

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on 22 August 2011.

PRESENT: Councillor Brunton (Chair), Councillors Biswas (as substitute for Councillor Dryden), Cole, Harvey (as substitute for Councillor Kerr), C Hobson (originator of the Call-In), Mawston, McIntyre, McTigue, P. Purvis, Sanderson, Saunders, J A Walker and Williams.

OFFICERS: J Bennington, P Clark, C Hawking, J Shiel, G Tyreman and T Wake.

**** ALSO IN ATTENDANCE:** Councillor Budd (Deputy Mayor and Executive Member for Resources)
Councillor Rooney (Executive Member for Regeneration),
Councillors J Hobson, Hubbard, P Khan, S Khan, Lowes, McPartland and N J Walker.

**** APOLOGIES FOR ABSENCE** were submitted on behalf of Councillors Dryden and Kerr.

**** DECLARATION OF INTERESTS**

No declarations of interest were made at this point of the meeting.

SITE 44 (LONGRIDGE) - TURNBERRY WAY COULBY NEWHAM

The Senior Scrutiny Officer submitted an introductory report outlining the Council's Call-In – procedure; the decision taken at a meeting of the Executive Sub-Committee for Property held on 3 August 2011; and the reasons given to the Authority's Proper Officer initiating the Call-In Procedure in relation to the decision taken in respect of Site 44 (Longridge), Turnberry Way, Coulby Newham, Middlesbrough.

The Executive Sub-Committee for Property at its meeting held on 3 August 2011 had determined that:

- '1. Site 44 be sold to Bidder E, on the terms that they have offered as part of their mandatory (upfront payment) option.
2. If awarded, the scheme be tracked to see if there is any subsequent overage receipts.'

The reason for the Call-In as stated on the request form was reported as 'The decision does not give the best consideration in terms of value and planning quality'.

The Chair explained the procedure to be followed at the meeting and referred to the two reports which had been considered by the Executive Sub-Committee for Property one of which had been determined as an exempt report regarding the assessment of bids. As such information formed part of the Call-In the Board considered passing a Resolution pursuant to Section 1000A (4) of the Local Government Act 1972 which would exclude all persons from the meeting with the exception of Members of the Overview and Scrutiny Board and relevant Officers.

**** EXCLUSION – PRESS – PUBLIC**

ORDERED that the press and public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

SITE 44 (LONGRIDGE) - TURNBERRY WAY COULBY NEWHAM

Officers referred to the report considered at the meeting of the Executive Sub-Committee for Property held on 3 August 2011 which outlined the outcome of the most recent marketing exercise for residential development at Site 44 (Longridge), Coulby Newham.

An indication was given of the circumstances which had occurred since 2006 prior to the latest selection of a Developer for Site 44 an area owned by the Council and allocated as a housing site in the Local Development Framework.

Details were provided of the preferred bid which took into account both financial and planning aspects. Comparative information was provided of similar sites by the preferred developer elsewhere and of the proposed housing mix of high quality family housing for sale which was seen as an important element in addressing the Town's housing needs and overall regeneration programme. It was confirmed that the design and planning aspects would be the subject of the formal planning application process.

The Deputy Mayor and Executive Member for Resources and Chair of the Executive Sub-Committee for Property, and the Executive Member for Regeneration and Economic Development both confirmed that a preferred developer had been selected both in relation to the best bid in financial terms and which was in accordance with the Council's timescales and housing and planning quality.

Councillor C Hobson was afforded the opportunity of asking questions the main points from which related to the following:-

- (a) In response to statements regarding the extent to which the layouts met the criteria of the Development Brief the Officers explained that whilst the overall scheme was satisfactory it was not unusual for further discussions to take place with a developer on matters of detail and to consider the scope for further improvement.
- (b) In relation to the extent of the involvement of the Highways Agency it was confirmed that they had been involved as Site 44 was in the Local Development Framework and they would be a consultee as part of the formal planning application process.
- (c) Confirmation was given of the position with regard to the Section 106 Agreements.

Councillor C Hobson outlined the reasons for invoking the Call-In procedure which centred on the following:-

- (a) Lack of consideration given to Option 2 as outlined in the report submitted to the Executive Sub-Committee for Property on 3 August 2011 'do not sell but this decision would have to be justified in the context of non delivery of the Council's regeneration aims in relation to Housing and should only be considered if the bid does not give best consideration in terms of value and planning quality. '
- (b) Concerns around current land value issues and level of the bids received in comparison with those submitted in 2009.
- (c) Information was circulated which in general terms referred to the likely continued increase in land value for certain types of land.
- (d) Specific reference was made to statements outlined in the report considered by the Executive Sub-Committee for Property regarding the layouts of the bids submitted and concerns expressed that none of the bids were entirely acceptable in planning terms.
- (e) the need for housing at Site 44 was questioned and the impact on the volume of traffic as a result of the proposed development taking into account other developments in South Middlesbrough.
- (f) The woodland park area was considered to be a valuable resource to the local community.

The Executive Members were afforded the opportunity of asking questions of Councillor C Hobson which focussed on the following:-

- (a) Lack of evidence in respect of issues raised with regard to current land value in respect of Site 44.
- (b) Reference was made to previous higher financial offers received and of subsequent delays which had occurred together with the economic recession.
- (c) An indication was given of comments made by the Independent Inspector following a village green application in respect of Site 44.

Members of the Overview and Scrutiny Board sought clarification and posed questions of all parties the responses from which focussed on the following: -

- (i) The Board was advised of the basis of overage payments.
- (ii) Officers explained the Housing Needs Strategy and the need for high quality family homes;
- (iii) Clarification was given of the financial offers received in the context of the current economic climate and confirmation given that the current offers were less than half of those received in 2006.
- (iv) Confirmation was given of the involvement of the Highways Agency in recent years in relation to the Local Development Framework and as part of any planning application process in respect of Site 44.
- (v) Confirmation was given that as part of the overall arrangements a contribution would be made with regard to affordable housing requirements which would assist the Council in meeting its Government target in this regard.
- (vi) It was reaffirmed that the bid submitted by Developer E was considered to be the best both in financial and planning aspects.

Following closing submissions of the Executive Members and Councillor C Hobson, the Board discussed the evidence received.

The Board considered the evidence and voted upon its decision.

ORDERED that the decision taken at the meeting of the Executive Sub-Committee for Property held on 3 August 2011 be not referred back based on the evidence received.