

AGENDA
MIDDLESBROUGH TOWNS FUND BOARD
18 March 2022
1pm – (virtual meeting)

1.	Apologies and declarations of interest
2.	Minutes from previous meeting
3.	Programme update and Progress Report
4.	Housing Quality Standard Framework
5.	Town Centre Safety - Discussion
6.	Date and time of next meeting: TBC

Towns Fund Board
Friday 19th November 2021 at 11am via Teams

Present:

Andy Preston, Mayor of Middlesbrough
Tony Parkinson, Middlesbrough Council Chief Executive
Andy McDonald, Member of Parliament for Middlesbrough
Cllr Mieka Smiles, Deputy Mayor and Executive Member for Culture and Communities MBC
Laura Sillars, Dean of mima School of Art & Design Teesside University
Zoe Lewis, Principal and Chief Executive Middlesbrough College
Daryl Thomlinson – Cleveland Police (Sub for Richard Lewis)
Ian Wardle – Chief Executive Thirteen Group

In attendance

Richard Horniman, Director of Regeneration MBC
Sam Gilmore, Head of Economic Growth and Infrastructure MBC
Louise Antill, Towns Fund Programme Manager

1.	<p>Apologies and declarations of interest</p> <p>Apologies: Ben Houchen – Tees Valley Mayor Simon Clarke, MP for South Middlesbrough and East Cleveland Richard Lewis / Marc Anderson, Chief Constable Cleveland Police Rachel Anderson, Assistant director of Policy NECC Adam Suleiman – Cities and Local Growth Unit Thomas Smith – Public Engagement Specialist Nicholas Baumfield - Arts Council</p> <p>Declarations of Interest: Andy Preston nominated to withdraw from the Urban Living Business Case discussion and voting.</p>
2.	<p>Minutes from previous meeting</p> <p>Andy McDonald highlighted that the conditions set out within the report for the Ward Initiatives Item should be set out explicitly, in the minutes – this has been done and the minutes will be recirculated.</p>
3.	<p>Town Deal Board Assurance Framework (Adoption and Process)</p> <p>Further to the remote circulation of the Assurance Framework, SG presented a flowchart to show how the Assurance Group fits within the business case approval process and subsequent monitoring and evaluation of individual projects.</p> <p>The Board felt the proposed framework was a good approach and was happy to adopt.</p>
4.	<p>Project Progress Reporting</p>

SG ran through a proposed structure for reporting project progress to the Board based on the thematic strands of the Towns Fund Programme and asked the Board what other information they would like to be included.

Following a discussion the Board would also like to see:

- Progress by sub project
- Each project to complete a monitoring template on a quarterly basis
- Monitoring outputs beyond the length of the financial agreement
- Gantt chart
- Global level and project level expectations – how do we measure the impact of the programme?

IW asked how the programme will deal with variations in capital costs, given that inflation is continuing to rise. SG confirmed that there is no room to bid for further resource and all projects will have to build in contingency arrangements. The Assurance Group will help to manage this process. There is also some room to make variations at a programme level within existing allocations, through the submission of a change control to DLUHC.

5. Urban Living Business Case

AP – recused himself from the process as per declarations of interest above.

Tony Parkinson chaired the item.

The Urban Living Business Case requests £11,318,000 (in addition to £2m already approved) to deliver a programme of Urban Living schemes, which will create 1,250 new units of accommodation, predominantly in and around the Middlesbrough town centre area. Resource will provide gap funding to stimulate an untested market to deliver mixed use units.

LS sought assurances of how the quality of the developments could be set into criteria. IW raised a similar point and set out some headline national criteria which may form part of the board's qualitative recommendations for the funding.

Following a discussion the Board agreed to support the business case, however individual schemes will come back to subsequent meetings with the following being considered:

- Quality Standards – **Action Point** SG/LA to draw up a Quality Framework for Housing Developments supported by the Towns Fund.
- Utilising Modern Methods of Construction
- National design space standards
- Zero carbon
- Biodiversity
- Red Book appraisal
- Open / limited calls
- Towns Fund to be funder of last resort
- Maximum profit cap to be in place
- Developments to be covered within the existing Local Plan
- School places – **Action Point** TP to arrange a separate meeting with AMc and the Council's Education Department

	<ul style="list-style-type: none"> • Road system and parking to be considered <p>The projects was approved unanimously by the board, subject to review of development appraisal for each site.</p>
<p>6.</p>	<p>Town Centre Conversions - Old Town Hall</p> <p>A proposal was brought to request the Board award £700,000 provisionally allocated to Town Centre Conversions to the Historic Buildings project, providing £1.3m of co-funding to support a Heritage Lottery Fund (HLF) application to allow a full refurbishment and conversion to a mixed use facility at the centre of Middlesbrough's new commercial heart.</p> <p>If the HLF application was unsuccessful the Board could decide whether to allow the Old Town Hall to further utilise the resource to make additional improvements rather than the basic refurbishment the original £600k would provide or if it should be spent for its original purpose. HLF outline proposals take around 6 to 8 weeks to turnaround, therefore the outcome would be known within the financial year.</p> <p>If the HLF bid was successful it is anticipated that the facility would be ran by a private sector organisation in the long-term with community use provided.</p> <p>The Board unanimously agreed the proposal.</p> <p>AP – had not returned to the virtual meeting at this point.</p>
<p>7.</p>	<p>Any other business</p> <p>None</p>
<p>8.</p>	<p>Date and time of next meeting</p> <p>TBC</p>

PROJECT UPDATES

BUSINESS CASE	COMPLETION DATE (including full independent assurance and approval)	PROGRESS UPDATE	KEY RISKS	OUTCOMES MANAGEMENT
Urban Communities and Place Making	March 2026	Project scheduled to commence in 22/23. Work is ongoing with MDC/BCEGI to finalise sites.	<ul style="list-style-type: none"> Quality of development Delivery timescales Developer Interest 	
Middlesbrough Experience	March 2024	<p>Middlesbrough Experience - Nature Reserve - The project is on schedule to complete to timescale with equipment purchased and pond and path work having commence. Ward Initiatives - Following consultation and thorough costings a scheme of works has now been established that can be delivered within the budget available with a town wide spread of activity. Although some works will be carried out in 21/22 the majority of work will be completed in 22/23 due to long lead in times for equipment and current ground conditions.</p> <p>Community Hubs - Nunthorpe Community Centre - Location appraisal completed and preferred location for new facility identified. Officers to present recommendation to the Nunthorpe Vision Group and once community are in agreement on the location, final sign off will be sought from Middlesbrough Council and the Towns Fund. Southlands Community Centre - A new vision for site has been presented to Sport England with the aim of delivering both a new facility and the required sport provision to compensate for the loss of playing fields. Should the vision be agreed, the planning process for the Community Facility can proceed. Officers are working closely with the Community to ensure they are fully updated on progress and that the Community needs are considered by the Council.</p>	<ul style="list-style-type: none"> Obtaining co-funding Agreeing facilities and projects that meet the needs of all residents Sourcing suitable contractors 	





BUSINESS CASE	COMPLETION DATE (including full independent assurance and approval)	PROGRESS UPDATE	KEY RISKS	OUTCOMES MANAGEMENT
<p>Building a Knowledge Economy</p>	<p>March 23</p>	<p>The College had originally targeted completion of the construction phase of all projects by August 2021 to allow student occupation for the start of the 2021/22 academic year (Save for the Town centre unit which has yet to be scheduled).</p> <p>Due to the impacts of COVID and BREXIT on the availability of manpower and construction materials projects have been delayed. However, all projects remain on budget and are either complete or expected to complete imminently. A summary is given below</p> <ul style="list-style-type: none"> • Campus heart/ LRC/ reception (£1m) – Reception and LRC work is complete and facilities are in use. Work is ongoing on the external Campus heart improvements with completion anticipated in February 2022 • IOT centre (£3.3m) – Works completed in late 2021. 1,100m2 new space in use. • T level builds Digital/Construction (£5.4m) – Construction works substantially complete, working though final fit out and snagging practical completion anticipated February 2022 <p>Operationally all new space and facilities are expected to be in operational use by students following the February half term. During the delay period alternative accommodation has been arranged for students on campus and delivery of learning has not been hindered.</p>	<ul style="list-style-type: none"> • Timing of funding approval and receipt • Appointment of contractors • Project timeline completion 	



BUSINESS CASE	COMPLETION DATE (including full independent assurance and approval)	PROGRESS UPDATE	KEY RISKS	OUTCOMES MANAGEMENT
Enterprise Infrastructure	Dec 2022	<p>Historic Buildings - Captain Cook Renovation project has all but completed on site. All repair works have been carried out and windows have been partially installed. There has been a delay in the glass supply chain which has pushed the window install back to May at the latest - constitutes green retrofit, insulating the envelope of the building. The Old Town Hall has been cleared and surveys are underway. Discussions on the future use of the building have taken place and a meeting will be held with the Heritage Lottery to explore further funding opportunities.</p> <p>Centre Square Development – full funding package in place, project due to commence February 2022.</p> <p>Boho Campus Infrastructure – project awaiting approval.</p>	<ul style="list-style-type: none"> • Timing of funding approval and receipt • Project timeline completion • Cost overruns 	
BOHO 8	Fast-track			



PROGRAMME OVERVIEW

Project	RAG		July-Sept			Oct-Dec		Jan-March			April-June		
Urban Communities and Place Making	Yellow	Yellow	Light Blue	Light Blue	Light Blue	Green Star	Green Dot						
Middlesbrough Experience	Yellow	Yellow	Light Blue	Green Star	Green Dot								
Building a Knowledge Economy	Green	Green	Green Dot										
Enterprise Infrastructure	Yellow	Yellow	Light Blue	Light Blue	Light Blue	Green Star	Green Dot						

KEY

- Light Blue: Independent assurance/approval
- Green Star: Business case complete
- Green Dot: Summary documents submitted

Top programme risks	RAG	Mitigations	Milestones		Budget		
			Achieved since last Board	Upcoming milestones	Actual spend	Budget	Forecast outturn
Timing of funding approval and receipt	Yellow	Processes are in place to draw down funding to fit with project timescales					
Project timeline completion	Yellow	Experienced project manager, project team, project management tools and contract terms will be utilised to ensure programme stays of track.	Centre Square 6 commence. Nature Reserve Commence. Captain Cook Pub Complete. Boho X Progress. Boho 8 Complete (full). Ward Initiatives Consultation.	Nature Reserve Complete Ward Initiatives Commence HLF Bid – Old Town Hall Town Centre Site located (MC) Mhaven Housing Sites – BCEGI Option	£1,400,000	£3,451,000	£1,900,000
Cost overruns	Yellow	Fixed cost contract agreed at procurement stage					
Obtaining the necessary co-funding	Yellow	Project plans for co-funding are advanced and confidence of achievement is high.					

Overall programme rating

Yellow



PRESCRIBED OUTPUTS (M&E)

1 of 3

OUTPUT	AMOUNT
£ co-funding committed (private and public)*	£158,382,967
£ spent directly on project delivery (either local authority or implementation partners)*	£66,840,153
# of full-time equivalent (FTE) permanent jobs created through the projects*	971
# of temporary FT jobs supported during project implementation*	2947
# of residential units provided	1051
# of sites cleared	6
# of derelict buildings refurbished	5
# of heritage buildings renovated/restored	5
# of learners enrolled in new education and training courses	500
# of learners/students/trainees gaining certificates, graduating or completing courses at new or improved training or education facilities, or attending new courses	500



PRESCRIBED OUTPUTS (M&E) 2 of 3

OUTPUT	AMOUNT
# of learners/trainees/students enrolled at new education and training facilities	500
Amount of capacity of new or improved training or education facilities	2967m2
Amount of floor space repurposed (residential, commercial, retail)	45231m2
Amount of new office space	12541m2
# of trees planted	5200
Amount of existing parks/greenspace/outdoor improved	5
Amount of new parks/greenspace/outdoor space	7200m2
Amount of rehabilitated land	5000m2



PRESCRIBED OUTPUTS (M&E)

1 of 3

OUTPUT	AMOUNT
Number of improved community/sports centres	5
Number of improved cultural facilities	2
Number of new community/sports centres	2
Number of new non-domestic buildings with green retrofits completed	2
Number of public amenities/facilities created	6
Total length of new pedestrian paths	0.4Km
Total length of pedestrian paths improved	1km
Total length of resurfaced/improved road	0.2Km
# of additional residential units with broadband access of at least 30mbps	200



MIDDLESBROUGH TOWN DEAL- URBAN COMMUNITIES AND PLACEMAKING

NEW HOMES CRITERIA

Middlesbrough Town Deal Board strive to ensure the best possible outcomes for Middlesbrough. Through the Towns Fund and Future High Street Fund, Middlesbrough has been awarded significant funding to invest in and create a vibrant urban community in the heart of the town.

This approach needs to be balanced with the development of a proof of concept in Middlesbrough's urban housing market. Developments should be high quality and as financially viable as possible, without disproportionate public sector intervention. To ensure the quality and standard of homes are a match for Middlesbrough's ambitions, in addition to statutory planning requirements, it is expected that best endeavours are made by house builders/investors to achieve the following essential and desirable standards:

Essential	Desirable
Homes and their environs should be visually attractive as a result of good space planning and architectural design	Homes should be flexible, responsive to the changing needs of the occupants, meet the changing needs of a variety of households who will occupy the building over its life and be of sufficient size.
Be of high quality and meet family and individual needs	Considering best practice in utilising a "circular economy" process.
Homes should be of high quality, innovative and sustainable	Opportunities should be taken to embrace Modern Methods of Construction (MMC)
Homes should demonstrate that they represent value for money and "whole life cost" analysis	Developments detailing a Treasury Red Book Appraisal (or equivalent) will be prioritised.
Development profits should be within the scope of industry norms – following subsidy.	Zero carbon and Future Homes Standards will be prioritised.
Development subsidy will demonstrate Towns Fund as investor of last resort	National design space standards will be prioritised.
Developments should demonstrate a neutral or positive impact on local biodiversity	A diverse mix of tenures and price points, including affordable elements.

Validation Process:

1. Sites will be planned, supported and marketed with consideration to the criteria above.
2. Each development appraisal and business case will be assessed and ranked against the above qualitative criteria, with weightings for value for money, level of grant intervention required and co-funding brought forward.
3. The Investment Assurance Group will gather appropriately qualified individuals and ensure that each proposal meets the above criteria, as far as is practicable.
4. Only those exceptions which do not substantively satisfy the criteria above, will be brought to the Town Deal Board for final approval.

Towns Fund Board
Friday 18th March 2022 at 11am via Teams

Present:

Tony Parkinson, Middlesbrough Council Chief Executive
Andy McDonald, Member of Parliament for Middlesbrough
Cllr Mieka Smiles, Deputy Mayor and Executive Member for Culture and Communities MBC
Laura Sillars, Dean of mima School of Art & Design Teesside University
Rachel Anderson - Assistant director of Policy NECC
Nicholas Baumfield - Arts Council
Zoe Lewis, Principal and Chief Executive Middlesbrough College
Adam Suleiman – Cities and Local Growth Unit
Chris Smith – Thirteen Group
James Cain – For Simon Clarke

In attendance

Richard Horniman, Director of Regeneration MBC
Sam Gilmore, Head of Economic Growth and Infrastructure MBC
Louise Antill, Towns Fund Programme Manager

1.	<p>Apologies and declarations of interest</p> <p>Apologies: Andy Preston - Mayor of Middlesbrough Ben Houchen – Tees Valley Mayor Simon Clarke, MP for South Middlesbrough and East Cleveland Rachel Stockdale - Chief Inspector Cleveland Police Thomas Smith – Public Engagement Specialist Ian Wardle – Chief Executive Thirteen Group Gary Hutchinson - Arriva</p> <p>Declarations of Interest: N/A</p>
2.	<p>Minutes from previous meeting</p> <p>No matters arising other than Housing Quality Standard see agenda item 4.</p> <p>Minutes were agreed as a true record</p>
3.	<p>Programme update and Progress Report</p> <p>SG shared a progress monitoring update for the overall programme and provided information on each project:</p> <p>Urban Living and Place Making – project not due to start until 22/23, however there is a strong pipeline of housing sites aligned to Brownfield Land Fund.</p> <p>Middlesbrough Experience – Nature Reserve is on site with groundworks nearing completion, the next phase will be planting and continued work with community volunteers to develop the long-term sustainability of the site.</p>

The Ward Initiatives project now has Council Executive approval and individual projects will commence in early 22/23 with the majority of schemes being completed by summer 22.

Community Hubs – There has been delays on both sites due to issues with Sport England at the Southlands site and location at Nunthorpe, however these are concluding and work will commence within the next 12 months.

Knowledge Economy – Work has almost concluded and payment has been made to the college. Further work is needed to establish a town centre site, however following the Council's purchase of the Cleveland Shopping Centre more options are now available.

Enterprise Infrastructure – Historic Buildings, work largely complete on the Captain Cook pub, which is now a blank canvas to allow multiple uses. The old Town Hall is awaiting a bid to Heritage Lottery Fund. Long term uses for the building could be business incubation or a cultural facility, however it will need a sustainable use as will provide the focal point for all development in the area.

Centre Square Development – work has commenced and practical completion is expected by December 22.

Boho Campus Infrastructure - business case now submitted to DLUHC, work will take place at the end of the programme to stitch the various sites together.

Boho 8 – Project complete and fully occupied by digital companies.

SG confirmed that all Annex C documents have now been submitted to DLUHC achieving the timescale for submission within a year of securing funding.

Middlesbrough has also been chosen as a pathfinder for the 'Single Conversation' initiative. Which will involve working with the government to establish the need of an area and be reactive to those needs rather than trying to fit requirements to a specific fund.

The board welcomed this approach and would be happy to contribute.

Under the Knowledge Economy AMc raised serious concerns of not being informed about the potential Eton College proposal within Middlehaven. He requested information on Council involvement and progress to date with the submission to the Department for Education.

TP confirmed that nothing had been brought to the board as there was no decision to be made by the Council or the Board at the present time. Eton College have currently expressed an interest in a plot of commercially available land however they had not submitted anything to the Department for Education. TP is scheduled to meet with college representatives next week and will provide an update to the Board following this.

A great deal of work needs to take place including the demand for places, numbers wanting to do A levels, current provision, predicted population numbers etc.

ZL stated it was a complicated issue that needs a significant amount of work. She also gave the view that the college would increase footfall and accelerate the regeneration of the Middlehaven area, currently the Tees Valley has enough places

	<p>to cater for student demand, however a further facility would provide more choice for young people.</p>
4.	<p>Housing Quality Standard Framework</p> <p>Following a request from the Board a Housing Quality Framework was developed.</p> <p>RH ran through the New Homes Criteria, which lays out a set of essential and desirable criteria that can be applied depending on the type of development the programme is dealing with.</p> <p>It was agreed that some of the criteria was subjective, however it provides control through the planning system and the adoption of national standards, including satisfying organisations such as Historic England. The Town Deal Board can make the decision to reject a development if it doesn't meet the overall vision. There is balance between the aspirations and affordability that the criteria should help to achieve.</p> <p>There was consensus that given the ongoing fuel crisis Net Zero should be moved from desirable to essential criteria. In addition floor space should be moved to essential, however building conversions may need to be considered separately. To maintain feasibility, any cases which have merit, but do not meet the essential criteria, will be brought for board determination.</p>
5.	<p>Town Centre Safety</p> <p>ZL wanted to highlight issues within the Town Centre noted by herself, students and staff regarding the rising levels of anti-social behaviour and general feel of the Town Centre that is at direct odds with the investment the FHSF and Towns Fund is trying to achieve, and asked if the Town Deal Board should be doing something to address it?</p> <p>TP was in agreement and thought the Board was the best vehicle to take initiatives forward in line with the Council's existing Town Centre Strategy.</p> <p>SG added that this area of work also aligns with the Town Centre Taskforce that is supporting Middlesbrough to improve perceptions of the town.</p> <p>TP agreed to lead on the work and to have a special Board meeting to discuss the issue and develop a forward plan.</p>
7.	<p>Any other business</p> <p>None</p>
8.	<p>Date and time of next meeting</p> <p>TBC</p>