development.

A Member queried whether MHomes had ever been suitable for the development of Gresham. The Executive Member advised that MHomes did not have a track record of building homes; it did not have any finance of its own and the Council was likely to have to draw in £3m.

A Member queried how much the Call-In had cost the Council, in financial terms. The Executive Member for Finance and Governance advised that the Call-In had generated approximately 100 hours of staff time in terms of administering the meetings, writing reports, producing information and collating responses. In terms of financial costs, this amounted to £2000 - £3000.

The Mayor advised that Thirteen had a good track record of building houses and selecting this option would not cost the Council any money. The land had been marketed in the past, but there was no interest from any other developers.

## **OPTIONS**

**Not applicable**

## **ORDERED**

1. That the recommendations proposed by the Overview and Scrutiny Board be noted, but not agreed.
2. That the recommendations agreed at the Executive Meeting held on 27 August 2019, be implemented with immediate effect.
3. That a formal response, detailing the Executive's comments and its reasons for not accepting the Board's recommendations, be formulated and submitted to a future meeting of the Overview and Scrutiny Board.

#### **REASONS**

Following the Call-In meeting of the Overview and Scrutiny Board on 16 September 2019, it was decided that the Executive decision (Long-Term Lease of Gresham Housing Site to Thirteen Group) should be referred back to the Executive for further consideration.

As per the Council's Scrutiny Call-In Protocol, the Executive was required to have regard of any recommendations made as part of a Call-In meeting.