

EXECUTIVE MEMBER REPORT TO COUNCIL

EXECUTIVE MEMBER: REGENERATION – COUNCILLOR THEO FURNESS

DATE OF MEETING: 18 September 2023

The purpose of this report is to provide an update to members on areas of activity within my portfolio including performance against strategic priorities.

STRATEGIC PRIORITIES

Strategic Priority: *We will transform our town centre, improving accessibility, revitalising unused assets, developing iconic new spaces and building more town centre homes.*

Update: Stack

1. Stack Middlesbrough is on track for opening in from October 2023. Critical infrastructure works to the A66 and the upgraded provision of power and utilities means that the site will soon be ready to host a major food, drink and entertainment attraction to the Historic Quarter of Middlesbrough.



Update: Cleveland Centre

2. Occupancy rates are slightly better than the business case with the only significant voids being the former George Unit and the former TopShop/Top Man. The Council's asset review is also considering the case for relocating some Council services / frontline delivery into the Cleveland Centre, under the support of Middlesbrough's Levelling Up Partnership proposals, bringing public services closer to services users, significantly improving occupancy rates and potentially

enabling the disposal of some surplus asset disposals. Latest tenant Forbidden Planet completed its occupation of Unit 15 in the Cleveland Centre to provide a new magnet for collectors and young people.

Update: Captain Cook Square

3. Occupancy has been reduced recently due to the departure of TK Maxx, Ladbrokes and the closure of the JD Wetherspoons bar resolution. All other vacant units are contractually committed and / or in mid fit out. Interest is secured in the TK Maxx unit – subject to contract and funding. We are seeking appropriate uses for the Ladbrokes unit and, whilst they have a lease to pay until June 2024, we are seeking to market the Revolution Bar. Officers are monitoring the potential sale of Wilkos to a new owner (assuming the company does not get fragmented). It is understood that this is a well-performing store, so we are hopeful that it would be included in any aggregate sale of the business.

Update: Linthorpe Cycle Lane

4. The feasibility of alternative route options are being explored. Depending on the scale and scope of removal / repurposing / alternative routing, financial options will be prepared for consideration.

Update: Church House

5. Middlesbrough received £14.1m as part of the future High Streets Fund. Part of this programme included an allocation for the conversion of prominent dilapidated / eyesore town centre properties. A business case was developed with regards to Church House, which was awarded gap funding for the development of 86 residential units; as part of a C. £12m investment.
6. The funding is subject to a legally binding funding agreement and utilises Future High Streets Fund grant, administered by Middlesbrough Council and does not include any Council capital in this funding agreement. Funding conditions mean that the residential units must be made available for market rent, and units which are liable for Council Tax.

Update: Asset Review

7. A review is being undertaken with regards surplus land and property assets. This encapsulates all Council assets from land, operational properties and buildings. The aim of the appraisal is to ascertain where financial savings and efficiencies can be made, in support of the organisational financial position. All Council assets included (including vacant land) and due diligence is being considered across the entire estate to assess development potential / values etc. Once completed, a range of short, medium and long term options will be presented to Executive for further consideration.

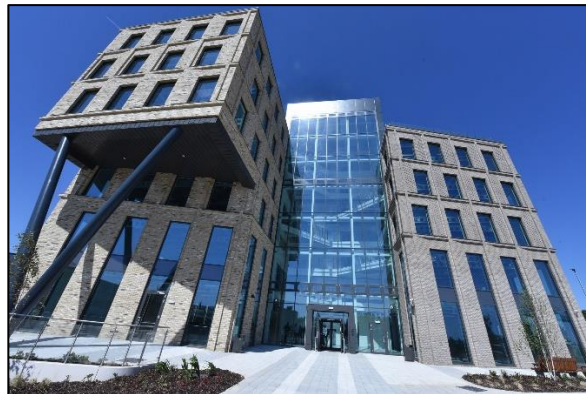
HIGHLIGHTS

Hemlington North Site

8. Following a procurement exercise the land sale at the Hemlington North site is progressing with NorthStar, as per Executive approval of 23rd August 2023. Northstar will progress the development of approx. 35 units of affordable housing on this key gateway site.

Boho X

9. Double 11 have now occupied the Boho X building and are now scoping and commissioning all of their fit out works. Their fit out works will be conducted between now and the new year, with an occupation date anticipated for Feb / March 2024.
10. Double 11 recently announced their collaboration with Rockstar Games to bring legendary gaming franchise Red Dead Redemption to the Nintendo Switch and PlayStation systems; further cementing their role as an international player at the peak of the gaming industry.



Levelling Up Partnership

11. Middlesbrough was identified as one of 20 local authority areas to be designated as a Levelling Up Partnership, in the Spring Budget of 2023. This status recognises Middlesbrough's levels of deprivation and brings with it a pot of £20m to fund capital interventions aimed at improving life chances and attainment, of Middlesbrough residents.
12. The programme is predicated on brokering a more intensive relationship between national and local Government to deliver bespoke local initiatives to tackle local problems, rather than generic national funding programmes. As well as a cash injection, Levelling Up Partnerships aim to open doors and discussions in HM Govt departments to bring local issues to the highest exposure in Government.
13. Initial discussions have been held with Civil Service colleagues, who are undertaking partner / stakeholder consultation to identify local issues and potential interventions. A suggested package of policy tools and interventions will be

presented to Middlesbrough Council, with the aim of prioritising a programme of immediate interventions.

Teesside Airport Board Meeting

14. I attended my first Teesside Valley International Airport Board meeting. Plans for the Airport are very ambitious and exciting.

THE TIME AHEAD

Nutrient Neutrality

15. In late August the Government announced relaxations to Nutrient Neutrality restrictions, in an aim to ease the backlog in housing development planning permissions. Sites will still be required to consider impacts, albeit the application of mitigation measures is understood to be on a discretionary, rather than mandatory, basis. Analysis continues on the full implications of the new legislative guidance and how this can be best managed to meet both housing need and ecological sustainability.

Development Sites for Sale

16. A site earmarked for housing development will enter the market before the end of the year. The site at Hemlington South, will build on the success of the popular Hemlington North site and has the development potential of approx. 110 units. The site will be actively marketed before Christmas 2023 and the bids will be considered shortly thereafter.



NAME: Cllr Theo Furness
DATE: 18 September 2023