Middlesbrough Development Corporation

Middlesbrough Development Corporation Board

Date: Thursday, 26th March at 2:00pm
Venue: Mandela Room, Middlesbrough Town Hall, Albert Road, Middlesbrough, TS1 2QJ

Membership:

Tony Parkinson (Independent Chair)
Mayor Chris Cooke (Middlesbrough Mayor) (Vice Chair)
Paul Bell (Independent member)
Tony Grainge (Independent member)
Riaz Hameed (Independent member)
Martin Raby (Independent member)
Matt Storey (Independent member)

Associate Membership:

Tom Bryant (Chief Executive, TVCA)
Erik Scollay (Chief Executive, Middlesbrough Council)

Middlesbrough Development Corporation

AGENDA	
1.	Apologies for Absence To receive any apologies for absence.
2.	Declarations of Interest To receive any declarations of interest.
3.	Minutes of Previous Meeting To approve as a correct record the minutes of the Board meeting held on Thursday, 18th December 2025.
4.	Chair Update To receive a verbal update from the Chair on key matters in relation to Middlesbrough Development Corporation since the last meeting.
5.	Quarter 3 Forecast Revenue Outturn 2025/26 & 2025-2029 Capital Budget and Programme Update To receive and consider a report from the Interim Group Director of Finance and Resources presenting an update on the financial position of the Middlesbrough Development Corporation.
6.	Approval of Budget 2026/27 and MTFP To receive and consider a report from the Interim Group Director of Finance and Resources to approve the Budget for 2026/27 and the Medium-Term Financial Plan.
7.	Governance & Appointments To receive a report from the Interim Monitoring Officer to confirm appointments to the Middlesbrough Development Corporation Board.
8.	Planning Update

	To receive a report from the Head of Planning providing an update on the position of planning service delivery and the status of planning applications.
9.	Urgent and Delegated Decisions To receive a report from the Interim Monitoring Officer providing an update of urgent and delegated decisions made since the last meeting of the Board.
10.	Date and Time of Next Meeting Thursday, 25 June 2026 – 2pm

Members of the Public - Rights to Attend Meeting

With the exception of any item identified above as containing exempt or confidential information under the Local Government Act 1972 Section 100A(4), members of the public are entitled to attend this meeting and/or have access to the agenda papers.

Persons wishing to obtain any further information on this meeting or for details of access to the meeting for disabled people, please contact:
tvcagovernance@teesvalley-ca.gov.uk

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Middlesbrough Development Corporation

Middlesbrough Development Corporation Declaration of Interests Procedure

1. The purpose of this note is to provide advice and guidance to all members of the Development Corporation Board and Audit & Risk Committee on the procedure for declaring interests. The procedure is set out in full in the Development Corporation's Constitution under the "Code of Conduct for Members" (Appendix 2).

Personal Interests

2. The Code of Conduct sets out in full, the principles on the general conduct of members in their capacity at the Development Corporation. As a general principle, members should act impartially and should not use their position at the Development Corporation to further their personal or private interests.

3. There are two types of personal interests covered by the Constitution:

   a. "disclosable pecuniary interests". In general, a disclosable pecuniary interest will involve any financial interests, such as paid employment or membership of a body, interests in contracts, or ownership of land or shares. Members have a pecuniary interest in a matter where there is a reasonable likelihood or expectation that the business to be considered will affect your well-being or financial position, or the well-being or financial position of the following persons:
      i. a member of your family;
      ii. any person with whom you have a close association;
      iii. in relation to a) and b) above, their employer, any firm in which they are a partner, or a company of which they are a director;
      iv. any person or body in whom persons described in a) and b) above have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
      v. any body as described in paragraph 3 b) i) and ii) below.

   b. Any other personal interests. You have a personal interest in any business of the Development Corporation where it relates to or is likely to affect:
      i. any body of which you are a member (or in a position of general control or management) and to which you are appointed or nominated by the Development Corporation;
      ii. any body which:
         - exercises functions of a public nature;
         - is directed to charitable purposes;

- one of whose principle purposes includes influencing public opinion or policy (including any political party or trade union) of which you are a member (or in a position of general control or management).

Declarations of interest relating to the Councils' commercial role

4. Financial relationships between the Development Corporation and individual councils do not in themselves create a conflict of interest for Council Leaders who are also Development Corporation Board members. Nor is it a conflict of interest if the Development Corporation supports activities within a council boundary. Nevertheless, there are specific circumstances where the Board may consider entering into direct contractual arrangements with a council, for example in relation to a particular commercial investment project, or in which that council is a co-funder. In these circumstances a non-pecuniary declaration of interest should be made by the Council Leader or their substitute.

Procedures for Declaring Interests

5. In line with the Code of Conduct, members are required to adhere to the following procedures for declaring interests:

Register of Interests

6. Each member is required to complete a register of interests form with their personal interests, within 28 days of their appointment to the Development Corporation. If no declaration is received from elected members within 28 days the matter may be referred to the Head of Paid Service of your local authority and Leader of the political group you represent on your council for action. If a Declaration is not submitted within an appropriate timescale you may be prevented from attending committee meetings. Details of any personal interests registered will be published on the Development Corporation's website, with the full register available at the Development Corporation's offices for public inspection. The form will be updated on an annual basis but it is the responsibility of each member to notify the Monitoring Officer of any changes to the register throughout the year. Notification of a change must be made to the Monitoring Officer within 28 days of becoming aware of that change.

Declaration of Interests at Meetings

7. The Development Corporation will include a standing item at the start of each statutory meeting for declaration of interests. Where members are aware that any of their personal interests are relevant to an item of business being considered at a meeting they are attending, they must declare that interest either during the standing item on the agenda, at the start of the consideration of the item of business, or when the interest becomes apparent, if later.

8. Where members consider that their interest could be considered by the public as so significant that it is likely to prejudice the members' judgement then they may not participate in any discussion and voting on the matter at the meeting, but may attend the meeting to make representations, answer questions or give evidence relating to the business, before it is discussed and voted upon.

9. If the interest is a disclosable pecuniary interest (as summarised in paragraph 3a) then the member must leave the meeting room during discussion and voting on the item of business, but may make representations, give evidence and answer questions before leaving the meeting room. Failure to comply with the requirements in relation to disclosable pecuniary interests is a criminal offence.

Sensitive Information

10. Members can seek the advice of the monitoring officer if they consider that the disclosure of their personal interests contains sensitive information.

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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.)

ATTENDEES	
Members	
Tony Parkinson (Chair)	Independent Member (Chair)
Mayor Chris Cooke	Middlesbrough Mayor (Elected Member of Middlesbrough Council)
Martin Raby	Independent Member
Riaz Hameed	Independent Member
Associate Members	
Tom Bryant	Associate Member
Erik Scollay	Associate Member
Officers in Attendance	
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
Others in Attendance	
Neil McMillan	iMpeC
Leigh Cresswell	iMpeC
Apologies	
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

MDC 14/2025	Apologies for Absence 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.
MDC 15/2025	Declarations of Interest 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.
MDC 16/2025	Minutes of Previous Meeting RESOLVED: The minutes of the meeting held on Friday, 5 September 2025 were approved as a correct record.
MDC 17/2025	Update from the Chair and Chief Operating Officer 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: - 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. - 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. - Priority 1 is to improve Town Centre safety and environment and there is £1.3m revenue to contribute towards this. This will include

	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 & Spencer 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.

	- 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. RESOLVED: That the Board noted the Chair and Chief Operating Officers update.
MDC 18/2025	Quarter 2 Forecast of Revenue 2025/26 & 2025/29 Capital Programme Budget and Programme Update Jo Moore, Interim Group Finance Director of Finance & 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. 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. Questions and comments were invited from the Board: - 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. - 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. - Riaz Hameed queried that, depending on what happens with Gresham project, would the £1.3m credits come back to the MDC if

	the scheme doesn't go 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. - 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. RESOLVED: That the Board: i. NOTED the Q2 forecast revenue outturn of an overspend of £0.227m for 2025/26. ii. APPROVED the reprofiling of £0.227m from future years' revenue allocation; iii. NOTED that, if approved, there will be £0.937m of revenue allocation remaining from the TVCA £10m grant; iv. NOTED the Q2 Capital Outturn Forecast of an overspend of £1.907m for 2025/26; v. APPROVED the reprofiling of funds on the capital programme of £1.907m from 2026/27 to 2025/26 to address the overspend noted above. vi. NOTED 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.
MDC 19/2025	Treasury Management Mid-Year Review 2025/26 Jo Moore, Interim Group Finance Director of Finance & Resources provided Board members with an overview of the report. Questions and comments were invited from the Board; none were received. RESOLVED: That the Board:

	i. NOTED mid-year performance against the treasury management and prudential indicators set in the Treasury Management Strategy approved by Corporation in March 2025. ii. NOTED that none of the prudential indicators or approved limits have been, or are forecast to be, breached in 2025/26.
MDC 20/2025	Planning update The Board was provided with an updated position on planning service delivery and the status of planning applications. 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 Linthorpe Road where Welsh slate had been stripped from a listed building. 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. 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.

	The Chair advised this was very useful and thanked Justine Matchett for the update. Questions and comments were invited from the Board: - 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. RESOLVED: That the Board noted the updated position of planning service delivery, and the status of planning applications submitted for consideration.
MDC 21/2025	Delegated and Urgent Decisions The Board received a report which detailed Delegated and Urgent Decisions taken since the last Board meeting on 5 September 2025. Questions and comments were invited from the Board; none were received. RESOLVED: That the Board: i. NOTED: the Delegated Decisions detailed in Paragraphs 2 and Appendices 1a, 1b and 1c; and ii. NOTED: the Urgent Decisions detailed in Paragraph 4 and Appendix 2.
MDC 22/2025	Gresham Update Beverely 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. 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. 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

attract and retain talent by providing a new choice of 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 led 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 reinitiated 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 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 exempt 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.

	- 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. - 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. - 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. The Chair moved the meeting into closed session to allow Board members to discuss and consider the information contained in confidential appendix 4. RESOLVED: That the Board: i. NOTED the updates detailed within the report; ii. AGREED to reassess the options for the Gresham development to bring forward a viable scheme. iii. DELEGATEED authority to the Chief Executive, Interim Group Director of & 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 iv. AGREED 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.
MDC 23/2025	Date and Time of Next Meeting Thursday, 26th March 2026 at 2pm.

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Middlesbrough Development Corporation

Agenda Item 5
Report to the MDC Board
26 March 2026
Report of Interim Group Director of Finance & Resources

QUARTER 3 FORECAST REVENUE OUTTURN 2025/26 & 2025-2029 CAPITAL BUDGET AND PROGRAMME UPDATE

PURPOSE OF THE REPORT

To provide details of the 2025/26 revenue and capital forecast outturn position for Middlesbrough Development Corporation (MDC), highlighting any significant variances against the approved budget for the year, based on the position as at the end of December 2025 (Quarter 3).

The report will also set out any proposed budget virements (both revenue or capital) where permission is being sought to repurpose initial budget allocations.

The report also provides an update on the Corporation's overall financial position including reserves forecasts.

SUMMARY

During the financial year, the Board is presented with quarterly reports with details of how the Corporation is performing against the financial framework and specific budgets. This report presents the forecast position for both revenue and capital as at the end of Quarter 3.

At the end of Quarter 3, the Corporation is forecasting a high-level revenue overspend of £0.211m against the approved budget. At the end of Quarter 2, the forecast outturn was an overspend of £0.227m and therefore there has been a positive movement of £0.016m.

The primary driver for this movement has been employee costs, offset by a refund of £0.020m received on utilities for House of Fraser.

Within the approved revenue MTFP, there was £0.550m for revenue funding for 2026/27, and £0.528m for 2027/28 remaining of the revenue allocation from the original £10m grant from TVCA. To mitigate the forecast £0.211m overspend, this report seeks permission to reprofile the original revenue funding across the MTFP. If approved, this will leave £0.867m for future financial years.

Members should note that within the capital budget for 25/26 there is an allocation of £0.5m for asset transfer which is not currently contractually committed. However, the remainder of the capital budget is contractually committed.

As the Corporation only utilises, and draws down, grant funding to match expenditure, there are no usable earmarked reserves within the Corporation. The Corporation should be maintaining a General Fund balance to act as a contingency against unforeseen costs. This will be an important consideration going forward in setting the budget for 2026/27.

RECOMMENDATIONS

It is recommended that the Middlesbrough Development Corporation Board:

i. Notes the Q3 forecast revenue outturn of an overspend of £0.211m for 2025/26.
ii. Approves the reprofiling of £0.211m from future years' revenue allocation;
iii. Notes that, if approved, there will be £0.867m of revenue allocation remaining from the TVCA £10m grant;
iv. Approves the reprofiling of £0.403m, from 2026/27 to 2025/26 for the Gresham project.

DETAIL

Background

1. This report sets out MDC's forecast revenue and capital outturn for 2025/26 (as at 31 December 2025 – Q3). The financial position presented below represents all forecast funding and expenditure for the plan period.

2. On 18 December 2025 the Board approved the reprofiling of funds on the capital programme of £1.907m from 2026/27 to 2025/26 to address the acceleration of the Gresham project.

2025/26 Revenue Forecast Outturn

3. Tables 1 and 2 summarise MDC's projected revenue outturn for 2025/26 and show the movement between the Q2 and Q3 forecasts. The analysis indicates that revenue expenditure is expected to exceed the allocated budget; however, the position remains balanced due to the ability to reprofile future years' funding into 2025/26.

4. Table 1 provides a subjective (category of expenditure) breakdown of the current budget, expenditure to 31 December 2025, and the forecast outturn for 2025/26.

Table 1 – MDC forecast revenue outturn summarised by type of expenditure & Income – Q3 2025/26

	Annual Budget £'000	YTD Actual £'000	Forecast Outturn £'000	Variance £'000
Employees	275	151	213	(62)
Premises	266	210	270	4
Supplies and Services	249	395	487	238
Expenditure	**790**	**754**	**970**	**179**
Planning Fee Income	(90)	(35)	(50)	40
Preplanning Advice Income	-	-	(8)	(8)
IZ Income	(175)	-	(175)	-
TVCA Revenue Funding	(525)	(525)	(525)	-
Income	**(790)**	**(560)**	**(735)**	**32**
Net (surplus)/deficit	**-**	**194**	**211**	**211**

Budget virements

5. Members should note there are no proposed budget virements for Quarter 3.

6. Table 2 provides a breakdown of the forecasted outturns for Q2 and Q3 by expenditure category.

Table 2: Analysis of movement between Q2 and Q3 forecasted outturns for 2025/26

	Forecast Outturn Q2 £'000	Forecast Outturn Q3 £'000	**Movement £'000**
Employees	204	213	9
Premises	289	270	(19)
Supplies and Services	485	486	1
Expenditure	978	970	**(8)**
Planning Fee Income	(38)	(50)	(12)
Preplanning Advice Income	(13)	(8)	5
TVCA Revenue Funding	(752)	(737)	15
IZ Income	(175)	(175)	-
Income	(978)	(970)	**8**
Net (surplus)/deficit	-	**-**	**-**

7. Table 2 presented above shows the movement in forecasted outturns for Q2 and Q3 across subjective expenditure and income categories. The Q3 forecasted outturn indicates a forecasted expenditure of £0.970m, representing a decrease of £0.008m compared with the Q2 position.

8. Employee costs have risen by £0.09m in Q3, due to staff changes. The forecasted outturn shows an underspend on staff costs due to vacant posts of £0.062m. The vacant posts will be managed to achieve the current underspend run rate.

9. Supplies and Services expenditure has decreased by £0.019m, due to a refund in utilities charges of £0.021m for House of Fraser.

2025-26 Capital Forecast Outturn

10. MDC currently has a revised 2025/26 Capital Budget of £7.743m. Table 3 below provides a subjective (category of expenditure) breakdown of the current Capital Budget, expenditure to 31 December 2025 and the forecast outturn for 2025/26.

Table 3 MDC Capital Outturn forecast summarised by type of expenditure – Q3 2025/26

	Annual Budget	Revised Annual Budget	YTD Actual	Forecast Outturn	Variance
	£000	£000	£000	£000	£000
Payment of capital grant	355	355	296	296	(59)
Professional Services	4,981	6,888	6,609	7,291	403
Legal Services	500	500	-	-	(500)
	5,836	7,743	6,905	7,587	(156)

11. Table 4 below analyses the current capital activity by areas of Investment.

Table 4 – Forecast MDC Capital Outturn summarised by areas of investment – Q3 2025/26

	Annual Budget **£'000**	Revised Annual Budget **£'000**	**YTD Actual** **£'000**	**Forecast Outturn** **£'000**	**Variance** **£'000**
The Auxiliary	355	355	296	296	(59)

Gresham	6,888	6,888	6,609	7,291	403
Asset Transfer	500	500	-	-	(500)
	5,836	7,743	6,905	7,587	(156)

12. Tables 3 and 4 above indicate a revised forecast outturn of £7.5m, representing a decrease of £0.156m compared with the Quarter 2 revised budget position. Following the decision to reposition the current Crown Square proposals by MDC, officers have continued to work with iMpeC, the appointed developer, to finalise associated costs. Updated estimates, including the required neutrality credits which can be used for any scheme within the DC area, now show a forecast of £7.6m, compared with £6.8m reported at Quarter 2.

13. To accommodate the increased cost of £0.403m, it is proposed that funding be drawn from the existing Gresham capital budget, with planned expenditure reprofiled from 2026/27 into 2025/26. This approach ensures that the additional requirements can be met within the approved capital programme.

14. MDC officers have been working with TVCA officers to progress a business case to secure Brownfield Housing Funding towards the preparation costs of the scheme. The decision on Brownfield Housing will be taken by TVCA Cabinet on 20 March 2026 and, if approved, funding must be committed by the end of March 2026. At present the business case seeks a total of £2.78m. If approved by TVCA Cabinet, the final figure of funding available to be drawn down will be presented to the Board at a future meeting.

15. If no further capital expenditure is required for the Gresham project, the revised figures would indicate additional funding would no longer be required to accommodate the forecasted capital activity in 2026/27.

Future Capital Investments

16. TVCA Cabinet has approved a borrowing facility available to fund future MDC capital Investment up to a maximum of £75m. To access the borrowing facility robust business cases will need to be approved by the Development Corporation Board and TVCA along with evidence that MDC can fully service the cost of borrowing (MRP and Interest payments).

17. Borrowed funds can only be spent on capital investments. The Board should be cognisant that developing capital projects may lead to abortive costs that are treated as revenue in nature if any scheme does not progress into capital investment. Such abortive fees would require funding from MDC-generated revenue income. Revenue funding is forecast to be fully utilised in 2028/29 and therefore careful consideration must be given to future borrowing approvals and the source and certainty of revenue funding to service the borrowing.

18. Capital investment activity funded by borrowing could have a material impact on the recurrent revenue costs of MDC. The value and length of the revenue impact will be governed by the value of the loans drawn down and the Minimum Revenue Provision (MRP) policy adopted.

19. An indicative Capital Financing cost that would require revenue funding is c£0.058m per annum per £1m of Capital investment based upon an assumed 4% interest rate and the relevant investment period of 30 years.

Reserves

20. Due to the funding nature of the Development Corporation, there are no usable reserves in Middlesbrough Development Corporation. At the end of March 2026, MDC is forecast to have funds remaining from the £10m TVCA grant allocation for revenue.

CONCLUSION

21. At the end of Quarter 3, the Corporation is forecasting a high-level revenue overspend of £0.211m against the approved budget. To mitigate the forecast £0.211m overspend, this report seeks permission to reprofile the original revenue funding across the MTFP. If approved, this will leave £0.867m for future financial years.

22. If no further capital expenditure is required for the Gresham project, the revised figures would indicate additional funding of £0.217m would no longer be required.

FINANCIAL IMPLICATIONS

23. This report is a finance report and the financial implications are contained within the main body of the report.

LEGAL IMPLICATIONS

24. There are no legal implications associated with the recommendations in this report.

RISK ASSESSMENT

25. This Report has been categorised as medium risk to reflect the updated work on the implementation of the TVCA group risk management strategy. The group corporate risk register has been updated to reflect funding uncertainty. The existing

management systems and daily routine activities are sufficient to control and reduce risk.

26. The risk of increased costs through economic factors is closely monitored and is being managed through the revised borrowing strategy put in place. A robust business case development process reduces the risk of cost pressures of investments by ensuring sufficient contingencies are built in resulting in no additional asks of Corporations funds.

27. Borrowing Commitments: A £75m borrowing facility is available but will require robust business cases and demonstrable ability to service debt. Any drawdown would create ongoing revenue commitments for interest and MRP increasing pressure on limited revenue resources.

28. Asset Transfers: £0.5m has been allocated for transfer costs, but operational and maintenance costs could exceed this budget. There is uncertainty until independent asset management review work is complete.

29. Revenue Impact of Abortive Costs: If capital schemes do not progress, abortive costs become revenue in nature, adding to pressure on already limited and time-bound revenue funding.

CONSULTATION & COMMUNICATION

30. The subject of this report is a matter for MDC Board approval therefore no additional consultation and communication has been undertaken.

EQUALITY & DIVERSITY

31. There are no equality and diversity implications associated with the recommendations in this report. Specific proposals associated with business cases and Investment Plan funding draw down will consider these implications where applicable.

Name of Contact Officer:	Jo Moore
Post Title:	Interim Group Director of Finance and Resources
Email Address:	jo.moore@teesvalley-ca.gov.uk

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Middlesbrough
Development
Corporation

Agenda Item 6
Report to the MDC Board
26 March 2026
Report of Interim Group Director of Finance & Resources

MIDDLESBOROUGH DEVELOPMENT CORPORATION REVENUE & CAPITAL BUDGETS 2026/27

SUMMARY

The Middlesbrough Development Corporation constitution requires that the Corporation annually sets out a financial budget, which must be formally approved by the Board each year. The Budget provides the financial framework within which the Corporation will operate in the forthcoming financial year (2026/27).

As a public sector body, the Corporation must set a balanced revenue budget for the following financial year. The accounting for this must comply with local authority accounting principles and relevant codes. The revenue and capital budgets for the Middlesbrough Development Corporation for 2026/27 are presented for approval.

This report sets out the latest assumptions and estimates underpinning the budget proposals for consideration and the Board should consider whether those assumptions are reasonable in approving the final budget.

The proposed revenue budget is a net surplus of £0.462m utilising the remaining revenue grant allocated by the Board from the £10m grant funding approved by TVCA. This surplus includes the transfer of £0.075m from previously approved capital budgets and separate approval is now sought to this.

There is also a proposed underspend of £0.063m against the remaining capital budget previously approved and this report proposes the reallocation of these funds for revenue purposes. Within the original capital budget allocation, £0.075m was allocated to "Asset transfer" and, as this is now not needed, approval is sought to reallocate this element of the £10m grant to revenue.

This underspend assumes approval, sought under the Q3 forecast monitoring presented under a separate agenda item, to bring forward from 2026/27 £0.403m of capital budget for the Gresham Project.

TVCA Cabinet approved the £10m but did not specify whether this was to be spent on revenue and capital and this was a matter to be determined by the MDC Board.

As grant is only drawn down from TVCA when expenditure is incurred then the Board may take a decision to reallocate between revenue and capital as it deems appropriate.

If approval is given to the above, then this would lead to an overall surplus of £0.525m.

The Tees Valley Mayor has taken the decision to review the Development Corporation. It is anticipated that this process will be concluded by 30 June 2026.

The revenue budget proposed includes estimates of the costs of the review and meeting the ongoing operational costs of the assets currently held within the Corporation until 30 June 2026. Steps have been taken to reduce these ongoing costs pending a decision on the future of the assets. As with any budget, estimates of those costs have been included which may, or may not, prove to be reliable.

Pending the outcome of the review, it is estimated that £0.525m of the original £10m grant allocation will be remaining at the end of 2026/27.

This report proposes that authority is delegated to the Chief Executive of the Development Corporation to take the necessary steps to conduct the review, in collaboration with the Tees Valley Mayor, including consideration of any residual funding. This will be reported back to the Board as appropriate.

As the review process will be undertaken during 2026/27, it is not appropriate to include a Medium Term Financial Plan which would ordinarily be a requirement.

Furthermore, as MDC has no borrowing and a bank account that is not operational with all capital expenditure being funded by TVCA grant funding, a Treasury Management Strategy is similarly not presented to the Board for 2026/27.

RECOMMENDATIONS

It is recommended that the Middlesbrough Development Corporation Board:

i. Approve the proposed net revenue surplus budget of £0.462m for 2026/27;

ii. Approve the reallocation of £0.075m capital budget for revenue purposes as part of the net surplus budget;
iii. Approve the proposed capital budget for 2026/27, noting that this includes a net underspend of £0.063m against the remaining capital allocation;
iv. Delegates authority to the Chief Executive of the Development Corporation to take the necessary steps to conduct the review, in collaboration with the Tees Valley Mayor, including consideration of any residual funding.

DETAIL

1. In July 2022, following TVCA Cabinet approval, £10m was allocated to MDC to support the Masterplan, and £10m was allocated from within the Town Centre Accessibility Investment package for spend on eligible transport projects within the DC area. TVCA received £5m directly from government and this has been allocated for spend on the Gresham project.

2. TVCA Cabinet did not specify how the £10m should be spent and therefore the MDC Board originally approved £7.944m to be spent on capital and £2.056m on revenue expenditure. Since then, various approvals have been sought to reallocate funds between capital and revenue.

3. Originally for 2026/27, the Board approved a revenue budget of £0.790m and a capital budget of £5.836m. In line with the Q3 budget monitoring report, presented to Board under a separate agenda item, total budget allocated to revenue at the end of 2025/26 was £0.970m and £7.587m for capital.

4. For 2026/27 a further £0.505m is proposed for revenue and £0.776m for capital, leaving a total of £0.525m unspent against the £10m TVCA grant funding allocation. The Board is recommended to delegate authority to the Chief Executive of the Development Corporation to take the necessary steps to conduct the review, in collaboration with the Tees Valley Mayor, including consideration of any residual funding. This may be more or less than the budgeted £0.525m.

5. As reported to the Board, the Mayor of Tees Valley has taken the decision to review the Corporation, and it is anticipated that this will be completed by 30 June 2026.

6. As a result, the budget proposed for 2026/27 factors in ongoing costs to the end of the financial year. The table below sets out the proposed revenue budget broken down by CIPFA category (type of expenditure):

Table 1: MDC Forecast revenue outturn summarised by type of expenditure & income

Summary:	**Annual Budget £'000**
Employees	100
Premises	158
Supplies and services	247
Expenditure	**505**
Planning fee income	(12)
Pre-application advice income	(13)
Investment Zone income	-
TVCA Revenue funding	(406)
Asset transfer funds	(75)
	-
Income	**(505)**
Net (Surplus)/deficit	**(0)**

7. The employees budget proposed in the table above assumes that existing vacancies will remain as such and includes a general provision for other TVCA staff time that may be required in the review.

8. Within the premises budget of £0.158m, there is an allocation of £0.075m for asset security costs, business rates and utility costs associated with the MDC assets. These costs have been budgeted until the end of June 2026, by which point the review will have concluded and a decision made on the assets.

9. In supplies and services, there is an assumption of three months of planning fee income and associated costs leading to an overall net position on the planning service. There is an allocation of £0.100m for external advice to support the review process and a budget for audit fees based on the 2025/26 scale fee of £95k with a 3% inflation increase.

10. There is also a £20k revenue budget allocation for Brownfield Housing business case review external support.

11. The table below sets out the proposed capital budget for 2026/27 included within the overall capital programme update now presented to the Board.

Table 2: MDC Capital Programme

Summary	Annual Budget £000	Forecasted spend 30 June £000	Residual Budget £000
The Auxiliary	59	59	-
Gresham	217	-	217
Asset Transfer	500	75	425
	776	**134**	**642**

12. As presented under a separate agenda item, the Q3 monitoring forecasts an overspend against the capital budget of £0.403m for Gresham and seeks approval to bring forward this amount from the capital budget of £2.528m originally approved in the MTFP for 2026/27, leaving £0.217m for Gresham.

13. As the Gresham project in its current form concludes in 2025/26, this capital budget is no longer required. There was also an original budget of £0.5m for “Asset Transfer” which remains unspent. Approval is being sought to reallocate £0.075m to revenue to cover scaffolding costs for maintenance to one of the MDC assets. This would then leave £0.425m unspent against the original budget.

14. Included in the capital budget is an amount allocated to the Auxiliary of £0.059m, it is assumed this will be spent by 30 June 2026.

15. However, it has now been identified that in 2023/24, £0.579m of costs incurred in relation to master planning were not formally allocated in the revenue and capital budget allocations. To address this, it is proposed that the remaining budget of £0.217m against the Gresham project be reduced, and £0.362m to be removed from the Asset transfer budget.

16. Overall, this would then lead to the remaining capital budget of £0.063m.

FINANCIAL IMPLICATIONS

17. As this is a finance report, specific financial implications are covered directly within the main body of the report.

LEGAL IMPLICATIONS

18. There are no legal implications associated with the recommendations in this report.

RISK ASSESSMENT

19. This Report has been categorised as medium risk to reflect the updated work on the implementation of the TVCA group risk management strategy. The group corporate risk register has been updated to reflect funding uncertainty. The existing management systems and daily routine activities are sufficient to control and reduce risk.

20. The risk of increased costs through economic factors is closely monitored and is being managed through the revised borrowing strategy put in place. A robust business case development process reduces the risk of cost pressures of investments by ensuring sufficient contingencies are built in resulting in no additional asks of Corporations funds.

21. Borrowing Commitments: A £75m borrowing facility is available but will require robust business cases and demonstrable ability to service debt. Any drawdown would create ongoing revenue commitments for interest and MRP increasing pressure on limited revenue resources.

22. Asset Transfers: £0.5m has been allocated for transfer costs, but operational and maintenance costs could exceed this budget. There is uncertainty until independent asset management review work is complete.

23. Revenue Impact of Abortive Costs: If capital schemes do not progress, abortive costs become revenue in nature, adding to pressure on already limited and time-bound revenue funding.

CONSULTATION & COMMUNICATION

24. The subject of this report is a matter for MDC Board approval therefore no additional consultation and communication has been undertaken.

EQUALITY & DIVERSITY

25. There are no equality and diversity implications associated with the recommendations in this report. Specific proposals associated with business

cases and Investment Plan funding draw down will consider these implications where applicable.

Name of Contact Officer: Jo Moore
Post Title: Interim Group Director of Finance and Resources
Email Address: jo.moore@teesvalley-ca.gov.uk

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Middlesbrough Development Corporation

Agenda Item 7
Report to the MDC Board
26 March 2026
Report of Interim Monitoring Officer

Governance & Appointments

SUMMARY

The purpose of this report is firstly to seek confirmation of the appointment of the Head of Planning of Middlesbrough Development Corporation (MDC). Secondly to note the resignations of two independent members of the Middlesbrough Development Corporation (MDC).

RECOMMENDATIONS

It is recommended that the Middlesbrough Development Corporation Board:

1. Confirms: the appointment of Jonathan Spruce as the Head of Planning for Middlesbrough Development Corporation; and
2. NOTES: Father Glyn Holland, an independent member on the Middlesbrough Development Corporation has resigned.
3. NOTES: Imran Anwar, an independent member on the Middlesbrough Development Corporation has resigned.

DETAIL

1. Pursuant to the Middlesbrough Development Corporation (Functions) Order 2023, MDC is responsible for determining planning applications within the redline boundary of the Development Corporation area. In line with statutory requirements, MDC is required to confirm the appointment of a Head of Planning who will be responsible for the provision of its planning function. The Head of Planning will discharge this responsibility by outsourcing the day-to-day planning function for services to Nathanial Litchfield & Partners ('Lichfields').

2. The Head of Planning for MDC is responsible for:

    - Ensuring the provision of an adequate planning function.

- Signing off decisions in accordance with the Scheme of Delegation (Appendix 1), having sought appropriate advice.
- Advising and reporting to the MDC Board, having sought appropriate advice.
- Dealing with complaints regarding the planning service delivered by MDC.
- Authorising the taking of Enforcement Action where it is expedient and in the public interest to do so.

3. At its meeting on 19 June 2025, the Board appointed Julie Hurley, Interim Director of Infrastructure at Tees Valley Combined Authority (TVCA), as Head of Planning for Middlesbrough Development Corporation.

4. Julie Hurley has left her employment with TVCA.

5. As the role of Head of Planning has become vacant, the Development Corporation will need to make a new appointment to the role.

6. It is proposed that:

   (a) Jonathan Spruce, Director of Infrastructure at TVCA, be appointed Head of Planning for Middlesbrough Development Corporation. Jonathan is an experienced director with a sound understanding of the planning system and significant experience of planning across his career.

FINANCIAL IMPLICATIONS

7. Group support service agreements will encompass an appropriate recharge for the costs associated with the costs of TVCA Group staff that perform services for the Middlesbrough Development Corporation.

8. The recharge will be on a time spent basis and funded from the revenue grant funding received from TVCA as part of the investment plan allocation.

LEGAL IMPLICATIONS

9. Planning Powers were conferred on to MDC on 1 June 2023 giving MDC the power to determine planning applications within the redline boundary. To ensure compliance with statutory requirements, MDC must appoint a Head of Planning to oversee and be responsible for the planning function.

10. In addition to the above, Lichfields has been procured to provide day to day planning services for MDC.

11. It is proposed that a mandatory comprehensive induction programme be made available to the appointee, with appropriate training on appointment and with review throughout the term of their appointment.

12. The Localism Act 2011 ('the Act'), Schedule 21, provides the legal framework for the membership and remuneration for Mayoral Development Corporations. This legislation needs to be read in conjunction with The Tees Valley Combined Authority (Functions) Order 2017 ('the Order'), Schedule 1, which amends the wording of the Act. Schedule 21 of the Act is attached as Appendix 1 and the Order is attached as Appendix 2.

13. The Act as amended by the Order states:

    1. A Mayoral development corporation ("MDC") is to consist of such number of members (being not less than six) as the Combined Authority may from time to time appoint.

    2. The Combined Authority must appoint at least one elected member from the Local Authority area the MDC sits in

    3. The Combined Authority must appoint one of the members of an MDC to chair the MDC.

    4. When appointing a member of an MDC, including a Chair, the Combined Authority must have regard to the desirability of appointing a person who has experience of, and has shown some capacity in, a matter relevant to the carrying-out of the MDC's functions, and must be satisfied that the person will have no financial or other interest likely to affect prejudicially the exercise of the person's functions as member.

    5. The Combined Authority may require any person whom they propose to appoint as a member to provide information to ensure they do not have any prejudicial financial interest.

14. In respect of remuneration the Act as modified by the Order states

    1. An MDC may pay remuneration, travelling expenses and other allowances, and sums in respect of pensions and gratuities. Remuneration and/or pension payments cannot be made to any elected member of the Tees Valley area,

unless they act as the chair in which case they can be remunerated for that role.

2. The Combined Authority determines rates and eligibility criteria in respect of the above.

15. S.107D(2) Local Democracy, Economic Development and Construction Act 2009 and s.5(1) states that the functions above conferred to the Combined Authority are general functions exercisable by the Mayor. (attached as Appendix 3)

16. The recent Ministry of Housing, Communities and Local Government 'Mayoral Development Corporations in combined authorities and combined county authorities: Guidance on legislation and scrutiny' is attached as Appendix 4.

17. Therefore, the appointment of Board Members to the Development Corporations, the appointment of the Development Corporations Chairs, and the ability to determine rates and eligibility criteria for remuneration are functions that only the Mayor can exercise. The Mayor can exercise these functions personally or delegate them to the Deputy Mayor or an Officer of the Combined Authority. They may not be delegated to an individual Member, nor to a Committee unless provided for in an Order by the Secretary of State.

RISK ASSESSMENT

18. MDC has procured Lichfields to run the day-to-day planning services for the Development Corporation. The planning function will be overseen by the Head of Planning. Therefore, the subject matter of this report is categorised as low risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION & COMMUNICATION

19. The subject of this report is a matter for MDC Board approval therefore no additional consultation and communication has been undertaken.

EQUALITY & DIVERSITY

20. This report does not impact on groups of people with protected characteristics.

Name of Contact Officer: Eleanor Thomas
Post Title: Governance Officer
Email Address: Eleanor.thomas@teesvalley-ca.gov.uk

SCHEDULES

SCHEDULE 21 Section 198

MAYORAL DEVELOPMENT CORPORATIONS

Membership

1 (1) A Mayoral development corporation ("MDC") is to consist of such number of members (being not less than six) as the Mayor of London ("the Mayor") may from time to time appoint.

(2) The Mayor must, subject to sub-paragraph (5), exercise the Mayor's power under sub-paragraph (1) so as to secure that the members of an MDC include at least one elected member of each relevant London council.

(3) For the purposes of this Schedule—

(a) "London council" means a London borough council or the Common Council of the City of London, and

(b) a London council is "relevant" in relation to an MDC if any part of the MDC's area is within the council's area.

(4) The Mayor must appoint one of the members of an MDC to chair the MDC.

(5) In appointing a person to be a member of an MDC, the Mayor—

(a) must have regard to the desirability of appointing a person who has experience of, and has shown some capacity in, a matter relevant to the carrying-out of the MDC's functions, and

(b) must be satisfied that the person will have no financial or other interest likely to affect prejudicially the exercise of the person's functions as member.

(6) The Mayor may require any person whom the Mayor proposes to appoint as a member to provide such information as the Mayor considers necessary for the purposes of sub-paragraph (5)(b).

Modifications etc. (not altering text)

C1 Sch. 21 para. 1 corresponding functions conferred (3.3.2017) by The Tees Valley Combined Authority (Functions) Order 2017 (S.I. 2017/250), arts. 1(2), **3(1)(m)** (with arts. 5(1), 9(1))

C2 Sch. 21 para. 1: functions made exercisable (20.12.2023) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(2), **10**

C3 Sch. 21 paras. 1-4: functions made exercisable (7.5.2024) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(3), **27(1)-(3)**

Terms of appointment of members

2 (1) Subject as follows, a member of an MDC holds and vacates office in accordance with the member's terms of appointment.

(2) A member may resign by serving notice on the Mayor.

(3) A person appointed to chair an MDC—

(a) may resign that appointment, whether or not the person also resigns from membership of the MDC, by serving notice on the Mayor;

(b) ceases to hold that appointment if the person ceases to be a member of the MDC.

(4) A person who—

(a) ceases to be a member of an MDC, or

(b) ceases to be the person appointed to chair an MDC,

is eligible for reappointment.

(5) The Mayor may remove a member of an MDC if—

(a) the member has been absent from meetings of the MDC for more than 3 months without the permission of the MDC,

(b) the member has become bankrupt or has made an arrangement with the member's creditors,

(c) a debt relief order is made in respect of the member (see Part 7A of the Insolvency Act 1986) or the member is a person in respect of whom a debt relief restrictions order has effect (see Schedule 4ZB to that Act),

(d) the member has since being appointed ceased to be an elected member of a relevant London council and the Mayor wishes to appoint an elected member of that council to be a member of the MDC in the member's place, or

(e) in the opinion of the Mayor, the member has failed to comply with the member's terms of appointment or is otherwise unable, unfit or unsuitable to exercise the member's functions as a member of the MDC.

Modifications etc. (not altering text)

C3 Sch. 21 paras. 1-4: functions made exercisable (7.5.2024) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(3), **27(1)-(3)**

C4 Sch. 21 para. 2 corresponding functions conferred (3.3.2017) by The Tees Valley Combined Authority (Functions) Order 2017 (S.I. 2017/250), arts. 1(2), **3(1)(n)** (with arts. 5(1), 9(1))

C5 Sch. 21 para. 2: functions made exercisable (20.12.2023) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(2), **10**

Staff

3 (1) Before an MDC appoints staff it must obtain the Mayor's agreement to the terms and conditions on which the appointments are to be made.

(2) An MDC's power to appoint a chief executive may, in the case of the MDC's first chief executive, be exercised by the Mayor.

(3) An MDC's chief executive is a member of its staff.

Modifications etc. (not altering text)

C3 Sch. 21 paras. 1-4: functions made exercisable (7.5.2024) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(3), **27(1)-(3)**

C6 Sch. 21 para. 3 corresponding functions conferred (3.3.2017) by The Tees Valley Combined Authority (Functions) Order 2017 (S.I. 2017/250), arts. 1(2), **3(1)(o)** (with arts. 5(1), 9(1))

C7 Sch. 21 para. 3: functions made exercisable (20.12.2023) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(2), **10**

Remuneration etc: members and staff

4 (1) An MDC may pay to or in respect of its members—

(a) remuneration,

(b) travelling and other allowances, and

(c) sums by way of, or in respect of, pensions and gratuities.

(2) The Mayor is to determine rates and eligibility criteria for payments under sub-paragraph (1).

(3) If the Mayor thinks that there are special circumstances that make it right to compensate a person on ceasing to be a member of an MDC, the MDC may pay compensation determined by the Mayor.

(4) Payments under sub-paragraph (1) or (3), other than travelling and subsistence allowances, are not to be made to a member of an MDC who is also a member of the London Assembly, but this does not prevent payment of an allowance under sub-paragraph (1) to the person appointed to chair an MDC in respect of that office.

(5) An MDC may pay to or in respect of its staff—

(a) remuneration,

(b) travelling and other allowances, and

(c) sums by way of, or in respect of, pensions and gratuities.

(6) Rates and eligibility criteria for payments made by an MDC under sub-paragraph (5) are to be determined by the MDC with the agreement of the Mayor.

(7) In this paragraph "member" includes former member and "staff" includes former staff.

Modifications etc. (not altering text)

C3 Sch. 21 paras. 1-4: functions made exercisable (7.5.2024) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(3), **27(1)-(3)**

C8 Sch. 21 para. 4 corresponding functions conferred (3.3.2017) by The Tees Valley Combined Authority (Functions) Order 2017 (S.I. 2017/250), arts. 1(2), **3(1)(p)** (with arts. 5(1), 9(1))

C9 Sch. 21 para. 4: functions made exercisable (20.12.2023) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(2), **10**

Status

5 (1) An MDC (and any member of an MDC or of an MDC's staff)—

(a) is not the servant or agent of the Crown, and

(b) does not share any immunity or privilege of the Crown.

(2) An MDC's property is not to be regarded as property of, or property held on behalf of, the Crown.

Committees

6 (1) An MDC may establish committees.

(2) A committee may establish sub-committees.

(3) A committee or sub-committee may, with the agreement of the Mayor, include persons who are not members of the MDC.

Modifications etc. (not altering text)

C10 Sch. 21 para. 6 corresponding functions conferred (3.3.2017) by The Tees Valley Combined Authority (Functions) Order 2017 (S.I. 2017/250), arts. 1(2), **3(1)(q)** (with arts. 5(1), 9(1))

C11 Sch. 21 para. 6: functions made exercisable (20.12.2023) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(2), **10**

C12 Sch. 21 para. 6: functions made exercisable (7.5.2024) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(3), **27(1)-(3)**

Delegation

7 (1) An MDC may delegate any of its functions to any of its members, committees or staff.

(2) A committee of an MDC may delegate any function conferred on it to—
- (a) any member of the MDC,
- (b) any sub-committee of the committee, or
- (c) any of the MDC's staff.

(3) A sub-committee of a committee of an MDC may delegate any function conferred on it to—
- (a) any member of the MDC, or
- (b) any of the MDC's staff.

Proceedings and meetings

8 (1) An MDC may, subject to any directions given by the Mayor, decide—
- (a) its own procedure,
- (b) the procedure of any of its committees, and
- (c) the procedure of any sub-committee of any of its committees.

(2) Subject to sub-paragraph (1), a committee may decide the procedure of any of its sub-committees.

(3) Subject to sub-paragraphs (1) and (2), a committee or sub-committee may decide its own procedure.

(4) In this paragraph "procedure" includes quorum.

Modifications etc. (not altering text)

C13 Sch. 21 para. 8 corresponding functions conferred (3.3.2017) by The Tees Valley Combined Authority (Functions) Order 2017 (S.I. 2017/250), arts. 1(2), **3(1)(r)** (with arts. 5(1), 9(1))

C14 Sch. 21 para. 8: functions made exercisable (20.12.2023) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(2), **10**

C15 Sch. 21 para. 8: functions made exercisable (7.5.2024) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(3), **27(1)-(3)**

9 The validity of any proceeding of an MDC is not affected by—

(a) its having fewer than six members,

(b) there being no person appointed to chair it,

(c) its members not including at least one elected member of each relevant London council, or

(d) any defect in the appointment of any of its members or of the person appointed to chair it.

Annual report (and "financial year")

10 (1) As soon as reasonably practicable after the end of each financial year, an MDC must—

(a) prepare an annual report on how it has exercised its functions during the year,

(b) include in the report a copy of its audited statement of accounts for the year, and

(c) send a copy of the report to the Mayor and to the London Assembly.

(2) "Financial year", in relation to an MDC, means a period of 12 months ending with 31 March.

Seal etc

11 (1) The application of an MDC's seal is to be authenticated by—

(a) the person appointed to chair the MDC, or

(b) another member of the MDC, or some other person, authorised (generally or specially) for that purpose.

(2) A document purporting to be duly executed under the seal of an MDC or signed on its behalf—

(a) is to be received in evidence, and

(b) is to be treated as so executed or signed unless the contrary is shown.

House of Commons Disqualification Act 1975 (c. 24)

12 In Part 2 of Schedule 1 to the House of Commons Disqualification Act 1975 (bodies all of whose members are disqualified) at the appropriate place insert— " A Mayoral development corporation (see section 198 of the Localism Act 2011). "

Changes to legislation:
Localism Act 2011, SCHEDULE 21 is up to date with all changes known to be in force on or before 22 May 2025. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.
View outstanding changes

Changes and effects yet to be applied to :

– s. 158(8)-(9B) substituted for s. 158(8)(9) by 2016 c. 22 s. 121(2)(e)
– s. 202(3A) inserted by 2023 c. 55 s. 176(2)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:
Whole provisions yet to be inserted into this Act (including any effects on those provisions):

– s. 158(8)-(9B) substituted for s. 158(8)(9) by 2016 c. 22 s. 121(2)(e)
– s. 202(3A) inserted by 2023 c. 55 s. 176(2)

Draft Order laid before Parliament under section 117(2) of the Local Democracy, Economic Development and Construction Act 2009, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2017 No.

LOCAL GOVERNMENT, ENGLAND

The Tees Valley Combined Authority (Functions) Order 2017

Made - - - -

Coming into force in accordance with article 1

The Secretary of State makes the following Order in exercise of the powers conferred by sections 105(3), 105A(1)(b) and (2)(a), 107D(1), 114(1) and (3) and 117(5) of the Local Democracy, Economic Development and Construction Act 2009(**1**) ("the 2009 Act").

In accordance with section 105B(1)(b) of the 2009 Act(**2**)—

(a) the councils whose local government areas are comprised in the area of the Tees Valley Combined Authority and the Tees Valley Combined Authority have consented to the making of this Order(**3**), and

(b) the Secretary of State considers that the making of this Order is likely to improve the exercise of statutory functions in the area to which this Order relates.

The Secretary of State, having had regard to a scheme prepared and published under section 112 of the 2009 Act(**4**), considers that—

(a) the making of this Order is likely to improve the exercise of statutory functions in the area to which this Order relates, and

(b) any consultation required by section 113(2) of the 2009 Act(**5**) has been carried out.

In accordance with section 113(3) of the 2009 Act, in making this Order, the Secretary of State has had regard to the need to reflect the identities and interests of local communities, and the need to secure effective and convenient local government.

A draft of this instrument has been laid before, and approved by a resolution of, each House of Parliament pursuant to section 117(2) of the 2009 Act.

(**1**) 2009 c. 20. Section 105A was inserted by section 7 of the Cities and Local Government Devolution Act 2016 (c. 1) ("the 2016 Act"). Section 114 was amended by section 23 of, and paragraphs 17 and 26 to, the 2016 Act. Section 107D was inserted by section 4 of the 2016 Act. Section 117 was amended by section 13 of the Localism Act 2011 and Schedule 5 to the 2016 Act.

(**2**) Section 105B was inserted by section 7 of the 2016 Act.

(**3**) This Order relates to the area of the Tees Valley Combined Authority, which was established by the Tees Valley Combined Authority Order 2016 (S.I. 2016/449). Article 2 of S.I. 2016/449 defines the "combined area" as the area consisting of the areas of the constituent councils, who are the local government areas of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees.

(**4**) Section 112 was amended by sections 6 and 23 of, and paragraphs 17 and 23 of Schedule 5 to, the 2016 Act.

(**5**) Section 113 was amended by sections 12, 14 and 23 of, and paragraph 24 of Schedule 5 to, the 2016 Act.

In accordance with section 105B(9) of the 2009 Act the Secretary of State has laid before Parliament a report explaining the effect of this Order and why the Secretary of State considers it appropriate to make this Order.

Accordingly the Secretary of State makes the following Order:

Citation and commencement

1.—(1) This Order may be cited as the Tees Valley Combined Authority (Functions) Order 2017.

(2) Save as provided in paragraph (3) this Order comes into force on the day after the day on which it is made.

(3) Article 5(1) comes into force on 8th May 2017.

Interpretation

2. In this Order—

"the 1989 Act" means the Local Government and Housing Act 1989(**6**);

"the 1999 Act" means the Greater London Authority Act 1999(**7**);

"the 2003 Act" means the Local Government Act 2003(**8**);

"the 2009 Act" means the Local Democracy, Economic Development and Construction Act 2009;

"the 2011 Act" means the Localism Act 2011(**9**);

"combined area" means the area of the Combined Authority;

"Combined Authority" means the Tees Valley Combined Authority;

"constituent council" means the councils for the local government areas of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-On-Tees.

"Corporation" means a corporation established by the Secretary of State in accordance with the provisions in section 198 of the 2011 Act following the designation of an area of land by the Combined Authority; and

"Mayor" means the mayor for the combined area(**10**) except in the term "the Mayor of London".

Conferral of functions on the Combined Authority

3.—(1) The Combined Authority shall have in relation to the combined area functions corresponding to the following functions contained in the provisions in the 2011 Act, that the Mayor of London has in relation to Greater London—

(a) section 197 (designation of Mayoral development areas);

(b) section 199 (exclusion of land from Mayoral development areas);

(c) section 200 (transfers of property etc to a Mayoral development corporation);

(**6**) 1989 c 42.
(**7**) 1999 c. 29.
(**8**) 2003 c. 26.
(**9**) 2011 c. 20.
(**10**) Article 3 of the Tees Valley Combined Authority (Election of Mayor) Order 2016 (S.I. 2016/783) provides for there to be a mayor for the combined area.

(d) section 202 (functions in relation to town and country planning);

(e) section 204 (removal or restriction of planning functions);

(f) section 214 (powers in relation to discretionary relief from non-domestic rates);

(g) section 215 (reviews);

(h) section 216 (transfers of property, rights and liabilities);

(i) section 217 (dissolution: final steps);

(j) section 219 (guidance by the Mayor);

(k) section 220 (directions by the Mayor);

(l) section 221 (consents);

(m) paragraph 1 of Schedule 21 (membership);

(n) paragraph 2 of Schedule 21 (terms of appointment of members);

(o) paragraph 3 of Schedule 21 (staff);

(p) paragraph 4 of Schedule 21 (remuneration etc: members and staff);

(q) paragraph 6 of Schedule 21 (committees); and

(r) paragraph 8 of Schedule 21 (proceedings and meetings).

(2) The exercise by the Combined Authority of the functions corresponding to the functions contained in section 197 (designation of Mayoral development areas) of the 2011 Act requires the consent of all members of the Combined Authority appointed by the constituent councils, or substitute members acting in place of those members, whose local government area contains any part of the area to be designated as a Mayoral development area.

(3) The exercise by the Combined Authority of the functions corresponding to the functions contained in section 199 (exclusion of land from Mayoral development areas) of the 2011 Act in respect of any Mayoral development area requires the consent of all members of the Combined Authority appointed by the constituent councils, or substitute members acting in place of those members, whose local government area contains any part of the area to be excluded from a Mayoral development area.

(4) The exercise by the Combined Authority of the functions corresponding to the functions contained in section 202(2) to (4) of the 2011 Act (functions in relation to town and country planning) in respect of any Mayoral development area requires the consent of—

(a) the North York Moors National Park Authority, if the Combined Authority proposes to exercise the functions in respect of the whole or any part of the area of the North York Moors National Park Authority(**11**);

(b) each member of the Combined Authority appointed by a constituent council, or a substitute member acting in place of that member, whose local government area contains the whole or any part of the area in respect of which the Combined Authority proposes to exercise the functions.

(5) For the purposes of paragraphs (2), (3) and (4)(b), the consent must be given at a meeting of the Combined Authority.

(**11**) The North York Moors National Park Authority was established by article 3 of the National Park Authorities (England) Order 1996 (S.I. 1996/1243), as amended by S.I. 1996/2546, 1997/633, 1999/416, 2006/3165, 2009/557, 2009/837, 2010/490 and 2014/571. Article 3 of S.I. 1996/1243 was restated in article 3 of the National Park Authorities (England) Order 2015 (S.I. 2015/770).

Application of provisions in the 2011 Act

4.—(1) Chapter 2 of Part 8 of the 2011 Act (Mayoral development corporations) applies to the Combined Authority as it applies in relation to the Mayor of London, with the modifications made by the Schedule.

(2) Chapter 2 of Part 8 of the 2011 Act applies to a Corporation as it applies in relation to a Mayoral development corporation, with the modifications made by the Schedule.

(3) Subject to paragraph (7), in any enactment passed or made on or before the date on which article 1(2) comes into force—

(a) any reference to a Mayoral development corporation; or

(b) any reference which falls to be read as a reference to a Mayoral development corporation,

is to be treated as including a reference to a Corporation.

(4) For the purposes of any transfer scheme under any provisions of the 2011 Act applied with modifications by this Order, paragraph 9 of Schedule 24 to the 2011 Act (transfers under scheme under section 200(1) or (4) or 216(1)) applies in relation to—

(a) any property, rights or liabilities transferred to or from a Corporation in accordance with a transfer scheme; or

(b) anything done for the purposes of, or in relation to, or in consequence of, the transfer of any property, rights or liabilities to or from a Corporation in accordance with such a transfer scheme,

as it applies in relation to a Mayoral development corporation.

(5) For the purposes of establishing a Corporation, giving the Corporation a name, giving effect to any decisions notified to the Secretary of State under sections 199(4) (exclusion of land from Mayoral development areas), 202(8) (decisions about planning functions) or 214(6) (powers in relation to discretionary relief from non-domestic rates) of the 2011 Act or in relation to the transfer of land to or from a Corporation under any provision of the 2011 Act, applied with modifications by this Order, the provisions in section 235 of the 2011 Act (orders and regulations) apply in relation to—

(a) the power of a Minister of the Crown to make an order under sections 198(2) (mayoral development corporations: establishment) and 200(6) (transfers of property etc to a Mayoral development corporation) of that Act; and

(b) the power of the Treasury to make regulations under paragraph 9(2) of Schedule 24 to that Act,

as they apply in relation to the establishment of a Mayoral development corporation, giving the corporation a name, giving effect to any decisions notified to the Secretary of State under sections 199(4), 202(8) or 214(6) of the 2011 Act or in relation to the transfer of land to or from a Mayoral development corporation.

(6) In this article "transfer scheme" means a transfer scheme under section 200(1) or (4) or 216(1) of the 2011 Act.

(7) Paragraph (3) does not apply to—

(a) paragraph 9(8)(a) of Schedule 2 to the Channel Tunnel Rail Link Act 1996 (works: further and supplementary provisions)(**12**);

(b) section 31(1A) of the 1999 Act (limits of the general power)(**13**);

(**12**) 1996 c 61. Paragraph 9(8) of Schedule 2 was amended by paragraph 43 of Schedule 22 to the 2011 Act.
(**13**) Section 31 was amended by section 186 of, and paragraphs 44 and 45 of Schedule 22 and Parts 31 and 32 of Schedule 25 to, the 2011 Act, section 33 of the Infrastructure Act 2015 (c. 7) and article 2 of S.I. 2012/1530.

(c) section 38 of the 1999 Act (delegation)(**14**);

(d) section 60A(3) of the 1999 Act (confirmation hearings etc for certain appointments by the Mayor)(**15**);

(e) section 68(6) of the 1999 Act (disqualification and political restriction)(**16**);

(f) section 73 of the 1999 Act (monitoring officer)(**17**);

(g) section 424 of the 1999 Act (interpretation)(**18**);

(h) section 24(4) of the Planning and Compulsory Purchase Act 2004 (conformity with spatial development strategy)(**19**); and

(i) paragraph 8(8)(a) of Schedule 2 to the Crossrail Act 2008 (works: further and supplementary provisions)(**20**).

Functions exercisable only by the Mayor

5.—(1) The functions conferred by article 3(1) shall be general functions exercisable only by the Mayor(**21**).

(2) Anything which, immediately before 8th May 2017, is in the process of being done by or in relation to the Combined Authority or by or in relation to a constituent council for the purposes of or in connection with the functions mentioned in article 3(1) is to be treated as having been done by or in relation to the Mayor.

Incidental provisions

6. The following provisions of the 1989 Act(**22**) shall apply in relation to a Corporation as if it were a local authority—

(a) section 1 (disqualification and political restriction of certain officers and staff)(**23**); and

(b) sections 2 and 3A (politically restricted posts and exemptions from restriction) (**24**) so far as they have effect for the purposes of that section.

(**14**) Section 38 was amended by paragraphs 36 and 37 of Schedule 19, paragraphs 4 and 5 of Schedule 20, paragraphs 44 and 46 of Schedule 22 and Part 32 of Schedule 25 to the 2011 Act, section 28 of the Growth and Infrastructure Act 2013 (c. 27) and article 2 of S.I. 2012/1530.

(**15**) Section 60A was inserted by section 4 of the Greater London Authority Act 2007 (c. 24) and amended by section 224 of the Planning Act 2008 (c. 29), section 20 of the Police Reform and Social Responsibility Act 2011 (c. 13), paragraphs 44 and 47 of Schedule 22 and Part 32 of Schedule 25 to the 2011 Act and articles 1, 2 and 36 of S.I. 2008/2038.

(**16**) Section 68 was amended by paragraphs 44 and 48 of Schedule 22 and Part 32 of Schedule 25 to the 2011 Act.

(**17**) Section 73 was amended by sections 7 and 9 of, and Schedule 2 to, the Greater London Authority Act 2007 (c. 24), paragraph 16 of Part 2 of Schedule 12 to the Local Government and Public Involvement in Health Act 2007 (c. 28), paragraphs 36 and 38 of Schedule 19, paragraphs 44 and 49 of Schedule 22, Part 32 of Schedule 25 to the 2009 Act and paragraphs 1 and 5 of Part 1 of the Schedule to S.I. 2000/1435.

(**18**) Section 424 was amended by section 1159 of the Companies Act 2006 (c. 46), sections 11, 12, 21, 22 of the Greater London Authority Act 2007 (c. 24), section 3 of the Police Reform and Social Responsibility Act 2011and paragraphs 44 and 52 of Schedule 22 and Part 32 of Schedule 25 to the 2011 Act.

(**19**) 2004 c. 5. Section 24 was amended by paragraphs 54 and 55 of Schedule 22 to the 2011 Act.

(**20**) 2008 c. 18. Paragraph 8 of Schedule 2 to the Crossrail Act 2008 was amended by paragraph 58 of Schedule 22 to the 2011 Act.

(**21**) Section 107D(2) of the 2009 Act provides that in Part 6 of that Act references to "general functions", in relation to a mayor for the area of a combined authority, are to any functions exercisable by the mayor other than police and crime commissioner functions.

(**22**) 1989 c 42.

(**23**) Section 1 was amended by section 80 of the Local Government Act 1972 (c. 70), Part 3 of Schedule 1 to the House of Commons Disqualification Act 1975 (c. 24) and paragraphs 199 and 200 of Part 2 of Schedule 16 to the Police Reform and Social Responsibility Act 2011 (c. 13).

(**24**) Section 3A was inserted by section 202(2) of the Local Government and Public Involvement in Health Act 2007 (c. 28) and amended by Part 1 of Schedule 7 to the 2009 Act and paragraph 4 of Part 1 of Schedule 25 to the Localism Act 2011.

7. Section 5(**25**) of the 1989 Act (designation and reports of monitoring officer) shall apply in relation to the Combined Authority as if a Corporation were a committee of the Authority.

8. Section 32 of the 2003 Act shall apply in relation to expenditure of a Corporation but as if—

(a) each reference to a functional body were a reference to a Corporation;

(b) each reference to the Greater London Authority were a reference to the Combined Authority;

(c) each reference to the Mayor of London were a reference to the Mayor; and

(d) subsection (7) were omitted.

Transitional provisions

9.—(1) Until 8th May 2017 the functions conferred by article 3(1) shall be exercised only by the chairman of the Combined Authority(**26**).

(2) Anything which, immediately before the day on which article 3(1) comes into force is in the process of being done by or in relation to the Combined Authority or by or in relation to a constituent council for the purposes of or in connection with the functions mentioned in article 3(1) is to be treated as having been done by or in relation to the chairman of the Combined Authority.

(3) Before the chairman of the Combined Authority designates an area of land, under functions corresponding to the functions contained in section 197 of the 2011 Act, the chairman must refer the proposal to one of the Combined Authority's overview and scrutiny committees(**27**) for consideration.

(4) Before an area of land is designated as a Mayoral development area the chairman of the Combined Authority must have regard to any report or recommendation made by any of the Combined Authority's overview and scrutiny committees.

Funding

10.—(1) The constituent councils must ensure that the costs of the Combined Authority reasonably attributable to the exercise of the functions mentioned in article 3 are met.

(2) Subject to paragraph (4), the constituent councils must meet the costs of the expenditure reasonably incurred by the Mayor in, or in connection with, the exercise of the functions specified in article 3, to the extent that the Mayor has not decided to meet these costs from other resources available to the Combined Authority.

(3) Any amount payable by each of the constituent councils to ensure that the costs of the Combined Authority referred to in paragraphs (1) and (2) are met is to be determined by apportioning the costs of the Combined Authority referred to in paragraph (1) between the constituent councils in

(**25**) Section 5 was amended by Part 1 of Schedule 4 to the Police and Magistrates Courts Act 1994 (c. 29), paragraph 1 of Schedule 7 to the Police Act 1996 (c. 16), section 132 of the 1999 Act, paragraph 24 of Schedule 5 to the Local Government Act 2000 (c. 22), paragraph 14 of Part 2 to Schedule 12 and Part 14 of Schedule 18 to the Local Government and Public Involvement in Health Act 2007 (c. 28) , paragraphs 12 and 13 of Schedule 14 and Part 4 of Schedule 22 to the Marine and Coastal Access Act 2009 (c. 23), paragraphs 199 and 202 of Part 3 of Schedule 16 to the Police Reform and Social Responsibility Act 2011 (c. 13) and articles 1(2), 2(l) and 23(1)(a) to (f) of S.I. 2001/2237.

(**26**) Paragraph 2(1) of Schedule 1 to S.I 2016/449 provides that the Combined Authority must in each year appoint a chairman from among its members, at the first meeting of the Combined Authority, and in subsequent years at the annual meeting of the Combined Authority.

(**27**) Paragraph 1 of Schedule 5A to the 2009 Act provides that a combined authority must arrange for the appointment by the authority of one or more committees of the authority to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the authority. Paragraph 1(2)(c) of Schedule 5A provides that the combined authority's arrangements must ensure that the combined authority's overview and scrutiny committee has power (or its overview and scrutiny committees) have power between them to make reports or recommendations to the authority on matters that affect the authority's area or the inhabitants of the area.

such proportions as they may agree or, in default of such agreement, in the following shares between the constituent councils—

Darlington 15.80%

Hartlepool 14.67%

Middlesbrough 20.89%

Redcar and Cleveland 20.97%

Stockton-on-Tees 27.67%.

(4) In relation to the expenditure mentioned in paragraph (2)—

(a) to the extent to which such expenditure is met by amounts payable under arrangements made under paragraph (3)—

(i) the Mayor must agree with the Combined Authority the total expenditure mentioned in paragraph (2) in advance of incurring this expenditure; and

(ii) in the absence of the agreement specified in paragraph (i), no such expenditure may be incurred;

(b) any precept issued in relation to such expenditure under section 40 of the Local Government Finance Act 1992 (issue of precepts by major precepting authorities)(**28**) is to be disregarded from any calculation of the costs of the expenditure.

(5) For the purposes of this article the relevant date in relation to a payment for a financial year is 30th June in the financial year which commenced two years prior to the financial year in which such payment is made.

Signed by authority of the Secretary of State for Communities and Local Government

Name
Parliamentary Under Secretary of State
Department for Communities and Local Government

Date

(**28**) c. 14. Section 40 was amended by section 83 of the 1999 Act, section 79 of, and paragraph 7 of Schedule 17 to, the Localism Act 2011 and section 5 of the 2016 Act.

SCHEDULE

Article 4(1) and (2)

Modification of the 2011 Act

1.—(1) Part 8 of the 2011 Act (Mayoral development corporations) is modified in accordance with the following provisions.

(2) Section 196 of the 2011 Act (interpretation of Chapter) is to be read as if—

(a) "“the Mayor” means the Mayor of London" is omitted; and

(b) at the appropriate places there were inserted—

"“the combined area” means the area of the Combined Authority;";

"“Combined Authority” means the Tees Valley Combined Authority established by the Tees Valley Combined Authority Order 2016 (**29**);";

"“Corporation” means a corporation established by the Secretary of State in accordance with the provisions in section 198 following the designation of an area of land by the Combined Authority;";

"“National Park” means a National Park mentioned in column 1 of Part 1 of Schedule 1 to the National Park Authorities (England) Order 2015(**30**);"; and

“National Park authority” means a National Park authority for a National Park. ".

(3) Sections 196 to 222 of the 2011 Act shall have effect as if for every reference to—

(a) "the Greater London Authority" there were substituted "the Combined Authority";

(b) "the Mayor" there were substituted "the Combined Authority", except for the two occurrences in section 197(3)(e); and

(c) "MDC" there were substituted "Corporation".

(4) Section 197 of the 2011 Act (designation of Mayoral development areas) shall have effect as if —

(a) in subsection (1) for "Greater London" there were substituted "the combined area";

(b) in subsection (3)—

(i) in paragraph (a) for "any one or more of the Greater London Authority's principal purposes" there were substituted "economic development and regeneration in the combined area(**31**)",

(ii) in paragraph (d) for "the London Assembly" there were substituted "the Combined Authority" and for "subsection (4)(d), (e), (f) or (g)" there were substituted "subsection 4(d) and (e)", and

(iii) in subsection (f) for "the London Assembly" there were substituted "the Combined Authority";

(c) in subsection (4)—

(i) in paragraph (a) for "the London Assembly" there were substituted "the Combined Authority",

(ii) paragraph (b) were omitted,

(**29**) S.I. 2016/449.
(**30**) S.I. 2015/770.
(**31**) Article 7 of, and Schedule 2 to, the Tees Valley Combined Authority Order 2016 confer on the Combined Authority functions exercisable for the purpose of economic development and regeneration.

(iii) in paragraph (d) for "each London borough council whose borough" there were substituted a reference to "each district council or county council whose local government area",

(iv) in paragraph (e) for "the Common Council of the City of London if any part of the area is within the City" there were substituted "a National Park authority if any part of the area is within the National Park,",

(v) paragraphs (f) and (g) were omitted;

(d) in subsection (5)—

(i) in paragraph (a) for "the London Assembly" there were substituted "the Combined Authority",

(ii) in paragraph (b)(i) for "the Assembly" there were substituted "the Combined Authority",

(iii) in paragraph (b)(ii) for "the Assembly members voting" there were substituted "all members of the Combined Authority who are appointed by the constituent councils (including substitute members, acting in place of those members) present and voting on that motion";

(e) in subsection (6)(c) for "Mayoral development corporation" there were substituted "Corporation"; and

(f) subsection (7) were omitted.

(5) Section 198 of the 2011 Act (Mayoral development corporations: establishment) shall have effect as if—

(a) in the heading for "Mayoral development corporation" there were substituted "Corporation"; and

(b) for every other reference to "Mayoral development corporation" there were substituted "Corporation".

(6) Section 199 of the 2011 Act (exclusion of land from Mayoral development areas) shall have effect as if in subsection (2) for "the London Assembly" there were substituted "the Combined Authority".

(7) Section 200 of the 2011 Act (transfers of property etc to a Mayoral development corporation) shall have effect as if—

(a) in subsection (3)—

(i) in paragraph (a), for "a London borough council" there were substituted a reference to "a district council or county council wholly or partly in the combined area",

(ii) paragraph (b) were omitted,

(iii) in paragraphs (d) and (e), for "in Greater London" there were substituted a reference to "in the combined area",

(iv) paragraphs (f) to (h) were omitted, and

(v) paragraph (k) were omitted;

(b) in subsection (4) paragraph (b) were omitted;

(c) subsection (7) were omitted;

(d) subsection (8) were omitted; and

(e) in subsection (10) the definitions of a "functional body" and "public authority" were omitted.

(8) Section 201 of the 2011 Act (object and powers) shall have effect as if subsection (8)(b) were omitted.

(9) Section 202 of the 2011 Act (functions in relation to town and country planning) shall have effect as if—

(a) in subsection (7)(c) for "the London Assembly" there were substituted "the Combined Authority", and

(b) in the definition of "affected authority" there were omitted ", (f) or (g)".

(10) Section 203 of the 2011 Act (arrangements for discharge of, or assistance with, planning functions) shall have effect as if for each reference to "a London borough council or the Common Council of the City of London" there were substituted a reference to "a district council, county council or a National Park Authority".

(11) Section 207 of the 2011 Act (acquisition of land) shall have effect as if—

(a) in subsection (2) for "in Greater London" there were substituted a reference to "in the combined area"; and

(b) in subsection (3) for the words "the Mayor of London" there were substituted "the Combined Authority".

(12) Section 214 of the 2011 Act (powers in relation to discretionary relief from non-domestic rates) shall have effect as if—

(a) in subsection (4)(c) for "the London Assembly or an affected local authority" there were substituted "the Combined Authority or a district council or county council wholly or partly in the combined area"; and

(b) in subsection (4) the definition of "an affected local authority" were omitted.

(13) Section 216 of the 2011 Act (transfers of property, rights and liabilities) shall have effect as if—

(a) in subsection (2) ", (e)" were omitted; and

(b) in subsection (4)—

(i) the definition of "functional body" were omitted; and

(ii) in the definition of "permitted recipient"—

(aa) paragraph (b) were omitted,

(bb) in paragraph (d) for "a London borough council" there were substituted "a district council or county council wholly or partly within the combined area", and

(cc) paragraph (e) were omitted.

(14) Schedule 21 of the 2011 Act (Mayoral development corporations) shall have effect as if—

(a) for each reference to "the Mayor" there were substituted "the Combined Authority", except for the reference in paragraph 1(1);

(b) for each reference to "MDC" there were substituted "Corporation";

(c) in paragraph 1(1)—

(i) for the reference to "Mayoral development corporation ("MDC")" there were substituted "Corporation";

(ii) for the reference to the Mayor of London ("the Mayor") there were substituted "the Combined Authority";

(d) in paragraph 1(2) for the reference to "each relevant London council" there were substituted a reference to "each relevant district council or county council";

(e) in paragraph 1(3)—
  (i) sub-paragraph (a) were omitted, and
  (ii) in sub-paragraph (b) for "a London council" there were substituted "a district council or county council";
(f) in paragraph 2(5)(d) for "a relevant London council" there were substituted "a relevant district council or county council";
(g) in paragraph 4(4) for the reference to "the London Assembly" there were substituted a reference to "the Combined Authority";
(h) in paragraph (9)(c) for "each relevant London council" there were substituted "each relevant district council or county council"; and
(i) in paragraph 10(1)(c) the reference to "and to the London Assembly" were omitted.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for the Tees Valley Combined Authority ("the Combined Authority") to have in relation to its area functions corresponding to the functions that the Mayor of London has in relation to Greater London to designate Mayoral development areas.

Part 6 of the Local Democracy, Economic Development and Construction Act 2009 ("the 2009 Act") provides for the establishment of combined authorities for the areas of two or more local authorities in England. Combined authorities are bodies corporate which may be given power to exercise specified functions in their area.

Section 105A of the 2009 Act enables the Secretary of State by order to make provision for a function of a public authority that is exercisable in relation to a combined authority's area to be exercisable by the combined authority; or confer on a combined authority, in relation to its area, a function which corresponds to a function which another public authority has in relation to another area.

Article 3 of the Order provides that the Combined Authority is to have in relation to its area functions corresponding to the functions that the Mayor of London has in relation to Mayoral development areas and Mayoral development corporations. It also provides that the exercise of some of those functions by the Combined Authority requires the consent of a member of the Combined Authority who is an elected member of a constituent council whose council area contains any part of the area to be designated as a mayoral development area. The article also provides that the North York Moors National Park Authority must consent before the Combined Authority exercises certain functions in respect of any part of the North York National Park.

Article 4 of, and the Schedule to, the Order applies Chapter 2 of Part 8 (Mayoral development corporations) and section 235 (orders and regulations) of, and paragraph 9 of Schedule 24 (transfers under scheme under section 200(1) or (4) or 216(1)) to, the Localism Act 2011 in relation to areas designated by the Combined Authority and corporations established as a consequence of such designation.

Article 5 provides for the functions conferred by article 3(1) to be exercisable by the Mayor of the Combined Authority only (as a consequence of article 1(3) the Mayor will exercise this function from 8th May 2017).

Articles 6 and 7 apply sections 1 (disqualification and political restriction of certain officers and staff), 2 and 3A (politically restricted posts and exemptions from restriction) of the Local Government, Housing and Land Act 1989 in relation to a Mayoral development corporation established as a consequence of this Order and also section 5 of that Act (designation and reports of monitoring officer) as if a mayoral development corporation established as a consequence of this Order were a committee of the Combined Authority.

Article 8 applies section 32 of the Local Government Act 2003 to ensure that a Minister of the Crown has the power to pay a grant under section 31(1) of the Local Government Act 2003 towards expenditure incurred or to be incurred by a Corporation.

Article 9 provides transitional arrangements for the functions to be exercised by the chairman of the Combined Authority until the Mayor takes office on 8th May 2017.

Article 10 provides for the funding of the functions.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sectors is foreseen.

Local Democracy, Economic Development and Construction Act 2009

2009 CHAPTER 20

PART 6

ECONOMIC PROSPERITY BOARDS AND COMBINED AUTHORITIES

[[F1]Mayors for combined authority areas]

[[F1]107D Functions of mayors: general

(1) The Secretary of State may by order make provision for any function of a mayoral combined authority to be a function exercisable only by the mayor.

(2) In this Part references to "general functions", in relation to a mayor for the area of a combined authority, are to any functions exercisable by the mayor other than PCC functions.

(3) The mayor may arrange—

- (a) for the deputy mayor to exercise any general function of the mayor,
- (b) for another member or officer of the combined authority to exercise any such function, or
- (c) so far as authorised by an order made by the Secretary of State—
  - (i) for a person appointed as the deputy mayor for policing and crime by virtue of an order under paragraph 3(1) of Schedule 5C, or
  - (ii) for a committee of the combined authority, consisting of members appointed by the mayor (whether or not members of the authority),

  to exercise any such function.

[F2](3A) [The reference in subsection (3)(b) to a member of a combined authority does not include a non-constituent or associate member.]

(4) An order under subsection (3)(c)(ii) may include provision—

(a) about the membership of the committee;
(b) about the member of the committee who is to be its chair;
(c) about the appointment of members;
(d) about the voting powers of members (including provision for different weight to be given to the vote of different descriptions of member);
(e) about information held by the combined authority that must, or must not, be disclosed to the committee for purposes connected to the exercise of the committee's functions;
(f) applying (with or without modifications) sections 15 to 17 of, and Schedule 1 to, the Local Government and Housing Act 1989 (political balance on local authority committees etc).

[F3(4A) An order under subsection (3)(c) must provide that the committee must not consist solely of non-constituent or associate members.**]**

(5) Provision in an order under subsection (1) for a function to be exercisable only by the mayor is subject to subsection (3); but the Secretary of State may by order provide that arrangements under subsection (3)—
(a) may authorise the exercise of general functions only of a description specified in the order, or
(b) may not authorise the exercise of general functions of a description so specified.

(6) Any general function exercisable by the mayor for the area of a combined authority by virtue of this Act is to be taken to be a function of the combined authority exercisable—
(a) by the mayor individually, or
(b) in accordance with arrangements made by virtue of this section or section 107E **[**F4or 107EA**]**.

(7) An order under this section may—
(a) include provision for general functions to be exercisable by the mayor subject to conditions or limitations specified in the order (including, for example, a condition for general functions to be exercisable only with the consent of the appropriate authorities (as defined by section 107B (5)));
(b) provide for members or officers of a mayoral combined authority to assist the mayor in the exercise of general functions;
(c) confer ancillary powers on the mayor for the purposes of the exercise of general functions;
(d) authorise the mayor to appoint one person as the mayor's political adviser;
(e) provide for the terms and conditions of any such appointment;
(f) provide that functions that the mayoral combined authority discharges in accordance with arrangements under section 101(1)(b) of the Local Government Act 1972 (discharge of local authority functions by another authority) are to be treated as general functions exercisable by the mayor (so far as authorised by the arrangements).

(8) Provision under subsection (7)(c) may include provision conferring power on the mayor that is similar to any power exercisable by the mayoral combined authority—
(a) under section 113A, or
(b) under an order made under section 113D,

but the power conferred on the mayor may not include a power to borrow money.

(9) **[**[F5]Except as provided for by section 107ZA(7), an**]** order under this section may be made only with the consent of—

(a) the appropriate authorities (as defined by section 107B(5)), and

(b) in the case of an order made in relation to an existing mayoral combined authority, the mayor of the authority.

(10) Where an order under this section is contained in the same instrument as an order made by virtue of section 107B(3)(b), a non-consenting constituent council is not to be treated as an appropriate authority for the purposes of subsection (9) above.

[F6](11) **[** The requirement in subsection (9) does not apply where the order is made under section 105A and this section in relation to an existing mayoral combined authority and provides for a function—

(a) to be a function of the combined authority, and

(b) to be a function exercisable only by the mayor.

See section 107DA in relation to an order of this kind.**]]**

Textual Amendments

F1 Ss. 107D-107F inserted (28.1.2016 for specified purposes, 28.3.2016 in so far as not already in force) by Cities and Local Government Devolution Act 2016 (c. 1), **ss. 4(1)**, 25(2)

F2 S. 107D(3A) inserted (26.12.2023) by Levelling-up and Regeneration Act 2023 (c. 55), **ss. 64(11)(a)**, 255(2)(h) (with s. 247)

F3 S. 107D(4A) inserted (26.12.2023) by Levelling-up and Regeneration Act 2023 (c. 55), **ss. 64(11)(b)**, 255(2)(h) (with s. 247)

F4 Words in s. 107D(6)(b) inserted (31.1.2017 for specified purposes, 17.7.2017 in so far as not already in force) by Policing and Crime Act 2017 (c. 3), **ss. 8(3)**, 183(1)(5)(e); S.I. 2017/726, reg. 2(a)

F5 Words in s. 107D(9) substituted (26.12.2023) by Levelling-up and Regeneration Act 2023 (c. 55), **ss. 63(3)**, 255(2)(h) (with s. 247)

F6 S. 107D(11) inserted (26.12.2023) by Levelling-up and Regeneration Act 2023 (c. 55), **ss. 61(4)**, 255(2)(f) (with s. 247)

Modifications etc. (not altering text)

C1 S. 107D(3) applied (with modifications) (8.5.2017) by The Greater Manchester Combined Authority (Fire and Rescue Functions) Order 2017 (S.I. 2017/469), arts. 1(3), **5(2)**

C2 S. 107D(3) restricted (7.5.2024) by The York and North Yorkshire Combined Authority Order 2023 (S.I. 2023/1432), arts. 1(3), **43** (with arts. 45, 50-53)

Changes to legislation:
There are currently no known outstanding effects for the Local Democracy, Economic Development and Construction Act 2009, Section 107D.

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Ministry of Housing, Communities & Local Government

Guidance

Mayoral Development Corporations in combined authorities and combined county authorities: Guidance on legislation and scrutiny

Published 3 April 2025

Applies to England

Contents

This publication is available at https://www.gov.uk/government/publications/mayoral-development-corporations-in-combined-authorities-and-combined-county-authorities-guidance-on-legislation-and-scrutiny/mayoral-development-corporations-in-combined-authorities-and-combined-county-authorities-guidance-on-legislation-and-scrutiny

1. Background

This guidance from the Ministry of Housing, Communities and Local Government (MHCLG) is designed for officers and members of combined authorities (CA) and combined county authorities (CCA). The term C(C)A will be used for the remainder of this guidance to refer to a CA or CCA.

It seeks to address the recommendation from the Tees Valley Review Report (https://www.gov.uk/government/collections/independent-review-teesworks-joint-venture), published 29 January 2024, that government "should clarify the regulations in respect of Tees Valley Combined Authority (TVCA) and South Tees Development Corporation (STDC) (and if necessary other combined authorities and development corporations), including oversight, reserve matters, and consent as well as stranded liabilities."

This guidance seeks to:

- clarify the legislation that enables a mayor of a C(C)A to establish a mayoral development corporation (MDC)
- explain how legislation relates to relevant provisions on overview and scrutiny
- set out how the various pieces of legislation work together, setting out the mayor's responsibilities and what the carrying out of those responsibilities means for governance arrangements

2. The legislation

Mayoral development corporations (MDCs) are covered by multiple pieces of legislation. This section sign-posts where the relevant legislation on MDCs can be found.

The organisations which can establish an MDC are defined in the following primary legislation:

- the Local Democracy, Economic Development and Construction Act 2009 (https://www.legislation.gov.uk/ukpga/2009/20/contents) ("2009 Act") for combined authorities
- the Levelling-up and Regeneration Act 2023 (https://www.legislation.gov.uk/ukpga/2023/55/contents) ("2023 Act") for combined county authorities

The powers and functions of an MDC are also established in primary legislation:

- the Localism Act 2011 (https://www.legislation.gov.uk/ukpga/2011/20/contents) (“2011 Act”).

The scrutiny and oversight of an MDC is defined in both primary and secondary legislation via the following Act and Order:

- the Local Government and Housing Act 1989 (https://www.legislation.gov.uk/ukpga/1989/42/contents) (“1989 Act”)
- the Combined Authorities (Overview and Scrutiny Committee, Access to information and audit committees) Order 2017 (S.I. 2017/68) (https://www.legislation.gov.uk/uksi/2017/68/contents/made) (“2017 O&S Order”)

Secondary legislation (statutory instruments) sets out the specific provisions which apply locally for an individual C(C)A. This guidance uses the Tees Valley Combined Authority (Functions) Order 2017 (S.I. 2017/250) (https://www.legislation.gov.uk/uksi/2017/250/contents/made) (“2017 TVCA Functions Order”) to illustrate how the secondary legislation works. A list of statutory instruments conferring the powers on other C(C)As is at Annex A.

All C(C)As where MDC powers have been conferred have similar provisions to Tees Valley Combined Authority regarding the mayor’s role in respect of MDCs, except for the West Midlands Combined Authority where the functions are exercised by the combined authority, not the mayor.

3. Guidance

Overview

There are currently 10 mayoral combined authorities and 1 mayoral combined county authority. They are body corporates, established through secondary legislation, with an elected mayor. The secondary legislation confers public authority and local authority functions (including functions related to MDCs) on the C(C)As. These functions are exercised either solely by the mayor or collectively by the members of the C(C)A.

An MDC is a body corporate, established by secondary legislation following the mayor designating a mayoral development area with the object of securing regeneration for that area. The mayor may identify a mayoral development area having consulted with, and gaining the consent of, the appropriate bodies and persons. The Orders conferring MDC functions on the C(C)A detail the specific institutions and individuals which are required to provide consent by amending section 197 of the 2011 Act. Taking the 2017 TVCA Functions Order as an example, for the TVCA the relevant bodies and institutions to be consulted are:

- the Combined Authority
- the local MPs, whose constituencies are covered by any part of the development area
- the district and county councils whose areas are covered by any part of the development area
- a National Park authority if any part of the area is within a National Park
- any other person whom the Combined Authority considers it appropriate to consult

Following consultation and consent of the C(C)A, the mayor is able to notify the Secretary of State of their desire to establish an MDC. The Secretary of State on receiving a notification from an elected mayor must establish via secondary legislation an MDC for the mayoral development area, giving it the name notified by the mayor and any planning functions identified by the mayor. The mayor appoints the board members to the MDC and can provide guidance and directions on the operation of the MDC.

The legislation sets out a process for the transfer of property, rights and liabilities to an MDC. For this to occur, the Secretary of State must consult with the individuals or institutions whose property, right or liabilities would be transferred, as well as the mayor who oversees the relevant MDC. Once the Secretary of State has undertaken the necessary consultation, they may make a scheme which enables the transfers to occur. In the case of acquiring land, the MDC must obtain consent of the C(C)A and / or mayor, depending on the C(C)A's Order before submitting a compulsory purchase order for the Secretary of State's authorisation.

The mayor is able to decide whether an MDC should have planning functions for some or all of the mayoral development area it covers. To do so, consent from the affected local planning authorities is required; the consent requirements are set out in the Orders conferring MDC powers to the relevant C(C)A (see Annex A); for C(C)As, they are not set out in the Localism Act 2011. With consent given, the conferral of planning functions upon an MDC can be made via secondary legislation.

Where a mayor of a C(C)A is exercising functions in relation to an MDC, oversight of the MDC is provided through:

- the ability of the mayor to give directions and guidance to support an MDC in the carrying out of its activities and functions
- the provision that some decisions - such as the dissolution of an MDC, the transfer of property to an MDC, or the restriction of planning function

to an MDC - require the consent of the mayor

- the ability of the overview and scrutiny committee of the C(C)A to scrutinise the mayor's decisions regarding the MDC (the committee has a right to see all documents relating to mayor's decisions and can require the mayor, C(C)A members and officers, MDC members to attend meetings to answer questions regarding decisions on the MDC)
- the duty of the mayor to periodically review the continuing existence of the MDC
- the requirement that the C(C)A monitoring officer is also the monitoring officer for any MDCs in the authority's area

As set out in paragraph fifteen, the role of the mayor of a C(C)A is to establish an MDC, make appointments to the MDC board, and provide oversight through the provision of guidance and directions on the exercise of the functions of the MDC and the provision of consent to decisions, such as compulsory purchase and disposal of land below value. Whilst legislation does not prevent a mayor from being the chair of an MDC, their oversight role is not compatible with them also taking the role of chair. The oversight function should be clearly separate from decision making to avoid conflicts of interest. As the Mayor provides oversight of the MDC, and has powers in relation to the issuing of guidance and direction to an MDC, the mayor should not be the chair of an MDC.

The principle of the separation of the role of oversight from those involved in the decision making, in order to avoid conflict of interest, should also apply to officer roles within the C(C)A, MDC, and any other body corporate established by the MDC. Where individuals hold roles in multiple organisations throughout a group structure, for example in a constituent council and in an MDC or a corporate body established by an MDC, there should be no circumstances where one individual has a key role in one organisation that provides oversight to another organisation while also having decision-making responsibilities. The avoidance of conflicts of interest also means that individuals need to recuse themselves from decisions in which they have a stake.

Where the relevant functions are exercised by the C(C)A, rather than the mayor - currently only in the West Midlands Combined Authority - there is less risk of a conflict of interest if the mayor is the chair of an MDC but the C(C)A should carefully consider local circumstances when appointing the chair and apply the principle of separation of the oversight and decision making.

The Localism Act 2011

When seeking to understand how MDC functions and powers are applied to C(C)As, it is important to have consideration and understanding of Part 8 of the 2011 Act. The 2011 Act is the primary legislation for MDCs and describes the powers, functions and duties of an MDC; secondary legislation then confers MDC powers onto individual C(C)As and their mayors and appropriately amends the 2011 Act as required.

Part 8 of the Localism Act 2011 confers functions on the Mayor of London which enables the mayor to designate a mayoral development area and set up an MDC with the object of securing regeneration for that area. The statutory instruments that establish and confer functions on a C(C)A apply these same provisions to the mayor for the area of a C(C)A (or in the case of West Midlands Combined Authority, the WMCA).

This guidance uses the example of the 2017 TVCA Functions Order to illustrate the application of the 2011 Act, which applies in the same way to provisions set out in the statutory instruments for other C(C)As that confer the same functions on a mayor. See Annex A for a list of the relevant statutory instruments.

Although these functions are based on the 2011 Act, it is not possible to confer equivalent functions in respect of MDCs that the Localism Act 2011 confers on the Mayor of London directly onto e.g. the Mayor of Tees Valley Combined Authority, as the mayor of a C(C)A is not a body corporate. The legislative route used in the 2017 TVCA Functions Order is to first confer the functions on the institution of the C(C)A, of which the mayor is a member, through article 3 of that Order, and then to specify in article 5 that the functions conferred on the C(C)A in article 3 may only be exercised by the mayor. The effect is to make these functions mayoral; the C(C)A ‘board’ (the cabinet of the C(C)A) does not have a role in exercising any functions that article 5 states are to be exercised only by the mayor.

Schedule 1 to the 2017 TVCA Functions Order sets out the modifications made to the 2011 Act in order to confer the functions onto the combined authority. In this Schedule, there is a general modification to substitute references to ‘the mayor’ with references to ‘the combined authority’. This Schedule is to be read in conjunction with article 5 of the 2017 TVCA Functions Order to identify which functions are then to be exercised by the mayor.

All other mayoral C(C)As have similar provisions conferring functions in respect of MDCs onto the mayor, with the exception of the West Midlands Combined Authority. (The relevant statutory instruments, see Annex A, provide that these functions are the responsibility of the West Midlands Combined Authority.)

Consents

In order for an MDC to make use of some of its functions and powers, the securing of consent from certain parties first needs to have taken place. The consent requirements for an MDC are outlined in the 2011 Act; these consent requirements are applicable to C(C)A mayors via their establishing secondary legislation. Using the 2017 TVCA Order by way of illustration:

- Part 8 of the 2011 Act provides that, in London, an MDC may: carry out the compulsory purchase of land; disposal of land below value by an MDC; form or acquire interests in bodies corporate; and provide financial assistance (sections 207, 209, 212 and 213 of the 2011 Act) but requires the consent of the Mayor of London to do so.
- Schedule 1 to the 2017 TVCA Functions Order (paragraphs 3 and 11) covers all the functions under Part 8 but modifies the requirements in sections 207, 209, 212 and 213 of the 2011 Act so that it is the consent of the combined authority in the TVCA area that is required.
- Section 221 of the 2011 Act makes provision about the giving of consent; this section is conferred on TVCA by article 3 of the 2017 TVCA Functions Order and then article 5 of the 2017 Order provides that the function is exercisable only by the mayor. The Mayor of TVCA, like the Mayor of London, must consent for an MDC to: carry out the compulsory purchase of land; disposal of land below value by an MDC; form or acquire interests in bodies corporate; and provide financial assistance.

Directions

A similar approach is taken to the conferral of functions regarding the issuing of guidance and directions to an MDC; the statutory instruments conferring these functions on other mayoral C(C)As contain the same provisions:

- Sections 219 and 220 of the 2011 Act provides for the Mayor of London to issue guidance and directions regarding the exercise of an MDC's functions.
- Schedule 1 to the 2017 TVCA Functions Order (paragraphs 3 and 11) modifies the requirements in sections 219 and 220 of the 2011 Act so that it is for the combined authority to issue guidance and directions.
- Article 3 of the 2017 TVCA Functions Order confers 2011 Act functions on TVCA and article 5 of the 2017 TVCA Functions Order provides that these functions of the TVCA are exercisable only by the mayor. The

Mayor of TVCA, like the Mayor of London, is able to issue guidance and directions regarding the exercise of an MDC's functions.

Membership of the MDC board

A mayor is able to appoint the members of an MDC's board. Schedule 21 of the 2011 Act, which is applied to C(C)As by the secondary legislation, is outlined in Annex A. Schedule 21 outlines the various requirements a mayor must undertake when making an appointment.

In order for the mayor to appoint members to an MDC board, the mayor must have considered the desirability of appointing a person who has experience in matters relating to the functions of an MDC. The mayor also needs to be satisfied the person they are appointing does not have any financial or other interest which may prevent them from exercising their functions as a member.

To ensure that the mayor is satisfied that the person being appointed does not have any financial interest or interests which may prevent them from being a member, the mayor may require the person to provide information which they consider necessary in order for the mayor to make their decision.

Monitoring officer

Article 7 of the 2017 TVCA Functions Order provides that section 5 of the Local Government and Housing Act 1989 applies to the combined authority as if a Corporation were a committee of the authority. This means that the monitoring officer of TVCA is automatically the monitoring officer of any MDC in the area. The same provision is made for MDCs in other C(C)A areas.

Overview and scrutiny

Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009 sets out the remit of the Overview and Scrutiny Committee(s) of a combined authority, with equivalent requirements for combined county authorities in Schedule 1 to the Levelling-up and Regeneration Act 2023.

Paragraph 1(3) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009 provides that the overview and scrutiny committee of a mayoral combined authority may scrutinise decisions made, or actions taken, to discharge the mayor's general functions; make reports or recommendations to the mayor in the respect of the discharge of those functions; and make reports or recommendations to the mayor on matters that affect the authority's area or inhabitants of the area. The equivalent requirement for mayoral combined county authorities is set out at paragraph 1(3) of Schedule 1 to the Levelling-up and Regeneration Act 2023.

Paragraph 2(6) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009 provides that the overview and scrutiny committee of a combined authority may require the members or officers of the authority to attend before it to answer questions (including, in the case of a mayoral combined authority, the mayor for the authority's area and deputy mayor) and may invite other persons to attend meetings of the committee. The equivalent requirement for mayoral combined county authorities is set out at paragraph 2(6) of Schedule 1 to the Levelling-up and Regeneration Act 2023.

The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 sets out further provisions for combined authority and combined county authority overview and scrutiny committees. Article 10 provides that a member of the overview and scrutiny committee is entitled to a copy of documents in the possession of the mayor that contains any material relating to business that has been transacted at a decision-making body of that authority, or any decision made by an individual member of that authority. Following a request, such documentation must be provided as soon as practicable or no later than 10 days following the request.

Exempt or confidential information is excluded from this provision unless it is relevant to an action or decision being scrutinised by the committee or is relevant to a review in an overview and scrutiny committee work programme. Advice from political advisers is also excluded from this provision.

The Scrutiny Protocol for English institutions with devolved powers (https://www.gov.uk/government/publications/scrutiny-protocol-for-english-institutions-with-devolved-powers) provides further guidance on effective overview and scrutiny in C(C)As. It sets out 18 key principles for good scrutiny, including expectations of co-operation from mayors and combined authority members.

Taken together, these provisions mean that the scrutiny committee of a C(C)A:

- may scrutinise the decisions of a mayor or C(C)A that relate to MDCs

- have a right to see documentation relating to mayoral and C(C)A decisions on an MDC
- may require the mayor to attend a meeting to answer questions in relation to mayoral decisions relating to an MDC; the Scrutiny Protocol makes it clear that the mayor should commit to engage regularly with the committee both informally and formally and must attend the committee when requested
- may require C(C)A members who are on the board of an MDC to attend a meeting to answer questions about their role on the MDC. The Scrutiny Protocol set out that Members who are portfolio-leads (or equivalent) should also commit to engaging regularly with the committee and attend when requested. Even if members of the institution have assigned or delegated areas of responsibility to others, it should be standard practice for them to attend to present any reports within their portfolio alongside the appropriate officers
- have a right to see documentation relating to the monitoring officer’s role in respect of an MDC
- may require the monitoring officer to attend a meeting to answer questions about their role in respect of an MDC
- may invite officers and board members of an MDC to a meeting of the overview and scrutiny committee to discuss the MDC

The overview and scrutiny committee of a C(C)A should engage in all these activities and the mayor, C(C)A members and officers, and MDC board members and officers should facilitate such scrutiny, in order for local residents to be confident that public assets and money are being used for public benefit.

Annex A: List of statutory instruments conferring Mayoral Development Corporation functions on a C(C)A as of January 2025

Area	Statutory Instrument (S.I.)	S.I. number	Date
West of England	The West of England Combined Authority Order 2017	2017/126	2017

Area	Statutory Instrument (S.I.)	S.I. number	Date
Tees Valley	The Tees Valley Combined Authority (Functions) Order 2017	2017/250	2017
Liverpool	The Liverpool City Region Combined Authority (Functions and Amendment) Order 2017	2017/430	2017
West Midlands	The West Midlands Combined Authority (Functions and Amendment) Order 2017	2017/510	2017
Greater Manchester	The Greater Manchester Combined Authority (Functions and Amendment) Order 2017	2017/612	2017
South Yorkshire	The Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Functions and Amendment) Order 2020	2020/806	2020
West Yorkshire	The West Yorkshire Combined Authority (Election of Mayor and Functions) Order 2021	2021/112	2021
North Yorkshire	The York and North Yorkshire Combined Authority Order 2023	2023/1432	2023
East Midlands	The East Midlands Combined County Authority Regulations 2024	2024/232	2024
North East of England	The North East Mayoral Combined Authority (Establishment and Functions) Order 2024	2024/402	2024

Annex B: Mayoral Development Corporations in England as of January 2025

Area	Mayoral Development Corporation	Established
Greater London Authority	London Legacy Development Corporation	9 March 2012
Greater London Authority	Old Oak and Park Royal Development Corporation	1 April 2015
Tees Valley Combined Authority	South Tees Development Corporation	1 August 2017
Tees Valley Combined Authority	Hartlepool Development Corporation	27 February 2023
Tees Valley Combined Authority	Middlesbrough Development Corporation	27 February 2023
Greater Manchester Combined Authority	Stockport Town Centre West Mayoral Development Corporation	2 September 2019

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Middlesbrough Development Corporation

Agenda Item 8
Report to the MDC Board
26th March 2026
Report of Head of Planning

PLANNING UPDATE

SUMMARY

Responsibility for the determination of planning applications within the Middlesbrough Mayoral Development Corporation boundary lies with the Middlesbrough Development Corporation (MDC).

In accordance with the approved Scheme of Delegation, 24 applications have been approved under delegated powers since the last Planning Update Report was prepared on 26 November 2025. There are now 11 valid planning applications currently being considered by MDC.

The Planning Inspectorate has upheld the MDC's decision to refuse 7 applications relating to the installation of BT street hubs and illuminated digital screens and has dismissed the 7 appeals. 2 new appeals have been lodged and are pending determination by the Planning Inspectorate.

RECOMMENDATIONS

It is recommended that the Middlesbrough Development Corporation Board notes the updated position of planning service delivery and the status of planning applications submitted for consideration.

DETAIL

1. Delivery of planning service functions relating to town and country planning and development control within the Middlesbrough Mayoral Development Corporation area is now overseen by the Head of Planning with operational services delivered through Lichfields (re-appointed in April 2025 following a competitive tender process).

2. Since the last Planning Board Update note was issued, 14 new planning applications have been received. 3 of these were subsequently withdrawn (prior

to validation) and 2 remain invalid. There are now 11 valid planning applications currently being considered by MDC.[1]

3. 24 applications have been determined under delegated powers since the last Board meeting. Details of current applications are provided in the accompanying schedule.

4. One new enforcement case has been opened since the last Board meeting. This relates to the unauthorised removal of the Welsh Slate roof from a Grade II listed building at 34 Linthorpe Road and its replacement with concrete pantiles. A Temporary Stop Notice was issued to halt the unauthorised works. Discussions with the owner led to the submission of a retrospective application for the replacement of the roof with Canadian Slate. This application is currently under consideration.

5. 7 appeals were lodged last year following officers' delegated decisions to refuse planning and advertisement consent applications relating to the installation of three multifunctional communications hubs on Linthorpe Road and Corporation Road and a large digital display screen outside the Hill Street Shopping Centre. In dismissing the appeals, the Inspectors concluded that the proposals would:

   - have a harmful effect on the character and appearance of the area and would be in conflict Policies in the Middlesbrough Core Strategy which, amongst other things, require high quality proposals that are visually well integrated;

   - have an unacceptable impact on highway safety, and would not give priority to pedestrian movements, address the needs of people with disabilities and reduced mobility, or create places that are safe and minimise the scope for conflict;

   - draw the eye of road users near a signalised junction where concentration is required and consequently add to the distractions for drivers at the junction leading to an increased risk to pedestrian safety.

6. 2 new appeals have been lodged in February 2026 for a similar scheme on Corporation Road.

7. Local planning authorities in England are required to submit quarterly returns to central government to provide summary information relating to the number and status of planning and related applications in each quarter. The last submission was made by the MDC on 31 January 2026 and future quarterly returns will be

[1] As of 9th March 2026 when this report was prepared.

submitted as required. So far in 2026, 100% of applications have been decided on time.

8. When the MDC development management function came into existence in 2023, a temporary website and data sharing facility was established and hosted by Lichfields. TVCA subsequently sought to commission a permanent replacement system and Idox was appointed to deliver this. Over the past 12 months Lichfields and TVCA Officers have worked alongside Idox to implement this new application portal.

9. The new Idox portal, which went live at the end of September 2025, continues to provide a significantly improved user experience. Members desiring any bespoke training in the use of the system are invited to contact the Lichfields team directly.

10. On 24th November 2025 MDC published notice of its intention to make a Direction under Article 4(1) of the Town and Country Planning (General Permitted Development) (England) Order 2105 as amended, to remove permitted development rights for the change of use of a building from a use falling within Class C3 (dwellinghouse) to a use falling within Class C4 (house in multiple occupation). No responses have been received to the consultation.

FINANCIAL IMPLICATIONS

11. There are no financial implications.

LEGAL IMPLICATIONS

12. Planning Powers were conferred on to the Middlesbrough Mayoral Development Corporation on 1 June 2023 giving MDC the power to determine planning applications within the redline boundary.

RISK ASSESSMENT

13. This subject matter of this report is categorised as low risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION & COMMUNICATION

14. The subject of this report is a matter for MDC Board information only therefore no additional consultation and communication has been undertaken.

EQUALITY & DIVERSITY

15. This report does not impact on groups of people with protected characteristics.

Name of Contact Officer: Jonathan Spruce
Post Title: Head of Planning
Telephone Number: 01325 792600
Email Address: Jonathan.spruce@teesvalley-ca.gov.uk

Middlesbrough Development Corporation

Delegated Planning Decisions[1] since last Update

Application Number	Address	Summary of Development	Status
25/0085/COU	Vancouver House, Gurney Street, Middlesbrough, TS1 1JL	Change of use from offices and retail uses (Class E) and licenced premises (Sui Generis) to 183 student accommodation units (Sui Generis), licenced premises (Sui Generis) and retail and gym (Class E).	Approved 27th January 2026
25/0095/FUL	15 Linthorpe Road, Middlesbrough, TS1 1RG	Subdivision of ground floor commercial unit and part change of use to form one commercial unit (Class E) and 2no bedroom student accommodation (Sui Generis)	Approved 11th December 2025
25/0105/COU	The Pearson Building, Bright Street, Middlesbrough, TS1 2AA	Change of use planning application for the above building to convert it from Commercial use (Class E) back to its original use as a place of worship (Use Class F1(f)). The proposal involves no physical alterations and relates solely to a material change of use.	Approved 15th December 2025
25/0107/FUL	Footpath Outside Barclays Bank, Unit 1 Centre Mall, Corporation Road, Middlesbrough, TS1 2NR	Full Application: Installation of 1No. BT Street Hub Unit and associated advertisement panels on either side of the unit	Approved 27th November 2025
25/0108/ADV	Footpath Outside Barclays Bank, Unit 1 Centre Mall, Corporation Road, Middlesbrough, TS1 2NR	Advertisement Consent: Two digital 75 inch LCD display screen, one on each side of the Street Hub unit	Approved 27th November 2025

[1] As of 9th March 2026 when report was prepared

Application Number	Address	Summary of Development	Status
25/0109/FUL	Footpath Outside 55 Corporation Road, Middlesbrough, TS1 1LT	Full Application: Installation of 1No. BT Street Hub Unit and associated advertisement panels on either side of the unit	Approved 27th November 2025
25/0110/ADV	Footpath Outside 55 Corporation Road, Middlesbrough, TS1 1LT	Advertisement Consent: Two digital 75 inch LCD display screen, one on each side of the Street Hub unit	Approved 27th November 2025
25/0116/DIS	Old Town Hall East Street Middlesbrough TS2 1AY	Discharge of conditions 3, 4, 5, 6, 7, 8 and 14 on listed building consent 24/0065/LBC for the Restoration of Middlesbrough Old Town Hall and Clock Tower involving alterations and extension to the Old Town Hall including demolition of the single storey side extension to be replaced with a new single storey extension with mezzanine level. Refurbishment of the Old Town Hall and works including structural underpinning and repair, render removal and new render applied, masonry repair and re-pointing, stonework cleaning, and repair and reinstatement of timber heritage windows to match the original. Restoration and repair of the Clock Tower including restored clock face. Various external works including hard and soft landscaping	Approved 9th March 2026
25/0119/FUL	12 - 14 Albert Road, Middlesbrough, TS1 1QA	Change of use from Office (Class E) to community engagement centre, office and place of worship (Class F1)	Approved 19th December 2025
25/0120/FUL	Footpath outside 92 Corporation Road, Middlesbrough, TS1 2RB	Installation of 1No. BT Street Hub Unit and associated advertisement panels on either side of the unit	Refused 19th December 2025

Application Number	Address	Summary of Development	Status
25/0121/ADV	Footpath outside 92 Corporation Road, Middlesbrough, TS1 2RB	Advertisement Consent -Two digital 75 inch LCD display screen, one on each side of the Street Hub unit.	Refused 19th December 2025
25/0122/ADV	3-4 Bottomley Mall, Hill Street Shopping Centre, Wilson Street, Middlesbrough, TS1 1SU	Installation of new fascia signage to car park elevation	Approved 19th December 2025
25/0126/DIS	Land bounded by Union Street (NW), Diamond Road (to the NE), Princes Road (to the SE) and Waverley Street (to the SW).	Partial discharge (for remaining landscaped areas and final confirmation that the entirety of the site accords with the approved remediation strategy and all necessary works have been carried out thus indicating that the site is suitable for use) of planning condition 24 attached to planning permission ref. 24/0027/VAR - section 73 application to vary conditions 2, 3, 4, 5, 10, 11, 14, 16, 18, 19, 20, 21, 22, 24 of application 20/0289/FUL for the erection of 145 residential dwellings with associated access, parking, landscaping and amenity space on land south of Union Street, Middlesbrough	Approved 5th December 2025
25/0128/DIS	154 Borough Road, Middlesbrough, TS1 2EP	Discharge of condition 12 on planning permission 25/0014/FUL for the change of use from office to 30 student accommodation units including three storey side/rear extension and single storey rear extension.	Approved 8th December 2025
25/0129/FUL	34 Linthorpe Road Middlesbrough TS1 1RD	Change of use of first floor from commercial (Class E) to four self contained flats (Class C3), internal alterations including layout reconfiguration; and external alterations including reinstatement of first floor external windows to the side and rear elevations and creation of new external access on rear elevation, and restoration of glazed tiles on front elevation	Approved 27th February 2026

Application Number	Address	Summary of Development	Status
25/0130/LBC	34 Linthorpe Road Middlesbrough TS1 1RD	Listed Building Consent for internal alterations including layout reconfiguration; and external alterations including reinstatement of first floor external windows to the side and rear elevations, installation of conservation style rooflights on rear elevation, and creation of new external access on rear elevation, and restoration of glazed tiles on front elevation	Approved 27th February 2026
25/0131/LBC	Middlesbrough Railway Station, Zetland Road, Middlesbrough, TS1 1EG	Listed Building Consent for new fixing method and permanent retention of an existing temporary artwork within Middlesbrough Station	Approved 13th January 2026
25/0132/LBC	Middlesbrough Railway Station, Zetland Road, Middlesbrough, TS1 1EG	Listed Building Consent for permanent installation of a new CCTV system and associated works	Approved 13th January 2026
25/0135/NMA	Old Town Hall East Street Middlesbrough TS2 1AY	Non-Material Amendment to amend the wording of Conditions 2 (Approved Plans), 3 (Materials) and 21 (Construction Hours) on 24/0064/FUL (Restoration of Middlesbrough Old Town Hall and Clock Tower involving alteration and extension to the Old Town Hall including the demolition of the single storey side extension to be replaced with a new single storey extension with mezzanine level for Class E(g) use. Internal refurbishment to the Old Town Hall, restoration and repair of the Clock Tower and various other external works including hard and soft landscaping)	Approved 10th February 2026
25/0137/NMA	CIAC, Windward Way, Middlesbrough, TS2 1AX	NMA to amend the wording of Condition 2 (Approved Plans) on 23/5042/FUL (Removal of all combustible insulation together with brickwork, vertical cedar cladding, Eternit weatherboard composite cladding and timber decorative cladding/soffit/balcony facing materials) to allow: Retention of the ground floor chalet/ shop; Omission of the painted black diagonal stripes to the timber	Approved 19th December 2025

Application Number	Address	Summary of Development	Status
		cladding; and Reinstatement of the decorative window surrounds to the upper floor windows.	
25/0143/VAR	Old Town Hall East Street Middlesbrough TS2 1AY	Variation of conditions 2 (Approved Plans) and 3 (Materials) on 24/0065/LBC (Restoration of Middlesbrough Old Town Hall and Clock Tower involving alterations and extension to the Old Town Hall including demolition of the single storey side extension to be replaced with a new single storey extension with mezzanine level. Refurbishment of the Old Town Hall and works including structural underpinning and repair, render removal and new render applied, masonry repair and re-pointing, stonework cleaning, and repair and reinstatement of timber heritage windows to match the original. Restoration and repair of the Clock Tower including restored clock face. Various external works including hard and soft landscaping.)	Approved 12th February 2026
25/0144/FUL	Law Courts Victoria Square Albert Road Middlesbrough TS1 2AS	Installation of cladding to projecting floor elements on main elevations and replacement of windows	Approved 27th January 2026
25/0145/ADV	Boho Five, Bridge Street East, Middlesbrough, TS2 1NW	Erection of 1no freestanding panel and post 'v' sign on grass verge, 2no freestanding panel and post signs at vehicle and pedestrian entrances, 1no illuminated fascia signs to south elevation and 1no. illuminated fascia sign to east elevation	Approved 12th February 2026
25/0146/ADV	Boho One Bridge Street West Middlesbrough	Erection of internally illuminated black powder coated rim and return stainless steel letters with opal acrylic faces to south elevation	Approved 12th February 2026

Current Valid Applications

Application Number	Address	Summary of Development	Status
24/0094/DIS	Skinnergate Cycles, 96-98 Corporation Road	Discharge of Condition 8 on application 23/5065/FUL for conversion of roof space to create 3 additional bedrooms associated with the existing HMO, 4no. dormer windows to front, 2no. dormer windows to rear and conversion of outbuilding to form additional living accommodation	Validated 22nd October 2024 On hold awaiting information from applicant
25/0053/FUL	118 Borough Road, Middlesbrough, TS1 2BG	Change of use of part first floor and second floor to 4 bed HMO (Class C4)	Validated 20th January 2026 Under consideration
25/0070/DIS	34-36 Borough Road	Discharge of condition 3 on planning permission 24/0030/FUL for Internal re-configuration of building and change of use from 2no. ground floor commercial units (Use Class E) and 5no. residential flats (Use Class C3) to 2no. ground floor commercial units (Use Class E) and 8no.student flats (Sui Generis) with minor external alterations to the principal elevation.	Validated 23rd June 2025 On hold awaiting information from applicant
25/0093/DIS	Land to the south of St Aidan's Drive, Middlesbrough	Discharge of condition 8 on planning permission 24/0070/FUL for modifications to existing landscaped area and adjacent public footpath to create three off-street car parking spaces	Validated 26th September 2025 On hold awaiting information from applicant
25/0103/FUL	Middlesbrough College, Dock Street, TS2 1AD	Installation of 7 x temporary theory classrooms (portacabins) approx 50m2 each to the North of the existing TTE Workshop Facility. Installation of 3 temporary Workshop Buildings 300m2 in total to the South of the existing T-	Validated 17th November 2025 Under consideration

Application Number	Address	Summary of Development	Status
		Construction Facility. Installation of an Air Source Heat Pump Farm to the North of the Main Building	
25/0115/DIS	Old Town Hall East Street Middlesbrough TS2 1AY	Discharge of conditions 3, 4, 5, 7, 12, 13, 14, 18, 19, 20, 22, 24, 26 and 27 on planning permission 24/0064/FUL for the Restoration of Middlesbrough Old Town Hall and Clock Tower involving alteration and extension to the Old Town Hall including the demolition of the single storey side extension to be replaced with a new single storey extension with mezzanine level for Class E(g) use. Internal refurbishment to the Old Town Hall, restoration and repair of the Clock Tower and various other external works including hard and soft landscaping	Validated 12th December 2025 Under consideration
25/0118/DIS	35 - 37 Albert Road, Middlesbrough, TS1 1NS	Discharge of condition 5 on planning permission 25/0011/FUL (Change of use of upper floors and part ground floor from Class E to 4no. HMOs and external alterations including installation of new shopfront to ground floor commercial unit (Class E))	Validated 27th October 2025 Under consideration
25/0123/COU	9 Baker Street, Middlesbrough, TS1 2LF	Change of use from Retail (Class E) to residential dwelling (Class C3).	Validated 10th November 2025 Under consideration
26/0004/FUL	34 Linthorpe Road Middlesbrough TS1 1RD	Removal existing roof, including underlayment and Welsh slates, and installation of replacement roof, including new underlayment and Canadian slates (Retrospective)	Validated 4th February 2026 Under consideration
26/0005/LBC	34 Linthorpe Road Middlesbrough TS1 1RD	Removal existing roof, including underlayment and Welsh slates, and installation of replacement roof, including new underlayment and Canadian slates (Retrospective)	Validated 4th February 2026 Under consideration

Application Number	Address	Summary of Development	Status
26/0011/FUL	Broadcasting House, Newport Road, Middlesbrough, TS1 5JA	Change of use of ground floor units 3 and 6 from a carers resource and information centre (Class A2) to a Homeless Hub Facility and offices (Class E), replacement of existing unit 3 and 6 shopfronts and shutters and erection of level access ramp at unit 6	Validated 3rd March 2026 Under consideration

Current Enforcement Cases

Address	Unauthorised Works and date reported	Requirements
12-14 Borough Road	Development not in accordance with planning permission Reported January 2024 Enforcement Notice issued 14th February 2024	14th February 2024 Enforcement Notice served requiring breaches to be rectified. Appeal lodged and dismissed by planning inspectorate. Revised scheme agreed with owner in February 2026. To be regularised by means of s73 application.
32 Linthorpe Road	Removal of timber sash window and replacement with upvc Enforcement Notice issued by MBC in 2023	Still in discussions with property owner to secure replacement window.
24 Borough Road	Unauthorised extension to rear of property Reported 30th August 2024	Officers have been liaising with building owner to arrange submission of retrospective planning application to regularise the works.
Birdcage, Bedford Street	Erection of glazed screens on parklet. Unauthorised development without planning permission Reported 15th July 2025	Liaising with police to understand impact to ascertain whether it is necessary to require the screen to be removed. Enforcement case closed. No action required at this time.
The Shakespeare, 34 Linthorpe Road	Unauthorised signage on Listed Building, reported 24th October 2025	Met with occupier to discuss breaches and agree a strategy for removal of signage and repair to damage caused. Majority of unauthorised signage removed. Awaiting retrospective application for retention of remainder.
139-141 Linthorpe Road	Unauthorised change of use and alterations to Grade II listed building to accommodate 25 bed residential accommodation, reported 18th November 2025	Site visit undertaken by MBC Building Control and Cleveland Fire Service. Enforcement case closed. No breach of planning control at this time.

Address	Unauthorised Works and date reported	Requirements
The Shakespeare, 34 Linthorpe Road	Unauthorised works to a listed building involving the removal of Welsh slate roof and replacement with concrete tile roof. Reported 27th November 2025	Temporary Stop Notice issued to prevent any further concrete tiles being laid. In response owner completed the roof with Canadian Slate. An application for retrospective listed building consent has been submitted and is under consideration.

Current Appeals

Application Number	Address	Status
APP/K0750/Z/25/3369540	Signage at Hill Street Shopping Centre	Appeal Dismissed
APP/K0750/H/25/3370242 Advert	Pavement outside Cleveland Centre/Linthorpe Road	Appeal Dismissed
APP/K0750/W/25/3370234 Planning	Pavement outside Cleveland Centre/Linthorpe Road	Appeal Dismissed
APP/K0750/H/25/3370241 Advert	Pavement outside Foot Asylum, Corporation Road	Appeal Dismissed
APP/K0750/W/25/3370230 Planning	Pavement outside Foot Asylum, Corporation Road	Appeal Dismissed
APP/K0750/W/25/3370235 Planning	Pavement outside Lounge Afrique, Corporation Road	Appeal Dismissed
APP/K0750/H/25/3370243 Advert	Pavement outside Lounge Afrique, Corporation Road	Appeal Dismissed
6005028 Installation of 1No. BT Street Hub Unit	Footpath outside 92 Corporation Road, Middlesbrough, TS1 2RB	Appeal lodged 12th February 2026. Start Date 24th February 2026 Questionnaire Submitted
6005030 Two digital 75 inch LCD display screen, one on each side of the Street Hub unit.	Footpath outside 92 Corporation Road, Middlesbrough, TS1 2RB	Appeal lodged 12th February 2026. Start Date 24th February 2026 Questionnaire Submitted

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Middlesbrough Development Corporation

Agenda Item 9
Report to the MDC Board
26 March 2026
Report of Interim Monitoring Officer

URGENT AND DELEGATED DECISIONS

SUMMARY

This report provides an update for the Middlesbrough Development Corporation Board of Delegated and Urgent Decisions taken since the last Development Corporation Board meeting on 18 December 2025.

RECOMMENDATIONS

It is recommended that the Middlesbrough Development Corporation Board:

i. NOTES the Urgent Decision detailed in Paragraph 2 and **Appendix 1** to this report.

DETAIL

Urgent Decisions

1. Paragraph 18.1 of the Middlesbrough Development Corporation Constitution provides:

   'Where a decision needs to be taken urgently and it is not practical to convene a quorate meeting of the Board or relevant committee or subcommittee of the Development Corporation, the Chief Executive, in consultation with the Chair (or in their absence the Vice Chair) of the Board or relevant committee or subcommittee, the Group Director of Finance and Resources and the Monitoring Officer, has the authority to take an urgent decision.'

2. Since the last MDC Board meeting on 18th December 2025, the following Urgent Decisions have been taken:

   2.1 to authorise the administration of business rate relief under s.47 of the Local Government Finance Act 1988, from 1 April 2024 for further applications considered in December 2025. The Urgent Decision is attached at **Appendix 1.**

Middlesbrough Development Corporation

FINANCIAL IMPLICATIONS

3. The financial implications in relation to the Urgent Decision are identified within the decision form.

LEGAL IMPLICATIONS

4. The decisions referred to in this report have been taken in accordance with the Middlesbrough Development Corporation Constitution and relevant delegations from the Board.

RISK ASSESSMENT

5. This report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

Name of Contact Officer:	Eleanor Thomas
Post Title:	Governance Officer
Email Address:	Eleanor.thomas@teesvalley-ca.gov.uk

Middlesbrough Development Corporation

Appendix 1 to Agenda Item 9
Report to the MDC Board
26 March 2026
Report of Interim Monitoring Officer

DELEGATED DECISION (URGENT DECISION – PARAGRAPH 18, Middlesbrough Development Corporation Constitution)

This form should be used to record decisions taken under delegated decision arrangements by the Chief Executive in consultation with the Chair of the Board, Statutory Officers (the Group Director of Finance and Resources and the Monitoring Officer), where the decision needs to be taken on less than 28 days' notice and it is not practicable to form a quorate meeting of the Board.

A record of this decision must be submitted to Board. An annual record is also maintained by the Monitoring Officer.

OFFICER: Chief Executive	DATE DECISION TAKEN: 23rd December 2025
DECISION NO: MDC UD 14-2025	DELEGATION POWER AND PAGE OF CONSTITUTION: Paragraph 18 - Middlesbrough Development Corporation Constitution

DESCRIPTION OF DECISION:

MDC has taken an urgent decision in line with its constitution (Rule 18 of the Middlesbrough Development Corporation Constitution) as follows:

- The decision of the Corporation under s.47 of the Local Government Finance Act 1988 is that discretionary relief should apply from 1 April 2024 where the criteria is met, and at the rate provided for, under the Business Rates Relief: 2025/26 Retail, Hospitality and Leisure Scheme

The above scheme is a Government Scheme, which the law provides are administered by Middlesbrough Council and Middlesbrough Development Corporation (in their respective areas), pursuant to s47 of the Local Government Finance Act 1988.

Middlesbrough Development Corporation and Middlesbrough Council will comply with the compensatory provisions as set out in the Middlesbrough Development Corporation (Functions) Order 2023. This ensures that Middlesbrough Council is not left in a detrimental financial position as a result of the Development Corporation's decisions on Discretionary Rate Relief.

The above decision has been taken for the two businesses as set out in writing by Middlesbrough Council to the Corporation – application references: FS758089632, FS762819257.

Middlesbrough Development Corporation

REASON WHY IT IS IMPRACTICAL TO GIVE LONGER NOTICE OR CONVENE A MEETING OF MIDDLESBROUGH DEVELOPMENT CORPORATION: Middlesbrough Council, as billing authority, is required to implement the required billing processes for the above schemes for financial year 1 April 2025 – 31 March 2026. Any delay in making this decision would be in order to bring this decision to a Board Meeting. If this option were taken it would delay Middlesbrough Council being able to issue bills to businesses, causing uncertainty for those businesses and possibly having a negative financial impact on the businesses who have applied for relief.
FINANCIAL IMPLICATIONS: The discretionary rate reliefs are issued under the Business Rates Relief: 2025/26 Retail, Hospitality and Leisure Scheme. The relief scheme is a temporary Government backed scheme which will in line with the eligibility criteria set out in the relevant guidance, reimburse local authorities that use their discretionary relief powers under Section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. Therefore there are no financial implications of this decision as all rate reliefs issued should be recoverable from Government for the loss of income under the rates retention scheme as a result of awarding the relief that falls within the definitions in relevant guidance, using a grant under Section 31 of the Local Government Act 2003.
EXISTING BOARD DECISION WHICH ASSIGNED THE NECESSARY FUNDING: Not applicable.
PROCESS OF PARTNER CONSULTATION: The Chief Executive has, in compliance with Paragraph 18 of the Middlesbrough Development Corporation Constitution, consulted with the Chair of the Board, s73 Officer and Monitoring Officer and in addition, with Officers from Middlesbrough Borough Council, as the billing authority.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED: The alternative option would be to reject the applications for relief however this was not appropriate given the applicants are eligible and the scheme is funded by Government therefore has no financial implication on Middlesbrough Development Corporation.
ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS: The Middlesbrough Development Corporation was established by the Secretary of State for the Department for Levelling Up Housing & Communities at the request of the Tees Valley Combined Authority. The Chief Executive, the Chair, the Deput Monitoring Officer and the Interim Director of Finance & Resources for Middlesbrough Development Corporation, hold similar roles for the Tees Valley Combined Authority. It is acknowledged that in making of this decision there could be a perceived conflict of interest. The Chief Executive in making this decision, and the Chair, Interim Monitoring Officer and Interim Group Director of Finance & Resources as part of that delegation have been consulted and have considered whether the perceived conflict of interest amounts to an actual conflict of interest. The award of relief pursuant to the Government Scheme detailed in this decision, does not result in any financial detriment to the Development Corporation. Any relief given in pursuance of the government scheme, is reimbursed by central government. As there is no financial detriment to the Development Corporation, there is no likelihood of any financial detriment to the Tees Valley Combined Authority and therefore no conflict of interest has been identified.

SIGNATURE:	SIGNATURE:	SIGNATURE:	SIGNATURE:
CHIEF EXECUTIVE DATE: 09/12/2025	CHAIR MIDDLESBROUGH DEVELOPMENT CORPORATION DATE: 01.12.2025	INTERIM MONITORING OFFICER DATE: 23/12/2025	INTERIM GROUP DIRECTOR OF FINANCE & RESOURCES DATE: 10/1202025
All sections below are for Governance Team use only DATE REPORTED TO MANAGEMENT GROUP:			

Once fully complete and signed off please return to the Governance Team.

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