

Report of:	Executive Member for Finance & Governance - Cllr Chris Hobson Executive Member for Regeneration - Cllr Ashley Waters Strategic Director of Finance, Governance & Support - James Bromiley Executive Director for Growth and Place - Kevin Parkes.
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Submitted to:	Executive - 17 March 2020
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Subject:	Beechwood Disposal - Part A
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Summary

Proposed decision(s)
That Executive approves the proposal to proceed with the disposal of the Council’s freehold interest in land at Beechwood – as detailed within Part B of this Report

Report for:	Key decision:	Confidential:	Is the report urgent? ¹
Decision to dispose of Council held land	Yes – exceeds the £150,000 threshold.	No	No.

Contribution to delivery of the 2020-23 Strategic Plan		
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People	Place	Business
The development of housing, will contribute towards Middlesbrough’s Housing Growth Programme and increase the quality and quantity of homes available to residents.	The development of the subject parcel of land will generate inward investment and bring a vacant and underused Council asset into far more positive future use.	The proposal to dispose of the subject parcel of land will generate a capital receipt for the Council and help underpin its Medium Term Financial Plan. The new homes will also generate Council Tax and New Homes Bonus.

Ward(s) affected
Longlands and Beechwood

What is the purpose of this report?

1. The purpose of the report is to consider the proposal to dispose of the Council's freehold interest in land at Beechwood.

Why does this report require a Member decision?

2. The proposal relates to the disposal of an asset deemed to be surplus at a value in excess of the £150,000 threshold.

Report Background

3. Beechwood was identified in the Local Plan in 2014 for the development of housing. On 18th December 2018, Executive approved that the site would be developed by the Council's Housing Delivery Vehicle, MHome. On the 20th December 2019, the Executive were advised that there was developer interest in Beechwood and the decision was made that MHome was to no longer bring the site forward for development.
4. Shown edged on the plan attached as Appendix A of this report, the subject parcel of land measures 3.133 Acres (1.267 Hectares). Rectangular in shape, and situated within the Local Plan Framework development boundary, the site comprises an open and vacant area of land.
5. A high quality of development will be secured through the statutory planning process and would be expected to:
 - a) comprise three and four bedroom detached and semi-detached dwellings and bungalows;
 - b) provide access to the site from Kirkham Row (no through route, except for pedestrians and cyclists);
 - c) maximise the potential benefits provided by the surrounding open space (e.g. suitable access, appropriate layout of dwellings etc.);
 - d) not be dominated by car parking;
 - e) have visitor parking incorporated into the design of the highway; and,
 - f) form a transitional development between public amenity space to the south and existing development of Beechwood, with no harsh boundary edge to the south.
6. It is anticipated that, upon approval of this report, the developer will commence pre-application discussions with Development Control, prior to formally engaging with the local community and the submission of a detailed planning application.
7. Part of the site was historically used as allotments and a restriction on the title requires initial consultation with the National Allotment Society and an application to the Secretary of State to gain consent to dispose of statutory allotment land.

8. The application to the Secretary of State was submitted on the 14th February 2020 and a decision is expected within 13 weeks.

What decision(s) are being asked for?

9. That Executive approves the proposal to proceed with the disposal of the Council's freehold interest in land at Beechwood – as detailed within Part B of this Report.

Why is this being recommended?

10. In order to meet the Council's requirements to generate capital receipts, increase annually recurring revenue streams and to bring forward housing development.
11. The disposal of the subject parcel of land as proposed will generate a capital receipt.
12. The disposal as proposed supports delivery of the Council's Medium Term Financial Plan.

Other potential decisions and why these have not been recommended

Re-use for operational purposes

13. No Council operational service requirement has been identified.

Other uses

14. Beechwood was allocated for housing in the Local Plan 2014 so, not appropriate for other use.

Do nothing

15. The property would remain in its present state.
16. Whilst the subject land would be retained for potential Council use in the future, the liability and responsibility for maintaining and holding the property would remain with the Council in the interim.

Impact(s) of recommended decision(s)

Legal

17. There is a restriction on the title stating that part of the land is statutory allotment land. An application will be sent to the Secretary of State following consultation with the National Allotment Society to seek consent to dispose of this part of the land.
18. The application to the Secretary of State was submitted on the 14th February 2020 and a decision is expected within 13 weeks.
19. The property would be disposed of freehold with vacant possession in accordance with standing disposal protocol.

Financial

20. The Council would receive a capital receipt plus fees without the need to incur any marketing costs.
21. The disposal of the site would remove the Council's liability for any future maintenance costs while it remains unused.

The Mayor's Vision For Middlesbrough

22. The decision aligns to the Mayor's priorities around people, place & business by working in conjunction with third party organisations and individuals, such as the buyer, to deliver both physical and social regeneration.

Policy Framework

23. The proposals do not require any change to the Council's existing policy framework.

Ward

24. The property is situated in the Longlands and Beechwood Ward and the respective Ward Members have been consulted.
25. Members will be further consulted on any subsequent proposal made as part of the normal planning process.

Equality and Diversity

26. The impact assessment attached as Appendix B identified that the proposal would have a positive impact on the local community and would not represent a concern to equal rights, disability discrimination or the impingement of human rights.
27. The Council's development control planning process would also serve to ensure that any future use proposed would be appropriate for the local area.

Risk

28. The following high level risks, which are identified in the Strategic and Directorate Risk Registers, will be reduced as a consequence of the direct housing market intervention enabled by the recommended decisions:

O1-005 - If poor economic growth occurs, then this will reduce public and private sector investment in the town, including town centre retail, housing development and business.

O1-004 - If the New Homes Bonus funding is reduced, due to a change in the funding regime or the Council failing to build new homes at the targeted rate then Council Tax receipts will not be maximised, impacting upon the Council's MTFP.

O1-045 - If delivery of the new housing programme does not meet the projected targets then this can have a negative impact on the assumptions within the MTFP.

Actions to be taken to implement the decision(s)

29. Subject to Executive approval, the Council moves to proceed with the disposal of the subject property as detailed in Part B of this report.

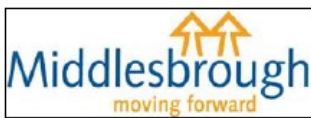
Appendices

Appendix A - Site Plan: Land at Beechwood
Appendix B – Impact Assessment

Background papers

No further reports were used in the preparation of this report:

Body	Report title	Date
N/A	N/A	N/A



TIM WAKE VALUATION & ESTATES

HOUSING SITE ADJ. ALLOTMENTS
BEECHWOOD
MIDDLESBROUGH

Scale:	1:1250
Date:	27th MARCH 18
Drawn:	JMS
Drg No:	VAL 5907

Appendix B - Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Disposal of the Beechwood Housing Site			
Coverage:	Service specific.			
This is a decision relating to:	<input type="checkbox"/> Strategy	<input type="checkbox"/> Policy	<input type="checkbox"/> Service	<input type="checkbox"/> Function
	<input type="checkbox"/> Process/procedure	<input type="checkbox"/> Programme	<input type="checkbox"/> Project	<input type="checkbox"/> Review
	<input type="checkbox"/> Organisational change	<input checked="" type="checkbox"/> Other (please state) Asset management		
It is a:	New approach:	<input type="checkbox"/>	Revision of an existing approach:	<input checked="" type="checkbox"/>
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	<input checked="" type="checkbox"/>
Description:	<p>Key aims, objectives and activities To assess the impact of the proposal to dispose of Council land to facilitate housing development.</p> <p>Statutory drivers (set out exact reference) The Local Government Act 1972 Section 123, as amended by the Local Government Planning and Land Act 1980 Section 118 Schedule 23 Part V.</p> <p>Key stakeholders and intended beneficiaries (internal and external as appropriate) The Council and the local community.</p> <p>Intended outcomes The proposed disposal of the subject site would deliver the following outcomes:</p> <ul style="list-style-type: none"> • The development of around 40 homes. • The generation of a capital receipt for the Council and will contribute towards the Medium Term Financial Plan. • The generation of additional revenue via Council Tax and New Homes Bonus. • The removal of the Council's maintenance liability. 			
Live date:	17 th March 2020			
Lifespan:	Not applicable			
Date of next review:	Not applicable			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	It is considered that the disposal of the subject land will not impact negatively on individual human rights as the proposal represents a significant and positive enhancement for the local and wider area, which outweighs the loss of the parcel of land. This assessment has been made taking into account the development of around 40 new homes that the disposal will facilitate.
Equality Could the decision result in adverse differential impacts on groups or individuals with characteristics protected in UK equality law? Could the decision impact differently on other commonly disadvantaged groups?*	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Council has a duty to consider the impact of the proposed decision on relevant protected characteristics, to ensure it has due regard to the public sector equality duty. Therefore, in the process of taking decisions, the duty requires the Council to have due regard to the need to:</p> <ul style="list-style-type: none"> (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. <p>It is considered that the proposal to facilitate the development of new housing will not have a disproportionate adverse impact on a group, or individuals, because they hold a protected characteristic. Evidence used to inform this assessment includes engagement to date with relevant Council departmental teams.</p>
Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>There are no concerns that the proposal could have an adverse impact on community cohesion.</p> <p>The decision to dispose of the land to facilitate the development of housing will not impact negatively on relationships between different groups.</p>
Next steps: ➡ If the answer to all of the above screening questions is No then the process is completed. ➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.				

* Consult the Impact Assessment further guidance appendix for details on the issues covered by each of these broad questions prior to completion.

Assessment completed by:	Nicola Norman	Head of Service:	Steve Fletcher
Date:	30/01/20	Date:	30/01/20