

AGENDA
MIDDLESBROUGH TOWNS FUND BOARD
July 2021 – (virtual meeting)

1.	Apologies and declarations of interest	
2.	Minutes from previous meeting (enclosed)	
3.	Boho Residential Business Case	Andrew Carr
4.	North Ormesby Nature Reserve Business Case	Simon Blenkinsop
5.	Ward Initiatives Business Case	
6.	Cultural Development Fund	Charlotte Nicol
7.	Date and time of next meeting: 1p.m. Friday 20 August 2021- location / online TBC	

Towns Fund Board
Friday 21st May 2021 at 11.00am via Webex

Present:

Tony Parkinson, Middlesbrough Council Chief Executive
Andy McDonald, Member of Parliament for Middlesbrough
Thomas Smith, Life Sciences Public Engagement Expert
Adam Suleiman, Cities and Local Growth Unit BEIS
Zoe Lewis, Principal and Chief Executive Middlesbrough College
Ian Wardle, Group Chief Executive Thirteen Group
Laura Sillars, Dean of mima School of Art & Design Teesside University
Daryl Thomlinson, Cleveland Police
Rachel Anderson, Assistant director of Policy NECC
Cllr Mieka Smiles – Executive Member for Communities and Education MBC
Chris Smith – Executive Director of Business Growth – Thirteen Group
Nicolas Baumfield – Arts Council

In attendance

Richard Horniman, Director of Regeneration MBC
Andrew Perriman, Head of Legal Services MBC
Sam Gilmore, Head of Economic Growth and Infrastructure MBC
Andrew Glover – Head of Marketing and Communications

1.	<p>Apologies and declarations of interest</p> <p>Apologies: Ian Wardle, Group Chief Executive Thirteen Group (Chris Smith substituting) Andy Preston, Mayor of Middlesbrough Alex Bell at M&S Arriva (named rep TBC)</p> <p>In the absence of the Chair, Tony Parkinson provisionally chaired the meeting prior to the nomination of a vice chair; at agenda Item 3.</p> <p>Zoe Lewis and Rachel Anderson declared an interest in Middlesbrough College relating to agenda Item 4 – as such they will be placed in the ‘virtual lobby’ for the debate and voting for that item.</p> <p>Andy McDonald declared his position as an honorary governor of Middlesbrough College. This was not seen as a conflict of interest in relation to Item 4.</p>
2.	<p>Minutes from previous meeting</p> <p>Minutes of last meeting agreed as a true record.</p>
3.	<p>Constitution Adoption / Vice Chair Nominations</p> <p>The circulated draft constitution was discussed and a minor amendment was tabled in respect of appendix B, Prejudicial interests. This was amended from:</p>

	<p><i>'The matter being discussed affects their financial position or that of any person with whom they have a personal interest'</i></p> <p>Amended to: <i>'The matter being discussed affects their financial position or that of any <u>person, organisation or business</u> with whom they have a personal interest'</i></p> <p>Nominations were sought for a Vice Chair position for the Board. Andy McDonald nominated Tony Parkinson as Vice Chair. This nomination was carried.</p>
<p>4.</p>	<p>College Business Case (paper sent prior)</p> <p>The Board were invited to ask any questions for clarification of the business case.</p> <p>Zoe Lewis and Rachel Anderson were placed in the virtual lobby for the debate and voting on the acceptance of the business case for Middlesbrough College's application.</p> <p>Chris Smith asked if there were any images available for the development. Andy McDonald reminded the board of the presentation at the previous board meeting and the fact that the project had already been approved in principle.</p> <p>The board unanimously voted to approve the business case and award Middlesbrough College £1,175,000 as per the business case presented.</p> <p>In terms of procedure, Middlesbrough Council's S151 officer will now formalise the funding arrangements and a funding agreement will be drafted with Middlesbrough College.</p>
<p>5.</p>	<p>Strategic Context Presentation – Consolidated priorities and funding</p> <p>Sam Gilmore delivered a presentation detailing the strategic context of Middlesbrough's wider approach to economic growth and the diversification of the economy. This set out the reasoning behind aligning all funding streams and investment to high-density town centre uses.</p> <p>Andy McDonald identified that the capital investment strategy was a good start, but that it needs to be mirrored with a local strategy to match the new opportunities with the resident population and, in particular, dealing with poverty. It critical that the investments cited can be matched with an appropriate level of services and revenue support.</p> <p>Tony Parkinson confirmed that he was confident that the Council's Medium Term Financial Plan was robustly managed and could reflect these aspirations.</p> <p>Andy McDonald also raised the following issues:</p> <ul style="list-style-type: none"> • Crown Building - Linthorpe Road – a major blight on a key gateway site. This feeds into broader reputational issues for the Town. First impressions being key.

	<ul style="list-style-type: none"> • Green and cultural issues should be at the heart of any regeneration programmes – an example was cited on a case study in Strasbourg • Retail shrinkage and disadvantages in terms of bricks and mortar taxation and business rates – advantageous to online traders. • Northern Elevation of the rail station – at risk of being ignored. Main gateway and cannot be neglected. It needs to be a statement entrance. <p>Laura Sillars reflected that a cultural basis was critical and queried how new ideas and opportunities can be reflected in the work of the Town Investment Plan. Mieka Smiles invited Laura for a discussion on such.</p> <p>Zoe Lewis noted that perception and feel is also critical. Lighting and public realm connectivity, between town centre areas is critical.</p> <p>Mieka Smiles – Was keen to seek the group’s view on the potential of major potential property vacancies and the role of the Town Deal Board – Debenhams etc</p> <p>Thomas Smith – in terms of strategy and awareness we need to get out and about with as much news as possible about the scope of the Town Investment Plan. Andrew Glover confirmed that the interactive map will provide a basis and Sam Gilmore confirmed that the town investment plan and community engagement strategy is under review.</p>
<p>6.</p>	<p>Work Programme</p> <p>A schedule of business case workflows and meeting dates was shared with the group.</p> <p>Tony Parkinson noted that he was keen to keep momentum up over the summer months / holidays and asked that supplementary dates in July and September were considered.</p> <p>This is to be reviewed in line with business case schedule.</p>
<p>7.</p>	<p>Community Engagement – Ward Initiatives</p> <p>A number of questions were presented to the board to capture the initial feedback from communities on how the £1m ward initiatives allocation might be used. This included open questions for the use of the money and whether the community would prefer equally distributed funding or fewer, larger schemes.</p> <p>The questions were noted and Andrew Glover confirmed that the questionnaire would be published W/C 24th May.</p>

8.	<p>Any other business</p> <p>Programme administration – Sam Gilmore confirmed that MHCLG documentation highlights that a revenue contribution within the programme. The appropriate development and administration requirement has been assessed at C. 3%, over four years. This allocation is not absolute as the level of external and professional advice is not exactly quantified at this stage. Such costs would include:</p> <ul style="list-style-type: none">• Programme Administration• Legal costs and Specialist Advice• Monitoring and Evaluation• Project Delivery Capacity <p>Recommendation: It is recommended that the Town Deal Board approves a revenue allocation of 3% of the gross programme value, to cover the entire duration of the management, delivery and monitoring of the Town Deal. This deduction would only apply to those projects which require the preparatory advice and delivery capacity; and, where a revenue contribution would not prejudice the delivery of project outputs.</p> <p>The recommendation was approved.</p>
9.	<p>Date and time of next meeting</p> <p>Provisional: 1p.m. Friday 20 August 2021- location / online TBC</p> <p>Subject to any amendments highlighted in Agenda Item 6</p>

#LSHKNOWS VALUATION

VALUATION REPORT

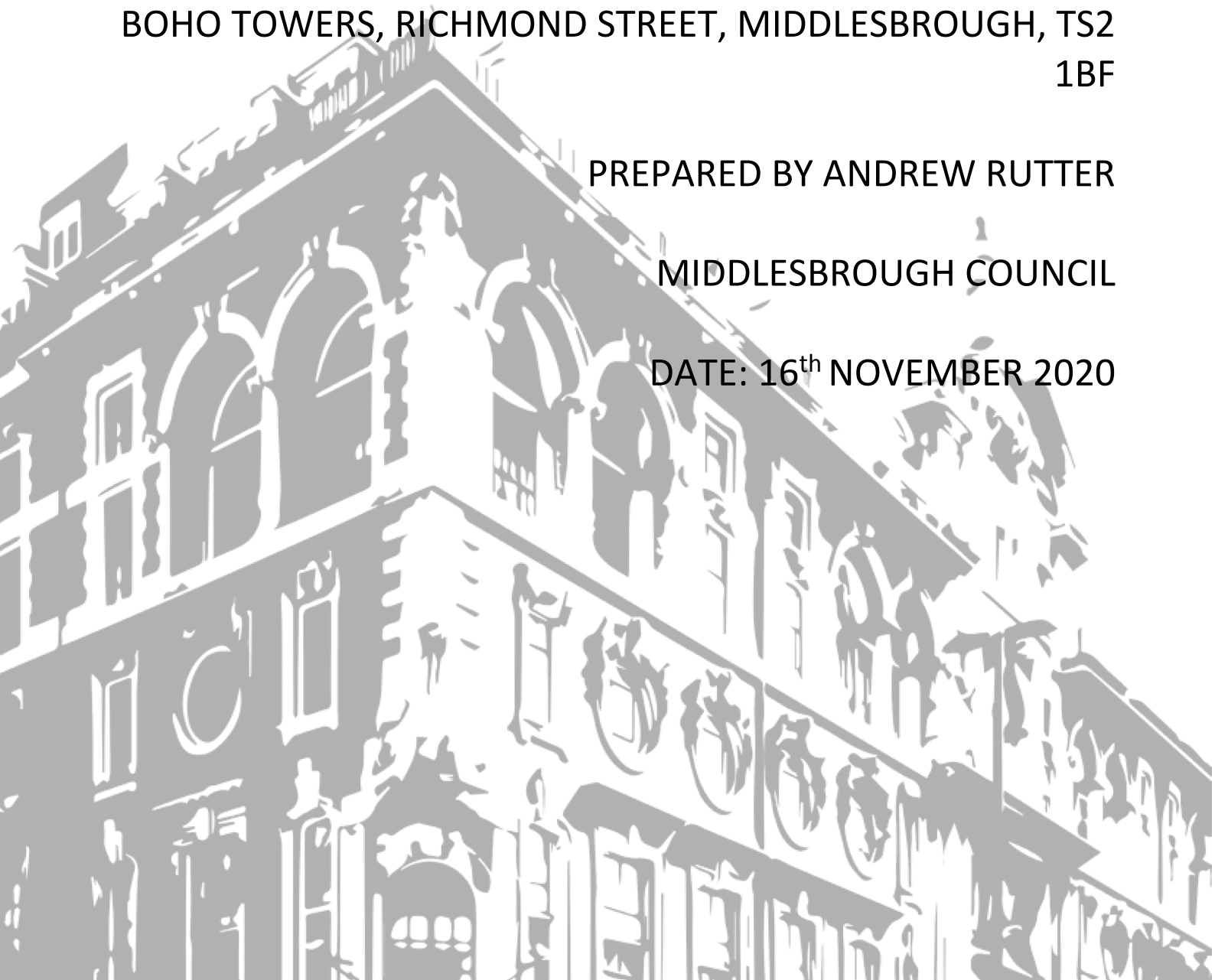
ON

BOHO TOWERS, RICHMOND STREET, MIDDLESBROUGH, TS2
1BF

PREPARED BY ANDREW RUTTER

MIDDLESBROUGH COUNCIL

DATE: 16th NOVEMBER 2020



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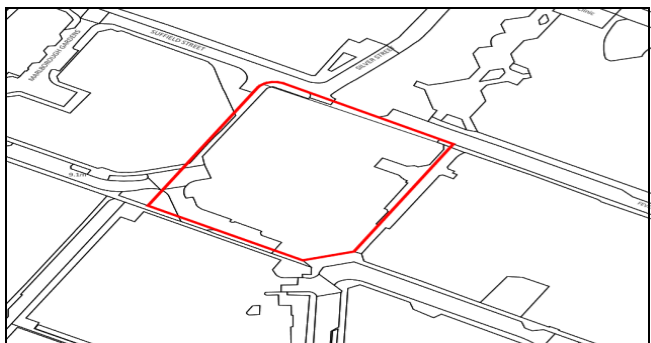
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APPENDICES

APPENDIX 1: EMAIL OF INSTRUCTION AND LSH TERMS OF ENGAGEMENT

APPENDIX 2 VALUATION PRINTOUT

1. EXECUTIVE SUMMARY



Street Map



Proposed Front Elevation

Property Address	Boho Towers, Richmond Street, Middlesbrough, TS2 1BF	
Valuation Date	16 th November 2020	
Location	North side of Richmond Street, at its junction with Sussex Street, within the Middlehaven area of Middlesbrough, approximately 0.3 mile north of the town centre.	
	Type:	Proposed Residential scheme
	Floor Area:	4,358.36 sq m (46,913 sq ft) GIA
	Condition:	Assumed that the proposed apartments will be developed and fitted out to a very good specification to reflect the sales values.
Tenure	Freehold site, with Long Leasehold interests being granted to purchasers of the individual apartments.	
Valuations / Yield Profile	Market Value:	£275,000
	Funding required for viable scheme	£3,625,000
Asset Management Opportunities	None.	
Valuation Issues	Distinct lack of comparable evidence.	

16th November 2020

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TS1 9FY

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41-51 Grey Street
Newcastle upon Tyne
NE1 6EE

For the attention of: Mr Andrew Carr

Our Ref: 0157618/30578/AR

PROPERTY **THE BOHO TOWERS SITE, RICHMOND STREET, MIDDLESBROUGH, TS2 1BF (THE "PROPERTY")**

2. TERMS OF INSTRUCTION

Appointment We refer to your instruction e-mail dated 9th July 2020 (copies at Appendix 1), to provide you with a Valuation Report in respect of the Freehold Interest in the above site for a disposal of the land to Empire Invest. Alongside providing this, you have also requested us to carry out a residual appraisal of the site, through adopting Empire Invest's scheme, in order to establish its shortfall. This will allow you to establish the amount of funding required, so that you can consider whether the Council should provide this. We have inspected the Property, made relevant enquiries and now have pleasure in reporting to you.

The basis upon which we usually prepare our Valuations and Reports is set out in the Terms of Engagement (copy at Appendix 1). Unless and except where here specifically stated otherwise, this Report has been prepared in accordance with these Terms of Engagement.

RICS Compliance We confirm that this report and valuation has been prepared in accordance with the Royal Institution of Chartered Surveyors Valuation Guidance Standards – Red Book Global.

Lambert Smith Hampton acts in the capacity of External Valuer in connection with this instruction.

We confirm that the Valuation Division of Lambert Smith Hampton has a Quality Management System which complies with BS EN ISO 9001:2015.

Lambert Smith Hampton holds appropriate professional indemnity insurance for this valuation instruction.

Valuation Date The Valuation Date is 16th November 2020.

We have confirmed to you that over the last two years we have had no involvement with the Developer, with whom the Council are considering providing funding to.

Conflict of Interest

We therefore consider ourselves to be free of any conflict of interest in providing this advice for you.

We have previously agreed that we shall rely upon the following information for the purpose of reporting to you: State the nature of information and source as a list e.g. tenancy schedule, floor plans:

Reliance upon
Provided Information

Development Appraisal provided by you and compiled by Empire Invest.

3D visualisations of the scheme compiled by Goodwin Construction and provided by you.

We have assumed that all material information has been fully disclosed to us and our Valuations have been prepared on the basis that there is no further information available.

Valuer

This Report and Valuation has been prepared by Andrew Rutter LLM MSc MRICS, a member of the RICS Valuer Registration Scheme, Director, who has acted with independence, integrity and objectivity, and has sufficient current local and national knowledge of the particular market as well as appropriate skills, qualifications, experience and understanding for the purposes of this instruction.

Inspection

The Property was inspected on 16th November 2020 by Andrew Rutter, a member of the RICS Valuer Registration Scheme, Director.

Basis of Valuation

Market Value (MV) - The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

VAT

Our Valuation is exclusive of VAT unless otherwise stated.

Purchaser's Costs

Our Valuation, unless otherwise stated, is produced net of Purchaser's costs at the appropriate rate, plus VAT.

Limitation and
Liability

We draw your attention to the Assumptions, Limitations and Regulatory information set out within this Report to which our advice is subject and our Terms of Engagement agreed between us.

Neither the whole, nor any part of this Valuation Report, nor any reference hereto may be included in any published document, circular or statement, or published in any way, without the Valuer's written approval of the form and context in which it may appear.

Such publication of, or reference to, this Valuation Report may not be made unless it contains a sufficient contemporaneous reference to the Special Assumptions set out herein or Departures from the RICS Valuation – Global Standards.

Valuer:

Checked by:



Andrew Rutter LLM MSc MRICS
RICS Registered Valuer
Director
For and on behalf of
LAMBERT SMITH HAMPTON

Richard J A Wilson FRICS
RICS Registered Valuer
Director
For and on behalf of
LAMBERT SMITH HAMPTON

Date: 16th November 2020

3. LOCATION

Middlesbrough is a large town situated on the south bank of the River Tees, approximately 40 miles south of Newcastle upon Tyne, four miles east of Stockton, 10 miles west of Redcar and 29 miles south east of Durham.

Road links are good with the town being easily accessible from a number of junctions off the A19, which provides connections to larger centres to its north and south. The A66 also runs in an east/west direction past it providing links to other Teesside and County Durham towns as well as the A1, approximately 12 miles to the west beyond Darlington.

Public transport links are good, there being a number of bus stops within the subject's locality providing services to Middlesbrough Town Centre and other Teesside settlements. The nearest train station is Middlesbrough, approximately 0.1 miles south east, from where national rail services can be accessed.

The subject is located in the Middlehaven area of Middlesbrough, which is just north of the town centre. The locality, historically, is of industrial use, with a number of factories and warehouses still being in situ. A number of the former industrial units have, however, been demolished as part of regeneration plans for the area. A proportion of the demolished buildings sites are either cleared and vacant or alternatively have been re-developed for projects such as Hudson Quay, Boho or the recently built campus of Middlesbrough College.



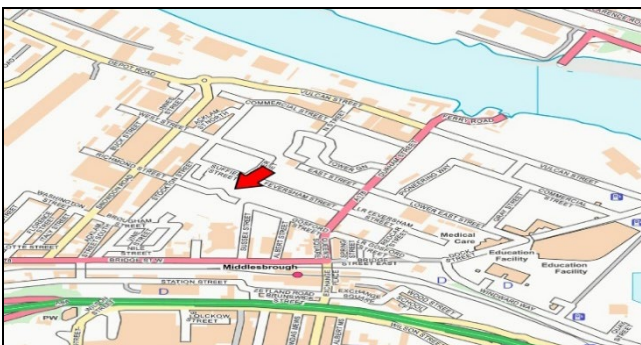
Street Scene



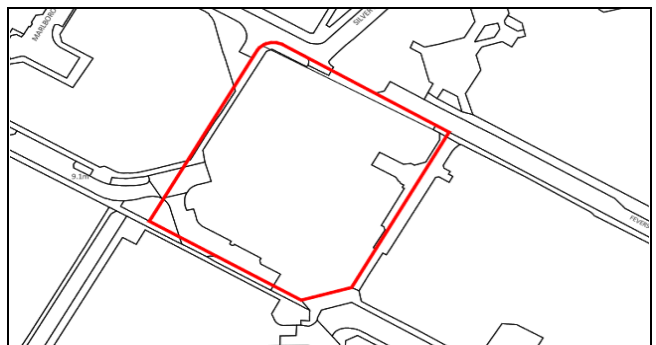
Street Scene

Situation

The subject is situated on the north side of Richmond Street at its junction with Sussex Street. To its north are a number of grassed sites that appear to have been cleared for Regeneration. To the south are the Cleveland Police Head Quarters and Royal Middlehaven House. To the East is Boho 4 business centre, beyond which are the further office and industrial properties and the Multiple Sclerosis Society – Teesside Branch and the recently built Middlesbrough College buildings. To the west are a number of warehouses and commercial uses.



Location Extract



Site Plan

4. DESCRIPTION AND CONSTRUCTION

Building



Proposed Impression of Front Elevation



3D Visualisation of proposed structure

The subject consists of a grass covered site spanning 1.25 acres, which the developer, Empire Invest, intends to construct an 11 storey building on. The new building will consist of following layout and floor plates:

Number	Name	Area
Level 1		
101	Retail Unit	136 m ²
102	Refuse Store	32 m ²
103	Cycle Store	31 m ²
104	Plant	29 m ²
105	Lobby	131 m ²
107	Stair	12 m ²
108	Circulation	18 m ²
109	Lobby	2 m ²
110	Services	2 m ²
111	Lifts	4 m ²
Level 1 GIFA		398 m ²
Level 2		
201	1B2P	53 m ²
202	1B2P	51 m ²
203	2B3P	60 m ²
204	2B3P	62 m ²
205	2B3P	64 m ²
206	2B3P	66 m ²
207	Stairs	12 m ²
208	Smoke Shaft	2 m ²
209	Circulation	21 m ²
210	Lifts	4 m ²
Level 2 GIFA		396 m ²
Level 3		
301	1B2P	53 m ²
302	1B2P	51 m ²
303	2B3P	60 m ²
304	2B3P	62 m ²
305	2B3P	64 m ²
306	Room	66 m ²
307	Stairs	12 m ²
308	Smoke Shaft	2 m ²
309	Circulation	20 m ²
310	Lifts	4 m ²
Level 3 GIFA		396 m ²

Level 4		
401	1B2P	53 m ²
402	1B2P	51 m ²
403	2B3P	60 m ²
404	2B3P	62 m ²
405	2B3P	64 m ²
406	2B3P	66 m ²
407	Stairs	12 m ²
408	Smoke Shaft	2 m ²
409	Circulation	21 m ²
410	Lifts	4 m ²
Level 4 GIFA		396 m ²
Level 5		
501	1B2P	53 m ²
502	1B2P	51 m ²
503	2B3P	60 m ²
504	2B3P	62 m ²
505	2B3P	64 m ²
506	2B3P	66 m ²
507	Stairs	12 m ²
508	Smoke Shaft	2 m ²
509	Circulation	21 m ²
510	Lifts	4 m ²
Level 5 GIFA		396 m ²
Level 6		
601	1B2P	53 m ²
602	1B2P	51 m ²
603	2B3P	60 m ²
604	2B3P	62 m ²
605	2B3P	64 m ²
606	2B3P	66 m ²
607	Stairs	12 m ²
608	Smoke Shaft	2 m ²
609	Circulation	21 m ²
610	Lifts	4 m ²
Level 6 GIFA		396 m ²

Level 7		
701	1B2P	53 m ²
702	1B2P	51 m ²
703	2B3P	60 m ²
704	2B3P	62 m ²
705	2B3P	64 m ²
706	2B3P	66 m ²
707	Stairs	12 m ²
708	Smoke Shaft	2 m ²
709	Circulation	21 m ²
710	Lifts	4 m ²
Level 7 GIFA		396 m ²
Level 8		
801	1B2P	53 m ²
802	1B2P	51 m ²
803	2B3P	60 m ²
804	2B3P	62 m ²
805	2B3P	64 m ²
806	2B3P	66 m ²
807	Stairs	12 m ²
808	Smoke Shaft	2 m ²
809	Circulation	21 m ²
810	Lifts	4 m ²
Level 8 GIFA		396 m ²
Level 9		
901	1B2P	53 m ²
902	1B2P	51 m ²
903	2B3P	60 m ²
904	2B3P	62 m ²
905	2B3P	64 m ²
906	2B3P	66 m ²
907	Stairs	12 m ²
908	Smoke Shaft	2 m ²
909	Circulation	21 m ²
910	Lifts	4 m ²
Level 9 GIFA		396 m ²

Level 10		
1001	1B2P	53 m ²
1002	1B2P	51 m ²
1003	2B3P	60 m ²
1004	2B3P	62 m ²
1005	2B3P	64 m ²
1006	2B3P	66 m ²
1007	Stairs	12 m ²
1008	Smoke Shaft	2 m ²
1009	Circulation	21 m ²
1010	Lifts	4 m ²
Level 10 GIFA		396 m ²
Level 11		
1101	1B2P	53 m ²
1102	1B2P	51 m ²
1103	2B3P	60 m ²
1104	2B3P	62 m ²
1105	2B3P	64 m ²
1106	2B3P	66 m ²
1107	Stairs	12 m ²
1108	Smoke Shaft	2 m ²
1109	Circulation	21 m ²
1110	Lifts	4 m ²
Level 11 GIFA		396 m ²
Grand total		4360 m ²

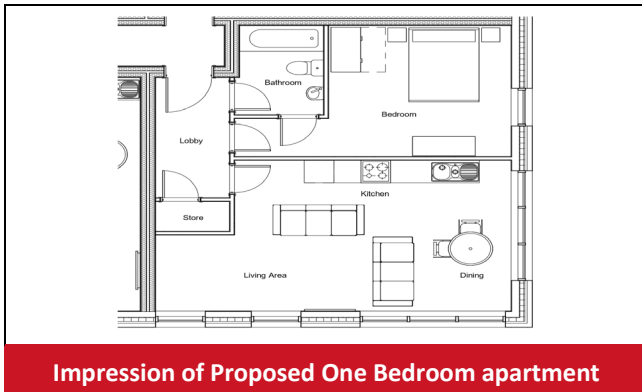
60 No. Apartments Total comprising:

- 20 No. One Bed Apartments
- 40 No. Two Bed Apartments

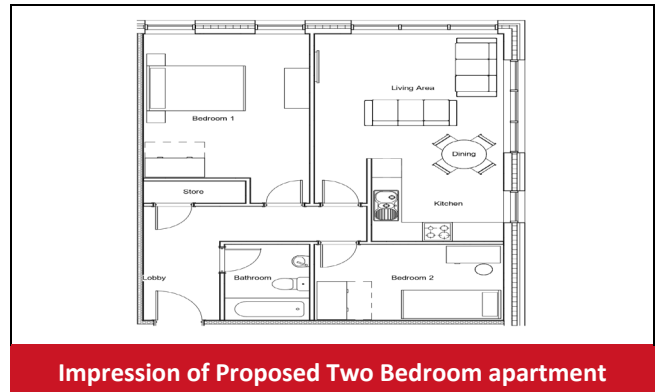
Schedule of Accommodation



In terms of the proposed floor layouts of the single and two bedroom apartments these are detailed below:



Impression of Proposed One Bedroom apartment



Impression of Proposed Two Bedroom apartment

This proposed one bed apartment layout comprises the following:

- Lobby
- Bathroom
- Built in storage
- Kitchen & Dining area
- Living area
- Bedroom 1

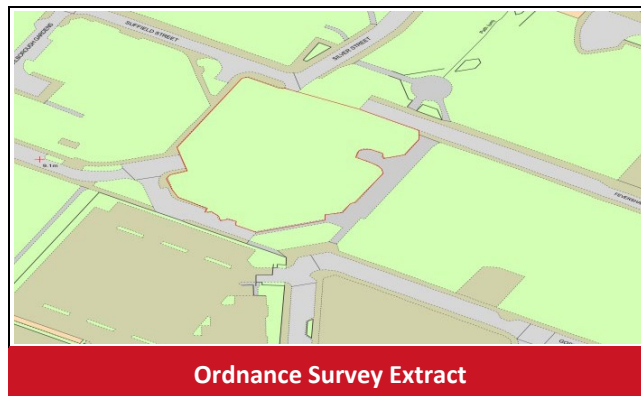
This proposed 2 bed apartment layout comprises the following:

- Lobby
- Bathroom
- Built in storage
- Kitchen & Dining area
- Living area
- Bedrooms 1 & 2

Whilst we have not been provided with an impression of the proposed internal specification of the individual apartments, we have assumed that they will be fitted out to a very good standard, befitting of the proposed sales values. Should this be found to be incorrect, we reserve the right to alter our opinion of Market Value, accordingly.

Site:

Site Area	1.25 Acres
Site Shape	Irregular
Topography	Even
Is adequate car parking available?	It is our understanding that the apartments will not include allocated parking
Is there scope for expansion?	No
Is the site suitable for current use?	Yes for proposed, subject to full planning permission being granted.
Adopted road frontage?	Yes



Green Initiatives

Solar Panels?	No
Wind Turbines?	No

Connections

Is the property connected to mains water?	Yes
Is the property connected to mains electricity?	Yes
Is the property connected to mains sewage?	Yes

It is assumed that the proposed dwellings will be connected to all mains services upon completion.

5. TITLE AND TENURE

Title:	Freehold
Sight of Title Deeds	No

We have not had sight of your solicitors Report on Title. In the circumstances therefore it is assumed there are no restrictive covenants, burdens or rights of way that would have a material impact on value. We would be pleased to reconsider our valuation upon receipt of your solicitors' Report on Title.

Tenure	Vacant
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6. STATUTORY ENQUIRIES**Planning:**

Planning Use Class	Proposed Class C3 - Residential
Is property located in a Conservation Area?	No
Is the property listed?	No
Are there any breaches of planning consent?	Assumed not - we recommend your solicitor is instructed to verify
Any outstanding consents to be implemented?	Assumed not - we recommend your solicitor is instructed to verify
Any outstanding enforcement actions?	Assumed not - we recommend your solicitor is instructed to verify

At present, planning permission is not in place for the proposed residential scheme. You have, however, instructed us to provide valuation advice through the assumption that permission is in place for the 60 apartment scheme as set out in the development appraisal provide by you and compiled by Empire Invest.

Contamination and Environmental Matters

Were any obvious contaminative uses noted on the subject?	No
Did any immediately surrounding property appear to be put to a use which would likely result in contamination?	Yes
Is the property of an age where asbestos and/or other deleterious materials may have been incorporated into the structure?	Not applicable
Is an environmental audit recommended?	No

The subject is located in an established and historic industrial use area, with some occupiers still in situ. It is assumed that the site is capable of housing the proposed residential block, without any additional costs, over and above those detailed in Empire Invest's development appraisal, being required to decontaminate or remediate it. Should this be found to be incorrect, we reserve the right to alter our opinion of Market Value, accordingly.

It is also noted that we have not been provided with a Site Investigation survey, detailing the extent of any contamination at the site. We would recommend that details towards this are requested from Empire Invest, in order to establish whether a Site Investigation has been carried out. We note that it is our opinion that it is very difficult to conclusively calculate the construction cost of the proposed development, without such survey being carried out.

Should this survey, or any other relevant surveys, not have been carried out we reserve the right to alter our opinion of Market Value, accordingly.

Flood Risk

Rivers or the Sea	Low
Surface Water	Low
Is a Flood Risk Assessment recommended?	No

We have assumed that the site is capable of housing the proposed development and that the relevant surveys and construction methods towards flooding will be carried out. Should this be found to be incorrect, we reserve the right to alter our opinion of Market Value, accordingly.

Energy Performance Certificate

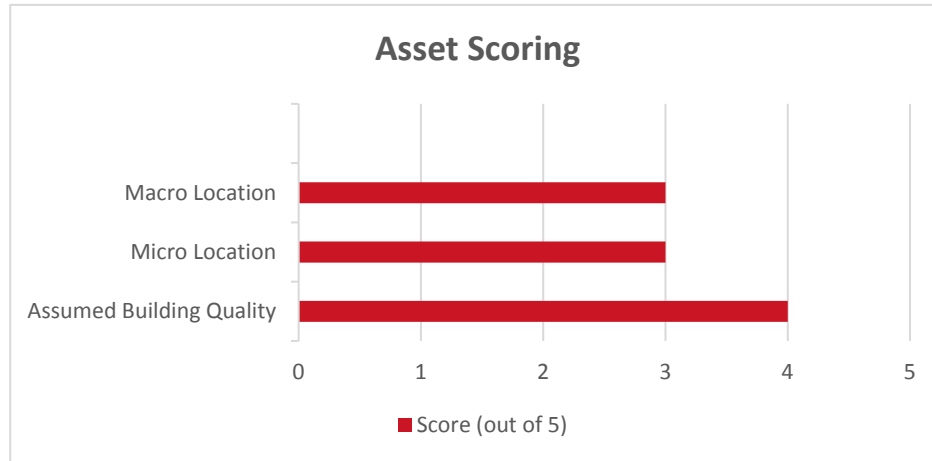
Does the property have an EPC? Band & Rating	Not applicable It is assumed that the proposed apartments will be constructed in a manner that accords with MEES standards.
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Regulated Mortgages

Is 40% + of the total land to be used in connection with a dwelling?	Yes
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Registration & Licenses

Is the property subject to any licenses / registrations?	Assumed not, however, we would recommend that your solicitor verifies that no agreements are in place at the subject site.
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7. VALUATION CONSIDERATIONS AND COMMENTARY**Asset Scoring**

The aggregate score above is 10/15. Therefore, in overall terms, we consider the subject to be Average

Micro Market Commentary

With regard to the Middlehaven area of Middlesbrough, whilst regeneration has been planned for a significant period, both viability and an inability to secure funding have prevented plans from coming to fruition. This is clearly highlighted within the timeline in the following paragraphs.

The area has been severely run down since the 1970s, following the closure of a number of large industrial organisations and a rise in unemployment. At that time it was known as St Hildas, however, this was changed to Middlehaven in 1986.

Re-development of the surrounding area commenced in 1995 when the Riverside Stadium was constructed, which was followed by the unveiling of the Middlehaven Masterplan in 1999. This Masterplan included proposals for the development of 1000 homes, land for leisure, visitor attractions, pubs and restaurants, office buildings and other business use. The Teesside Development Corporation also put forward a £100 million project that included the Tall Ships Centre and Experience as its main attraction. These proposals collapsed due to planning issues and also an inability to secure Lottery funding.

In 2000, a partnership between Middlesbrough Council, English Partnerships and One North East began a project to decontaminate and reclaim 700 acres of land for the development of 1000 new homes, small offices, workshop units and studios. Again this development did not proceed and was followed by a major retail study in 2001 that concluded that there was capacity for a large foodstore within the area that could attract around 450 jobs.

A further Middlehaven Masterplan was compiled in 2004, including a £500 million development of apartments, hotels, leisure outlets and adventure sporting attractions. The aim of this was to boost the economy and create jobs. It was commissioned by Tees Valley Regeneration. The scheme was to be based around the waterfront and included the development of 750 homes, significant office space and leisure facilities, a hotel, retail bars and restaurants. Alongside this, proposals for the £50 million Middlesbrough College were unveiled. These plans were curtailed in August 2004, as planning permission for a new Asda store was rejected. In September of that year, works started at North Ormesby to provide a major road interchange to connect traffic to the A66.

Adjacent to the subjects, the new campus for Middlesbrough College opened in 2008, developed at a cost of £68 million. In that year proposals were put forward for the development of Digital City with a focus on attracting Digital Media Industries to the area known as Boho. Since that time, six buildings have formed this Digital City.

Terrace Hill constructed Phase 1 of its Hudson Quay development, providing 30,700 sq ft of office accommodation. Hertel relocated its UK HQ to this development, taking a 15 year lease of 15,000 sq ft of office accommodation in 2008. The remainder was pre-let to the Crown Prosecution Service.

Phase 2 of Hudson Quay commenced in September 2009, this being pre-let to Middlesbrough Primary Care Trust, who took 38,500 sq ft. The above two phases highlight that Government pre-lets have generally been required to make development viable.

Residential development within the area finally commenced in 2009 with the construction of 80 apartments in the Community in a Cube at Riverside One and Boho One, Digital Office accommodation, welcomed its first tenant.

Regeneration stalled following the above and during the recessionary years, with the next development being finished in 2014. This is the M&S Society building on a Lower East Street adjacent to the subject. Again this development was built out by the Public Sector as a specialist health centre, known as The Gateway. A six storey building known as Boho Five was also completed in this year, consisting of 48 office suites ranging in size from 104 - 1,053 sq ft, alongside the application by Middlesbrough Council for a CPO for the last remaining homes in the area so that further regeneration could be realised.

In 2015 a Sainsbury Superstore was built out, however, Sainsbury pulled out of this in July that year, the store still being vacant.

Also, at that time, Cool Runnings released their plans to construct a Snow Centre. Planning for the site has been on-going for a number of years with opening dates being put back from 2017 to 2022. Middlesbrough Council purchased the land for this development for £840,000 in 2019. As part of the deal, it is reported that the developer is to reimburse Middlesbrough Council for the cost of the land. The site spans 7 acres, with the capital value equating to £120,000 per acre. When built, it is envisaged that the development will amount to a total cost of £30 million.

In 2018, The Dock Bridge opened, this being the gateway to the proposed new Snow Centre. At a cost of £10 million, this Bridge has been built to provide a link to the Snow Centre.

At present, 0 current proposals are focussed on the development of 72 apartments to the north east of subject, off Durham Street and adjacent to recently built dwellings. The proposal is made up of four blocks, including 12 apartments in block A, 21 apartments in block B, 30 apartments in block C and nine apartments in block D.

It is further broken down into the western site, with 39 flats and 39 car parking spaces, and the eastern site, with 33 flats and 33 car parking spaces. A new, or altered, vehicle and pedestrian access is proposed to the public highway. A planning application has been submitted for this.

Also, a new office development known as Boho X was proposed. This was to include the construction of a 20 storey tower with 100,000 sq ft of office space, however, it was announced last month that the plans for this are to be reviewed due to on-going issues with COVID-19.

Middlehaven Residential Market

In terms of its residential value, Middlesbrough sits at the lower end of the scale with house prices significantly lower than the UK average, this being illustrated within the table below:

House Type	UK Average House Price	Middlesbrough Average House Price	Percentage Difference
All	£221,996	£113,577	49%
Detached	£351,585	£194,924	45%
Semi Detached	£221,058	£115,377	48%

House Type	UK Average House Price	Middlesbrough Average House Price	Percentage Difference
Terrace	£188,528	£81,558	57%
Flats and Maisonettes	£203,401	£67,505	67%

With regard to the subject's postcode, according to Zoopla, the average house price based on sales over the last 12 months is £61,000. This highlights that the subjects are in a low value area. Our web based research has not, however, uncovered any recent sales evidence for new houses within the locality.

The nearest new build developments that are currently selling houses are Gleeson Homes' Boro Park and Acklam Gardens Development. The former is around 2 miles distant, the latter 4 miles. We have been informed that sales have been slow at these developments, with asking prices of 2 bedroom homes £94,000 - £106,000 3 bedroom homes £117,000 - £140,000 at the former and 3 bedroom properties at between £130,000 - £136,000 the latter. Both of these sites are, however, in established residential areas, the latter being close to the A19, meaning they are likely to achieve higher house prices than any proposed new dwellings on the subjects.

The market for new build apartments is relatively untested within the subject's immediate locality, with the CIAC building being the only notable recent development. The most recent sale is that of number 28 for £75,000 in July 2017. This apartment has a single bedroom and a Gross Internal Area of 840 sq ft, the sale price, therefore, equating to £89.29 per sq ft.

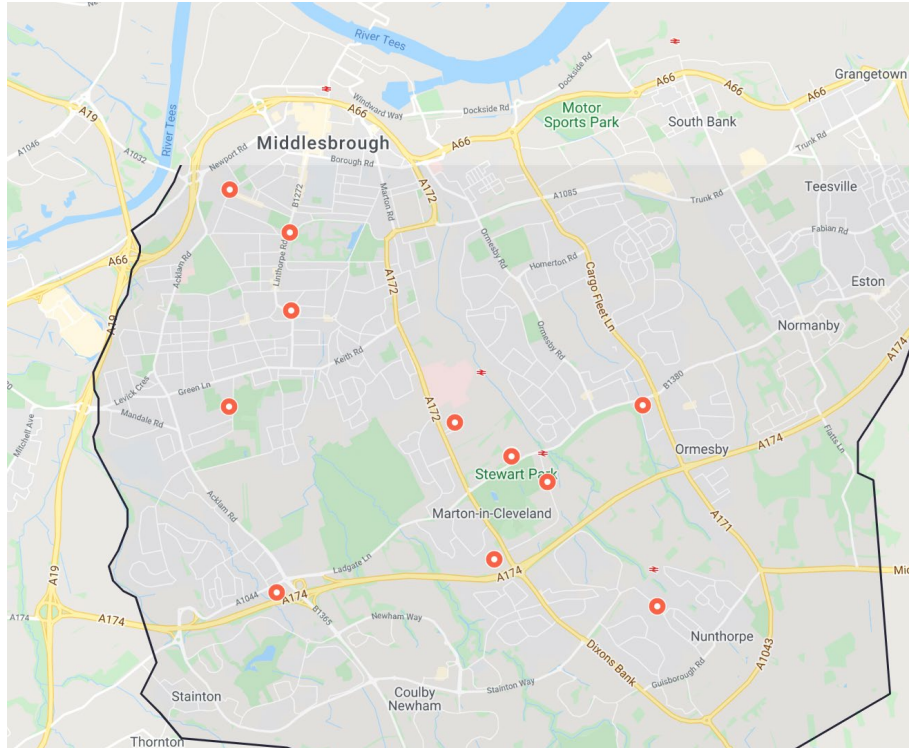
Flat 74 is currently available, it being advertised for sale at £110,000 since October 2019. It is situated on the sixth floor and has a Gross Internal Area of 850 sq ft, the sale price, therefore, equating to £129.41 per sq ft.

The only other sales evidence from this building dates back to 2013 - 2015 where the sale prices ranged from £47,000 - £140,000 with a capital value range from £131.15 per sq ft to £162.60 per sq ft. The higher amount was achieved by flat 67, which has a Gross Internal Area of 861 sq ft. The lower amount was achieved by Flat 4, which has a Gross Internal Area of 366 sq ft. This provides an average capital value of £146.87 per sq ft.

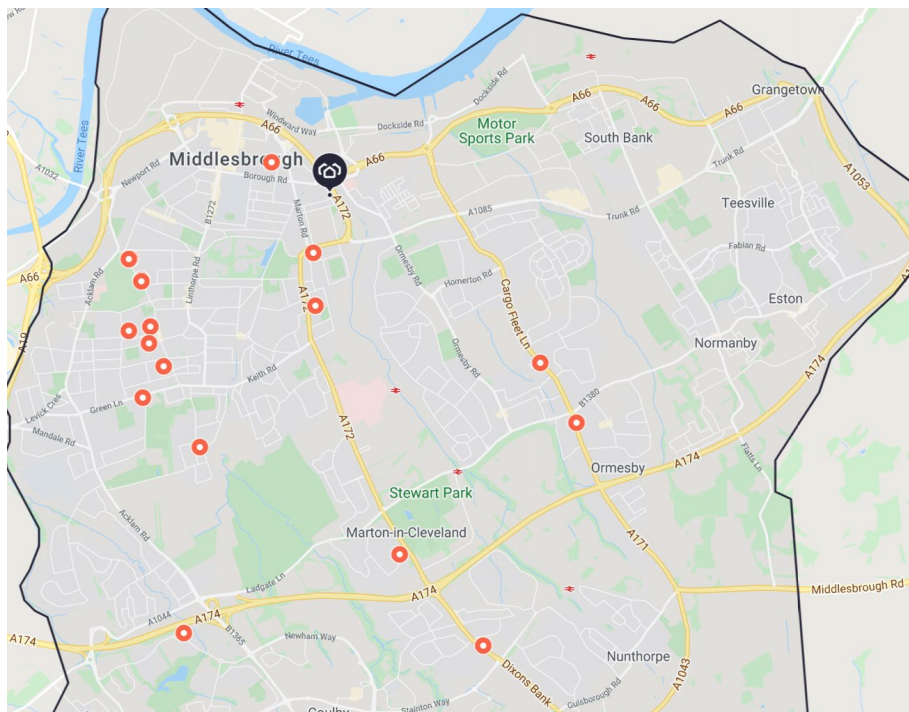
In terms of the wider area, the maps below, as provided by Rightmove (rightmove.co.uk), illustrate flats and apartments that are currently for sale within Middlesbrough at a price in excess of £100,000. As can be seen, these are generally within the outskirts of the town, in higher value areas such as Marton.

The northernmost flat for sale on Linthorpe Road, is a two bedroom retirement flat within Constantine Court. This is for sale at £105,000, with this form of dwelling generally achieving a premium due to the communal services provided and the market targeted.

Further south, the flat for sale at Belgravia Gardens, is a modern purpose built 2 bedroom apartment within a higher value area. This has communal gardens and parking and is available for sale at £145,000.



The map below details the apartments for sale within the town centre area, with a price range of between £60,000 - £80,000. As can be seen, Lytton House appears to be the closest apartment building to the subject, with apartments currently for sale. This is a three storey purpose built apartment block that is reasonably modern with parking facilities.



SWOT

We consider strengths, weaknesses, opportunities and threats of the Property at the date of Valuation to be:

Strengths	Limited competition from other new build apartment schemes. Close to town centre and its amenities. Easily accessible.
Weaknesses	Low Value and less affluent area. Dilapidated and industrial buildings close by. No allocated parking provision.
Opportunities	None noted.
Threats	COVID-19 and its negative impact on the UK housing market and economy in general.

The outbreak of COVID-19, declared by the World Health Organisation as a “Global Pandemic” on the 11th March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel restrictions have been implemented by many countries and “lockdowns” applied to varying degrees. Whilst restrictions have now been lifted in some cases, local lockdowns may continue to be deployed as necessary and the emergence of significant further outbreaks or a “second wave” is possible.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to ‘material valuation uncertainty’ as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards, [except as identified below.

Material valuation uncertainty

In respect of the residential sector, as at the valuation date we continue to be faced with an unprecedented set of circumstances caused by COVID-19 and an absence of relevant/sufficient market evidence on which to base our judgements. Our valuation of the subject is therefore reported as being subject to ‘material valuation uncertainty’ as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case.

For the avoidance of doubt this explanatory note, including the ‘material valuation uncertainty’ declaration, does not mean that the valuation(s) cannot be relied upon. Rather, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.’

8. VALUATIONS AND VALUATION METHODOLOGY**Market Value**

We are of the opinion that the current **Market Value** of the **freehold** interest of The Boho Towers site, Richmond Street, Middlesbrough, TS2 1BF as at 16th November 2020, with vacant possession for internal purposes and so that the Council can consider potential funding of the scheme, is:

£275,000
(Two Hundred and Seventy Five Thousand Pounds)

Valuation Methodology

As detailed within our letter of instruction you have requested that we provide an opinion of the site's Market Value in its present state. Alongside providing this, you have also requested that we carry out a residual appraisal based on Empire Invest's proposed scheme in order to establish the level of grant that you would have to provide in order for the development to become viable.

In assessing the subject's Market Value, it is noted that it is a relatively small site of approximately 1.25 acres. It is our understanding that Middlesbrough Council has agreed a sale price of £275,000 for it with Empire Invest. This is considered to be consistent with the below agreed sale of a similar sized site in the Middlehaven area of Middlesbrough:

Sale of Land off Durham Road: This transaction relates to the sale of land within the Middlehaven area, by Middlesbrough Council for residential development. The amount of land involved across four adjacent plots is 1.293 acres and the agreed price of £271,750 equates to £210,170 per acre.

The sale price of £275,000 is, therefore, considered to be the subject's Market Value.

Valuation Methodology

Taking into account the transactions set out within this report, for valuation purposes we have adopted the residual method of valuation through a Development Appraisal. You have instructed us to assume that planning permission is in place for Empire Invest's proposed scheme, as set out in our Development Proposal's section above.

Development Appraisal

We have been provided with a Development Appraisal compiled by Empire Invest. This includes the following inputs:

Item	Value/Cost Provided	Comment
Gross Development Value	£8,600,000	Based on an average unit price of £146,333.33 or £183.32 per sq ft capital value.
Furniture Packs	£180,000	Assumed that furniture packs will be sold to investors.
Base Build costs	£7,506,080	Average construction cost of £160 per sq ft.
Demolition	£50,000	
Infrastructure	£150,000	

External Professional fees	£75,000	0.99%
Planning full design team	£150,000	
Acquisition Legal, Comp, Set up	£20,000	
Contingency on build	£150,000	1.98%
Sales Commission	£860,000	10% of sales revenues
Other Costs	£250,000	Design Team following planning

Construction cost analysis

As the construction costs have been provided by Goodwin Construction, an organisation that appears to be a bonifide contractor with experience of developing similar sized schemes, they have been adopted within our appraisal. It is, however, noted that that we have requested further details as to whether this is an agreed contract price and confirmation as to whether the contract can be disclosed for verification. This has not been disclosed and we would, therefore, recommend that you request sight of this prior to considering providing funding for the proposed project. As illustrated in our own appraisal later, the proposed development would generate a large loss and any increase in construction cost would further exacerbate this. In having regard to the BCIS cost index, it is noted that the range in construction costs for buildings spanning 6 storeys or above is:

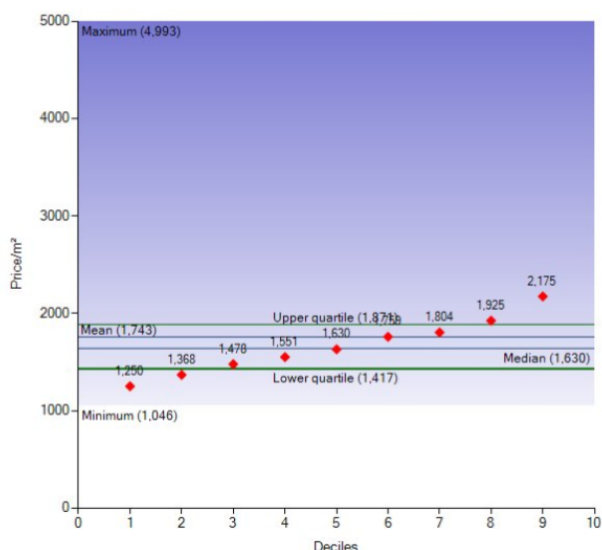
Maximum age of results: 15 years (default)

Sample: 96

Mean: 1,743

Standard deviation: 578

	Min	1	2	3	4	5	6	7	8	9	Max
Range	1,046										4,993
Deciles		1,250	1,368	1,478	1,551	1,630	1,759	1,804	1,925	2,175	
Quartiles			1,417						1,871		
Median						1,630					



Whilst the proposed cost is within the range, we would recommend that a contract is provided detailing a full Bill of Quantities to ensure that the cost will not exceed this level. Our concerns are that costs escalate, the contractor and developer cannot absorb these due to a lack of viability of the scheme, they enter receivership, the scheme is vacated and the Council are left with a part built structure.

It is also noted that there is no additional costs for the communal space, with the developer stating that these are factored into the apartment build cost. We would recommend that you request a detailed breakdown of the split between the apartment and communal area build costs. Given that the proposed scheme is a large apartment block, communal space could amount to around 20% and if this has not been accounted for. Costs could, therefore, increase significantly, further compounding the lack of viability. Increasing the construction costs by 20%, would lead to a total base build cost of £9,007,296.

Gross Development Value

The developer, Empire Invest, has stated that they are to target overseas investors, which will drive the capital values up to their sale prices. Our concern is that there is no available evidence from within Middlesbrough to support their sale prices. We are of the view that Middlesbrough does not have a market for this form of development, at present and that Middlehaven is still requiring a good level of regeneration before it will become viable. Achieved capital values per sq ft are significantly lower than the proposed sale prices and it is our opinion that a Gross Development Value of £6,890,000 (£147.87 per sq ft) is more realistic, if not at the top end of the scale. In normal market terms, this may be achievable, however, with commentators predicting a 10 – 20% fall in house prices due to COVID-19 and a likely diminishing apartment market due to the fear of living in multi occupied blocks, there is a risk that this level could reduce. We have, therefore, provided a number of sensitivity analyses with house price falls of 5%, 10% and 15%.

Sales Commissions

It is noted that the developer states a commission level of 10% will be paid to the sales agent, as they are part of a worldwide network that will attract foreign investors to pay above Market Value. This is not considered to be normal practise and not an assumption that would be considered in a Red Book appraisal. Within our appraisal, we have, therefore, assumed a market norm agency fee level of 1% of sale proceeds.

Planning Costs

It is assumed that the costs will not be charged by Middlesbrough Council in order to assist in the facilitation of development. It is also assumed that Section 106, Section 278 and CIL costs will be absorbed by the Council. Should this be found to be incorrect and that additional costs will be incurred, we reserve the right to alter our opinion of Market Value accordingly.

The Developer

Whilst the developer has stated that they have been involved in several similar schemes, we have requested that they provide evidence towards this and also further details towards their costs. We have requested this in order to assess our opinion as to their capability towards developing the scheme. You are aware of this and also that we evidence has not been forthcoming. We would, therefore, recommend that further due diligence is carried out towards the developers capability prior to providing funding.

To reflect normal market variables, we have adopted the following into our own appraisal:

Gross Development Value	£6,890,112
Development Period	48 months (including sale period)
Finance Costs	6% or £95,456
Building Costs	Base Build costs £7,506,080 Demolition £50,000 Infrastructure £150,000
Contingency	5% or £375,304
Professional Fees	10% or £788,138
Developers Profit	20% of cost or £1,148,350

Marketing Costs	£20,000
Agent's Fees	1% or £68,901
Legal Fees	0.5% or £34,451

On this basis our opinion of the level of funding required for the scheme to be viable is £3,350,000. In adding the land value to this, the total funding amount is £3,625,000.

Profit erosion is 3 years and 1 month.

We are of the opinion that the funding required to produce a viable scheme for the proposed residential development by Empire Invest of The Boho Towers scheme, Richmond Street, Middlesbrough, TS2 1BF as at 7th September 2020, is

Funding required: £3,625,000
(Three Million Six Hundred and Twenty Five Thousand Pounds)

Sensitivity Analysis

As stated above, there is concern towards future stability in UK house prices, due to the impacts of COVID-19 and the economy, the latter plunging into a recession. This has led to commentators predicting potential 10 – 20% reductions in house prices. Whilst it is impossible to predict the full extent of the decrease in house price, we feel that there is a real possibility that this could occur and it is, therefore, prudent for you to have regard to this when considering providing funding. We, therefore, provide the reduction and increase in GDV and funding required, respectively:

- **5% reduction in house price: GDV = £6,545,606 Funding = £3,895,221**
- **10% reduction in house price: GDV = £6,201,100 MV = £4,168,869**
- **15% reduction in house price: GDV = £5,856,595 MV = £4,442,518**

As detailed above, the appraisal provided by Empire Invest does not appear to include a cost for the communal areas. In increasing the costs to reflect a potential increase of 20%, the grant funding requirement rises to £5,341,871

9. ASSUMPTIONS, LIMITATIONS AND REGULATORY INFORMATION

Information

Any third party information supplied by the client, professional advisors, investigation agencies, Local Authorities, statutory bodies and other stated sources is accepted as being correct unless otherwise specified.

Development Proposals

For the purpose of this Report and Valuation we have assumed that any proposed works will be completed in accordance with the details provided, to a reasonable standard of workmanship and in accordance with relevant regulations.

Services

Unless otherwise stated we understand that all mains services are available to the property, including electricity, gas, water and mains drainage, although we have not made any enquiries of the respective service supply companies. We further assume that any of the services or associated controls or software are in working order and free from defect.

Condition

We have not carried out a building survey of the property as this was not within the scope of our instructions, nor have we inspected those parts of the property which are covered, unexposed or inaccessible, and for the purpose of this report, such parts have been assumed to be in good repair and condition.

We cannot express an opinion about, or advise upon the condition of un-inspected parts and this report should not be taken as making any implied representation or statement about such parts.

Further, we have not tested any of the drains or other services, and for the purpose of this valuation we have assumed that they are all operating satisfactorily and no allowances have been made for replacement or repair.

The property has been valued with due regard to its appropriate existing state of repair and condition, including reference to its age, nature of construction and functional obsolescence. We believe we have formed a general opinion of the state of repair of the property in so far as it is likely to affect our valuation.

It is assumed that normal periodic maintenance will be carried out to maintain the property in a state of repair fit for its present use.

It is assumed that the condition of the property at the date of valuation is identical to that found at the date of our inspection.

Plant and Machinery

Unless otherwise specified all items normally associated with the valuation of land and buildings are included in our valuations and reinstatement cost assessments (if provided), including:-

Fixed space heating, domestic hot water systems, lighting and main services supplying these, sprinkler systems and associated equipment, water, electricity, gas and steam circuits not serving industrial or commercial premises, substation buildings, lifts and permanent structures including crane rails where forming an integral part of the building structure, fixed demountable partitions, suspended ceilings, carpets, drains, sewers and sewerage plants not primarily concerned with treating trade effluent, air conditioning except where part of a computer installation or primarily serving plant or machinery.

Unless otherwise specified the following items are excluded:-

All items of processed plant and machinery, tooling and other equipment not primarily serving the building, cranes, hoists, conveyors, elevators, structures which are ancillary to, or form part of an item of process plant and machinery, sewerage plants primarily concerned with treating trade effluent, air conditioning where part of a computer installation or primarily serving plant and machinery, and water, electricity, gas, steam, and compressed air supplies and circuits serving industrial and commercial processes.

Unless otherwise specified, no allowance is made for the cost of repairing any damage caused by the removal from the premises of items of plant and machinery, fixtures and fittings.

In the case of petrol filling stations, hotels and other properties normally sold and valued as operational entities, all items of equipment normally associated with such a property are assumed to be owned and are included within the valuation unless otherwise specified.

Defective Premises Act 1972

Liabilities or obligations or any rights there under, whether prospective or accrued are not reflected in valuations unless actually specified.

Asbestos and Deleterious Materials

This material was regularly used from 1960s to 1980s. The cost of maintenance, alteration and repair of any building where asbestos is present can be significantly increased because of the need to take appropriate precautions under The Control of Asbestos Regulations 2012 (amended February 2016). This in turn may impact value.

Under the terms of these Regulations a Dutyholder is required to manage asbestos in non-domestic premises. Typically, this encompasses a positive obligation to assess the likelihood of asbestos containing materials (ACMs) being present at the premises. This can be achieved either by reference to bona fide statements confirming that ACMs were not incorporated into the construction of the building, or by commissioning an asbestos survey. The results of that survey would then be interpreted, acted upon and recorded in an Asbestos Management Plan. For the purpose of our report, we have assumed that, unless indicated to the contrary, a survey would not disclose any evidence of asbestos or deleterious materials in the construction of the subject, in circumstances where it is likely to have an effect on health or safety.

We have not arranged for any investigation to be carried out to determine whether or not any deleterious materials have been used in the construction of the property, or have since been incorporated and we are, therefore, unable to report that the property is free from risk in this respect. For the purpose of this valuation we have assumed that such investigation would not disclose the presence of any such material to any significant extent.

Composite Panel Cladding

If the property has composite panel cladding, this may have implications for insurance depending on the type of panelling used; this may have an adverse impact on value.

Many insurance companies are now requesting confirmation from the building owner/insured as to whether composite panels have been used and if so what make they are and whether they are approved for use by the Loss Prevention Council (LPC), it being virtually impossible to tell from external inspection only.

Unless advised to the contrary and addressed within our report our valuation assumes that that there are no issues with the type and nature of the panelling utilised and that the building is fully insurable on standard commercial terms.

Contamination

Unless otherwise stated herein, we have not been instructed to commission a formal audit in respect of the subject site in relation to the potential presence of contamination. Furthermore, our brief enquiries have provided no evidence that there is a significant risk of contamination affecting the property or neighbouring property which would affect our valuation.

We have not carried out, nor are we qualified to carry out an Environmental Audit. Our comments herein are therefore merely a guide and should not be relied upon. If you require confirmation of the position, we strongly recommend that an initial Environmental Audit is carried out.

If we have been provided with third party reports we have accepted them as being correct.

We have assumed that any/all necessary decontamination works have been undertaken at the subject in its current and/or permitted use to be legally undertaken without contravention of any existing contamination related statute.

A purchaser in the market might, in practice, undertake further investigations than those undertaken by us. If those further investigations were to reveal contamination then this might reduce the value/s now reported.

Where property has been redeveloped we have assumed that any necessary de-contamination works required for the proposed redevelopment of the subject have been undertaken.

Contaminative Invasive Species

Unless otherwise informed we have assumed that there is no presence of any contaminative invasive species.

Ground Conditions

Unless otherwise stated, we have not been provided with a site investigation or geographical or geophysical survey. We have therefore assumed the ground has sufficient load bearing strength to support the existing structures (and/or any other structure which may be erected in the future) without exorbitant or excessive costs. It is further assumed that there are no underground minerals, archaeological remains etc which may have a detrimental impact on value.

For the purpose of this advice we have assumed that the ground conditions are satisfactory for a traditional method of construction. We have also assumed that there are no contaminating or other deleterious materials present which may prevent the development of the site in a traditional method or at normal cost levels. Furthermore, we have assumed that the site is capable of being serviced at a reasonable cost level, and that there would be no exorbitant or excessive off site costs relating to matters such as drainage, infrastructural adaptations etc.

If we have confirmed herein that the subject is located in an area of past mining activity, we recommend your solicitors instigate a mining search to comment upon the incidence of mining related settlement and location of mine shafts.

Flooding

Flood Risk - the Environment Agency website uses indicative Flood Plain maps to provide a general overview of areas of land in natural flood plains and therefore potentially at risk of flooding from rivers or sea. The maps use the best information currently available, based on historical flood records and geographical models and indicate where flooding from rivers, streams, water courses or the sea is possible.

The information relating to the likelihood of flooding is the Environment Agency's assessment of the likelihood of flooding from rivers and the sea at any particular location, based on the presence and effect of all flood defences, predicted floor levels, and ground levels. The probability or likelihood of flooding is described as the chance that a location will flood in any one year.

Drainage – surface water run off flooding, known as 'pluvial' flooding, at times of prolonged, exceptionally heavy downpours of rain, is becoming increasingly frequent given surrounding drains and sewers are not always able to cope. It can be made worse in urban areas where the ground consists mostly of hard surfaces, such that the rain flows straight off rather than soaking away. Rising groundwater levels resulting from heavier rainfall and reduces abstractions can also present problems.

Town Planning

We have made informal enquiries of the local planning and highway authorities and the information provided is assumed to be correct.

Unless otherwise stated, all planning information has been given via web based enquiries of the Local Planning Authority. In the absence of further information, we have assumed that the uses being carried out in each of the properties is an authorised planning use and that the buildings have been erected with full planning permission.

No formal search has been instigated and if reassurance is required we recommend that verification be obtained from your solicitors that the position is correctly stated in our report, that the property is not adversely affected by local authority proposals or requirements and that there are no outstanding statutory notices.

We have assumed that the properties and their value are unaffected by any matters which will be revealed by a local search and replies to the usual enquiries or by any statutory notice and that neither the properties nor their condition nor their present or intended uses are or will be unlawful.

We trust that your solicitors will check this information by taking out a local search and again, we would be pleased to advise further upon receipt of the confirmation of these details.

We have assumed that each property has full unconditional consent for the stated use and development described within.

For reference, following the Planning and Compulsory Purchase Act 2004, the old plan-making system is to be replaced by Local Development Frameworks (LDF). The LDF is not a single document or plan; rather, it is a suite of documents that combine to form the development plan for the area. The principal document is the Core Strategy, which sets the overall planning policy approach, which is supported by various Development Plan Documents (DPDs) for specific issues, such as site allocation.

Rating

For reference the empty property rates for vacant commercial premises are 100% of the basic occupied business rate, after initial void periods have elapsed. For most properties, excluding industrial, the void period is 3 months. For industrial properties, the void period is 6 months.

Unless otherwise stated we have not investigated whether the property is subject to any transitional relief or phasing and are unable to comment in this respect.

Health and Safety Legislation

Our valuation assumes that, in so far as is relevant to the subject, the property complies with the requirements of the Office Shops and Railway Premises Act 1963 as well as any superseding statute. The Act provides for securing the health, safety and welfare of persons employed to work in office or shop premises and those employed to work in certain railway premises.

Fire Legislation

As from 1 October 2006 the Regulatory Reform (Fire Safety) Order 2005 came into force in England and Wales. Under this Order, Fire Certificates are no longer issued and existing certificates have been superseded by Risk Assessments. A Risk Assessment is required for all non-domestic properties, as well as tenanted domestic properties, and is to be carried out by a 'Responsible Person' as defined within the Order. The findings of any risk assessment must be recorded in writing where more than five or more persons are employed or the premises are licensed or there is an alterations notice.

The smoke and Carbon Monoxide Alarm (England) Regulations 2015 came into effect from 1 October 2015 requiring that landlords of residential property must provide (a) a smoke alarm on each storey of the premises on which there is a room used wholly or partly as living accommodation and (b) a carbon monoxide alarm in any room of the premises which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance. A landlord has a responsibility to insure that the detectors are checked and in proper working order. It is assumed that the property is compliant in regard to the above regulations.

General Legislation

For the purpose of this report, we have assumed that the property complies with current fire regulations, building regulation controls, employment regulations, defective premises and health and safety legislation.

Discrimination

The Equality Act 2010 and subsequent updates, makes it unlawful for service providers to treat disabled people less favourably because they are disabled (unless there is a clear and fair reason) in relation to their access to their place of employment or education; their access to goods, services and facilities (although note that where private clubs are concerned, only those with 25 or more members are required to be compliant with the Act) and their access to the functions of public bodies.

Employers, educators and service providers must all make *reasonable* adjustments for disabled people to be able to access and use property they have a right or need to visit; this is not restricted to physical access.

Where a temporary or permanent physical feature makes it impossible, or unreasonably difficult, for disabled customers to make use of a service or place of education or work, the provider has to take reasonable measures to remove the feature; alter it so that it no longer has that effect; provide a reasonable means of avoiding the feature; or, provide a reasonable alternative method of making the service available to disabled people.

The test of reasonableness is about what is practical in the service provider's individual situation; what resources they might have (and the amount of any resources already spent on making adjustments); whether taking any particular measures would be effective in overcoming a particular difficulty; the extent to which it is practicable for the service provider to take the measures; the extent of any disruption which taking the measures would cause.

For the purpose of this report and valuation we have assumed that the property complies with the relevant requirements of the Equality Act 2010 ('the Act').

Sustainability

Investor and occupational decisions are increasingly being informed by a range of sustainability related metrics that are beginning to be developed and that can provide measures of some aspects of a property's sustainability characteristics, for example Energy Performance Certificates (EPCs) and BREEM. Furthermore industry benchmarking of sustainability performance is becoming more common place.

Characteristics that may be considered are land use, design and configuration, construction materials and services, location and accessibility, fiscal and legislative considerations and management and leasing issues. If, at the date of valuation, the market does not differentiate (in terms of demand), between a building that displays strong sustainability credentials and one that does not, there will be no impact on value.

Energy Performance Certificates

EPCs contain information about the energy performance of a building.

To meet the EU Energy Performance of Buildings Directive, EPCs must be produced by the 'relevant person' prior to marketing for property transactions including the sale, rent or construction of all buildings, whether residential or commercial, with the exception of places of worship, buildings less than 50 sq m, industrial sites, workshops and non-residential agricultural buildings that do not use a lot of energy, and temporary buildings.

The 'relevant person' will be the vendor or prospective landlord as appropriate; where a tenant wishes to assign or sub-let its interest and the premises have common heating or air-conditioning services, the landlord of those constituent parts becomes the 'relevant person'.

Local Authority Trading Standards Officers have powers to levy fines for non-compliance. EPCs are valid for 10 years from the date of production and can be reused as many times as required within that period, provided that changes have not occurred to the property relating to, for example, layout or refurbishment.

DECs (Display Energy Certificates) - Since 9 July 2015 public buildings in the UK over 250m² must display a Display Energy Certificate (DEC) prominently at all times. The aim of the Energy Performance of Buildings Directive is for the public to receive energy information about a building they are visiting. The Certificate provides information of a similar nature to an EPC but is an advisory document and thus not registered in the same way as an EPC.

Rental properties – when renting a property (including sub-letting and assignment, but excluding lease renewals, extensions or surrenders) to a new tenant, landlords are required to produce an EPC to the tenant and a tenant cannot legally move into the property until an EPC has been produced. Landlords are not required to produce an EPC to an existing tenant or if an existing lease is renewed or for dwellings in multiple occupation.

Properties for sale - sellers must obtain an EPC prior to marketing and provide a hard copy to the purchaser on completion.

Any commercial building over 50 sq m, marketed before 1 October 2008 but remaining on the market, needs a Commercial EPC. If it has been sold or rented out since 1 October 2008, a CEPC must have been commissioned and then handed over as soon as was practicable.

Our valuations assume that EPCs would be provided on sale in accordance with the aforementioned legislation however **we recommend that this is clarified by your legal advisors.**

Tenure

Unless otherwise stated, we have not inspected any documents of title and for the purposes of this valuation we have assumed that the subject interest is unencumbered and free from any unduly onerous or unusual easements, restrictions, outgoings, covenants or rights of way and that it is not affected by any local authority proposals. We recommend that your solicitors be instructed to verify the position.

Tenant Status

Unless otherwise stated, we have assumed that there are no arrears of rent, service charge or other relevant payments, or undisclosed breaches of covenant.

Furthermore, unless otherwise confirmed herein, we have not made status enquiries of the tenant company/ies and have assumed that all financially sound and capable of meeting their rental and other responsibilities under the lease terms.

Taxation and Grants

Value Added tax, taxation, grants and allowances, are not included in capital and rental values as, unless otherwise specified in the report, they are always stated on a basis exclusive of any VAT liability even though VAT will in certain cases be payable.

It is assumed for the purposes of valuation that any potential purchaser is able to reclaim VAT, unless otherwise stated. In particular it should be noted that where a valuation has been made on a Depreciated Replacement Cost basis the Replacement Cost adopted is net of VAT unless otherwise stated.

Unless otherwise specified Lambert Smith Hampton will not take into account of any existing or potential liabilities arising for capital gains or other taxation or tax reliefs as a result of grants or capital allowances, available to a purchaser of the property.

Market Value (MV)

We have prepared our valuation on the basis of Market Value (MV) which is defined in the RICS Valuation – RICS Red Book Global as:

“The estimated amount for which an asset or liability should exchange on the *Valuation Date* between a willing buyer and a willing seller in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

Further, no allowance is made for any costs of sale or any liability for taxation, including VAT, which may arise on disposal.

Fair Value

1. The estimated price for the transfer of an asset or liability between identified knowledge and willing parties that reflects the respective interests of those parties (IVS 2013).
2. The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date (IFRS 13).

Depreciated Replacement Cost (DRC)

The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

Operational Entities

The RICS advises that the most appropriate basis of valuation of properties normally sold as operational entities is Market Value as defined above. Such properties include public houses, hotels, holiday parks and other leisure uses, together with nursing homes, residential care homes, private hospital and petrol filling stations.

Our valuations reflect the following:-

- a. The market’s perception of trading potential with an assumed ability on the part of the purchaser to renew existing license, consents, registrations and permits;
- b. That the property is offered with vacant possession throughout, although in the case of nursing and residential care homes, subject to the contractual rights of the patients/residents occupying the home from time to time;
- c. That trade fixtures, fittings, furniture, furnishings and equipment are included.

Our valuations also specifically assume, unless otherwise specified that the business will continue to operate at a level not significantly worse than that indicated to us.

Existing Use Value

The estimated amount for which a property should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost.

Market Rent

We have prepared an additional valuation on the basis of Market Rent (MR which is defined in the RICS Valuation – RICS Red Book Global as:

“The estimated amount for which an interest in *real property* should be leased on the *Valuation Date* between a willing lessor and willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

Insurance

Insurance is usually arranged by clients (or their brokers) based on reinstatement cost assessments or occasionally on an indemnity basis and other methods of valuation are not appropriate. Therefore, in situations where advice is provided for insurance purposes, our methodology will be on a Reinstatement Cost Assessment basis.

Reinstatement Cost Assessment

The replacement figure stated for fire insurance purposes is a 'Day One' valuation and is given solely as a guide which may have to be varied and should not therefore be regarded as a formal valuation for insurance purposes. If a formal valuation for fire insurance purposes is required our Building Consultancy department will be able to undertake this on your behalf as a separate instruction.

It is assumed that the policy is on an indemnity basis with a fully operative reinstatement clause and no special conditions. We have assumed an instantaneous basis of value and have had no regard to any variation in building costs subsequent to the date of our estimate.

No provision is included for trade fixtures and fittings, occupiers fit out items, Value Added Tax, nor for loss of rent, extra costs of working or other consequential loss, local authority requirements and party wall works. Further, the figure excludes any land remediation and special contaminated waste costs. However, the figure is inclusive of professional fees, demolition and site clearance.

Following the outcome of the legal case *Bartoline v Royal and Sun Alliance Insurance plc* and another 2006, our assessment will not include for cost liabilities arising from any environmental consequences, contamination or pollution. We recommend that you consult your Insurers in respect of any specialist cover required.

A Reinstatement cost assessment is our opinion of the likely cost of reinstating all the buildings, on the basis that:-

- a. The accommodation provided will be similar in construction, design and area to the existing buildings;
- b. The works will be in compliance with conditions imposed by local Authorities in connection with the construction of the building;
- c. Unless reported separately, allowances are made to cover the cost of necessary demolition and site clearance prior to rebuilding, external works such as hard standing, private roadways and fences and professional fees which would normally be incurred.

Unless otherwise stated the reinstatement cost does not include any allowances for:-

- a. Any loss of rent incurred during rebuilding;
- b. Planning restrictions which a planning authority might impose;
- c. Special foundations required for plant and machinery or due to adverse ground conditions;
- d. Any plant, machinery, equipment, tanks, loose tools, office furniture and equipment (refer to the heading "Plant, Machinery, Fixtures and Fittings" for details of items normally included);
- e. Any effect of inflation on building costs occurring after the valuation date;
- f. VAT (except on professional fees) which normally be payable in addition.

Apportionment of Value

Apportionments provided between buildings, land and plant and machinery are normally depreciation purposes only. In normal circumstances apportionments are not valuations and they should not be used for any other purpose unless specified in our report.

Future Useful Economic Life

Future useful economic life of buildings is normally assessed in bands of years, most frequently subject to a maximum of fifty years. This applies to freehold properties and to leasehold properties where the future life is less than the unexpired term of the lease. An average figure is usually provided for groups of buildings forming a single asset. The figures are appropriate for depreciation purposes only.

Compliance with Valuation Standards

Where applicable our valuations are in accordance with RICS Valuation – Red Book Global Standards, published by the Royal Institution of Chartered Surveyors (“RICS”), the Insurance Companies (Valuation of Assets) Regulations 1981, the Financial Conduct Authority (FCA) “Listing Rules” (“Source Book”) and “City Code on Takeovers and Mergers” (“Blue Book”) as amended and revised from time to time. Copies are available for inspection.

Total Valuation (Aggregation)

Where provided this is the aggregate of the value of each individual property. It is envisaged that properties would be marketed individually or in groups over an appropriate period of time. If all properties were to be sold as a single lot, the realisation would not necessarily be the same as the total of the valuations. This assumption is not applicable to valuations made for taxation purposes.

Limitations and Liabilities

This Valuation Report is provided for the stated purpose and for the sole use of the named client. It is confidential to the client and their professional advisors and the Valuer accepts no responsibility whatsoever to any other person.

Neither the whole nor any part of this Valuation Report nor any reference hereto may be included in any published document, circular, or statement, or published in any way, without the Valuer's written approval of the form and context in which it may appear.

Such publication of, or reference to this valuation report may not be made unless it contains a sufficient contemporaneous reference to the Special Assumptions or departure(s) from the RICS Valuation –Red Book Global Standards.

APPENDICES



APPENDIX 1: EMAIL OF INSTRUCTION AND LSH TERMS OF ENGAGEMENT

From: [Andrew Carr](#)
To: [Rutter Andrew](#)
Cc: [David Velemir](#)
Subject: RE: Gresham and Boho
Date: 10 December 2020 15:38:29
Attachments: [image002.jpg](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[PO 8145629.pdf](#)
[PO 8145628.pdf](#)
[Gresham Phase 2.docx](#)

Hi Andrew,

David has confirmed that he has reviewed the final draft of the Boho Towers report and is happy for the report to be issued.

I've attached copies of the two Purchase Orders, which should have automatically been issued and have also attached a copy of a plan of the Phase 2 site.

Regards

Andrew

Andrew Carr

Development Services Manager

Regeneration | Middlesbrough Council

P.O. Box 504 | 1st Floor Civic Centre | Middlesbrough | TS1 9FY

T: (01642) 729148 | E: andrew_carr@middlesbrough.gov.uk

www.middlesbrough.gov.uk

From: Rutter Andrew <ARutter@lsh.co.uk>
Sent: Thursday, 10 December 2020 11:09
To: Andrew Carr <Andrew_Carr@middlesbrough.gov.uk>; David Velemir <David_Velemir@middlesbrough.gov.uk>
Subject: Gresham and Boho

CYBER SECURITY WARNING: This email is from an external source - be careful of attachments and links. If in doubt contact the ICT Service Desk via the YourICT icon on your desktop.

Good morning Andrew/David,

I hope that you are well. Just wondered whether you have had chance to review the final draft of Boho.

Also, do you have the PO numbers and a terrier plan for the Gresham site?

Kind regards

Andrew



Andrew Rutter LLM MSC MRICS

Director - Valuation

41-51 Grey Street, Newcastle upon Tyne, NE1 6EE

Direct: 0191 338 8311

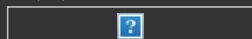
Office: 0191 232 6291

Mob: 07894 462050

Email: ARutter@lsh.co.uk



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Terms of Engagement for Valuation Services

1 INTERPRETATION

i) In these Terms:

"Agreement" means the agreement between the Client and LSH for carrying out the Service, incorporating the Terms and the Engagement Letter.

"Client" means the person to whom LSH is to provide services in accordance with the Terms and includes the person to whom the Engagement Letter is addressed.

"Director" means any person whose title includes the word 'director' whether or not a statutory director.

"Engagement Letter" means the letter or proposal document sent out by LSH to the Client setting out the basis on which it will carry out the Service.

"Expert Witness Terms" means the terms and conditions which, in addition to the Terms of Engagement letter, govern the provision of the Expert Witness Services (as defined within the Expert Witness Terms of Engagement).

"Force Majeure" means any circumstances beyond the reasonable control of LSH including, without limitation, war or threat of war, actual or threatened terrorist activity, any form of industrial action, disaster, adverse weather, act of God or act of governmental or other regulatory bodies.

"LSH" means Lambert Smith Hampton Group Limited whose registered office is at United Kingdom House, 180 Oxford Street, London W1D 1NN and any company which is in the same group of companies as that company.

"LSH Report" means the written advice and report(s) provided to the Client by LSH under this Agreement.

"Property" means the property identified in the Engagement Letter and any agreed variation to the Engagement Letter.

"RICS" means the Royal Institution of Chartered Surveyors.

"Service" means the service to be performed or procured by LSH under the Agreement including, where applicable, any Expert Witness Services (as defined in the Expert Witness Terms).

"Terms" means the terms and conditions set out in this document and includes the Expert Witness Terms and any other terms and conditions set out in the Engagement Letter or any other letter or document from LSH accompanying, supplementing or varying the Terms.

"Valuation Standards" means the RICS Valuation Guidance as set out within the RICS Red Book – Global

ii) In these Terms:

- (a) A reference to "writing" includes electronic mail;
- (b) A reference to any provision of a statute or regulation shall be construed as a reference to that provision as it is in force at the relevant time taking account of any amendment, re-enactment, extension or repeal.
- (c) Except where the context otherwise requires, words denoting the singular include the plural and vice versa, words denoting any gender include all genders and any reference to a "person" includes an individual, firm, corporation and/or other legal entity.
- (d) References to a numbered condition are to that condition in these Terms.
- (e) The headings are for convenience only and shall not affect the interpretation of these Terms.

2 GENERAL

- i) The Agreement shall be made when the Client receives a copy of the Terms or gives instructions to LSH, whichever shall be the later, and shall be subject to the Terms, which shall also apply to all or any part of the Service carried out prior to such date.
- ii) LSH shall perform all Services on the basis of the Terms only, which shall apply to the exclusion of any other terms and conditions which the Client may seek to impose.
- iii) No variation of the Terms or the Engagement Letter shall be binding unless previously agreed in writing by a Director of LSH and in entering into the Agreement the Client acknowledges that it has not relied on any statement, promise or representation which has not been confirmed in writing by a Director of LSH.
- iv) In the event of any ambiguity or conflict between any of the documents comprising the Agreement, the Engagement Letter shall take precedence over any of the other Terms.
- v) Nothing in the Agreement shall confer or purport to confer on any third party any benefit or right to enforce any terms of the Agreement. No term of the Agreement shall be enforceable under the Contracts (Rights of Third

Parties) Act 1999 by a person who is not a party to the Agreement, although this shall not affect any right or remedy of any third party which exists or is available other than under such Act.

- vi) LSH's duties under the Agreement shall be limited to those set out in the Terms.
- vii) LSH shall be entitled to accept and act on any instruction given to LSH by any person who is an employee of, or advisor, to the Client.
- viii) If any provision of the Terms shall become or be declared illegal, invalid or unenforceable for any reason such provision shall be divisible, and shall be deemed to be deleted, from the Terms.
- ix) Nothing in this condition 2 shall exclude or limit LSH's liability for fraud or fraudulent misrepresentation.
- x) The Client shall provide its authority, instructions or information required to LSH promptly.
- xi) It is a condition of the Client's agreement with LSH that (save where LSH instructs independent experts, consultants or other third parties on the Client's behalf) the duties and responsibilities owed to the Client are solely and exclusively those of LSH and that no employee of LSH shall owe the Client any personal duty of care or be liable to the Client for any loss or damage howsoever arising as a consequence of the acts or omissions of such employee (including negligent acts or omissions) save and to the extent that such loss or damage is caused by the fraud, dishonesty, wilful misconduct or unauthorised conduct on the part of such employee.

3 SERVICE

LSH shall seek to provide a service such as would be expected of a national firm of consultant surveyors in a proper professional manner and shall perform the Service with reasonable care and skill.

The Service shall, however, be provided on the basis that:

- i) LSH reserves the right to carry out instructions in accordance with such procedures, principles or methodologies as LSH deems to be appropriate. Where appropriate, LSH shall comply with the relevant Practice Statements and Guidance Notes published by the RICS and measurements shall be undertaken in accordance with the relevant Code of Measuring Practice published by the RICS.
- ii) estimates of times for performance of all or any part of the Service have been made upon the basis of information available to LSH at the time and are approximate only so that LSH shall not be bound by any such estimate.
- iii) LSH may, if it considers it appropriate, secure performance of any or all Services by instructing one or more other persons (whether as sub-contractor or in any other capacity) upon such terms as LSH considers appropriate. In circumstances where LSH secures the performance of another person, no additional fee shall be payable by the Client in the absence of prior agreement to such additional fee but the Client shall be liable to pay all fees and other sums payable to LSH as if all Services had been performed by LSH.
- iv) The Client shall provide LSH (or ensure that LSH is provided) with details of any other consultants or contractors appointed or to be appointed by the Client relevant to the Service.
- v) If LSH are instructed to act as an Independent Valuer then the meaning and understanding of the term Independent Valuer shall be that LSH will exercise independence, integrity and objectivity when undertaking the Service in accordance with the Valuation Standards but LSH shall not be under any obligation to conform to any statutory or regulatory description given to the term Independent Valuer or the Client's definition or understanding of Independent Valuer unless LSH agrees with the client in writing prior to the instruction that any such other meaning shall apply.

4 THE PROPERTY

i) Information

The Client warrants, represents and undertakes to LSH that (save as specifically notified to LSH by the Client in writing):

- (a) LSH shall be entitled to rely upon information and documents provided by or on behalf of the Client including those relating to matters such as Health & Safety, the Asbestos Register and details of tenure, tenancies, use, contamination, building costs, costs of development, town planning consents and building regulation consents, historic or projected future trading accounts and the like as being, to the best of the Client's knowledge, information and belief, accurate and not misleading (either on their face or by inference or omission) and the Client shall advise LSH and shall instruct any advisor to inform LSH in the event that the Client and/or any advisor receives notice or becomes in any other way aware that any information given to LSH is or may be misleading or inaccurate.
- (b) It shall provide legible true copies of any relevant documents reasonably required by LSH.
- (c) It shall make arrangements for the inspection of or attendance at the Property by LSH on reasonable notice in order to carry out the Service.
- (d) If the Client instructs LSH to re-value the Property without inspection LSH will assume that no material changes to the physical attributes of

the Property and the area in which it is situated have occurred and the Client has provided information of changes in rental income from investment properties and any other material changes to the non-physical attributes of each property such as lease terms, planning consents, statutory notices etc.

- (e) if the Client instructs LSH to undertake a critical review of a valuation prepared by another valuer and if LSH agrees in writing to do so then the Client shall undertake to provide LSH with full details of the first valuer's instructions so that LSH is in possession of all of the facts and information including the terms of instruction, circumstances and reasons for the first instruction so that LSH are able to undertake a critical review and the Client shall not publicise, discuss with third parties or refer to any critical review carried out by LSH in any documents or circular or otherwise without the express authority from LSH in writing.

ii) Assumptions

Except where disclosed to LSH in writing, LSH shall be entitled to assume the following as appropriate:

- (a) Opinions of value shall be provided on the basis of "Market Value" or "Market Rent" as defined in the Practice Statements and Guidance Notes published by the RICS and in accordance with the Valuation Standards unless otherwise agreed in writing between LSH and the Client and, unless specifically notified by the Client to LSH and agreed in writing by LSH, LSH shall not be under any obligation to identify or take into account any marketing constraint such as if the Property cannot be freely or adequately exposed to the market or if the Property is subject to an inherent defect or constraint whether or not such circumstance or constraint is actual, anticipated or hypothetical and LSH shall not be required to take into account any time limit for disposal without adequate explanation from the client of the reasons for such a constraint.
- (b) There are no tenant's improvements which would materially affect LSH's opinion of the value of the Property unless otherwise advised. LSH shall not take account of any item in the nature of the tenant's fixtures and fittings, improvements, plant equipment, and machinery and LSH may (without any obligation to do so) make any reasonable assumptions to identify if any fixtures and fittings are part of the Property and which would pass, with the Property, on reversion, back to the landlord or on any sale and that all such tenant's improvements or fixtures and fittings have all necessary consents and are not subject to any onerous conditions.
- (c) There are no restrictive covenants or encumbrances or unduly onerous or unusual easements, covenants, restrictions, outgoing or conditions attaching to the Property or unusual terms in any relevant documentation or notices or procedures (including compulsory purchase orders) served, issued or threatened or any other matters whatsoever full information about which have not been supplied and brought to LSH's attention in writing and which would materially affect LSH's opinion of the value of the Property and that the Property has good marketable title.
- (d) The Property has the benefit of full planning consent or established use rights and building regulations approval.
- (e) The Property is not contaminated or potentially contaminated and, unless specifically instructed, LSH shall not undertake any investigation into the past or present uses of either the Property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and shall assume that none exists.
- (f) LSH may rely on all data provided to it, or stated on any publicly available websites, in respect of any EPC affecting the property. LSH shall be under no obligation to establish if any EPC is accurate or current. In the event that no EPC is available LSH shall assume that the Property meets the minimum requirements of the legislation and that there will be no adverse impact on value and marketability.
- (g) The Property (including, without limitation, all means of access and egress, which shall be assumed to be freely available, to and from the same and all plant and/or machinery or substances located in or at the Property and provided for the use of any person) has been properly maintained and is in good repair and condition and that any obligation concerning repair, maintenance, decoration or reinstatement have been complied with in accordance with all and any necessary statutory or other regulations and requirements and, without prejudice to the generality of the foregoing, is safe and without risks to health. LSH may at its discretion reflect any readily apparent defects or items of disrepair noted during its inspection in valuations but the Client shall not rely on this to assume either that the Property is free from defect or that LSH have in any way quantified the extent of any repair;
- (h) The Property complies with all relevant statutory requirements including Fire Regulations.
- (i) LSH's valuations shall reflect the state reached in construction and the company's costs at the date of valuation, having regard to the obligations of parties involved in the development only to the extent that any costs or estimates which have been prepared by the Client's

professional advisors are made available to LSH and LSH shall not be liable for any error or inaccuracy arising directly or indirectly from such information and shall not be under any duty to advise concerning the accuracy or relevance of such information:

- (1) Except where specifically stated otherwise, LSH shall assume that the Property is subject to normal outgoing and that where relevant any tenant(s) are responsible for repairs, the cost of insurance and payment of rates and other usual outgoing, either directly or by means of service charge provisions.
- (2) Unless specifically requested, LSH shall not make enquiries as to the financial standing of actual or prospective tenants although LSH shall reflect the general market's perception of a tenant's status in its valuation. LSH shall assume, unless advised in writing, that tenants are capable of meeting their financial obligations under the lease terms and that there are no arrears of rent, service charge or other relevant payments or undisclosed breaches of covenants.
- (3) In the valuation of portfolios LSH shall value each Property separately and not as part of the portfolio. Accordingly, LSH shall make no allowance, either positive or negative, in the aggregate value reported to reflect the possibility of the whole of the portfolio being put on the market at any one time.
- (4) LSH shall be entitled to make such special assumptions ("Special Assumptions") as are necessary to provide the Client with the opinions of value requested by the Client. Any Special Assumptions made shall be agreed with the Client and set out in the Engagement Letter and shall be stated in the valuation report prepared by LSH.

iii) Other matters

Unless otherwise stated in the Engagement Letter:

- (a) LSH shall not be responsible for making any local search or other enquiries of local or any other authorities, including town planning enquiries or investigation of title regarding the Property, which shall be the Client's sole responsibility, and LSH may rely on any such information provided by the Client or the Client's advisors without further enquiry. If LSH shall make oral or other enquiries regarding the Property to third parties, the results of such enquiries shall not be relied on by the Client.
- (b) Subject to agreement of the terms of any subsequent instruction, LSH shall not be responsible for making any structural or site survey or audit of the Property such as may be required under the Equality Act 2010 or Control of Asbestos Regulations 2012 or for testing any services to or on the Property, including the availability of broadband or other communications or information technology infrastructures.
- (c) Any advice, approval or representation made by LSH or any person on behalf of LSH regarding the legal meaning or effect of any lease or contract shall not be relied on by the Client and such advice shall be limited to matters upon which it is suitable for a Chartered Surveyor to advise and shall not constitute advice regarding legal interpretation or drafting issues. Unless otherwise agreed in writing between the Client and LSH, LSH shall not be obliged to advise upon the interpretation or drafting of any draft agreements, leases or other legal or technical documents.
- (d) LSH shall not be responsible for advising in respect of, or effecting the service of, any notice required to be given under statute or under the provisions of any contract or lease or otherwise and shall not be liable for advice, interpretation or compliance with any time periods or other provisions under statute, regulation (including the Civil Procedure Rules for the time being) or provided for in any contract or lease including any notice of appeal or for making payments or carrying out any other actions in accordance with such time periods.
- (e) There are no facts known to the Client which ought to be brought to the attention of LSH to enable it to ensure that access to the Property by any person is safe and without risks to health.
- (f) LSH shall exclude and shall not be required to take into account any work in progress stock in trade and shall not be required to take into account or be responsible for the interpretation of accounts, turnover figures or other financial or information relating to trade.
- (g) No allowance shall be made for any liability for payment of Corporation Tax, Capital Gains Tax, Stamp Duty Land Tax or any other property related tax whether existing or which may arise on development or disposal, deemed or otherwise. Valuations shall be deemed to be exclusive of Value Added Tax.
- (h) LSH shall not be under any duty to carry out conflict checks in relation to any third party (such as related companies) other than the Client or any other relevant party notified in writing by the Client to LSH.
- (i) Valuations shall not reflect any element of marriage value or special purchaser value which could possibly be realised by a merger of interests or by sale to an owner or occupier of an adjoining property, other than in so far as this would be reflected in offers made in the open market by prospective purchasers other than the purchaser with a

special interest unless LSH shall make a Special Assumption in this regard.

- (j) All valuations are given without adjustment for capital based government grants received, or potentially receivable, at the date of valuation or at some future date.
- (k) LSH's valuations shall be reported in pounds GBP. Overseas properties shall be reported in the appropriate local currency and represent LSH's opinion of the realisable value in the country of origin computed in accordance with local practice, with no allowance made for the transfer of funds in the UK.
- (l) Unless the Client shall specifically commission a formal survey with relevant obligations and LSH accept such instruction on terms to be agreed, LSH shall not be under any obligation to take into account any aspect arising from the condition of the Property including any benefit or liability in respect of dilapidations and no advice or representation concerning the condition of the Property shall be relied on by the Client or any third party.
- (m) Unless the Client shall specifically commission a formal management arrangement with relevant obligations and LSH accept such instruction on terms to be agreed, the Client shall remain responsible for the insurance of the Property and for notifying its insurers should the Property become vacant. LSH shall not be responsible for the management, security or deterioration of the Property or, except in respect of death or personal injury caused by the negligence of LSH or its employees or agents, for any other like matter or loss however caused. If the keys for the Property are held by LSH then the Client shall be deemed to have given authority to LSH to supply keys to any persons who wish to inspect the Property or carry out works or inspections at the Property and LSH shall accept no responsibility for the action of such persons. The Client shall effect and maintain full insurance cover against any claim that may be made by LSH or any representative or employee of LSH or by any third party in respect of any loss, damage or injury however caused arising directly or indirectly under or in respect of the Agreement.
- (n) whilst LSH shall endeavour to treat all information which is relevant to the Client's instruction as confidential, LSH may at its sole discretion provide any information to other professionals or third parties as is usual practice and, in any event, LSH may be required to provide such information to a court or tribunal or to the other party in any proceedings.
- (o) LSH shall not be under any obligation to arrange for any investigations to be carried out to determine whether or not any deleterious or hazardous materials have been used in construction of the buildings or have since been incorporated and LSH shall not therefore, be in a position to report that the Property is free from risk in this respect. Unless LSH are advised by the Client in writing, and subject to LSH's sole discretion, LSH's valuations shall be made on the assumption that such investigations would not disclose the presence of any such materials to any significant extent but this shall not be relied on by the Client as any indication that the Property is free from risk.
- (p) LSH shall not be under any obligation to carry out or commission a site investigation or geographical or geophysical survey in order to determine the suitability of ground conditions and services, nor shall LSH undertake archaeological, ecological or environmental surveys. Unless otherwise advised LSH assume, but can give no assurances, that the ground has sufficient load bearing strength for the existing structures or any structures proposed or considered. Where development is contemplated, LSH assume that no extraordinary expenses or delays will be incurred during the construction period, due to any adverse ground conditions or archaeological matters.

5 TERMS OF PAYMENT

- i) Unless otherwise stated in the Engagement Letter the Client shall be liable to pay LSH its remuneration or a due proportion of its remuneration at intervals to be determined by LSH or in the absence of such determination or on completion of the Service at LSH's discretion. Payments are due on issue of the invoice and the final dates for payment by the Client shall be the date of issue of the invoice.
- ii) LSH shall be entitled to submit accounts for expenses at the time when incurred or ordered by LSH and such accounts shall be payable by the Client whether or not the Client withdraws its instructions. Accounts for expenses are due for settlement on presentation. Alternatively LSH may arrange for the suppliers to invoice the Client directly for services supplied.
- iii) VAT will be payable where applicable at the prevailing rate on all fees and expenses.
- iv) LSH reserves the right to charge the Client interest (both before and after any judgement) on any unpaid invoice at the rate of 3% per annum above the base lending rate of the Bank of Scotland calculated on a daily basis from the date of its invoice up to and including the date of settlement in full.
- v) If any sum due to LSH from the Client remains unpaid for more than 30 days after the date of the invoice LSH shall be entitled to suspend all further work for the Client until the outstanding sum is paid to LSH in full. In these

circumstances LSH shall not be liable for any delays, losses or expenses resulting from such suspension.

- vi) The Client shall not withhold any payment after the final date for payment of any sum due under this agreement unless notice is provided to LSH in writing by the Client not less than seven days before the final date specifying the amounts to be withheld and the reasonable grounds for withholding payment or if there is more than one ground, each ground and the amount attributable to it.
- vii) Unless otherwise stated in the Engagement Letter and subject to clause 5vi), all amounts due under this Agreement by the Client shall be made without set-off, deduction, withholding or counterclaim (other than any deduction or withholding of tax as required by law).
- viii) Where there are two or more clients in the case of a joint or multiple instruction by multiple parties invoices for an appropriate share of any fees or expenses as determined in LSH's sole discretion shall be issued to all or any client simultaneously or otherwise and each client shall be jointly and severally liable for the full amount of LSH's fees or expenses in the event that payment is not received from one or more clients.

6 FEES AND EXPENSES

- i) Fees shall be charged at the rate set out in the Engagement Letter or as otherwise agreed in writing between LSH and the Client. In the event of a change in the scope of the Service or LSH being required to carry out additional Services, LSH reserves the right to charge an additional fee.
- ii) In addition to the fees referred to in Condition 7i) the Client shall be responsible for all fees and expenses incurred or ordered in respect of the Property, which may include without limitation advertising, brochure production, printing of particulars, photography, mailing, digital marketing expenses, administration, Anti-Money Laundering checks, on site representation, sign boards, travelling, mileage, messenger delivery and copying of documents and plans. Expenses shall be passed on to the Client at gross cost unless otherwise stated in the Engagement Letter. LSH shall be entitled to retain any discounts or commissions which are available or paid to LSH in order to offset administrative expenses. A copy of LSH's fee rates where applicable shall be made available upon request, such rates being subject to amendment from time to time by LSH on written notice.
- iii) If, in connection with the service, the resolution of a dispute with a third party is referred to an adjudicator, arbitrator, expert, mediator, court or tribunal, all costs in connection with such referral shall be the sole liability of the Client and shall either be paid directly by the Client or be recharged to the Client as an expense and the Client shall indemnify LSH in respect of any liability or loss in such matters.
- iv) Unless specifically provided for in the Terms or accompanying letter or as otherwise agreed in writing between LSH and the Client the fees do not include remuneration for acting as an expert witness for which service a separate fee shall be required.

7 INTELLECTUAL PROPERTY

- i) Ownership in any information, documents or other material provided by the Client to LSH in relation to the Property or Services shall remain the property of the Client ("Client Material") and LSH is granted a perpetual royalty free licence to use, copy, adapt and modify such Client Material for the purposes of performing the Services and for the purposes of advertising or promoting LSH and its business.
- ii) Ownership of all materials, know-how, developments, reports, forecasts, drawings, accounts and other documents originated by LSH in relation to or arising out of the Service shall belong to LSH.
- iii) LSH shall grant the Client a perpetual royalty free licence to use the LSH Report. The Client may not use the whole, or any part of the LSH Report, or any reference to it in any published document, circular or statement, without LSH's written approval of the form and context in which it shall appear. Such approval is required whether or not LSH is referred to by name and whether or not the reports are combined with others.
- iv) If at any time the Client is in default of payment of fees or other amounts properly due under this Agreement, LSH may suspend the Client's licence to the LSH Report. At LSH's discretion, the licence may be resumed on receipt of all outstanding amounts.

8 INDEMNITY

The Client shall indemnify and keep indemnified LSH from and against all and any liability, losses, damages, penalties, fines, costs and expenses (including legal costs and expenses) suffered or incurred by LSH arising out of or by virtue of:

- i) The breach by the Client of any of its obligations under the Terms; or
- ii) The Client's instructions to LSH other than any losses, damages, costs and expenses arising by virtue of the wilful default of LSH or its employees or agents.

9 LIMITATION AND LIABILITY

- i) Except where LSH has entered into a specific agreement with a third party, the LSH Report is provided solely for the purpose of the Service and to the Client. Should the Client disclose any part of the LSH Report to any third

party the Client shall notify such third party in advance of the disclosure and in writing that LSH does not owe a duty of care to such third party. The Client shall indemnify LSH and hold LSH harmless against all liabilities, costs, expenses, damages and losses suffered or incurred by LSH arising out of or in connection with such disclosure by the Client.

- ii) In the event of a proposal to place any loan secured over the Property in a syndicate, the Client must (i) notify LSH of such proposal, ii) disclose the identity of the parties participating in the syndicate to LSH, and iii) obtain LSH's written consent (which may be subject to the inclusion of alternative or additional terms) for such parties to rely on any of LSH's valuations, reports and any other advice or information resulting from the Client's instruction.
- iii) Nothing in this Agreement shall limit LSH's liability for death and/or personal injury caused by LSH.
- iv) Subject to clause 9(iii) above, the aggregate liability of LSH to the Client whether arising from negligence, tort, breach of contract or other obligation or duty or otherwise shall be limited to five million pounds sterling (£5,000,000.00).
- v) Subject to clause 9(iii) above, LSH shall not be liable for any claim to the extent that such claim is or can be characterised as a claim for (or arising from):
 - (a) Loss of revenue or profits;
 - (b) Loss of business opportunity or loss of contracts;
 - (c) Loss of goodwill or injury to reputation;
 - (d) Indirect, consequential or special loss or damage; or
 - (e) Anticipated savings.
- vi) All risks and/or liabilities in relation to toxic mould, deleterious materials, contamination, radon gas, HAC or calcium chloride shall remain with the Client and the Client shall take such steps as it deems necessary to insure against or otherwise address such risks and liabilities.
- vii) LSH is not qualified to and will not provide any advice or services in connection with asbestos. The Client acknowledges that all risks relating to asbestos howsoever arising remain with the Client who shall take such steps as it deems necessary to address such risks. If appropriate the Client will arrange for the appointment by the Client of specialist asbestos consultants.
- viii) In the event of the Client engaging LSH together with other advisers, service providers and/or suppliers engaged by the Client or any other third party in relation to the Property, LSH's liability shall, in addition to the limitations contained in this clause 9 above, be limited to that proportion of any loss or damage suffered by the Client as it would be just and equitable for LSH to bear having regard to LSH's responsibility for it and on the basis that all other advisers, service providers and/or suppliers shall be deemed to have paid such proportion of the relevant loss or damage suffered by the Client which is just and equitable for them to have paid having regard to the extent of their respective responsibilities.
- ix) LSH will not advise on capital allowances in performance of the Services and will not be liable for any liability, losses, damages, penalties, fines, costs and expenses suffered or incurred by the Client or any other Third Party in respect of capital allowances. Insofar as LSH are liable for any capital allowances incurred as a result of the performance of the Services the indemnity set out in clause 8 shall apply.

10 REINSTATEMENT COST ESTIMATES

In the event that the Client requires an estimate of the cost of reinstating any building or structure, for insurance purposes the following terms shall apply:

- i) The Reinstatement Cost assessment is an estimate provided on an informal basis only and should not be relied upon for the purposes of placing insurance cover on the property. Should a Reinstatement Cost Assessment be required to enable an insurance policy to be placed, LSH Building Consultancy Division must be separately instructed to undertake such an assessment.
- ii) The Reinstatement Cost assessed for insurance purposes shall be a "Day One" valuation and shall not include an allowance for inflation and or design/procurement periods etc.
- iii) LSH shall assume that the policy is on an indemnity basis with a fully operative reinstatement clause, no special conditions, an instantaneous basis of value and shall have no regard to any variation in building costs subsequent to the date of LSH's informal assessment. LSH's assessment will be based on the assumption that the reconstruction of any premises, to provide similar or new accommodation, will be permitted by the appropriate authorities with no undue restrictions.
- iv) LSH will exclude tenant fit-out and or fixtures and fittings, Value Added Tax, loss of rent, extra costs of working or other consequential losses, local authority requirements and party wall works. Further, LSH's assessment shall exclude any land remediation and special contaminated waste costs. However, the figure will be inclusive of professional fees, demolition and site clearance.

- v) LSH shall assume that VAT is chargeable on professional fees and building works to new and existing premises.
- vi) LSH will not carry out a structural survey and LSH's assessment will be prepared on the assumption that ground conditions will not give rise to the need for any specialist or unduly expensive constructional techniques (specialist foundations etc) unless LSH is otherwise advised by the Client. In addition, the removal of hazardous materials, if any, shall be excluded from the informal assessment.

11 TERMINATION OF INSTRUCTIONS

- i) The instruction from the Client to LSH may be terminated by the Client by giving not less than 30 days' notice to LSH in writing to LSH whereupon LSH shall be entitled to charge (at LSH's option):
 - (a) A fair and reasonable proportion of the full fee which would have been payable if the work had been carried through to a conclusion and as if LSH had become entitled to payment in accordance with conditions 5 and 6 above, or
 - (b) A reasonable sum for all the work undertaken up to and including the date of termination based on quantum meruit; or
 - (c) The fee as LSH are entitled to under conditions 5 and 6 together in each case with any expenses already incurred.
- ii) The instruction from the Client to LSH may be terminated by LSH on the following terms by giving not less than 30 days' notice in writing:
 - (a) If, as a result of circumstances outside the control of both parties, it becomes impossible to perform the Services within a reasonable period. In these circumstances the Client shall pay to LSH a fee for all work which has been done up to and including the date of termination on a quantum meruit basis; or
 - (b) If the Client has made it impossible to complete the instruction within a reasonable period or has not made payment by the due date of any sum payable by the Client to LSH. In these circumstances the Client shall pay to LSH the full fee which would have been charged as if the work had been carried through to a conclusion (plus any expenses already incurred); or
 - (c) The fee as LSH are entitled to under conditions 5 and 6 together in each case with any expenses already incurred.
- iii) Any outstanding fees and expenses due to LSH shall be paid in full by the Client on or before the expiry of the notice period for termination of instructions. For the avoidance of doubt in the event of termination of instructions, whether by LSH or by the Client, LSH shall not be liable to repay the Client any fees and expenses previously paid by the Client to LSH.
- iv) Where any fees are to be charged on a quantum meruit basis such fees shall be calculated by reference to LSH's hourly charges from time to time, details of which are available from LSH on request.
- v) Notwithstanding the provisions of clauses i) and ii) above LSH shall be entitled to terminate an instruction from a client without notice if required to do so for statutory or regulatory reasons.

12 REGULATION AND COMPLAINTS

- i) LSH is regulated by RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct for Firms and all other applicable mandatory professional practice requirements of RICS, which can be found at www.rics.org. As an RICS regulated firm we have committed to cooperating with RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Ezra Nahome, Chief Executive Officer, United Kingdom House, 180 Oxford Street, London, W1D 1NN or email CEO@lsh.co.uk
- ii) LSH aims to carry out any instructions received from the Client in an efficient and professional manner. LSH, therefore, hopes that the Client will not find cause for complaint but recognises that in an isolated circumstance there may be complaints. These should be addressed initially to the Head of the LSH office dealing with the instruction.
- iii) LSH adopts the complaints handling procedures that are required by the RICS, a copy of our Complaints Handling Procedure may be obtained from our National Head of Standards and Practice, United Kingdom House, 180 Oxford Street, London, W1D 1NN or email NHSP@lsh.co.uk.

13 ASSIGNMENT

- i) LSH may assign the Agreement without the consent of the Client.
- ii) The Agreement is not assignable by the Client without the prior written consent of LSH.

14 DATA PROTECTION

- i) We collect and process your personal information. All information will be processed in accordance with the applicable data protection laws in the United Kingdom including the laws and regulations of the European Union such as the General Data Protection Regulation (GDPR), the European Economic Area and their member states, applicable to the processing of Personal Data and the interception of communications in place from time to time (**Data Protection Laws**).

- ii) Full details of how we process your information can be found on our website <http://www.lsh.co.uk/privacy-policy>. Printed copies of our privacy notice are available on request.
- iii) You may change your communication preferences or withdraw from any further communications from us by contacting us at privacy@lsh.co.uk
- iv) Where we receive personal data from any prospective purchaser or tenant of the Property, we shall only use that data for the purposes of your instructions and shall comply with Data Protection Laws.

15 MONEY LAUNDERING REGULATIONS

i) Client identification

As with other professional service firms, LSH is under stringent requirements to identify its clients for the purposes of the anti-money laundering legislation. LSH is likely to request from you, and retain, some information and documentation for these purposes and/or to make searches of appropriate databases. If satisfactory evidence of your identity is not provided within a reasonable time, there may be circumstances in which LSH is not able to proceed with the required services.

ii) Money laundering reporting

- (a) Much of LSH's work falls into the regulated sector under the Proceeds of Crime Act and Sanctions and Anti-Money Laundering Act 2018 and, as such, we are required to report all knowledge or suspicion (or reasonable grounds for knowledge or suspicion) that a criminal offence giving rise to any direct or indirect benefit from criminal conduct has been committed. Failure to report such knowledge or suspicion would be a criminal offence. This duty to report exists regardless of whether the suspected offence has been, or is about to be, committed by a client or by a third party.
- (b) If as part of our normal work LSH obtain knowledge or suspicion (or reasonable grounds for knowledge or suspicion) that such offences have been committed we are required to make a report to the National Crime Agency or OFSI. It is not our practice to discuss the existence or otherwise of any reports with you or with anyone else, because of the restrictions imposed on us by the tipping off provisions of the anti-money laundering legislation.
- (c) LSH shall not be liable for any liabilities of the Client or third parties arising out of its regulatory obligations to report.

16 BRIBERY ACT 2010

We undertake that we will not engage in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, and that we have, and will maintain in place, adequate procedures designed to prevent any Associated Person (as defined in the Bribery Act 2010) from undertaking any conduct that would give rise to an offence under the Bribery Act 2010.

17 GOVERNING LAW AND JURISDICTION

The Terms, and the Agreement of which they form part, shall be governed by and construed in all respects in accordance with English Law and the parties irrevocably and unconditionally submit to the exclusive jurisdiction of the English Courts in relation to any dispute or proceedings arising out of, or in connection with, the Terms or any such Agreement but without prejudice to LSH's right to take proceedings in any other jurisdiction in order to enforce payment of any sums owed to LSH.

15 September 2020

APPENDIX 2 VALUATION PRINTOUT

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Project 1****Summary Appraisal for Phase 1 Boho Towers**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Base cap val	1	46,913	146.87	6,890,112	6,890,112

NET REALISATION**6,890,112****OUTLAY****ACQUISITION COSTS**

Residualised Price (Negative land)			(3,346,568)	(3,346,568)	
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CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost	
Base cap val	46,913 ft ²	160.00 pf ²	7,506,080	7,506,080
Contingency		5.00%	375,304	
Demolition			50,000	
Road/Site Works			150,000	
				575,304

PROFESSIONAL FEES

Professional Fees		10.00%	788,138	788,138
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MARKETING & LETTING

Marketing			20,000	20,000
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DISPOSAL FEES

Sales Agent Fee		1.00%	68,901	
Sales Legal Fee		0.50%	34,451	
				103,352

FINANCE

Timescale	Duration	Commences
Purchase	3	Aug 2020
Pre-Construction	3	Nov 2020
Construction	12	Feb 2021
Sale	30	Feb 2022
Total Duration	48	

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			(143,549)	
Construction			239,005	
Total Finance Cost				95,456

TOTAL COSTS**5,741,762****PROFIT****1,148,350****Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	16.67%
Profit on NDV%	16.67%

IRR N/A

Profit Erosion (finance rate 6.000%) 3 yrs 1 mth



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Details of Lambert Smith Hampton can be viewed on our website www.lsh.co.uk

TOWNS FUND

BUSINESS CASE

PROJECT SUMMARY

WHAT IS THE INVESTMENT PROPOSAL?

Please provide an overall summary of your proposed project.

Organisation: Middlesbrough Council

Brief summary of proposal:

The development of what will be called Middle Marsh nature reserve – the first new reserve in over 10 years and the first so close to the town centre. This proposal aligns with the objectives of the Towns Fund in engaging residents and visitors with their communities, along with the Mayor's ambitions and the Council's Strategic Plan to make Middlesbrough a greener place to live and support the town in becoming a leader on environmental issues and protecting green spaces.

Brief narrative summary of impact of proposal, drawing from your economic case:

This development also supports the council's Green Strategy which aims to sustainably manage and develop green spaces and to increase and improve biodiversity by creating rich and diverse habitats.

The council's Strategic Plan themes of People, Place and Business specifically refers to 'Ensuring our town is an absolute leader on environmental issues – resulting in lower emissions, cleaner air and healthy living, with specific schemes to plant 10,000 trees, create orchards, a community farm and set national standards in sustainable living.' And 'working with local people to protect and create public and green spaces, and promote sustainable lifestyles.'

The site currently is classed as having commercial value and was on the open market reserved for office, storage or garage showroom type development. (EG2.5 – Employment Land in the Local Plan), however it was recognised by the Tees Valley Nature Partnership as having significant wildlife value to class it as a Local Wildlife Site. This has now been approved by the Council's executive and will be formally adopted within the Local Plan to offer it protection.

It is of considerable biodiversity value with a habitat of rich grassland with around 170 species of plant species, including three species of orchid, 45 bird species and 13 species of butterfly to be found. Because of this, and a campaign by local residents, it was deemed necessary to protect the land from development.

The site's proximity to a major highway (A66), the Chemoxy chemical plant and the approach to the Riverside stadium via Shepherdson way makes it a highly visual site and provides a green oasis in an area surrounded by development and sitting close to the local community of North Ormesby. This development chimes with the Town Investment Plan pillar of 'Urban Communities and Placemaking' allowing for important development but not at the expense of key environmental assets which in turn create desirable places to live and work.

Overall funding requested from the Towns Fund:

£100,000

The project utilises Middlesbrough Council Land acquired from the Homes and Communities Agency in 2017. This land was purchased for £278,814 (including Stamp Duty Land Tax - SDLT) and this represents an in-kind contribution from Middlesbrough Council.

Deliver Programme

MBC (designate the land as a nature reserve and commit to protecting it from development/ degradation

Creation of a Management Committee or similar which will oversee management, events, community outreach etc. on behalf of the council

Erection of signs and fences to show boundaries of the reserve and explain its purpose and benefits for people and wildlife

Commissioning and implementation of a conservation management plan to maintain and improve the value of the site for nature, with particular

emphasis on managing the existing grassland and wetland habitats and not introducing new species

Removal of selected invasive plant species, fly-tipped rubble, concrete and other debris from the grassland and beck and prevention of future

build up, with care being taken to minimise impact on the habitats

Creation of new habitat features to benefit wildlife, including pools and riffles in the beck, new meanders in the beck-channel and new ponds and ditches.

Project delivery will include: Site development including interpretation signage, visitor furniture and accessibility infrastructure. A new path will be installed and work will commence on the excavation of a new pod / wildlife habitat. A cut and collect machine will also be purchased to enable habitat development and site maintenance in the long term.

KEY MILESTONES

5-10 bullet points or a diagram for key events, such as: when project is expected to begin and completed. Other important key milestones e.g. final consultation, completion of bidding process, contracting third party, evaluation etc.

Define the boundary of the Local Wildlife Site and have adopted within the Local Plan document	Sept 21
Formation of a new Friends group for the site	Oct 21
Site development including signage, furniture and infrastructure.	Mar 22
Contract awarded for path installation and pond excavation works	Mar 22
Purchase of cut and collect machine	Mar 22
Promotional activities and events and official launch event	Mar 22

STRATEGIC CASE – What we're doing, and why

Please limit the Strategic Case to 300-500 words.

Background

To develop the site, install site infrastructure, signage and furniture and well as undertake site management work to make the site attractive and welcoming to residents and businesses.

MHCLG intervention

Rationale for why government needs to intervene, and what would happen if the project or programme were not undertaken. What is the market failure being addressed? ,

The new nature reserve is a vital green wedge in an industrial urban context situate close to a main trunk route and residential population. If this project were not to proceed the site would struggle to get off the ground and would not have the same impact it could have with this investment and development potential. It provides opportunity for restoration of a post-industrial unattractive piece of land which would be difficult to market otherwise, as such it will become a valuable multi-functional green space in a key setting.

Objectives

Specify the key objectives and high-level outcomes the investment is aiming to achieve and by when.

It will deliver a new nature reserve and valuable green space in the heart of urban Middlesbrough where there was once iron and steel works there will now be a flourishing wildlife site for all to have access to and enjoy. It will have local ownership from residents, stakeholders and businesses who will benefit from access to nature and the biodiversity of the site and its proximity. Delivery is expected to commence straight away and completion by April 2022.

Stakeholder issues

Identify and explain any stakeholders and support for the proposal. How have stakeholders been engaged in the process and how will they be engaged going forward.

There is already an established interest group formed to steer delivery of the project made up of partners, agencies, residents and council representatives. It is intended to engage businesses and resident in the formation of a friends groups to help deliver and drive the project beyond completion. Promotional material and a launch event will further enhance the value and involvement in the site to take it forward.

Dependencies and Constraints

What are the dependencies on other programmes? What is the project or programme constrained by?

There are no apparent dependencies on other programmes, the main constraints will be resource availability and timescale to deliver the development as planned.

Key Risks

What are the key risks to the success of the project?

The risks are as outlined above and around sourcing a suitable contractor to deliver the programme.

FINANCIAL CASE - How much it will cost, and how it will be funded

Please limit the Strategic Case to 300-500 words.

Financial profile

	19/20	20/21	21/22	22/23	23/24	Beyond	Total
Existing Funding (i.e. funding already committed)	£0m	£0m	£100k	£0m	£0m	£0m	£100k
Co-funding to be leveraged	£0m	£0m	£274,814	£0m	£0m	£0m	£274,814
New Funding: [Add a new row for each expenditure type]	£0m	£0m	£0m	£0m	£0m	£0m	£0m
TOTAL	£0m	£0m	£374,814	£0m	£0m	£0m	£374,814

Ensure this table agrees with the table in the Summary Page

Source of funding

Please provide further detail on sources of funding that are already committed, as well as co-funding that will support the programme.

£100k Towns Fund

£274, 814 Middlesbrough Council in-kind land value

Financial appraisal

Set out the financial costs of the project.

The total project cost is £100,000 capital works.

The nominal land value opportunity cost is £274,814 inclusive of Stamp duty Land Tax (SDLT) paid. This is in-kind match funding from Middlesbrough Council and was approved in December 2020.

Financial risks

Please detail financial risks which would affect the timing of delivery of the proposed scheme. Please also include financial risks which would affect the quality and output of the proposed scheme.

Identifying an appropriate contractor and obtaining quotes to deliver in the given timescale.

If quotes came in to high then our aspirations would have to be scales back accordingly.

ECONOMIC CASE – Our options and the extent to which they provide VFM

Shortlisted options (Min. 3)	SWOT Analysis					Potential VFM	Conclusion
	Meeting Spending objectives	Strategic fit	Achievability	Supplier capacity and capability	Affordability		
1 – Do nothing	0	0	X	0	X	0	0
2 – Do minimum	X	0	X	0	X	X	X
3 – Preferred Option	X	X	X	X	X	X	X
4 – Maximum option	0	X	X	0	0	0	0

Options

Have other options been considered and discounted?

This proposal has been considered on the basis of being a significant priority following a long process of community engagement and development.

Whilst there is a potential commercial use for the site, this is limited given the proximity to Chemoxy site and planning permission limitations to appropriate, safe use of the site.

COMMERCIAL CASE - How will the project or programme be delivered?

Please limit the Strategic Case to 300-500 words.

Market Analysis

Please provide details of how the proposed scheme fits with local demand.

There is significant local interest and pressure to deliver a new nature reserve on the site with a steering group already established to take it forward and add value to a run down site.

Ecological surveys have been conducted to prove its value and designation as a LWS and to sit within the Local Plan.

Delivery Confidence

Provide evidence to demonstrate confidence in your ability to deliver your scheme within the time and budgetary constraints.

You should demonstrate a suitable governance structure for the delivery of your scheme reflecting established best practice.

The scheme will be overseen by the steering group and council officers and run on the ground by a project delivery team and volunteers which already exists.

The steering group is made up the council, councillors, Housing association, Environment Agency and Wildlife Trust and local residents. All spend commitments will be scrutinised and approved by the group before signing off.

You should demonstrate that the overall level of skills and capabilities are in place within the scheme delivery team now, as well as demonstrating their availability in the future.

As highlighted above the steering groups has adequate skills and a vested interest in the delivery of the scheme and willingness to see it come to fruition and flourish. There will be an ongoing commitment from the council, partners and residents to take it forward and manage the site with the formation of a friends group to help drive this ambition.

Delivery model

Who will deliver the programme/investment? What procurement might be needed?

The council and partners will deliver the scheme using a project team and volunteers plus a main contractor to carry out the infrastructure works which will need to be tendered. Major purchase of capital equipment will need to be procured though the council procurement team.

Payment mechanisms

Via the council payment process.

Contractual issues

Note any known or anticipated legal, contractual or procurement issues

The main works will need to be tendered.

MANAGEMENT CASE - How will delivery of the programme/project be planned, monitored and overseen to evaluate and ensure its success?

Please limit the Strategic Case to 300-500 words.

KPIs, Monitoring and oversight

How will you monitor spending and delivery against expected milestones and outputs and outcomes?

This will be controlled by the council's financial business team and the project team will oversee delivery.

PPM strategy

Overview of the strategy, framework and plans to ensure a successful project delivery.

The steering group and project team will oversee project delivery to its conclusion.

Project framework

Summary or diagram of the key project framework aspects including structure, reporting, governance, roles and responsibilities and appointed personnel

Steering Group

Councillors

Council Officers

Project team

Contractors

Friends Group

Volunteers

Project plan

Set out the deliverables, activities required, milestones, use of any advisers etc.

- Define the boundary of the Local Wildlife Site and have adopted within the Local Plan document
- Formation of a new Friends group for the site
- Site development including signage, furniture and infrastructure.
- Contract awarded for path installation and pond excavation works
- Purchase of cut and collect machine
- Promotional activities and events and official launch event
- The project delivery team will be lead by the council and a local ecologist who will oversee any biodiversity management on the site

Change or risk management strategy

Set out assessment of the potential impact of the proposal on culture, systems, processes and people, if applicable

The location and value of this site will have a significant impact on local business and residents by providing an attractive green space in the heart of urban Middlesbrough which will be highly visible especially to passing motorists and football fans. This demonstrates both the value and the need for green space and biodiversity in a urban context. Without the involvement of local residents the site would not have been considered for nature reserve status and protection which will in turn reap multiple benefits.

Evaluation and benefits realisation

Set out how the project or programme will be evaluated through its life course e.g. monitoring data, process evaluation, impact evaluation.

The project will be measured on its deliverables as set out in the above milestones and ultimately in its biodiversity value and impact on residents. If wildlife value is improves and protected and the public awareness and engagement in the site increases then it will be considered to have been successful.

Biodiversity monitoring will be conducted regularly and public perception surveys both of which will provide valuable evidence as to its success or not.

Annex A: project confirmation table

Please complete the table below for each project and send to the Towns Fund central inbox, towns.fund@communities.gov.uk, within two months of agreeing Heads of Terms.

Project confirmation table	
Project name: Cargo Fleet Nature Reserve	
Date: April 2021	
Towns Fund ask (£ million)	
£100,000	
Match funding total and breakdown	
£274,814 Middlesbrough Council land value opportunity cost	
Expected outputs and outcomes	
Outputs:	
Number of trees planted	200
Number of public amenities/facilities created	1
Amount of new parks/greenspace/outdoor space	2000 m2
Outcomes:	
Increased engagement and participation by community	
Resident satisfaction of their local area	
Perceptions of the place by businesses	
Plan for addressing key conditions	
TIP improvements: Provide a detailed private sector engagement plan, including identifying further opportunities to unlock private sector investment in projects. Provide more detail on future planned community engagement.	
An engagement plan has been compiled looking at the engagement opportunities for each project. It identifies the key stakeholders, how and when they will be engaged, as assessment of their engagement status and a set of follow up actions to ensure maximum benefit for stakeholders and the Towns Fund Programme.	
Assurance: Project business cases will be taken through Middlesbrough Council in line with local assurance processes.	
The Town Deal Board and the Council's Section 151 Officer have agreed a written procedure to ensure all business cases meet the aims of the fund, offer value for money and are deliverable. The Board will consider each project and any conditions on the funding will be made at their regular meetings prior to summary documents being submitted to MHCLG.	
Public Sector Equalities Duty: Middlesbrough will undertake programme-wide level impact assessment, relevant project-level impact assessment and relevant Environmental Impact Assessments.	

Middlesbrough will undertake its duties within the Towns Fund programme considering:

- Eliminating discrimination, harassment and victimisation
- Advancing equality of opportunity between people who share a protected characteristic and those who do not, and
- Fostering good relations between people who share a protected characteristic and those who do not

Environmental Impact Analysis / Planning, etc:

Middlesbrough's Towns Fund officers work closely with the Council's Planning Team and other statutory bodies and will ensure that all requirements for EIA, Planning permissions, Listed Building Consents, etc. are identified at an early stage and sufficient resources allowed to ensure satisfactory compliance across all Towns Fund project intervention.

Fast-tracked project (Yes or No)

No

Capital/revenue split

100% capital

Nominal Financial profile (£ million)

2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£0.1m				

Signature of Town Deal Board Chair and accountable body's Chief Executive Officer or S151 Officer

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North Ormesby Nature Reserve

**A Proposal for a Community Nature Reserve in North Ormesby
and Cargo Fleet, Middlesbrough**

By Colin Conroy MSc



North Ormesby Nature Reserve

- Putting North Ormesby on the map
- Raising value of surrounding land and properties
- Preserving important habitat
- Engaging local community
- Attracting new species
- Encouraging investment
- Improving mental health
- Promoting engagement with Nature
- Opportunities for partnerships
- Educational possibilities
- Deterring vandalism and fly-tipping



Dingy Skipper Butterfly - an uncommon species found in several places here

Executive Summary

In this document a proposal is made for a new nature reserve covering 5.98 hectares of stream, stream-side woodland, grassland, reedbed and scrub in the lower reaches of Ormesby Beck, in Middlesbrough.

Existing flora and fauna includes:

- around 170 species of wild plant, including three species of orchid
- 45 bird species have been seen/heard on-site, of which at least 23 are confirmed or suspected to breed
- 6 'Birds of Conservation Concern' are suspected or confirmed to breed on-site, with four others regularly visiting but not thought to breed here yet
- 13 species of butterfly are found here including Dingy Skipper (a UK Biodiversity Action Plan Priority Species)



A male Bullfinch - a species on the Birds of Conservation Concern 'Amber' list which breeds here

Potential Benefits:

- Putting North Ormesby on the map - making people proud to live here, and attracting people from outside to come and visit
- Access to nature is known to be good for mental and physical health
- An educational resource for local schools
- Improving the environment for nature - protecting threatened species and attracting more wildlife

- Potential to involve local young people in caring for the environment, reducing anti-social behaviour
- Potential to attract investment into the local area and increase property value

What needs to be done to make it happen:

- MBC (landowners) to designate the land as a nature reserve and commit to protecting it from development/ degradation
- Creation of a Management Committee or similar which will oversee management, events, community outreach etc. on behalf of the council
- Erection of signs and fences to show boundaries of the reserve and explain its purpose and benefits for people and wildlife
- Commissioning and implementation of a conservation management plan to maintain and improve the value of the site for nature, with particular emphasis on managing the existing grassland and wetland habitats and not introducing new species
- Removal of selected invasive plant species, fly-tipped rubble, concrete and other debris from the grassland and beck and prevention of future build up, with care being taken to minimise impact on the habitats
- Creation (in longer term) of new habitat features to benefit wildlife, including pools and riffles in the beck, new meanders in the beck-channel and new ponds and ditches



Little Egret - A species in the heron family which breeds in nearby Saltholme and is being seen increasingly on the Beck in the proposed nature reserve

Brief bio of author

I am an ecologist with a BSc in Environmental Biology and an MSc in Restoration Ecology. I have worked in the environmental sector, in voluntary and paid capacities, since 1999 in four different countries - the UK, India, Lebanon and Canada, as well as shorter periods in a fifth country, Portugal. This work has included ecological surveys focussing on habitats, birds, plants and butterflies, advising landowners about managing their land for nature conservation, environmental education and community outreach and has been in urban as well as rural settings. In 1999 I carried out the initial ecological surveys on the site that became Minet Country Park in the London Borough of Hillingdon and was subsequently involved in every stage of the development of the park (wrote Ecological Impact Assessment, was 'Ecological Clerk of Works' during the creation of the park, wrote first Management Plan for the park, and was Community Outreach and Scientific Officer for the NGO which was employed by the council to manage the park).



Two views of the proposed nature reserve, showing the reedbed and some of the becksides woods (above), and short grassland with abundant Bird's-foot Trefoil, the food plant of two important butterfly species

Background of proposal

Since 2016 I have lived in North Ormesby, Middlesbrough. Very shortly after my arrival I walked through an area of grassland and scrub next to Ormesby Beck, just north of the current boundary of North Ormesby Ward and noticed a large number of dead stems of an orchid (which I later identified as Northern Marsh-orchid), as well as several other interesting plants. The site also held an area of reedbed and some woodland going along the beck corridor and it struck me then that it had good potential for wildlife. Also, its location very close to populated areas of North Ormesby and Central Wards and several schools gave me the idea that it would be a very good candidate for a community nature reserve of some kind.

Since that point I have been visiting the site frequently and gathering ecological data about it. I have been aided in this by several other local ecologists and environmental organisations, notably Sarah Barry (formerly of the Tees Valley Wildlife Trust), Graham Megson (general ecologist and ornithologist) and Robert Woods of INCA (Industry Nature Conservation Association) (and also the local moth specialist). The site of the first phase of the proposed nature reserve (see Fig 1.) includes the whole beck corridor from the Borough Road Flyover to just before the beck turns north to flow into the River Tees. In this whole area around 170 wild plant species have been recorded (including 4 species of orchid) as well as 45 bird species and 13 butterflies (including 1 UK Biodiversity Action Plan (UKBAP) Priority Species). The birds which use the site include Kingfisher, Water Rail, Little Egret, Common Teal and several migrant warblers which breed on site. At least six of the breeding bird species here appear on the latest Birds of Conservation Concern list - five being of Amber concern (Mallard, Dunnock, Willow Warbler, Bullfinch and Reed Bunting) and one of Red (Song Thrush) (https://www.bto.org/sites/default/files/shared_documents/publications/birds-conservation-concern/birds-of-conservation-concern-4-leaflet.pdf).



Fig 1. Proposed initial boundary for North Ormesby/ Cargo Fleet Nature Reserve showing wider context

The development of the proposal

In the Spring and Summer of 2017 I made contact with Middlesbrough Borough Council and met with the then councillor for North Ormesby as well as one of the councillors from Central Ward (which the land currently falls under) and one of the council's planning officers. I was told that some of the land was scheduled for development but that some of it, nearest to the beck, was in the blast zone for the Chemoxy chemical works and couldn't be developed. I was told by the planning officer that this area and the whole beck channel going down almost to where it flows into the River Tees would be a possible location for some kind of nature reserve. He encouraged me to continue gathering data, which I did.

Due to illness I was unable to do very much in 2018, although Sarah Barry of the Wildlife Trust presented the idea to North Ormesby Big Local in my absence and received an encouraging response. She also continued with some ecological surveys (notably bat surveys, which is her specialty) and guided walks of the site for members of the public. By this time we had enough species data to show that the site met the requirements for designation as a Local Wildlife Site (LWS) and so the Tees Valley Nature Partnership requested that it be designated. However, they were told that the council did not wish to designate it at that time.

In 2019, with support and encouragement from John Woods of Thirteen Group, we organised a guided walk around the site followed by a presentation of my idea for a nature reserve, which was attended by the Area Care Manager from Middlesbrough Council, as well as representatives from Tees Valley Wildlife Trust, the Environment Agency, Middlesbrough Environment City, the Industry Nature Conservation Association (INCA), Climate Action North East (CANE, now Climate Action North) and the RSPB. Subsequent site visits were carried out with some of the same people as well as one of the flood management specialists from the Environment Agency and two of the local councillors. The Environment Agency were very keen on the idea of making some modifications to the beck channel to improve it for wildlife, and the councillors and council officers encouraged me to start working on a proposal for the site including a possible management plan.

I started working on this proposal and management plan but the disruption to normal life brought about by the COVID-19 pandemic in the Spring of 2020 gave me more time to visit the site and work on the plan and this document is the result of that.



Grassland next to Ormesby Beck with Northern Marsh Orchids and Bird's-foot Trefoil

Ormesby Beck - Course and changes since mid 19th Century

Ormesby Beck is a tributary of the River Tees which arises on the south west side of Hambleton Hill near Gypsy Lane Station, and flows for about 7.7km before emptying into the Tees (see Fig 2.). It is one of the group of small rivers, or becks, known as the Boro Becks and it is joined by two more of these before reaching the Tees. Marton West Beck flows into Ormesby Beck just upstream of the proposed nature reserve while Middle Beck, which is underground for part of its length, empties into the channel via a culvert about 500m before the mouth. The historical courses of the three becks are hard to determine as the earliest detailed maps (1853) date from after the construction of the railways and the straightening and diversion of Ormesby and Marton West Becks. However, it seems likely that these two might have joined roughly where they do currently and flowed into the Tees near where Middlesbrough Dock is now, while the 1853 map shows Middle Beck forming an estuary at its mouth, around about where the mouth of the three becks is now.

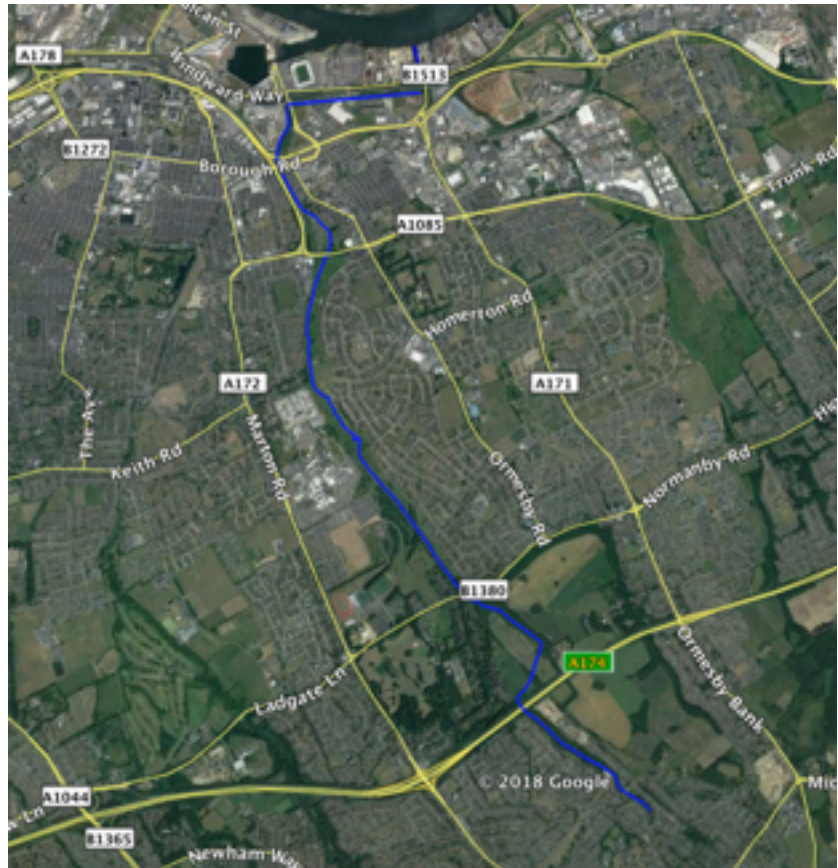


Fig 2. The current course of Ormesby Beck from its source to the River Tees (map taken from Google Earth)

History of site

Prior to the arrival of industry and the railways in Middlesbrough in the mid 19th century the whole south bank of the Tees going east from where Middlesbrough Dock is now would have been dominated by tidal saltmarsh and estuarine mud.

By 1853, when the first detailed maps were being drawn up (Fig 3), industrial development of the banks of the Tees was well underway, the railway now extended east of Middlesbrough, and the lower reaches of Ormesby and Marton West Becks had been straightened and diverted into almost their current courses. The area being considered in this document was, however, still undeveloped and goes by the name 'Great Marsh'. This would have been saltmarsh habitat as the beck, in its natural state is still tidal here. Middle Beck was still above ground and in a more or less natural state.

By 1893 (Fig 4.), industrial and urban development had further expanded and the area of remaining saltmarsh had shrunk, with the name Middle Marsh being used. However, the map of 1955 (Fig 5.) shows that by the middle of the 20th Century the whole marsh had disappeared under industry. The beck was in its current course by this point.

At some point between 1955 and the early 21st century all industry had ceased on the former Great Marsh and work was carried out aimed at the restoration of a more natural environment here. Fill soil was brought in from elsewhere (site unknown), a reed-lined pond was made, and trees planted along the side of the beck with a path running through them. The rest of the area appears to have been left to develop into fairly species-rich brownfield grassland, which, with the exception of the site of the Six Medals Pub and the never-opened supermarket site owned by Sainsbury's, is what is there to date.

The beck channel downstream of the main Middle Marsh site, and the grassland between Cargo Fleet Road and the railway line are similarly brownfield in origin. The footpath going along the beck east of the Navigation Inn is part of two long-distance footpaths - The English Coastal Path and the Teesdale Way.

At some point in the late 20th century a 'tidal valve' structure was constructed across the beck channel immediately upstream of where Middle Beck flows into it. This prevents saline water from all but the very highest tidal surges penetrating beyond this point.



Fig 3. A fragment of the 1853 Ordnance Survey map showing Ormesby Beck (marked in blue)



Fig 4. A fragment of the 1893 Ordnance Survey map



Fig 5. A fragment of the 1955 Ordnance Survey map

Current plans for the area

Two areas of the currently undeveloped land along the lower reaches of Ormesby Beck are at this stage zoned to be sold for development by Middlesbrough Borough Council - these are the areas shaded in white on the map in Fig 6. I was informed by a council officer in 2017 that MBC would like a hotel to be built on the northern of these two areas, while the southern one could perhaps be used for a car show-room or other non-residential development. The areas shaded in light grey in Fig 6. are of unknown ownership and with no known plans for development. Part of the central one has signs saying it is owned by the Homes and Communities Agency - however as several other parts of the site which have these signs are known to now be owned by MBC, it is possible that MBC own this area as well. These areas are mostly not included in the current proposal but they are good candidates for additions to the nature reserve at some time in the future, should that become possible.

The area shaded in dark grey is the approximate area of the 'blast zone' for the Chemoxy works which can not be developed and which I was told by the MBC planning officer was therefore potentially available for inclusion in a nature reserve.

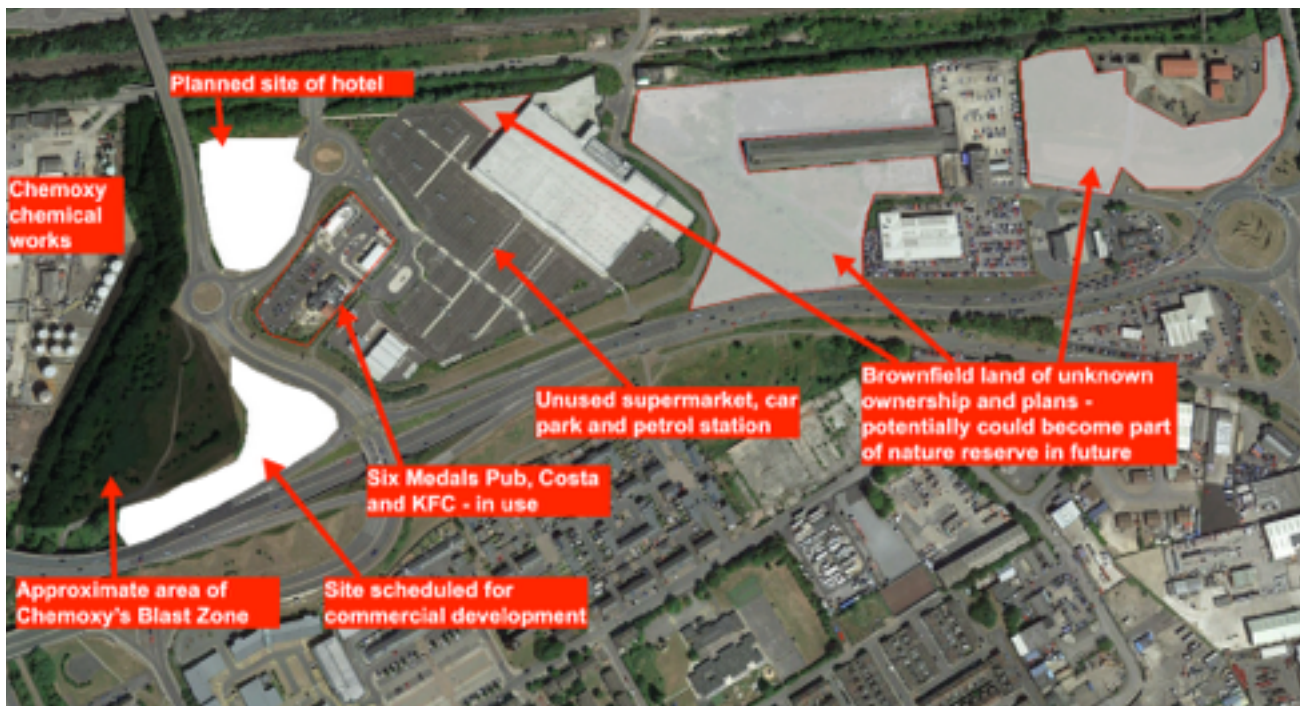


Fig 6. Aerial photo of site showing ownership, usage and current plans for selected areas

THE PROPOSAL



Fig 7. Aerial photo of the proposed nature reserve showing the five main compartments and some suggestions for short- and long-term management

The proposal is that

- A nature reserve is designated immediately which will include: the beck channel and becksides woodland going from the Borough Road flyover to just before where Ormesby Beck joins the Tees; the grassland, scrub and wetland which fall inside the 'blast zone of the Chemoxy works; and the strip of council-owned grassland between Cargo Fleet Road and the railway-line.
- A Management group should be recruited including local residents and other interested people with appropriate knowledge and skills. This group will be responsible for implementing the management plan (see Appendix 1) with the support and assistance, where possible, of Middlesbrough Borough Council, and for organising outreach within the local communities, such as volunteer work parties, environmental education and guided walks. Although the management group will be made up of volunteers, should it be considered necessary at any point to employ contractors, environmental consultants or members of staff (such as a warden, or community outreach workers) the Management Group will be responsible for raising funds to pay these employees, as well as for recruiting and managing them.
- Signs and interpretation boards should be put in place informing people that this land is now a nature reserve and describing the wildlife there and the management being instituted.
- Removal of fly-tipping, rubble and other rubbish from the beck, grassland and other habitats should be started as soon as possible, with every effort being made to minimise the impact of the work - such as volunteer work-parties removing it by hand, where conditions and health and safety considerations permit

- Treatment and/or removal of the pernicious invasive plants Japanese Knotweed (*Fallopia japonica*), Giant Hogweed (*Heracleum mantegazzianum*) and Himalayan Balsam (*Impatiens glandulifera*) should be commenced immediately and continued for as long as necessary.
- Manual removal of Brambles (*Rubus fruticosus* agg.), Sea-buckthorn (*Hippophae rhamnoides*), Cotoneaster (*Cotoneaster* sp.) and other small scrub plants, from the grassland next to the reedbed, should begin late-summer 2020, and should gradually be extended to other grassland areas of the site.
- Annual late-summer mowing of the two main grassland areas should be instituted, with all cuttings being raked and removed to other parts of the site or off site. The presence of large amounts of rubble, concrete blocks and fly-tipped rubbish in the grassland may delay the full implementation of this management so it is recommended that a gradual approach is taken whereby areas are cleared of debris and then mowed and raked. This work should only be carried out between late summer and early spring to allow plants to flower and birds to breed undisturbed.
- No sowing of 'wildflower seed mixes' or planting of plugs should be done in the grassland areas. Instead, the effect of suitable management should be monitored, and the regime adjusted if necessary. This should allow floral diversity to increase gradually and naturally over several years.
- Similarly, no new tree planting is currently necessary or desirable in the nature reserve.
- Some large shrubs and small trees in the central grassland area, and the scrub to the north of the reedbed should be left in place to provide habitat for insects and birds, but these areas should be prevented from becoming woodland, by periodic felling of the largest trees.
- A small area of reeds (maximum one 5th of the reedbed) should be cut and removed each year in autumn or winter. As soon as possible a small pond (or two ponds connected by ditches) should be excavated from the middle of the reedbed. Over the longer term, consideration should be given to ways of raising the water level in the reedbed and adjacent meadow.
- Where possible, and with the agreement of the Environment Agency, the beck channel should be diversified, both in depth and in sinuosity. This could be done by excavating pools at various points, by digging new channels and ditches (such as at the point where the channel turns east to go under Shepherdson Way), or simply by putting barriers such as concrete blocks across half of the channel at intervals, to encourage the beck to create its own new meanders.

These management recommendations, along with a few more long term suggestions, are summarised in Fig.7 (above) and given in more detail in Appendix.

Potential benefits of a Nature Reserve.

- Access to nature, (and particularly water) is good for mental and physical health
- An educational resource for local schools (e.g. NOPA, St. Alphonsus, Abingdon)
- Chance to engage local people (young and not so young) in caring for the environment
- Could attract investment into the local area
- Making North Ormesby and Middlehaven a nicer place to live
- Putting North Ormesby on the map - making people proud to live here
- Deterring fly tipping, vandalism and anti-social behaviour.
- Potentially increasing value of surrounding land and properties.
- Creating havens for birds, insects and other wildlife which are in decline nationally and regionally
- A route for wildlife to travel along, potentially colonising new areas
- Development of a more varied landscape
- Potential to improve water quality in the Beck
- Potential benefits for flood mitigation and protection of groundwater

A Name for the Nature Reserve

There are many different names which could be chosen for the reserve. I would suggest that the local community (including the children) be consulted about this. Some of the possibilities are:

Ormesby Beck Nature Reserve

Lower Ormesby Beck Nature Reserve

Ormesby Beck Meadows Nature Reserve

North Ormesby Wetland and Meadows Local Nature Reserve

North Ormesby and Cargo Fleet Nature Reserve

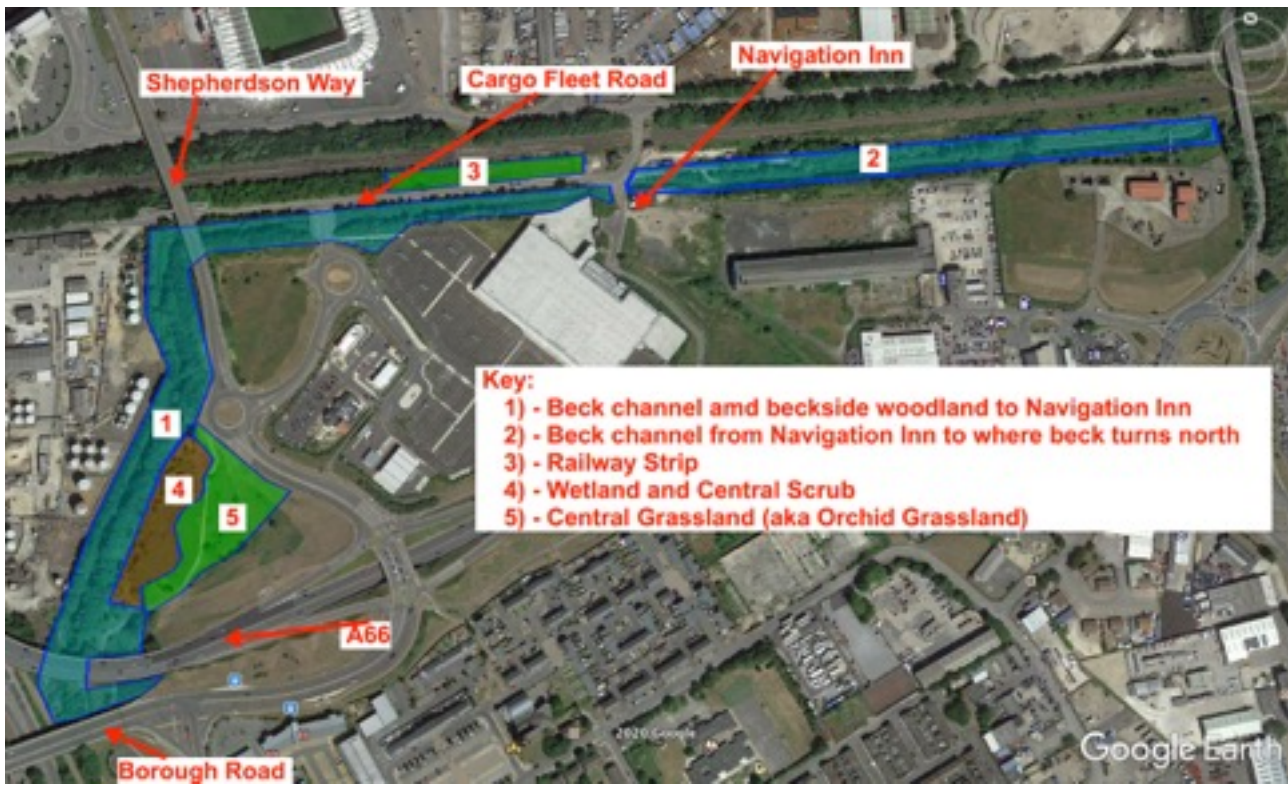
Middle Marsh Nature Reserve

The words 'Nature Reserve' could be replaced with Country Park, Wildlife Haven, Natural Park or something similar

Conclusion

The existing natural riches and wildlife potential of the lower reaches of Ormesby Beck and the wetland and meadows around it offer an excellent opportunity for Middlesbrough Borough council to create a unique haven for wildlife while at the same time forming a scenic oasis at the gateway to the Middlehaven development. In addition this will create opportunities for local communities to engage with nature and highlight Middlesbrough as a champion of wild spaces.

APPENDIX - COMPARTMENT DESCRIPTIONS AND SUGGESTED MANAGEMENT



Total area of Nature Reserve: 5.98 ha

Compartment areas:

- 1) Beck-channel and becksides woodland, to Navigation Inn: 2.99 ha
- 2) Beck-channel from Navigation Inn to where beck turns north: 1.38 ha
- 3) Railway Strip: 0.33 ha
- 4) Wetland and central scrub: 0.54 ha
- 5) Central Grassland (aka Orchid Grassland): 0.74 ha

1) Beck-channel and becksides woodland, to Navigation Inn

Description: Lower reaches of Ormesby Beck, from confluence with Marton West Beck. The channel has been much straightened from its original course (which is difficult to trace as earliest detailed map is from 1853 - by which time it was in almost the same course it's in now). Shallow stream, 2-3 metres wide for most of this stretch, earth banks except on either side of the Navigation Inn where it is in a deep, steep-sided concrete channel. Some natural meanders are starting to form in places (such as on the downstream side of the Heath Road bridge).

Although the actual channel is quite narrow it flows in a broad flat corridor, particularly in the section before Shepherdson Way, giving it the potential to meander a bit more if encouraged.

Further out from the channel the beck corridor is bordered on the north side by the Chemoxy chemical works and Cargo Fleet Road, and on the south side by wooded banks which are more or less steeply sloping (more so in the western section).

The water quality appears to be fairly poor, possibly due to the industrial units just upstream on both sides of Marton West Beck, and also due to run-off from Longlands Road going into Ormesby Beck. There is a large amount of rubbish in the channel, which forms little dams at bottlenecks, such as where the beck turns east to go under Shepherdson Way.

Not much submerged or emerging flora in this stretch, although there is some Common Reed (*Phragmites australis*) and Lesser Bulrush (*Typha angustifolia*) around the Heath Road bridge. Giant Hogweed (*Heracleum mantegazzianum*), with one small patch of another - Japanese Knotweed (*Fallopia japonica*) right on the edge of the bank. Native flora is typical of a fairly species-poor shady woodland and includes Water Figwort (*Scrophularia auriculata*), Wood Dock (*Rumex sanguineus*), Cow Parsley and Wavy Bittercress (*Cardamine flexuosa*). Trees and shrubs seem to be mostly planted and include Field Maple (*Acer campestre*), Grey Alder (*Alnus incana*), Apple (*Malus domestica*) and a cultivated variety of Bird Cherry (*Prunus padus*).

Aquatic bird-life includes Mallard (*Anas platyrhynchos*) and Moorhen (*Gallinula chloropus*) which both probably breed here, occasional records of Little Egret and Kingfisher (which indicate that there are probably at least a few fish), and regular sightings of Teal (*Anas crecca*) in winter. Several species of songbird including Song Thrush (*Turdus philomelos*) (Red-listed as a bird of conservation concern), Blackcap (*Sylvia atricapilla*), Lesser Whitethroat (*Sylvia curruca*), Chiffchaff (*Phylloscopus collybita*), Wren (*Troglodytes troglodytes*) and Chaffinch (*Fringilla coelebs*) can be heard singing in the spring in the woods and scrub on both sides of the beck and presumably breed here, although breeding has yet to be proved. The only mammal that has so far been seen in this section of the site is Brown Rat (*Rattus norvegicus*) which must benefit from the large amounts of rubbish which are washed downstream. At least two species of bat (Common Pipistrelle (*Pipistrellus pipistrellus*) and Noctule (*Nyctalus noctula*) have been recorded over or near the beck. Water Vole (*Arvicola amphibius*) occurs a short distance upstream and may possibly occur here, although surveys have yet to prove that, while Otter (*Lutra lutra*) occurs in the River Tees and may occasionally venture into Ormesby Beck, although there have as yet been no sightings or other evidence. At least one turtle (possibly Red-eared Terrapin (*Trachemys scripta*)) has been seen in the beck on two occasions, near the Heath Road bridge, although it is unknown whether there is an established population or just one escaped/ released pet.

Suggested Management:

Short-term: Clear rubbish from channel, eliminate Giant Hogweed and Japanese Knotweed, remove as much Himalayan Balsam as possible (removing plants before they can set seed) with a view to eventually eliminating.

Longer term: Eliminate Himalayan Balsam entirely,

Diversify the depth and sinuousness of the channel e.g, create pools and riffles; encourage the development of a more meandering channel, by the strategic placing of barriers across half of the stream in a few places.

Consider ways of improving the quality of the water coming from upstream via Ormesby Beck and Marton West Beck.

2) Beck-channel from Navigation Inn to where beck turns north

Description: Very straight section of Ormesby Beck, which is joined halfway along by the outflow from Middle Beck, which until this point has been subterranean for about 1.5km. The banks are concrete on both sides in the most westerly part of this section, with some softer banks further downstream, and then downstream of the confluence with Middle Beck both sides are dominated by a stone wall.

The routes of two long distance footpaths, the Teesdale Way and the English Coastal Path, run on the path along the side of this section of the Beck. This provides easy access to viewpoints looking onto the water and mud. The railway line between Middlesbrough and Redcar also runs along this section, with a 37m-wide strip of grassland, scrub and trees separating it from the beck. Most of this land, which holds the site of the now defunct Cargo Fleet Station, is fenced off and is not accessible from the Teesdale Way.

Along this stretch of the beck there are two structures which go across the channel, owned and maintained by the Environment Agency. The first one, just downstream of the Navigation Inn functions primarily as a device to prevent rubbish (mostly plastic bottles) going downstream. The second, just upstream of where the culverted Middle Beck flows into Ormesby Beck, while serving a similar function by catching large quantities of plastic bottles and other rubbish, is actually a 'tidal valve' which prevents tidal water from going further upstream, except at the very highest tides.

In some softer parts of the banks there are remnants of the saltmarsh vegetation which historically would probably have covered both sides of the channel for some way upstream. Where Middle Beck flows into the channel, there is some exposed mud at low tide, which may attract wading birds, especially during the migration periods in spring and autumn. Salt-loving plant species found here include Sea Plantain (*Plantago maritima*), Common Scurvy-grass (*Cochlearia officinalis*) and Sea Wormwood (*Artemisia maritima*). The last of these, which grows in some abundance along the tops of the retaining walls, is a scarce plant in this part of the country and this seems to be one of the largest populations locally.

Blackcaps (*Sylvia atricapilla*), Willow Warbler (*Phylloscopus trochilus*), Great Tit (*Parus major*) and Chaffinch (*Fringilla coelebs*) are frequently heard singing here in spring, indicating that they probably breed in this area. A Dingy Skipper (*Erynnis tages*) (a UKBAP Priority Species) was seen in this section in early May 2020 and is likely to be breeding in the grassland between the Teesdale Way and the railway line.

Suggested Management:

Short-term: Minimal management needed. Keep footpath clear, remove rubbish from cross-channel structures regularly. Prevent establishment of non-native invasive plant species.

Longer term:

Consider ways in which banks can be softened, and the extent of saltmarsh habitat and mud at low tide increased.

Explore ownership of the land between the Teesdale Way and the railway, with a view to including it in the nature reserve and managing the grassland for conservation.

3) Railway Strip

Description: Strip of grassland and scrub between the railway and Cargo Fleet Road, about 180 metres long and about 20 metres wide, owned by Middlesbrough Council. A stout secure fence separates this land from the railway. At the eastern end (not currently included in the measurements) is an area of hardstanding, about 400 m² in area, which appears to be the footprint of a demolished building. Rubbish and large items of debris, including metal rebar and concrete blocks are scattered throughout the compartment. Detailed surveys in this part of the area only commenced in spring 2020 and so species lists may not be as complete other areas. However, it is a very promising patch of reasonably species-rich, mostly dry grassland, which holds Dingy Skipper butterfly, a UKBAP Priority Species.

Species of interest include Bird's-foot Trefoil (*Lotus corniculatus*) (the larval food plant of Dingy Skipper), in some abundance, as well as Glaucous Sedge (*Carex flacca*), Cuckooflower (*Cardamine pratensis*), Common Vetch (*Vicia sativa*), Smooth Tare (*Vicia tetrasperma*) and Ox-eye Daisy (*Leucanthemum vulgare*). A narrow ridge, or bank, of soil running much of the length of the strip provides some diversity to the habitat and is potentially good for invertebrate species such as ants and mining bees. The presence of Tufted Hair-grass (*Deschampsia cespitosa*) in places indicate that those parts might be damper for at least some of the year. Encroaching scrub, including Hawthorn (*Crataegus monogyna*), Wild Roses (*Rosa* sp.) and Brambles (*Rubus fruticosus* agg.) have the potential to take over the grassland entirely if left unchecked, although the more developed scrub at the edges provides habitat for several bird species including migratory warblers such as Whitethroat, Willow Warbler and Blackcap.

Suggested Management:

Short-term: Remove all rubbish and debris. Manage grassland by cutting the grass once a year, in late summer or autumn, and removing the cuttings to piles at the sides.

Longer term: Maintain mowing regime long-term - this will reduce fertility of the soil and lead to improved floral diversity.

The hard-standing at the eastern end could potentially be the location of a site building/visitor centre, and/or a car park.

4) Wetland and central scrub

This area, along with the Central Grassland, is located on the site of a former area of saltmarsh, referred to on old maps as Middle Marsh, which itself was a fragment of a much larger area of marsh, called Great Marsh, to the south and east of Ormesby Beck. The current wetland and scrub, along with the grassland described below under “Central Grassland”, is at a much higher level than it would have been in the past due to soil being imported from other, unknown, sites. From examination of aerial photos from the early 2000s (available free on Google Earth) it appears that there might have been a pond in this area at that point but if there was it is now filled in (probably by accumulation of dead vegetation).

The existing wetland mostly consists of a reedbed, 1,500m² in area, which is dominated by Common Reed (*Phragmites australis*) and some Sea Club-rush (*Bolboschoenus maritimus*), the latter of which is a legacy of the former saltmarsh. At both ends of the wetland there is mature scrub, with Crack Willow (*Salix fragilis*), Goat Willow (*S. capraea*) and Alder (*Alnus glutinosa*), as well as at least one each of Yew (*Taxus baccata*) and Larch (*Larix* sp.). These last two species have obviously been planted here and are not particularly appropriate plantings on a site such as this one. At the northern end of the compartment there is a small area of wet grassland with species such as Hard Rush (*Juncus inflexus*), Saltmarsh Rush (*J. gerardii*), False Fox-sedge (*Carex otrubae*), Yellow Flag-iris (*Iris pseudacorus*), Yellow Loosestrife (*Lysimachia vulgaris*), Purple Loosestrife (*Lythrum salicaria*) and Meadowsweet (*Filipendula ulmaria*).

Birds that use the wetland include Water Rail (*Rallus aquaticus*) which can be heard calling from within the reedbed in winter, Reed Warbler (*Acrocephalus scirpaceus*) and Reed Bunting (*Emberiza schoeniclus*) which have been heard singing in the reedbeds during summer and which may breed. A Female Pheasant (*Phasianus colchicus*) with young was seen in a dry part of the reedbed in June 2017, indicating successful breeding on-site.

The scrub at the eastern end of the compartment has held a singing Willow Warbler (*Sylvia trochilus*) for most of April and May 2020, and, as this is suitable habitat for this migratory species, it seems likely that it will breed. In previous years Whitethroat (*Sylvia communis*), another migratory warbler, has been seen and heard singing in the scrub as well as in the willows and hawthorns in the Central Grassland.

Occasional sightings of deer from the site by members of the public are most likely to be from this compartment and probably refer to Roe Deer (*Capreolus capreolus*).

Suggested Management:

Short-term: To allow more floral diversity to develop within the reedbed and to prevent it becoming completely dried out and eventually scrubbing over, a small proportion of the reedbed (1/5 or 1/6) could be cut each year during winter (if conditions allow), using a brush-cutter, and the cut reeds removed to other parts of the site.

Long-term: Ways to raise the water level within the wetland should be considered, such as the digging of one or two small ponds and/or channels, and possibly even pumping some water from the beck.

A more ambitious project, connecting this compartment with the beck channel, would be to excavate a sinuous channel diverting from the beck just after it enters the site and then re-entering it further downstream. Ditches could come off this channel to connect it to small

ponds within the reedbed, with sluice gates to control the water levels in the wetland. However, this would be a very large scale project and may not be practical at all because of the big difference in the level of the land in the wetland compared with that of the beck, created by the filling in of Middle Marsh in the past. Topographical and hydrological studies, as well as the agreement of the Environment agency would be needed before such a project could be contemplated.

5) Central Grassland (aka Orchid Grassland)

Description: Moderately species-rich grassland, on soil imported from elsewhere. A 2.5m wide track, surfaced with a mixture of hardcore, bricks etc. runs north-south through the middle of the compartment and pieces of concrete, metal re-bar other debris are scattered across the area. The area is bordered by reds-bed on the western side and a broken chain-link fence on the eastern side

Notable plant species include over 300 Northern Marsh Orchids (*Dactylorhiza purpurella*), Chalk Fragrant Orchid (*Gymnadenia conopsea*) (20-30 plants), Glaucous Sedge (*Carex flacca*), Tufted Vetch (*Vicia cracca*), Fairy Flax (*Linum catharticum*), Red Bartsia (*Odontites vernus*), and Yellow-wort (*Blackstonia perfoliatus*). Some areas of taller herbs hold Tall Melilot (*Melilotus altissimus*) and White Melilot (*M. albus*).

Grasses are mostly represented by common, coarse species such as Cocksfoot (*Dactylis glomerata*), False Oat-grass (*Arrhenatherum elatius*) and Yorkshire-fog (*Holcus lanatus*), indicating that the soil is fairly rich, but finer species such as Crested Dog's-tail (*Cynosurus cristatus*) and Red Fescue (*Festuca rubra*) are also found here.

The short, frequently mowed grassland on the north side next to the road holds a fair abundance of Bird's-foot Trefoil (*Lotus corniculatus*), the food plant of the first two butterflies in the list below.

The section east of the path holds some large Sallows (*Salix* sp., prob. *S. capraea*) and some Sycamore (*Acer pseudoplatanus*) and Whitebeam (*Sorbus* sp.) trees grow along the line of the fence.

Much of the area, notably the western section nearest the reedbed, is in danger of being lost under encroaching scrub of several species, both native and non-native, including Sea-buckthorn (*Hippophae rhamnoides*), Cotoneaster (*Cotoneaster* sp.), Hawthorn (*Crataegus monogyna*) and Bramble (*Rubus fruticosus* agg.). There is also a small patch of the pernicious, invasive plant Japanese Knotweed (*Fallopia japonica*) in the eastern half of the area.

The southern section is a bit different in character from the rest of the area, having a shorter sward and scattered low scrub.

There is evidence of grazing by Rabbits here but they are not seen very often, so they are probably not a very large population. Several grassland butterfly species are found in this area, including the UKBAP Priority Species Dingy Skipper (*Erynnis tages*), Common Blue (*Polyommatus icarus*), Small Heath (*Coenonympha pamphyla*), Meadow Brown (*Maniola jurtina*), Small Skipper (*Thymelicus sylvestris*) and Large Skipper (*Ochlodes venatus*) as well as the day-flying grassland moths Shaded Broad-bar (*Scotopteryx chenopdiata*), Six-spot Burnet (*Zygaena filipendulae*) and Cinnabar Moth (*Tyria jacobaeae*).

Suggested Management

Short-medium Term:

Retain path.

Remove as much as possible of the concrete blocks, re-bar etc from the grassland. Some of this could be retained on site, possibly in discrete little piles to create habitat diversity and potential refugia for small animals. As much as possible this should be done by hand so as to minimise the impact on the site.

Retain some of the larger Sallows, which are very good for many insects, but remove the scrub from the rest of the area and prevent its regrowth.

Introduce a grassland conservation management regime in most of the area involving an annual cut in autumn and possibly another one in early spring, with all cuttings being removed to other parts of the site, or offsite. This will reduce fertility of the soil, allow less robust herbs and grasses to flourish and increase floral diversity, which in-turn should lead to an increase in insect species and other fauna able to use the site.

Leave some areas to be cut less frequently, possibly every 3-5 years, to allow biennials such as melilots to complete their life cycles.

No 'wildflower' planting or sowing, and no tree planting should take place here - instead allow existing species to flourish under appropriate management and new species to colonise. There may also be other species present in low density, or only in the seed-bank, which will become more established.

Long-term:

Remove chainlink fence and the non-native trees along it and replace with a hedge-line of native species, possibly slightly further east if the boundaries of the site can be extended.

Consider making new paths around the edges of the main part of the area (possibly a boardwalk along the edge of the reedbed), closing the existing path and fencing off most of the grassland to prevent access by dogs and members of the public (but still allowing access by mowing equipment. This could encourage ground-nesting birds such as Skylark (*Alauda arvensis*) and Meadow Pipit (*Anthus pratensis*) to breed here.

TOWNS FUND

WARD INITIATIVES BUSINESS CASE

PROJECT SUMMARY

WHAT IS THE INVESTMENT PROPOSAL?

Our residents are always at the heart of our plans for Middlesbrough.

It is absolutely crucial that our communities are not just informed about our aspirations for Middlesbrough as set out in the Town Investment Plan, but actually shape them.

Although there are an array of major projects across the whole town, we wish to set aside money for resident-led initiatives, empowering communities to drive positive change where they live.

A significant £1m investment has been highlighted in Middlesbrough's Town Investment Plan to engage communities in a participatory budgeting programme, where local residents can determine and design initiatives which will improve the quality of life in their local areas.

Through engagement with residents, elected ward members and local community councils, this project will develop a range of physical improvements across Middlesbrough's communities, through a locally-determined consultation, design and delivery project.

The project aims to engage with communities in each of the 20 wards in Middlesbrough to design and deliver investment in local improvements. We plan to work with communities to help determine how their outdoor spaces will work best for local residents - such as improvement of our 33 parks and supporting community growing projects across the whole town.

KEY MILESTONES

5-10 bullet points or a diagram for key events, such as: when project is expected to begin and completed. Other important key milestones e.g. final consultation, completion of bidding process, contracting third party, evaluation etc.

- Go out to consultation to establish how residents would like the Towns Fund Resource to be spent – June 21
- Engage the public, ward councillors and community councils to develop the results of the above into deliverable schemes - August 2021
- Develop package of costed proposals – October 2021
- Go out to tender/quotes for any relevant equipment/works – December 2021
- Commence delivery – January 2022
- Works Complete – March 2022
- Obtain resident feedback – June 2022
- Management and maintenance plans – March 2022

STRATEGIC CASE – *What we're doing, and why*

Background

What is the need for investment?

Whilst a buoyant economy is key to long term sustainability, Middlesbrough's real asset is its people. We wish to use £1m of the Towns Fund to support residents make change in their own environment and make physical improvements on a local level as determined by them.

As the majority of the Town's Fund is town centre centric it is essential to ensure that the benefits of the funding are felt at a ward level. This investment is also key to raising the profile and obtain buy-in of the Towns Fund programme as a whole.

Covid has very clearly demonstrated the importance of outdoor spaces – for residents of all ages. We have 33 parks across the town of all shapes and sizes but other than essential maintenance, schemes to improve them have been scarce.

We wish to use the Towns Fund as an opportunity to really make certain these areas are delivering for our communities. We have had rich qualitative research into this need. Just a few of the relevant comments are below. More can be seen in the appendix.

“Westbourne playing field park is atrocious, both dreadful play equipment, vandalism and a big litter problem. With new development right across the road it would be nice to raise the profile of a lovely space.”

“Maybe having more central things for children and families that don't drive. A park with proper equipment, indoor play area as the only one in central Middlesbrough has closed down.”

“We have amazing woodland parks along with our two large spaces Stewart and Albert. Sensory walks are popular for children of all ages and accessible & inclusive. Barefoot walks, water sprays, rock climbs.”

“There are no places local to me for my son to go and play i.e. parks.”

“The children and young people make a large proportion of the town and the parks, play areas and other facilities are woefully lacking. Albert Park especially - considering it's one of the parks closest to the town centre the play park is dilapidated, run down and unsafe - we prefer taking our children to Ropner Park in Stockton even though Albert Park is a stone's throw from our home and the children's schools.

“We'd love to see improvements for young people, we would happily pay an entrance fee to use a woodland play area or forest school play area in the local Linthorpe area. Personally I'd love to see a better more under 5s accommodating play area in Albert Park, breastfeeding & child friendly restrooms.”

As set out in Public Health England's recent review into Improving Access to Greenspace, we know the environments in which we live shape our lives and wellbeing and this extends to our natural environment. It also highlights how Covid has made us all aware of how much we rely on outdoor spaces to support our health and wellbeing. This is particularly salient in Middlesbrough with health inequalities and lower life expectancy.

It is now formally recognised that green environments are associated with reduced levels of depression, anxiety and fatigue and can enhance quality of life for all ages. People with better access to green space also benefit from lower levels of cardiovascular disease.

Deprivation also impacts on Middlesbrough's stark health inequalities hugely, and we will invest in our parks in some of our most deprived wards accordingly.

Resident-led community growing projects have really taken root in Middlesbrough – from small pockets of growing on verges and in alleys to much larger community orchards. There are really fantastic examples of this, including the growing project in Albert Park led by the Middlesbrough migrant community. There have been an absolute wealth of benefits - from bringing people together and promoting healthy living to improving the visual impact of previously unused or unattractive areas.

Grassroot projects like this have proven what can be achieved if we help support and enable residents. We have already had a number of requests, with residents eager to get their community growing projects underway including at Trinity Church in Whinney Banks, the Genesis Project in Grove Hill and at Coulby Newham.

We plan to encourage resident groups to come forward and work with them to determine the level of support they need via a community grant programme and through offering practical support from our environmental care team.

MHCLG intervention

Rationale for why government needs to intervene, and what would happen if the project or programme were not undertaken. What is the market failure being addressed?

The resource for Local Authorities to deliver physical improvements schemes, other than essential maintenance, is scarce. The Towns Fund therefore presents an opportunity to make some much-needed investment at Ward Level, giving residents a true stake in their local surroundings and involvement in the design and delivery of local interventions.

With large schemes that are driven by the need to boost the economy, such as the building of new offices, investment in housing infrastructure and the attraction or inward investment, it is hard for residents to see how the funding benefits them directly. This element of the Towns Fund allows the population to see a direct impact, have a say in how funding is utilised and present a method of engagement for the programme as a whole.

Objectives

Specify the key objectives and high-level outcomes the investment is aiming to achieve and by when.

- Ensure the resident population are fully engaged with the Towns Fund Programme
- Engage residents and community stakeholders in participatory budgeting and delivering enhancements to their communities.
- Obtain community buy-in of the programme as a whole
- Improve public perceptions of the place they live
- Provide facilities at ward level that residents want and need
- Enhance what the town has to offer both for residents and visitors
- Improve green space and public amenities
- Increase civic pride

Stakeholder issues

Identify and explain any stakeholders and support for the proposal. How have stakeholders been engaged in the process and how will they be engaged going forward.

Stakeholders were engaged via a questionnaire that went out on all Middlesbrough Council social media channels. This questionnaire was designed by the Council's communication team (with support from the Data team) and endorsed by the Town Deal Board. The purpose of the questionnaire was to gather opinion on how the £1m could be spent, it included open questions for the use of the money and whether the community would prefer equally distributed funding or fewer, larger schemes.

The initial consultation exercise was delivered by way of a survey which identified:

- a) A preference for how residents would like to see the funding distributed across Middlesbrough; and,
- b) What type of projects residents would prefer to be delivered, of an indicative list of four.

Consultation findings are available at Annex A.

96 respondents engaged with the online survey. An indicative preference was shown to the allocation of funding on a Ward Level, rather than fewer, larger projects distributed across the town. Similarly, a preference was also shown for the improvement of parks and open spaces in Middlesbrough, with nature and the environment closely following; albeit based on 63 of 96 respondents.

However, whilst the consultation exercise conducted to date indicates a preferred approach and basis to work from, additional and meaningful consultation will be required to ascertain the precise needs of each area.

Outdoor space is clearly an area of key influence for the council and our investment via the Town's Fund. However, we intend to re-engage with our communities on each and every project in every area. This will be crucial for a successful outcome.

Some assets such as major parks and play areas serve more than their own wards and are of benefit to neighboring areas and the wider town. Subject to further consultation, it is likely that there would be instances across the town where pooling or top-slicing additional allocations may be appropriate in such areas, for major projects. Similarly, pooling of resource may be appropriate in the most deprived areas of Middlesbrough which would benefit significantly from a consolidated scheme.

Towns Fund monies are strictly capital in nature. Some of the 'free text' responses and ideas relate to revenue activities, particularly in respect of activities and provision for children and young people. Whilst this is beyond the scope of this funding, this information will be shared with the appropriate services and agencies in order for this information to be considered in more detail.

Recommendations for delivery

It is recommended that:

- a) Additional significant consultation is carried out in areas to determine exact preferences and requirements of each area;
- b) On average, to allocate Middlesbrough wards up to £50k* each to deliver projects for community-identified priorities;
- c) An option to pool or allocate additional funding can be progressed in areas where public assets serve more than one ward, in areas of most need, significant dilapidations or deprivation – where a compelling case can be made;

- d) Further consultation with the public, Ward Councilors and community councils engaged to identify, design and deliver projects for their local areas;
- e) Each project will consider any ongoing maintenance and management liability; and will be subject to the Council accepting the maintenance liability of any proposed interventions, in perpetuity;
- f) All progressed schemes will be monitored and reported back to the Town Deal Board for information.

*maximum allocation and subject to value engineering with available funds.

Dependencies and Constraints

What are the dependencies on other programmes? What is the project or programme constrained by?

Land ownership and long term maintenance is a constraint. Communities will be encouraged to enhance existing parks and open spaces in their wards, which are under Council ownership. Similarly, the proposals will need to be subject to the Council accepting maintenance liability for the proposed enhancements. In crude terms, annual maintenance for play park equipment is estimated to be typically in the order of 10% of capital outlay.

Key Risks

What are the key risks to the success of the project?

There is a risk that some wards may not be able to agree the best use of their allotted allocation. Having narrowed the delivery options, through public consultation, this will initially focus the delivery allocations to deliver improvements specifically on improvements to parks and open spaces in each ward. However, further expansive consultation will be required.

Delivery timescales are relatively compressed and this relies on installation during the winter and spring months. Whilst weather can be a constraining issue council delivery teams are well versed on delivery and procurement processes, to minimise this risk.

FINANCIAL CASE - How much it will cost, and how it will be funded

The project will be funded through £1m Town's Fund resource. There may also be an opportunity to involve the Middlesbrough Council Community Fund.

ECONOMIC CASE – Our options and the extent to which they provide VFM+

Shortlisted options (Min. 3)	SWOT Analysis						Potential VFM	Conclusion
	Meeting Spending objectives	Strategic fit	Achievability	Supplier capacity and capability	Affordability			
1. Do nothing	Does not meet spending objectives.	Does not deliver strategic outcomes.	Will not be achieved.	Not required.	Does not require any additional funds.	Does not require and funds and will not achieve efficiencies	Does not meet investment priorities and will not achieve the desired outcomes.	
2. Do minimum	Meets some but not all spending objectives.	Delivers some strategic objectives but not all.	May satisfy some resident requirements	Reduced scheme and supplier capacity required.	Requires some Towns Funding approval.	A reduced Towns Fund investment will deliver far less impact and will not fully address the issues residents want to see tackled.	Meets some but not all investment priorities. Outcomes not optimised.	
3. Preferred Option	Meets all spending objectives.	Delivers all strategic objectives.	Can be achieved within timescales.	In-house delivery can be scaled to fit resource available.	Requires £1m of Towns Fund grant. Project at risk without funds.	A £1m Towns Fund investment will facilitate projects that will have a direct impact on health and wellbeing.	Meets all investment priorities..	

Although this project doesn't have a specific economic impact, the investment in parks and green space can contribute indirectly to the wider economy through improved health outcomes such as:

- Improved physical health
- Life expectancy
- Proportion of life in good health
- Improved mental health
- Increased life satisfaction
- Improved mental wellbeing
- Increased participation in the workforce, leading to a stronger local economy
- Reduced sick leave and increased productivity of workers
- Reduction in cost to the NHS
- Reduction in cost of social care

COMMERCIAL CASE - How will the project or programme be delivered?

Please limit the Strategic Case to 300-500 words.

Market Analysis

Please provide details of how the proposed scheme fits with local demand.

The programme of works have been developed as a result of initial resident consultation and engagement. Additional consultation will further refine options, therefore meeting local demand.

Delivery Confidence

You should demonstrate that the overall level of skills and capabilities are in place within the scheme delivery team now, as well as demonstrating their availability in the future.

Delivery confidence is high as the community engagement will be delivered through established ward member and community council channels. Similarly, physical works will be carried out in-house by the Council's highly experience Environment team, who will also maintain the assets post completion.

Delivery model

Who will deliver the programme/investment? What procurement might be needed?

Physical works will be undertaken by Middlesbrough Council's Environment Department with any materials being sourced using the council's procurement procedure to ensure value for money.

Contractual issues

Note any known or anticipated legal, contractual or procurement issues

No contractual issues are anticipated, all planned works are to improve existing council owned facilities and work will be carried out in-house.

MANAGEMENT CASE - *How will delivery of the programme/project be planned, monitored and overseen to evaluate and ensure its success?*

Please limit the Strategic Case to 300-500 words.

KPIs, Monitoring and oversight

How will you monitor spending and delivery against expected milestones and outputs and outcomes?

The project will be delivered by Environment Services with client feedback to Economic Regeneration.

Key project management tools will be employed to manage the scheme, such as Gantt charts and Risk Logs to ensure milestones and tasks are being met. The project team will work closely with the Council's Procurement/Commissioning and Legal teams to make the contractual elements of

the project as efficient and effective as possible. The Finance team will also support delivery through constant monitoring of expenditure.

Regular progress reports will be made to the Towns Deal Board, regarding expenditure and the achievement of the key milestones.

Any performance issues will be reported immediately and action will be taken to mitigate risks and approve key decisions in order to ensure performance issues are addressed accordingly.

PPM strategy and Project framework

*Overview of the strategy, framework and plans to ensure a successful project delivery.
Summary or diagram of the key project framework aspects including structure, reporting, governance, roles and responsibilities and appointed personnel*

Middlesbrough Council has implemented a bespoke solution for programme and project management, based on an interlinked process of Start-Plan-Deliver-Review/Close, which applies at both the programme and project level. All projects undertaken within the council must comply with this framework.

In order to ensure that projects have the greatest possible chance of success, a governance structure and process has been developed. The structure ensures that projects / programmes are scrutinised in a uniform way with Directorate Project Boards and the Corporate Programme Management Board being utilised to check and challenge progress and provide support to unblock issues.

A core document is developed against a standard template at each stage and must then be approved by a robust governance structure prior to commencement of the next stage. Once the project is in the delivery stage the following documentation must be produced:

- Project initiation document (PID)
- Project plan
- Risk and issues log
- Decision log
- Project finances
- Change control
- Benefits management

The process also allows for relevant change controls to be submitted for approval and they are formally recorded so any changes to the project are tracked.

This robust project management process is well embedded at Middlesbrough Council and helps demonstrate the comprehensive approach taken. The monitoring of spend and delivery against the key milestones, outputs and outcomes will be achieved through utilisation of the Council's framework.

Project plan

Set out the deliverables, activities required, milestones, use of any advisers etc.

MILESTONE	DATE
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Go out to consultation to establish how residents would like the Towns Fund Resource to be spent	June 21
Further consultation with residents, Ward Councillors and community councils to develop the results of the above into deliverable schemes - August 2021	August 2021
Develop package of costed proposals	October 2021
Go out to tender/quotes for any relevant equipment/works	December 2021
Commence delivery	January 2022
Works Complete	March 2022
Obtain resident feedback	June 2022
Management and maintenance plans	March 2022

Change or risk management strategy

Set out assessment of the potential impact of the proposal on culture, systems, processes and people, if applicable

As set out above, the council has a very rigorous approach to project management. Good risk management is proactive, systematic and looks to find the problems before they happen. All projects have a risk element and the aim is to eliminate, identify and control them.

The council follows the principles set out in its Project Risk Management Guidance. The risks identified fall into three main categories: business, service and external non-systemic risks.

The risks for this project have been identified and opportunities assessed to mitigate those risks, especially those that can lead to reduced costs, prevent failures and minimise reputational damage, as well as ensuring compliance with regulations. All mitigating actions are task driven and will have an owner and timescale assigned to them.

A dedicated Project Manager will be assigned to the delivery of the project. The risk register will be reviewed and updated on a regularly basis by the Project Manager throughout the project. The risk register will be reviewed at monthly Project Board meetings, as this allows for all stakeholders to have an input into the review.

Evaluation and benefits realisation

Set out how the project or programme will be evaluated through its life course e.g. monitoring data, process evaluation, impact evaluation.

Monitoring of the project will be aligned with the monitoring and evaluation methods set out by MHCLG and the Town Deal Management Board.

The benefits arising from the project will be recorded and monitored through the project management framework. A tracking sheet will be completed, which will allow for automated reports to be run for the various governance boards. The benefit tracker is used for all non-financial and non-cashable financial benefits (financial benefits are recorded on the financial tracking sheet).

The benefits will be tracked throughout the lifetime of the project by the Project Manager. Once the project has been delivered, the project will be reviewed and closed. A post implementation review will measure the actual achievement of benefits after the project. The benefits will be reviewed by the Town Deal Board.

Cultural Development Fund Project Submission

Introduction

Middlesbrough is a vibrant and creative town. It has already invested in cultural capital such as MIMA – now part of Teesside University as MIMA School of Art & Design – and Middlesbrough Town Hall. However, the town centre has faced declining footfall and lost retail offers, which have been exacerbated by Covid.

The town still has relatively low engagement in culture and high levels of deprivation. These issues are being addressed by significant investment to make Middlesbrough town centre a place for people to live, work and enjoy leisure, with new digital business zones recognised for high growth potential by Tech Nation and reimagined use of heritage assets.

Middlesbrough is at a cultural tipping point where investment can unlock economic growth, boost the visitor economy, strengthen cultural partnerships and build the resilience of its independent cultural sector by integrating cultural sites into a spatially-reconfigured Middlesbrough.

During 2018 twenty cultural organisations established Middlesbrough Cultural Partnership alongside key stakeholders such as Network Rail, Middlesbrough College and members of the Towns Board. Last year the Partnership worked with 450 artists and fundraised £1 million.

Project Proposal

Middlesbrough Cultural Partnership are now applying to Department of Culture, Media and Sport and Arts Council England's Cultural Development Fund for £4.25 million, having secured £750,000 in match funding.

This bid will work towards the vision of a newly-developed Cultural Investment Prospectus: that states Middlesbrough should have the facilities and resilient organisations needed for creatives to work safely, productively, and brilliantly for the benefit of local economy and communities and venues that attract local communities and audiences from outside the town. A thriving ecology of people, spaces and facilities will encourage creative innovation and community activity.

The bid will deliver a holistic package of transformational construction projects, creating a triangle of 'anchor' creative sites as part of broader town centre developments, working closely with Middlesbrough Council. This will make Middlesbrough's Rail Station the most creative station in the UK with new facilities, artists in residence, and a shop and printing press in Platform A. The scheme will create 25 studios and a gallery at The Auxiliary, a stone's throw from the new Northern Art School. Six minutes away Centre Square will become a family hub for fabrication, making and digital literacy: our Carnegie library and MIMA will gain events and conferencing spaces and a nationally-significant ceramics gallery, and be connected by a covered urban garden.

2021 is a window of opportunity to invest in culture in Middlesbrough. Culture is a central strand in Middlesbrough Council's Strategic Plan, and embedded in Tees Valley Combined Authority's strategies. This scheme is supported by Future High Street Fund and Towns Fund, TVCA and Network Rail, and links strategically with our Heritage Action Zone programme, and the two Higher Education Institutions (HEIs) in Middlesbrough. It would connect to communities engaged in Borderlands, our Creative People and Places programme.

Recommendation

The Town Deal Board endorse the proposal and project submission.

Towns Fund Board
Friday 30th July 2021 at 1.p.m. via Webex

Present:

Andy Preston, Mayor of Middlesbrough
Tony Parkinson, Middlesbrough Council Chief Executive
Andy McDonald, Member of Parliament for Middlesbrough
Adam Suleiman, Cities and Local Growth Unit BEIS
Sara Marshall, Middlesbrough College (sub for Zoe Lewis)
Marc Anderson, Cleveland Police (sub for Richard Lewis)
Rachel Anderson, Assistant director of Policy NECC
Cllr Mieka Smiles, Deputy Mayor and Executive Member for Culture and Communities MBC
Chris Smith, Executive Director of Business Growth – Thirteen Group (Sub for Ian Wardle)
Nicolas Baumfield, Arts Council
Kim Purcell

In attendance

Richard Horniman, Director of Regeneration MBC
Andrew Perriman, Head of Legal Services MBC
Sam Gilmore, Head of Economic Growth and Infrastructure MBC
Andrew Glover, Head of Marketing and Communications
Louise Antill, Towns Fund Programme Manager
Charlotte Nicol, Head of Culture Middlesbrough Council AGENDA ITEM 6

1.	<p>Apologies and declarations of interest</p> <p>Apologies: Laura Sillars, Dean of mima School of Art & Design Teesside University Simon Clarke, MP for South Middlesbrough and East Cleveland Zoe Lewis – Sara Marshall is attending on her behalf Richard Lewis, Chief Constable Cleveland Police (Marc Anderson substituting) Ian Wardle, Group Chief Executive Thirteen Group (Chris Smith substituting)</p> <p>Declarations of Interest:</p> <ul style="list-style-type: none">a) Andy Preston nominated to withdraw from the Boho residential Business Case discussion and voting.b) Andy McDonald highlighted a non-pecuniary interest in Middlesbrough College – as no agenda business relates to this status discussion and voting is approved.c) Rachel Anderson highlighted a non-pecuniary interest in Middlesbrough College – as no agenda business relates to this status discussion and voting is approved. <p>Other: Sam Gilmore updated the board on the administrative omission of Cllr Mieka Smiles from the Board Membership and Constitution. The record is to be amended to show full membership of Cllr Mieka Smiles.</p>
2.	Minutes from previous meeting

	<p>Minutes of last meeting agreed as a true record.</p>
3.	<p>Boho Residential Business Case (paper issued prior)</p> <p>Andy Preston withdrew from the discussion and voting on the item.</p> <p>Sam Gilmore introduced the business case as presented and outlined the necessity for gap funding to enable private sector interest to support the delivery of urban housing products. Up to £2m of a £10m development value may be awarded to support the delivery of urban housing.</p> <p>The next step includes actively marketing the opportunity and considering the private sector options which result.</p> <p>Andy McDonald raised some queries with the employment figures quoted, masterplanning, type of unit, local amenities and lettings criteria.</p> <p>Employment figures were sourced from recognised employment multiplier figures quoting an employment impact of 27.9 jobs per £1m funding – direct, indirect and supply chain.</p> <p>Richard Horniman cited that a tenancy mix is anticipated to reflect a cohort of young professionals and those starting on the housing ladder, this will involve some social and aspirational housing in the mix. Some ancillary local services are likely to emerge as housing in the area reaches critical mass. The schooling pressures are assessed to source from Secondary ages rather than Primary capacity. The new Middlehaven School will bridge any required provision.</p> <p>A masterplan for Middlehaven is in the final stages of development and will be presented to the Town Deal Board at the earliest opportunity.</p> <p>The business case was passed with seven votes for and two abstentions.</p> <p>Chris Smith – For Andy McDonald MP – For Cllr Mieka Smiles – For Sara Marshall – For Mayor Andy Preston – N/A Nicholas Baumfield – Abstain Tony Parkinson – For Rachel Anderson – For Marc Anderson – For Kim Purcell - Abstain</p>
4.	<p>North Ormesby Nature Reserve Business Case (paper issued prior)</p> <p>Land at Cargo Fleet / Gateway Middlehaven includes a beck corridor which hosts significant habitat for flora and fauna.</p>

	<p>Working with local communities, a proposal has been developed to enhance the habitat in this area and improve access for communities, schools and volunteers.</p> <p>The land is in Middlesbrough Council ownership and approval is already in place to commit this land to the creation of a nature reserve.</p> <p>Andy McDonald cited that the proposal was an excellent example of community engagement and had the potential to offer a real asset for the town.</p> <p>Cllr Mieka Smiles asked whether play areas or viewing platforms could be built into the proposals – this will be fed back to the project team.</p> <p>Marc Anderson suggested that liaison with Cleveland Police crime prevention / Secured by Design officer may support the proposal in terms of preventative measures to deter ASB.</p> <p>Thirteen Group and Middlesbrough College also expressed an interest in supporting the community engagement aspect of the delivery programme.</p> <p>The business case was passed with nine votes for and one abstention. Chris Smith – For Andy McDonald MP – For Cllr Mieka Smiles – For Sara Marshall – For Mayor Andy Preston – For Nicholas Baumfield – Abstain Tony Parkinson – For Rachel Anderson – For Marc Anderson – For Kim Purcell - For</p>
<p>5.</p>	<p>Ward Initiatives Business Case (paper issued prior)</p> <p>The findings of the recent consultation questionnaire were discussed along with the scope of the proposals.</p> <p>The board shared some concerns that the feedback sample was indicative but insufficient to progress without comprehensive additional public consultation. It was added that significant consultation was a major expectation of the Towns Fund Programme governance arrangements and award of Middlesbrough’s Town Deal.</p> <p>It was agreed that an average of £50k will be proposed to each ward but that this figure is not absolute and can fluctuate with need / scope of intervention.</p> <p>It was discussed that it is critical that any project can fully assess, and seek approval for, the management and maintenance costs arising from any investment; and that this should form part of Council approvals, where necessary.</p> <p>Thirteen Group also offered support in terms of community engagement.</p>

	<p>Recommendations for delivery</p> <p>It is recommended that:</p> <ul style="list-style-type: none"> a) Additional significant consultation is carried out in areas to determine exact preferences and requirements of each area; b) On average, to allocate Middlesbrough wards up to £50k* each to deliver projects for community-identified priorities; c) An option to pool or allocate additional funding can be progressed in areas where public assets serve more than one ward, in areas of most need, significant dilapidations or deprivation – where a compelling case can be made; d) Further consultation with the public, Ward Councilors and community councils engaged to identify, design and deliver projects for their local areas; e) Each project will consider any ongoing maintenance and management liability; and will be subject to the Council accepting the maintenance liability of any proposed interventions, in perpetuity; f) All progressed schemes will be monitored and reported back to the Town Deal Board for information. <p>*maximum allocation and subject to value engineering with available funds.</p> <p>The business case was passed with nine votes for and one abstention. Chris Smith – For Andy McDonald MP – For Cllr Mieka Smiles – For Sara Marshall – For Mayor Andy Preston – For Nicholas Baumfield – Abstain Tony Parkinson – For Rachel Anderson – For Marc Anderson – For Kim Purcell - For</p>
<p>6.</p>	<p>Cultural Development Fund – Board Endorsement of Expression of Interest</p> <p>Charlotte Nicol delivered a presentation outlining the opportunity and rationale for a bid to the Cultural Development Fund.</p> <p>This proposal seeks no financial contribution from the Town Deal Board, rather it seeks endorsement of the principles.</p> <p>The Board Endorsed the proposals and submission of an Expression of Interest.</p>
<p>8.</p>	<p>Any other business</p> <p>In reflecting the points raised with relation to long term management and liabilities, Andrew Perriman suggested that other Town Deal Boards operate a shadow assurance group which assesses the Town Investment Plan business cases for longevity and long term viability / management.</p> <p>Tony Parkinson suggested that a paper be brought to the Town Deal Board which outlines the membership and function of a Shadow Assurance Board, to vet</p>

	business cases for long term implications, priori to submission at the Town Deal Board.
9.	Date and time of next meeting Provisional: 1p.m. Friday 20 August 2021- location / online TBC