

OVERVIEW AND SCRUTINY BOARD

7 SEPTEMBER 2015

**CALL IN - TAD CENTRE COMPLEX,  
ORMESBY ROAD, MIDDLESBROUGH -  
PROPOSED FREEHOLD SALE**

**PURPOSE OF THE REPORT**

1. In accordance with Middlesbrough Council's Call In Procedure, to allow Members of the Overview and Scrutiny Board (OSB) the opportunity to review a decision made by the Executive Sub-Committee for Property.

**RECOMMENDATION**

2. That the Overview and Scrutiny Board considers the decision of the Executive Sub-Committee for Property and determines whether it should be referred back to the decision making body for reconsideration.

**EXECUTIVE DECISION - 12 AUGUST 2015**

3. A meeting of the Executive Sub-Committee for Property was held on 12 August 2015. At that meeting, consideration was given to a report of the Executive Member for Regeneration/Executive Director of Commercial and Corporate Services in respect of the proposed freehold sale of the TAD Centre, Middlesbrough.
4. A copy of the above report, which outlined the background to the proposed disposal of the TAD Centre and options available, is attached at **Appendix 1**.
5. The report included a recommendation to proceed with disposal of the complex for the sum of £400,000, plus fees, to be refurbished as a local business /commercial centre.
6. Following consideration of the submitted report, the Executive Sub-Committee for Property approved the recommendation included in the report, as follows:

That the disposal of the complex for the sum of £400,000 plus fees be approved.

7. This decision was supported by the following reason:

This will result in the disposal of surplus property in return for a capital receipt to the Council and assist in the regeneration and enhancement of the local area

## **CALL IN PROCEDURE**

8. The power to call in a decision of a local authority executive body was introduced under the Local Government Act 2000. The process is intended to hold decision makers to account and ensure that executive powers are discharged properly. Call in ensures that a decision can be reviewed and reconsidered before it is implemented.
9. The procedure allows Members the opportunity to call in decisions for review by the Overview and Scrutiny Board as follows:
- A decision made by The Executive;
  - A decision made by an individual Member of the Executive;
  - A decision made by a committee or sub-committee of the Executive;
  - A key decision made by an officer with delegated authority from the Executive; or
  - A decision made under joint arrangements.
10. The process is initiated by five Members of the Council requesting a decision to be reviewed within five working days following publication of the decision and submitting a form that outlines the reason(s) for the call in.
11. Following the meeting of the Executive Sub-Committee for Property on 12 August 2015, the required call in form signed by five Members supporting the request to call in the decision outlined above was received. In addition to the five Members supporting the call in (Councillor Hubbard (who initiated the call in) and Councillors Cox, McCabe, McTigue and Saunders), an e mail was received from Councillors C and J Hobson indicating that they also support the call in.
12. The reasons for the call in, as submitted to the Council's Monitoring Officer, are as follows:
1. "A substantial number of people, as well as Councillors, believe that the process is flawed. This is not an exhaustive list but will include 'the preferred vision' for the TAD Centre not specified in sales particulars (which stated currently used for business conference, meeting rooms etc. In addition to development, the property also has potential for change to a number of other uses, subject to the receipt of planning permission) thereby creating confusion in the potential bidders. Four of the five original interested parties were not informed in writing of the decision being made, thereby giving a clear advantage to the remaining interested party, as admitted by a council officer at the meeting.

2. Best Value - this wasn't achieved, in fact it could not be considered without those expressing an interest being given an opportunity to formally bid.
3. To date, we believe the whole process has been flawed, creating more questions than answers. Because of that, the process should begin again."
13. To assist the Overview and Scrutiny Board in the call in process, Councillor C Rooney, Chair of the Executive Sub-Committee for Property, and appropriate Council officers will be present at the meeting. The Executive Member and officers will explain the reasons and rationale behind the decision that was made. The Member who initiated the call in will also be present to explain their views and concerns in respect of the decision.
14. A copy of the procedure to be followed at the meeting is attached at **Appendix 2**.
15. Having considered the submitted information, the Overview and Scrutiny Board has two courses of action available:
  1. To refer the decision back to the Executive Sub-Committee for Property for reconsideration. In that case, OSB should set out in writing the nature of its concerns about the decisions.
  2. To determine that it is satisfied with the decision making process that was followed and the decision that was taken. In that event, no further action would be necessary and the Executive decision could be implemented immediately.
16. In the event that the decision is referred back to the Executive Sub-Committee, a further meeting of the sub-committee would be arranged within ten further working days. The sub-committee would then make a final decision in the light of any recommendations made by OSB.
17. Where the recommendations of OSB are not accepted in full by the relevant Executive body, the body should notify the OSB of this and give reasons for not accepting the recommendations.

## **BACKGROUND PAPERS**

18. The following background papers were used in the preparation of this report:
  - Middlesbrough Council's Constitution/Call In Procedure.
  - Middlesbrough Council's Scrutiny Handbook.
  - Report to Executive Sub-Committee for Property - 12 August 2015.

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