

Report of:	Executive Member for Regeneration Director of Regeneration
Submitted to:	Executive
Date:	24 January 2023
Title:	Site L (North) Coulby Newham – Disposal - PART A
Report for:	Decision
Status:	Public
Strategic priority:	Physical environment
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £150,000
Urgent:	No
Why:	Not Applicable

Executive summary

The report seeks an Executive decision to dispose of the Council's freehold interest in Site L (North) Coulby Newham.

The proposal to dispose of the subject property accords with the Council's requirements to generate capital receipts, increase annually recurring revenue streams and assist with the regeneration of the adjacent Parkway Centre.

The decision being sought to dispose is a key decision with the value of the surplus asset exceeding the £150,000 threshold.

Purpose

1. The purpose of the report is to seek Executive approval to dispose of the Council's freehold interest in Site L (North) Coulby Newham.

Background & relevant information

2. Shown edged on the plan attached at Appendix 1 of this report, Site L (North) is a vacant parcel of land occupying a visually prominent location adjacent the Parkway Centre in Coulby Newham.
3. The subject parcel of land comprises a vacant development site situated between Cropton Way, Newham Way and Dalby Way. Triangular in shape and with some tree cover to the eastern boundary adjacent Newham Way, the predominately grassed site is both open and level, measuring @ 1.15 Acres [0.465 Ha].
4. The site is located amongst mixed commercial, retail and leisure uses with a Tesco Supermarket Store situated immediately to the west, and the Parkway Medical Centre and Children's Day Nursery situated immediately to the south.
5. In accordance with the strategy objectives of the Council to secure capital receipt payments and generate recurring business rates revenue income streams from the disposal of surplus land and property assets, the site was declared surplus by the Council and programmed for disposal during the current financial year.
6. Following the receipt of an unsolicited approach from an interested third-party seeking to acquire the property to deliver a mixed commercial, retail and leisure development scheme, the Council released the property on to the market and invited offers for the freehold interest via an open and transparent informal tender competition.
7. An Asset Disposal Business Case confirming the status of Site L (North) as being surplus to operational service requirements is attached as Appendix 3 to Part B of this report.
8. The property is situated in the Coulby Newham Ward and the respective Ward Members have been consulted

What decision(s) are being recommended?

9. That Executive be asked to:
 - a) note the information contained within Part A of the report; and
 - b) take the decision to dispose of the subject property once all the financial or exempt information contained within Part B of the report has been considered.

Rationale for the recommended decision(s)

10. Disposal as proposed would generate a significant capital receipt, increase annually recurring revenue streams and also bring the subject property into far more beneficial use in the future.
11. Disposal of the property supports delivery of the Council's Medium Term Financial Plan.

Other potential decision(s) and why these have not been recommended

Re-use for operational purposes

12. No Council operational service requirement has been identified.

Other uses

13. Although the property is capable of being used for other purposes, future use of the site for mixed commercial, retail and leisure purposes as proposed, is preferred.

Do nothing

14. The property would remain underutilised, with the Council not in a position to either receive a significant capital receipt, or generate any long term recurring business rates revenue income from the property going forward.

15. Whilst the subject property 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 the recommended decision(s)

Legal

16. No specific legal issues have been created as a result of the proposal.

17. The subject property would be disposed of freehold with vacant possession in accordance with standing disposal protocol.

Strategic priorities and risks

18. The proposal does not require any change to the Council's existing policy framework.

19. The proposal to dispose of the property aligns with strategic objectives to facilitate third party funded regeneration of the Parkway Centre and contribute positively towards the vision for Middlesbrough – creating employment opportunities, driving enterprise and generating economic activity within the Borough.

20. Due to the impact of ongoing national economic and political issues on the local market, the likelihood of the Council being able to identify an alternate buyer prepared to proceed on similar terms, exchange contracts and complete the purchase in the same timeframe is questionable.

Human rights, equality and data protection

21. There will be no negative, differential impact on protected groups and communities.

22. A Level 1 (Initial Screening) Impact Assessment (IA) accompanies this report attached at Appendix 2. The impact assessment has identified that the proposal would have a positive impact on the local community and does not represent any concern to equal rights, disability discrimination or the impingement of individual human rights.

23. The Council's development control planning process would also serve to ensure that any future use proposed would be appropriate for the local area

24. The proposed decision does not involve the collation and use of personal data.

Financial

25. The Council would receive a capital receipt plus fees without the need to incur any further marketing costs.

26. The disposal of the subject property would remove the Council's liability for any future maintenance, security or other holding costs while it remains unused.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Subject to Executive approval, the Council moves to proceed with disposal of the property as detailed within Part B of this report.	Valuation & Estates Manager	February 2023

Appendices

1	Site Plan
2	Impact Assessment Level 1 – Initial Screening Assessment

Background papers

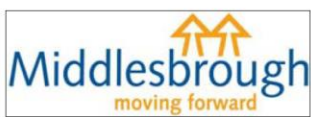
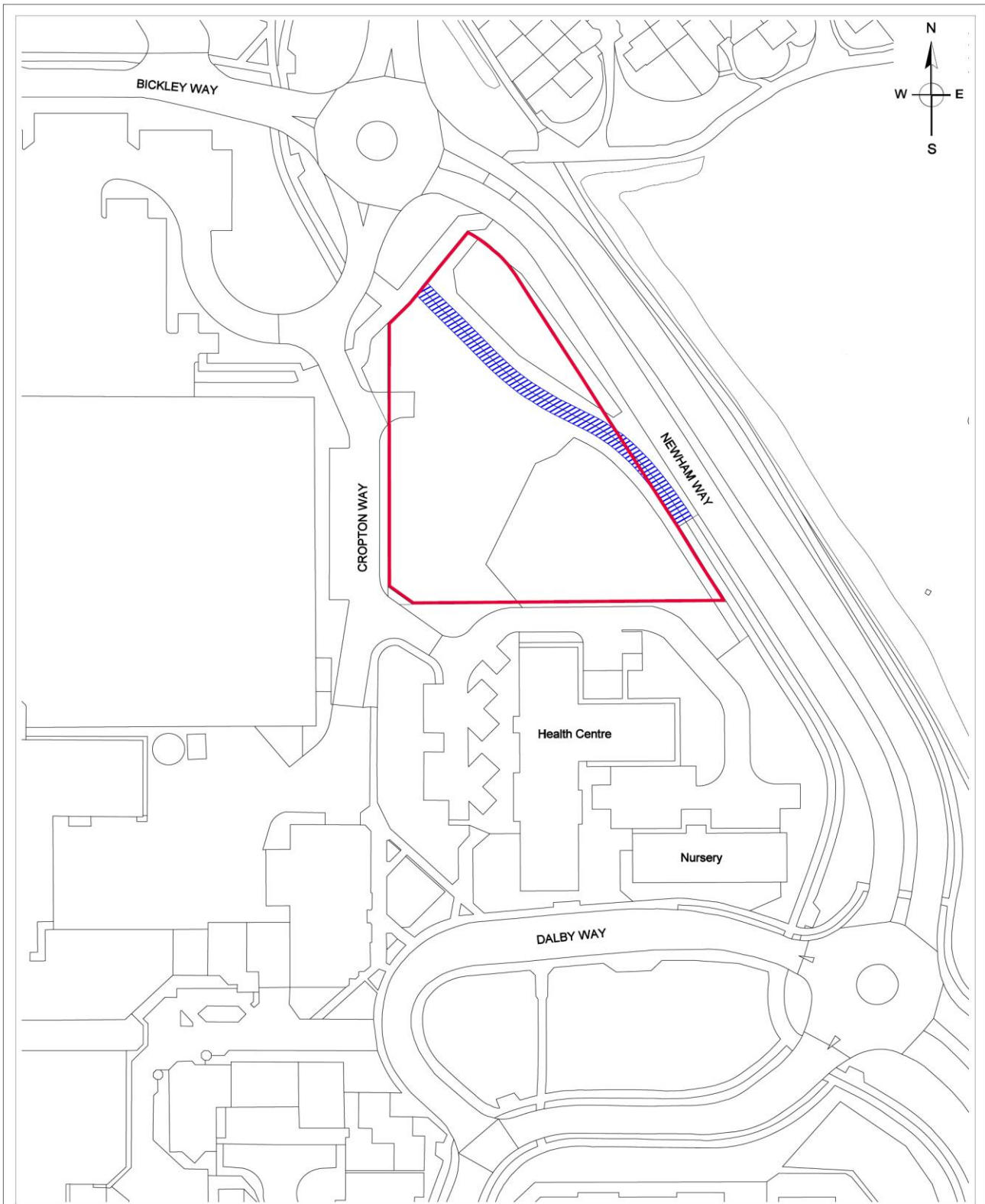
The following background papers were used in the preparation of this report:

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

Contact: David Velemir, Valuation & Estates Manager

Email: david_velemir@middlesbrough.gov.uk

Site Plan



TIM WAKE VALUATION & ESTATES

SITE L
COULBY NEWHAM
MIDDLESBROUGH

Scale:	1:1250
Date:	8th SEPTEMBER 17
Drawn:	JMS
Drg No:	VAL 4983 H

Impact Assessment Level 1 – Initial Screening Assessment

Subject of assessment:	Disposal of the Council's freehold interest in Site L (North) Coulby Newham			
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 checked="" type="checkbox"/>	Revision of an existing approach:	<input 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 property deemed to be surplus to operational requirements.</p> <p>Statutory drivers (set out exact reference) The Local Government Act 1972 Section 123, as amended by the Local Government Planning & Land Act 1980 Section 118 Schedule 23 Part V.</p> <p>Differences from any previous approach The subject property has been declared surplus and there are no Council staff, or services that will be affected by the disposal. Future use will be for the purposes of mixed commercial, retail & leisure use in accordance with the existing planning use classification of the property.</p> <p>Key stakeholders and intended beneficiaries (internal and external as appropriate) The Council, buyer and the local community.</p> <p>Intended outcomes The proposed disposal of the subject property would:</p> <ul style="list-style-type: none"> • generate a significant capital receipt for the Council, and create new jobs within the Borough; • remove the Council's liability for future holding costs, responsibility for, and maintenance of the property, and • help stimulate further economic activity in the local area, and bring the subject property back into a more positive future use. 			
Live date:	Tuesday 24 th January 2023			
Lifespan:	Not applicable.			
Date of next review:	Not applicable.			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
<p>Human Rights</p> <p>Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>It is considered that the disposal of the subject property will not impact negatively on individual human rights. The proposal represents a significant and positive enhancement for both the locality and the wider area, far outweighing the transfer of the property from the Council's Estate holding. This assessment has been made taking into account:</p> <ul style="list-style-type: none"> the fact that the property is surplus, and that no Council staff or services will be affected by the proposed disposal; the new jobs that future re-use of the property will create, and the potential of the proposal to stimulate further economic development within the borough.
<p>Equality</p> <p>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?*</p>	<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> <ol style="list-style-type: none"> eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, and foster good relations between persons who share a relevant protected characteristic and persons who do not share it. <p>Consideration of this duty has shaped the proposals.</p> <p>The property is surplus and fulfils no specific function, purpose or service. In accordance with this position, access to and delivery of Council services will not be affected by the proposed disposal.</p> <p>It is considered that the proposal will not have a disproportionate adverse impact on a group, or individuals, because they hold a protected characteristic.</p> <p>Evidence used to inform this assessment includes engagement to date with relevant Council departmental teams and the proposed purchaser, together with analysis of the terms and conditions that will be incorporated within the proposed sale.</p>

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

<p>Community Cohesion</p> <p>Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*</p>	☒	☐	☐	<p>There are no concerns that the proposal could have an adverse impact on community cohesion.</p> <p>Evidence used to inform this impact assessment includes the potential for bringing this property back into a far more beneficial future use than that being provided under the current ownership and management arrangement.</p>
<p>Sustainable Community Strategy Objectives</p> <p>Could the decision impact negatively on the achievement of the vision for Middlesbrough?* Does this decision impact on the statutory duties associated with these key objectives?*</p>	☒	☐	☐	<p>The proposed disposal will facilitate third party regeneration and contribute positively towards the vision for Middlesbrough – creating employment opportunities, driving enterprise and generating economic activity within the Borough.</p> <p>In consideration of these outcomes, the proposal does not impact negatively upon the Council's sustainable community strategy objectives.</p> <p>This assessment has been made taking into account the new jobs that will be created in the Borough by bringing the subject property back into a far more beneficial future use.</p>
<p>Organisational Management / Transformation</p> <p>Could the decision impact negatively on organisational management or the transformation of the Council's services as set out in its Transformation Programme?*</p>	☒	☐	☐	<p>No tangible relationship between the disposal of the property and the organisational management of the Council, or the transformation of its services (as set out in its Transformation Programme), have been identified.</p>
<p>Next steps:</p> <p>➡ If the answer to all of the above screening questions is No then the process is completed.</p> <p>➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.</p>				

Assessment completed by:	David Velemir	Head of Service:	Richard Horniman
Date:	16/12/2022	Date:	16/12/2022