



## MIDDLESBROUGH DEVELOPMENT CORPORATION BOARD

Thursday, 18 December 2025 at 1:00pm

Mandela Room, Middlesbrough Town Hall, Albert Road, Middlesbrough, TS1 2QJ

*(These minutes are in draft form until approved at the next Board meeting and are therefore subject to amendments.)*

<b><u>ATTENDEES</u></b>	
<b><u>Members</u></b>	
Tony Parkinson (Chair)	Independent Member (Chair)
Mayor Chris Cooke	Middlesbrough Mayor (Elected Member of Middlesbrough Council)
Martin Raby	Independent Member
Riaz Hameed	Independent Member
<b><u>Associate Members</u></b>	
Tom Bryant	Associate Member
Erik Scollay	Associate Member
<b><u>Officers in Attendance</u></b>	
Beverley Bearne	MDC Chief Operating Officer
Shaun Nattrass	Group Legal Manager
Jo Moore (Teams)	Interim Group Director of Finance & Resources
Laura Metcalfe	Development Corporation Manager, TVCA
Eleanor Thomas	Governance Officer, TVCA
Justine Matchett	Lichfields
<b><u>Others in Attendance</u></b>	
Neil McMillan	iMpeC
Leigh Cresswell	iMpeC
<b><u>Apologies</u></b>	
Matt Storey	Independent Member
Tony Grainge	Independent Member
Paul Bell	Independent Member
Glyn Holland	Independent Member
Jodie Townsend	Interim Group Chief Legal Officer/Monitoring Officer

<b>MDC 14/2025</b>	<b>Apologies for Absence</b>  The Chair welcomed all in attendance to the Middlesbrough Development Corporation (MDC) Board meeting.  The Chair raised that Stephanie Spensley's name was incorrectly on the agenda as a member.  Apologies for absence were submitted as detailed above.
<b>MDC 15/2025</b>	<b>Declarations of Interest</b>  Mayor Chris Cooke declared a non-pecuniary interest in relation to being a member of Middlesbrough Council.  Riaz Hameed declared a non-pecuniary interest in relation to owning property in the MDC area.
<b>MDC 16/2025</b>	<b>Minutes of Previous Meeting</b>  <b>RESOLVED:</b> The minutes of the meeting held on Friday, 5 September 2025 were <b>approved</b> as a correct record.
<b>MDC 17/2025</b>	<b>Update from the Chair and Chief Operating Officer</b>  The Board received a presentation and a verbal update from the Chair and the Chief Operating Officer of Middlesbrough Development Corporation on key matters in relation to Middlesbrough Development Corporation since the last meeting.  Key details are outlined as below: <ul style="list-style-type: none"><li>- The Chair outlined that since the last Board meeting, there have been key areas of work, such as focusing on resetting the MDC Priorities, the MDC Board structure and the operating principles of the Board. Town centre security and the general environment.</li><li>- It was noted that the current masterplan, 'Supercharging Development in Middlesbrough' which was launched in April 2023 will be redeveloped. There are a broad range of priorities in the plan which makes it difficult to see what the MDC is trying to achieve. Therefore, the Chair has agreed there will be four short-term priorities that will form the basis of the MDC work over the next 18 months.</li><li>- Priority 1 is to improve Town Centre safety and environment and there is £1.3m revenue to contribute towards this. This will include</li></ul>

the introduction of the 'Town Guards'. This proposal will deal with crime and anti-social behaviour within the Town Centre. It was suggested that although crime has reduced over the last 3 years, a perception still remains which prevents people from wanting to come back into the town, which is a critical issue in terms of attracting investment and protecting existing businesses. Aligned to this, there will be an expansion of CCTV, an introduction of a small grants scheme for town centre businesses to improve localised anti-social behaviour, improved pedestrian routes and wayfaring improvements.

- Priority 2 is Gresham, and there is an agenda item to discuss this further.
- Priority 3 is the investment zone funding of £13m capital which was notionally allocated to both the House of Fraser and Marks & Spenser building. It was noted that it's important to be clear on what has been developed and whether it is something that the Board would support or whether the Board would want to seek to get that money un-ring fenced for those areas but still allocated to the MDC.
- Priority 4 is to improve the retail offer, which will consist of developing a masterplan for future uses and for existing shopping centres (Cleveland Centre, Hill Street Centre and Dundas). It was highlighted that there is too much empty retail space within the MDC, and there needs to be a plan to seek to address that. The Board will work together to discuss what the process will be.
- The Chair stated that the MDC Board will operate within the Operating principles, which are as follows; provide strategic civic leadership, be performance-driven, be focused on our priorities, make commercially sound decisions, unlock investment within the MDC boundary, ensure good governance and engage and communicate widely. It was noted that the MDC Chief Operating Officer will produce a plan for how each of these will be progressed, and then the Board will be accountable for making sure the plan is being progressed.
- It was discussed that a new draft Board structure to deliver the operating principles has been agreed with the Tees Valley Mayor, which will be brought back to the Board in January, once constitutional changes arising out of wider TVCA Governance improvements have been considered.

Questions and comments were invited from the Board:

- Mayor Cooke queried whether the £1.3m had been transferred to the MDC. It was clarified that the money has not yet been transferred, but there has been £1.3m allocated and it will be subject to business cases submitted to TVCA.

- Mayor Cooke raised concerns around the £1.3m. It was noted that he doesn't feel comfortable with the current process and added that the Town Guards were promised by Christmas and so far, there has been no other proposals. He explained that there should be a level of agreement at TVCA Cabinet about where the £1.3m goes and what it is spent on. In response, the TVCA Chief Executive explained that at the March 2024 TVCA Cabinet Meeting, Cabinet accepted the investment zone programme, which included £1.3m for Hartlepool and Middlesbrough to improve perception of safety and anti-social behaviour. The £1.3m would be subject to the TVCA assurance process, which means that a business case would need to be submitted and go back to TVCA Cabinet for approval.
- Mayor Cooke raised concerns around a proposal or business case to be worked up for the expansion of CCTV which would impact Middlesbrough Council staffing without them being able to take account of that on future years revenue. It was stated that he did not understand how they will hit approval gateways or making sure that everyone is brought together to make the right proposals, as it is difficult to see building good relationships at the moment and was eager for this to change. In response, the Chair outlined that as MDC representatives they have engaged with officers at Middlesbrough Council who put a proposal to the MDC to increase CCTV resources for a period of 3 years.
- Mayor Cooke explained that because conversations have ceased around the CCTV resources being expanded, he has put it into the council's Medium-Term Financial Plan, meaning that the council resources are paying for it. The Chair noted that he was not aware of this. The Chief Operating Officer confirmed that this would be taken away as an action.
- The Chair clarified with the Board that there was an initial proposal from Middlesbrough Council and through discussions between Middlesbrough Council officers and himself that was amended. That proposal was provided to the Board in December, and that proposal has been discussed with the police, but those discussions have not yet been concluded. The only element of the proposal which required further discussions and negotiations was the form the security presence would take and whether that would be PCSO or a private security firm and until that is concluded the business case can't be put together.
- Erik Scollay queried whether the operating principles are new or pre-existing and queried whether the MDC providing strategic civic leadership is the job of the Local Authority and the MDC provides strategic leadership around a range of forms and development, and it was a broad statement. In response, the Chair advised that it can be elongated to say around the responsibilities that the MDC has.

	<ul style="list-style-type: none"> <li>- Mayor Cooke suggested that a 'collaboration of partnerships' could feature on the MDC Operating Principles. The Chair agreed that he was happy to add that.</li> </ul> <p><b>RESOLVED:</b> That the Board <u>noted</u> the Chair and Chief Operating Officers update.</p>
<p>MDC 18/2025</p>	<p><b>Quarter 2 Forecast of Revenue 2025/26 &amp; 2025/29 Capital Programme Budget and Programme Update</b></p> <p>Jo Moore, Interim Group Finance Director of Finance &amp; Resources provided Board members with an overview of the report. It was noted that there is a slight deterioration in the forecasts from Q1, and the Board is asked to approve the reprofiling of funds that were originally allocated for next year to cover up the overspend.</p> <p>It was stated that in terms of the Capital Monitoring for Q1 when the Gresham project was going to continue there was a forecast to overspend next year for about £600,000. However, now the scheme has been paused and if no further capital expenditure is required for the Gresham project, the revised figures would indicate additional funding would no longer be required.</p> <p>Questions and comments were invited from the Board:</p> <ul style="list-style-type: none"> <li>- Martin Raby raised concerns around the adequacy and resources for next year. It was noted that the original tender of allocation from TVCA for revenue is now down to less than a million and therefore balancing the budget this year by borrowing from next year could cause a problem. He queried whether there will be a problem next year and whether the resources for the MDC are going to be adequate. In response, Jo Moore advised that for next year they are confident they will be able to set the revenue budget, but the question mark is what the MDC will need as there is only a small underspent on capital projects. It was outlined that it is more the ask of what to do with the Gresham project and how to take it forward in terms of investment.</li> <li>- Martin Raby queried whether there is confidence that budget setting is robust and that the 2026/2027 budget will be adequate and sufficient. The Chair advised that he is confident that what has been produced is much more robust than previously and is keen for the MDC to feed into the budget setting process far earlier than what was done this year, to ensure the same level of confidence for 2027/2028.</li> <li>- Riaz Hameed queried that, depending on what happens with Gresham project, would the £1.3m credits come back to the MDC if</li> </ul>

	<p>the scheme doesn't get ahead. In response, the MDC Chief Operating Officer advised that no, the credits were purchased and it is not possible to get a refund back on them. However, there has been an agreement with the company which the credits were purchased from, and these credits can be untitled on any site within the MDC area, and these credits have been banked.</p> <ul style="list-style-type: none"> <li>- Mayor Cooke asked about the revenue impact of abortive costs, which is noted on paragraph 30 of the report, and whether there is a figure attached to that. It was also queried whether it was right that the MDC does not have a general fund of reserves. In response, Jo Moore advised there will be further discussions in January. It was noted that MDC is grant funded, meaning that there aren't reserves in the same way as there are at a local authority. She added that ordinarily the Board would set a minimum level of reserves, but the main issue at the moment is the ongoing sustainability of the MDC and what it will need going forward. It was agreed that there needs to be a wider conversation and whether the TVCA Cabinet has a financial obligation to support the MDC should it need it.</li> </ul> <p><b>RESOLVED:</b> That the Board:</p> <ul style="list-style-type: none"> <li>i. <b>NOTED</b> the Q2 forecast revenue outturn of an overspend of £0.227m for 2025/26.</li> <li>ii. <b>APPROVED</b> the reprofiling of £0.227m from future years' revenue allocation;</li> <li>iii. <b>NOTED</b> that, if approved, there will be £0.937m of revenue allocation remaining from the TVCA £10m grant;</li> <li>iv. <b>NOTED</b> the Q2 Capital Outturn Forecast of an overspend of £1.907m for 2025/26;</li> <li>v. <b>APPROVED</b> the reprofiling of funds on the capital programme of £1.907m from 2026/27 to 2025/26 to address the overspend noted above.</li> <li>vi. <b>NOTED</b> that, if approved, the revised capital programme would indicate additional funding would no longer be required to accommodate the forecasted capital activity in 2026/27.</li> </ul>
<p>MDC 19/2025</p>	<p><b>Treasury Management Mid-Year Review 2025/26</b></p> <p>Jo Moore, Interim Group Finance Director of Finance &amp; Resources provided Board members with an overview of the report.</p> <p>Questions and comments were invited from the Board; none were received.</p> <p><b>RESOLVED:</b> That the Board:</p>

	<ul style="list-style-type: none"> <li>i. <b>NOTED</b> mid-year performance against the treasury management and prudential indicators set in the Treasury Management Strategy approved by Corporation in March 2025.</li> <li>ii. <b>NOTED</b> that none of the prudential indicators or approved limits have been or, are forecast to be, breached in 2025/26.</li> </ul>
<p>MDC 20/2025</p>	<p><b>Planning update</b></p> <p>The Board was provided with an updated position on planning service delivery and the status of planning applications.</p> <p>Justine Matchett informed Board members that since the report was circulated a further six applications had been determined, five new applications had been submitted, and six applications are ready for Head of Planning sign off. It was outlined that there are twenty live applications under determination. All the appeals which were shown on the report have been determined and they were all dismissed by the inspector. There is one new enforcement case. It was also noted that they have issued the first temporary stop notice which was in relation to an authorised work on a listed building on Linthrope Road where Welsh slate had been stripped from a listed building.</p> <p>Justine Matchett informed the Board that she has compiled statistics for the number of applications that have been determined in the lifetime of the Development Corporation which she thought the Board would find useful. It was noted that a total of 297 separate cases has been handled, of these 206 were applications. 12 of those were majors which is cases where there are applications of 10 or more dwellings. There have been 80 pre-app inquiries and dealt with 11 enforcement matters. She advised that of the 206 applications that have been received there have only been 9 applications refused, which is low compared to nationally standards. Out of those 9, 8 have been appealed and all have been successful in defending.</p> <p>It was also noted that for every application there is a statutory period in which required to determine an application, which is 8 weeks for a minor application and 13 weeks for a major application. So far there are only 4 applications which have been determined outside the agreed statutory period. All the remainder have either been determined within the 8- or 13-weeks statutory period or have had agreed extensions of time with the applicant. At least 50% of cases have needed an extension of time, but that is due to most applications having problems and it's either determined it quickly which will lead to an immediate refusal or work with the developer to seek changes and submit additional information which ultimately leads to be able to approve them.</p>

	<p>The Chair advised this was very useful and thanked Justine Matchett for the update.</p> <p>Questions and comments were invited from the Board:</p> <ul style="list-style-type: none"><li>- Riaz Hameed asked what the status is for the article 4, and was advised by Justine Matchett that it is out for consultation and has been advertised. She confirmed that they did a nonimmediate article 4 in which it gets published and wait for 12 months and after the 12 months provided the Board is happy with it, it will come into force.</li></ul> <p><b>RESOLVED:</b> That the Board <b>noted</b> the updated position of planning service delivery, and the status of planning applications submitted for consideration.</p>
MDC 21/2025	<p><b>Delegated and Urgent Decisions</b></p> <p>The Board received a report which detailed Delegated and Urgent Decisions taken since the last Board meeting on 5 September 2025.</p> <p>Questions and comments were invited from the Board; none were received.</p> <p><b>RESOLVED:</b> That the Board:</p> <ul style="list-style-type: none"><li>i. <b>NOTED:</b> the Delegated Decisions detailed in Paragraphs 2 and <b>Appendices 1a, 1b and 1c;</b> and</li><li>ii. <b>NOTED:</b> the Urgent Decisions detailed in Paragraph 4 and <b>Appendix 2.</b></li></ul>
MDC 22/2025	<p><b>Gresham Update</b></p> <p>Beverly Bearne, MDC Chief Operating Officer provided Board members with an overview of the report and noted that this report follows the decision taken by officers to consider the opportunity to reposition the Gresham scheme.</p> <p>She advised that the development partners, iMpeC are in attendance at the meeting and recommended that they provide the Board with details and context of work that has happened.</p> <p>Neil McMillan, iMpeC, informed Board members that the official task for them was to revise the regeneration solution for the Gresham site and it was identified that the site could play a major role in helping the town retract and retain talent. In doing so by providing a new choice of</p>

accommodation for the town. It was outlined that they have spent a lot of time engaging with local businesses and residents to help shape the solution and ultimately that then lead to the Gresham scheme.

Through the engagement with local businesses and the public, the number one issue that was heard was the sense of safety and security of people in the town, to the point where some people who work on certain streets don't leave work on their own as they do not feel safe. Therefore, it was reiterated that the work the Board is doing to work on solutions for how this might be addressed or improved would be well received in the town.

It was noted that the main challenge that they are facing and have faced is the funding to begin the scheme. It was explained that they have been through a period this year with a very volatile investment market that results in substantial pricing fluctuations which then has an impact on the viability of the project and the delay in it starting.

It was outlined that the focus now is around securing an affordable funding solution for the scheme and ensuring to stay true to those objectives and visions which were set out and agreed by Board members.

Beverley Bearne, the MDC Chief Operating officer informed Board members that following a recent meeting with Homes England work is ongoing to develop the strategic place partnership which is an agreement between Homes England and TVCA to generate a list of priority sites for investment in housing across the region. It was highlighted that she is ensuring that the Gresham features on that pipeline scheme.

Questions and comments were invited from the Board:

- Mayor Cooke queried that appendix 4 is confidential but part of that appendix forms the decision making and parts of it is referenced in the wider report. He explained that he understands that elements of it being exempted but can't understand why the whole of the document is exempt. In response, The Chair recognised this point and advised this will be picked up and changed going forward with the reshaping of reports.
- Riaz Hameed queried whether the developers (iMpeC) were currently reworking the original scheme. In response, Neil McMillan advised that the focus is now on the funding solution, with one avenue being Homes England. He confirmed that the focus is to deliver the scheme that is planned, but they are open to amendments and if that's what is needed in order to fit the parameters of the funding to unlock it

	<ul style="list-style-type: none"> <li>- Mayor Cooke stated that appendix 1 refers to a Board meeting in December 2024 which he had not attended but has read through the minutes of the meeting and noted that he was concerned by the recommended option being the most risk laden out of all options available. He added that there were medium risk options which were not prioritised and the reason for the lack of prioritisation was speed of completion of the project. It was noted that in future, he wanted to see the priority as risk and viability, rather than speed. In response, the MDC Chief Operating Officer agreed that she absolutely accepted the comments and hoped that the approach taken recently and going forward is more viable.</li> <li>- The Chair advised that he is keen for more time to be spent discussing plans informally prior to meetings, rather than having to try and absorb a load of information in a single meeting.</li> <li>- Mayor Cooke requested whether there was a chance that paragraph 30 is enacted, and that the proposals would be brought back to the Board as that would involve the financial viability of the Development Corporation.</li> </ul> <p><b>RESOLVED:</b> That the Board:</p> <ul style="list-style-type: none"> <li>i. <b>NOTED</b> the updates detailed within the report;</li> <li>ii. <b>AGREED</b> to reassess the options for the Gresham development to bring forward a viable scheme.</li> <li>iii. <b>DELEGATEED</b> authority to the Chief Executive, Interim Group Director of &amp; Finance and Resources and the Interim Monitoring Officer to undertake and complete the necessary contractual steps and requirements to pause the scheme as set out in paragraph 17b of the report; and</li> <li>iv. <b>AGREED</b> for officers to work with developer partners to explore potential alternative options to deliver its aspirations for redevelopment of the site within the scope of the existing financial envelope previously approved by MDC Board detailed in Appendix 1 of this report, as set out in paragraph 17c of the report.</li> </ul>
<p>MDC 23/2025</p>	<p><b>Date and Time of Next Meeting</b></p> <p>Thursday, 26th March 2026 at 2pm.</p>