

EXECUTIVE MEMBER REPORT TO COUNCIL

EXECUTIVE MEMBER: REGENERATION – COUNCILLOR THEO FURNESS

DATE OF MEETING: 11 September 2024

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

UPDATES

Historic Quarter

2. The A66 repair works are nearing completion and as such, STACK can start to move into the Historic Quarter. The entertainment venue will create significant footfall and animation in the area and support existing town centre businesses.
3. The Railway Station works are well underway; the platform level and concourse works are completed, as are new stairs down to underpass. Fit out work of the undercroft units continues and work is ongoing with potential community functions to occupy the units. The works will be complete by the end of 2024.
4. These projects will complement the recently completed £2.2m High Street Heritage Action Zone (HSHAZ) programme, funded by Middlesbrough Council and Historic England
5. The Historic Quarter has so much potential and will be a place for people from all over Teesside will want come and experience.

Captain Cook Square

6. The Square has enjoyed two recent openings – Bazaar and Funshack. Bazaar is a fine dining experience, offering a range of cuisine in elegant surroundings. This has been opened by Tarek Thoma, who has The Oven on Linthorpe Road. This is a welcome addition to the Square, and one which will help to build on the night time leisure and food offer. The unit has seen over £2m worth of investment.
7. Funshack is the first town centre site the company has invested in, which has brought many challenges, the company tend to only commit to out of town non-retail units. Over £2.5m has been invested in the old Wilkos unit, which is a significant achievement given Wilkos was only empty for a matter of months before the deal was agreed. Within the unit you have soft play, inflatable space and other leisure space to create a varied family leisure offer. This complements LevelX and brings a wider leisure offer for families.

8. A Dino event in the Square, over two days, saw many thousands of visitors attend and enjoy a host of activities and entertainment – social media and press coverage was very positive.
9. April saw the opening of Wendys, again a welcome food offer to the Square, with first week trade having exceeded any other Wendys in the UK, it continues to trade well.
10. Following a successful application to the Tees Valley Indigenous Growth Fund, £4.2m, the team can now progress the cinema delivery programme. The plan is to deliver a three screen cinema in the unit(s) next to Wendys. Final programme and procurement details are being looked at, with a likely opening for Summer 2025.
11. Further feasibility works will continue for the unit next to Bazaar, and the former TK Maxx and Shelter unit, and the wider Square.

Cleveland Centre

12. Retail lettings in the centre are progressing with the announced arrival of TJ Hughes to occupy the former H&M unit, and another retailer secured for the Top Shop unit; to be confirmed in the coming weeks. Together, this will be a huge boost to occupancy in the centre and will drive footfall rates in the Town.
13. Middlesbrough Community Learning and Employment Hub provides high quality learning opportunities for people of all ages and abilities. The service is currently operating from a peripheral town centre location in the Multimedia Exchange on Corporation Road, which suffers from a lack of footfall. The building is not fit-for-purpose and has a significant maintenance backlog. The configuration and condition of the building make adaptations and improvements challenging and costly.
14. The vacant former Poundland Unit in the Cleveland Centre presents an opportunity to relocate the service to the heart of the town centre, addressing the oversupply of retail and helping to rebalance the town centre economy. This move will complement the Live Well's relocation, whereby the services can share facilities.
15. The Live Well Centre refurbishment is progressing well with drainage and utilities into the unit now in place. The first floor partitioning and first fix mechanical and electrical works are underway and this will move down to the ground floor. A planning application has been submitted to MDC for the changes to the elevations on to Albert Road with a future application for the branding and signage on the Albert Road elevation to be submitted. The completion of the works is on target for December 2024.
16. The design work for the employment hub is ongoing. The planning application for the change of use will be submitted to MDC imminently. The works will be tendered for at the end of 2024, with work programmed to start in February and complete in October 2025.

Old Town Hall

17. Following development phase work the Stage 2 Bid for the Old Town Hall was submitted to the National Lottery on the 15th August as planned.
18. A vast array of engagement activities were developed and trailed during the development phase with upwards of 300 people engaged. Two 50 Futures Placements (one in Architecture and one in Media) and a work experience placement with MBC were also undertaken. The bid was supported by another raft of Letters of Support from the education sector, public health, local groups and TVCA.
19. The planning application for the project has been submitted to Lichfields (TVCA) and formal validation is pending. No concerns were raised by them during the pre-application meeting, with praise given for the concept and visuals.
20. Determination is anticipated from the Lottery in December 2024.
21. The restoration includes a contemporary extension to frame the iconic clock tower, along with a wholesale restoration of the original building fabric. If funding is secured, work will commence in early 2025 and progress throughout the year.
22. The building will provide novel new space for new small businesses in Middlesbrough and will become the focal point for the redevelopment of the wider St Hilda's area.

Business Support / UK Shared Prosperity Fund (UKSPF)

23. Several programmes of support underway. Majority are funded through UKSPF and managed by TVCA.
24. Economic Growth has connected with all the providers to ensure that information is distributed through our business networks with the latest anecdotal feedback highlighting that Middlesbrough businesses have a high level engagement with all the schemes.

Support available includes:

1. Tees Valley Entrepreneurs – 6 month incubation and 12 week scale up programme (including grant support)
 2. Tees Valley Expertise – Start up, self-employed support, mentoring, and funding for 1st time apprentices in key sectors
 3. Net Zero / Carbon Reduction Planning – support for businesses to achieve net zero and create carbon reduction plans
 4. Digital Transformation – support to help businesses develop ecommerce platforms, websites and social media presence
 5. Plus a range of support helping businesses with access to finance, securing investment, developing their supply chains and improving efficiencies in the manufacturing processes.
 6. Current finance available to support growth include Teesside Flexible Fund (can lend upto £3m), UKSE (can lend upto £1m) and British Business Bank (distributed locally through NEL to support business to start up and grow - £100K to £2m debt finance available and £500 to £25000 for start-up businesses).
25. In addition to help support residents who wish to start a new business the Council is working with Enterprise Made Simple (EMS) based in Middlesbrough, to offer residents

free in depth advice and guidance through their fully funded Smart Start start-up/growth support programme. This provides individuals with limited or no experience of running a business a higher level of support to develop a business plan, undertake relevant training/workshops and have in depth face to face discussions to help them get their business idea off the ground and on the right track.

Planning

26. The Deputy Prime Minister and Secretary of State for Housing, Communities & Local Government has launched a consultation on the principal elements of the Government's plan for building the homes that we need. If implemented, this would see challenging housing targets set for each Local Authority, with a proposed target of 589 new units per year being set for Middlesbrough. As this figure is significantly above previous Government targets, and those proposed in the emerging draft Local Plan, it remains to be seen what impact this would have upon the submission of the emerging plan and the portfolio of sites selected for future development. The service will be responding to the consultation accordingly.

Housing

27. Following its transfer from the Middlesbrough Development Company to the Council, The Valuation and Estates Team has worked with Michael Poole Lettings to secure full occupancy for the building. The 24 unit property sits within the Council's commercial portfolio, with 22 of the apartments fully let on a commercial basis, with two units being used by the Council to reduce demand on temporary accommodation. Two of the four accompanying retail units are also let, with the remaining two currently being marketed.

MDC

28. The Asset Transfer is officially on hold, pending further review of the situation by the Government.

Executive Decisions

Nunthorpe Grange

29. The Executive considered a report on the 23rd December 2023 that gained approval for the marketing and disposal of the Nunthorpe Grange housing site. The report also set out the next steps that would be undertaken to "de-risk" the site prior to marketing in order to maximise the potential capital receipt, which included undertaking due diligence and securing an outline planning consent. This would lead to the generation of a capital receipt, estimated to be paid between 2025 and 2029.
30. Since the approval of the Executive report in December 23, the Council has been approached by two parties who expressed an interest in acquiring land at Nunthorpe Grange for the development of housing and for the provision of an elderly persons care home.
31. The respective developers have subsequently submitted formal private treaty offers to acquire land in advance of the Council "de-risking" the site. This would lead to a significant capital receipt being wholly-paid during the current financial year.

32. This report will seek Executive approval for the private treaty sale of land at Nunthorpe Grange for the development of housing and an elderly persons care home.

NAME: Cllr Theo Furness

DATE: 24 September 2024