

PLACE SCRUTINY PANEL

A meeting of the Place Scrutiny Panel was held on Tuesday 11 March 2025.

PRESENT: Councillors D Branson (Chair), J Cooke, C Cooper, J Ewan, D Jackson, J Kabuye, T Livingstone (Vice-Chair) and L Young

OFFICERS: R Horniman, S Lightwing and J McNally

APOLOGIES FOR ABSENCE: were submitted on behalf of Councillors N Hussain and A Romaine

24/73 WELCOME AND FIRE EVACUATION PROCEDURE

The Chair welcomed all present to the meeting and read out the building evacuation procedure.

24/74 DECLARATIONS OF INTEREST

There were no declarations of interest received at this point in the meeting.

24/75 MINUTES - PLACE SCRUTINY PANEL - 27 JANUARY 2025

The minutes of the Place Scrutiny Panel meeting held on 27 January 2025 were submitted and approved as a correct record, subject to the following amendment:

Councillor T Livingstone was not present at the meeting.

24/76 HOME TO SCHOOL TRANSPORT - DRAFT FINAL REPORT

A copy of the Draft Final Report on Home to School Transport had been circulated with the agenda.

Members discussed the information provided and some minor amendments were suggested. Members also discussed recommendations for inclusion in the Final Report.

AGREED as follows that:

1. The following recommendations were included in the Final Report:

That Council should:

- Investigate whether it would be cost effective to devolve the provision of Home to School Transport to individual schools, as they may be able to provide a more localised service. Ideally the funding could be passed directly to the schools making them responsible for controlling costs, ensuring there was no additional cost to the Local Authority.
- Review the eligibility requirements for free school travel, especially for post-16 students and for pupils who attend a school that is not in the catchment/nearest school by parental choice, but they meet the low-income criteria. There would need to be an option included for consideration of special circumstances.
- Ensure closer collaboration between Children's Services, Schools and the Home to School Transport Unit to make certain that the most cost-effective and suitable transport arrangements are in place for each student, particularly in relation to students with SEND. The requirement for transport assistance should be included as a consideration in SEND assessments.
- Prioritise the promotion of independent travel to all parents and students, increase the number of travel trainers and bus buddies and encourage greater use of personal travel budgets.

- Introduce a spare seat scheme to offer discretionary transport assistance on existing transport for students who are not eligible for free travel assistance, with an option for part payment of the full cost.
- Investigate whether increasing the Council's fleet of vehicles and reducing dependency on third party providers would be cost effective and whether this would enable better route planning.
- Explore whether entering into longer-term contracts with third party providers would provide for greater flexibility and consistency.

2. an additional recommendation in relation to part payment would be drafted and added to the report.

3. a final version of the report would be circulated to all Panel Members with an opportunity for further amendments/comments, with final approval delegated to the Chair of the Panel.

4. the final report would be submitted to Overview and Scrutiny Board for consideration.

24/77

BARRIERS TO REGENERATION - SCRUTINY REVIEW

The Director of Regeneration was in attendance at the meeting and gave a presentation in relation to the key barriers to regeneration in Middlesbrough.

The presentation was based on four key themes as follows: economic factors, political, financial and other.

In relation to global economic conditions, the UK was currently in a difficult period and a lot of investment decisions were on hold. Middlesbrough was affected by the uncertainty due to a lot of companies and investments being based in other countries. During times of buoyant activity Middlesbrough benefited but was equally impacted when economic conditions were not so good.

The market for office accommodation had not only been impacted by global economic conditions but also by the Covid-19 pandemic. The number of people hybrid-working had increased and this had reduced the requirement for office space. Although this was changing again, and companies were now looking at bigger floorplates, they were not at the size required pre-Covid-19. The issue was not so much about the volume of office accommodation available but how this fitted with what was available in Middlesbrough. The two Centre Square Office blocks had large floorplates and it was difficult to convert them into smaller areas. Consequently there were not as many enquiries for them as there had been previously.

Retail was in decline and in the two years before the pandemic there was approximately 1 million square feet of floor space in Middlesbrough which needed to be reduced by one third. Post-pandemic, at least half of that space needed to be removed. Not all this retail space was owned by Middlesbrough Council and there were four shopping malls in town centre. If all the current retail could be moved into one place, the town centre would be thriving.

In terms of the political arena, the Middlesbrough Development Corporation (MDC) was also operating within Middlesbrough and charged with achieving regeneration. Due to the change in Government in 2024 there had been some confusion around the MDC and how the proposed asset transfer from Middlesbrough Council would take place. Senior staff had now been appointed to the MDC and Middlesbrough Council staff would be working with them, so some of the concerns were easing.

The proposed asset transfer had not happened yet and neither had it officially been stopped. This uncertainty had led to a hiatus since the Council did not wish to invest in stock when it might be transferred over to the MDC. Whilst the Council had ownership of the assets, the MDC had the funding to do the town centre regeneration. Clarity about the asset transfer either being on or off would help going forward. There were also some political differences since there had previously been a Conservative Government, Tees Valley Mayor and Independent Mayor of Middlesbrough Council but since the 2024 Elections there was now a

Labour Government and Labour Mayor of Middlesbrough Council.

Financial considerations centred around capital funding versus revenue. 99% of Government funding was capital which enabled local authorities to build, to buy or to demolish assets but there was no revenue funding available to support anything on an ongoing basis. Councils spending power had shrunk and the capital funding was now flowing to the MDC. If the Council needed to do more than buying or converting an asset it needed revenue funding.

The Director also explained that property built in the North East of England was worth less than it cost to build as soon as it was completed. Due to Middlesbrough being one of the poorer areas, this factor was exacerbated. An example was given of building 80 apartments in the town centre at a cost of £20 million. The valuation of that building would be based on how much the apartments could be rented out for. It was not viable for a commercial developer to build that in Middlesbrough town centre because that gap existed and it was the Council's job to fund that gap. This was the only way the market could work. Boho X had cost a great deal to build and the Council had a good tenant and charged a commercial rent. However this would not work for a commercial operator, so the Council had to either take a risk or provide a grant to close some of the financial gap. The Gresham development did not stack up financially and therefore the MDC would be putting in some finance to close the gap. Unfortunately, this was something that the Council could not change and the ability to do so was limited by the lack of revenue funding.

It was clarified that any commercial project supported by the Council would undergo a financial appraisal to consider all the costs and values and market appraisals. Developers had to demonstrate there was a commercial gap. Within that appraisal the Council had to allow the developer to make a profit and there were standard levels, usually between 10 and 20%, to satisfy the Council.

Another issue was the lack of land available in the town. The Council would need to demolish and rebuild or convert existing buildings. Whilst there was land available at Middlehaven there were remediation issues and this area needed a different scale of development. Unfortunately there was no land available to do another project similar to Tees Amp.

Middlesbrough had grown up into an area that performed a city centre function for the wider Tees Valley. However, the wider Tees Valley no longer required such a city centre and the problem was getting more and more acute as time went on. Places like Newcastle and Leeds would benefit, while everywhere else would struggle. If the Council was able to build Middlesbrough from scratch, the town centre would need to be a third to a quarter of the size that it was currently and it would be thriving. The Council needed to manage that situation to happen over a long period of time.

The number one issue for Middlesbrough was how to stop anti-social behaviour and crime impacting on regeneration objectives. This issue came up frequently when trying to attract people to work and invest in Middlesbrough. Whilst the problems were no worse than any other similar time, they were often more visible in the town centre due to the lack of natural footfall. Even though there were crime statistics to evidence that Middlesbrough was no less safe than other towns, there were often day drinkers and drug users visible in Centre Square where the Council owned premium office accommodation.

The Director emphasised that whilst his presentation had been focussed on negative issues that were preventing regeneration, there were also many positive aspects to Middlesbrough.

The key to tackling ASB was through prevention. When there was a big event it was easier to make areas feel safe as they would be flooded with people and Police. The Police had carried out various operations which had been very successful for a period of time. When resources were increased it drove those causing ASB to other places. The Council's priority was to reduce the visible impact of the problem in the first instance. Prevention was very important but the resources to do that were not always available. The Council worked well with the various enforcement bodies and a recent initiative was pooled security. Various town centre businesses had worked together to pool their security resources and ensure they had enough security staff available at all times to respond to issues in each others' premises. The Council Wardens and Enforcement Teams worked closely with businesses to try and limit the impact of ASB.

With regard to planning applications for the MDC and the Council, it was highlighted that this might be confusing for developers. It was explained that Middlesbrough Council's Local Plan set out the plan for the town centre. The Council was working on a Regeneration Strategy document for Middlesbrough that would include a section on the town centre and the MDC's masterplan. It was anticipated that the Strategy would be launched in May 2025.

The MDC masterplan was not a regeneration strategy. The Council and the MDC needed to work together to ensure the plans and strategies aligned. It was confirmed that the MDC would have to take planning decisions within the context of the Local Plan and give it due regard. If the MDC chose to disregard the Local Plan, that decision could be challenged.

In terms of addressing those individuals who at risk of causing ASB, it was noted there was a difficult balance to strike. Services available in the town such as Police, Law Courts, Drug Rehabilitation Centres, would naturally involve people coming into the town centre. The Council wanted people to be able to access those services and having them in the town centre was the best place, however it was important that they were not clustered together. With regard to the issues of people drinking – this was not necessarily in pubs. People would come into the town because it was designed to be the centre of a big conurbation and as well as accessing services they would have friends here. Whilst the Police and Wardens were doing all they could to manage ASB they did not necessarily have all the required resources. There was an enforcement order in place in the town centre, but again, without the resources it was difficult to enforce.

It was suggested that the Council should consider how to can develop the town centre to put more greenery in, create a café culture and relocate some of the problems. The Chair asked Panel Members should give some thought to other ideas for discussion at a future meeting.

AGREED that the information provided was received and noted.

24/78 **EMPTY PROPERTIES SCRUTINY REVIEW - UPDATE FROM TASK AND FINISH GROUP**

The Empty Properties Task and Finish Group had received a copy of the draft Final Report from the Democratic Services Officer (DSO) and also some responses to queries raised at the meeting held on 20 January 2025.

AGREED that a further meeting of the Task and Finish Group would be convened with the DSO in attendance to facilitate further drafting of the Final Report.

24/79 **CRUSTACEAN DEATHS COLLABORATIVE WORKING GROUP - UPDATE**

The Chair informed the Panel that a draft Final Report in relation to Crustacean Deaths had been circulated to Members of the Collaborative Working Group with a request for feedback.

The key concerns raised in the report were in relation to water testing and dredging. Water testing only took place every 3 years and Members felt the testing regime was inadequate. There had been an error in the calculation of how much dredged material had actually been dumped at sea. The Members had asked whether dredged material could be dumped on land in future to prevent contamination in the sea.

The conclusion of the draft report was that the reasons for the crustacean deaths were multi-causal. Once the Final Report was agreed, the Chair would circulate a copy to Panel Members.

NOTED

24/80 **OVERVIEW AND SCRUTINY BOARD UPDATE**

The Chair provided a verbal update on items considered at the meeting of the Overview and Scrutiny Board that was held on 12 February 2025.

24/81 **DATE AND TIME OF NEXT MEETING**

The next meeting of the Place Scrutiny Panel was scheduled for Monday 31 March 2025 at 4.30 pm.

24/82 **ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED.**

None.