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DARLINGTON
BOROUGH COUNCIL

TEES VALLEY PARTNERSHIP

Darlington Gateway Development Framework

Final Report

Report

Appendices

This report has been prepared by Donaldsons Property Consultants. A List of Partners of the firm is available for inspection at the Registered Office.

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1 Executive Summary

Introduction

1.1 The Tees Valley Partnership appointed Donaldsons, in partnership with SQW Ltd, Lewelyn Davies and Jacobs Consultancy in May 2002 to undertake a major development framework for a number of sites in the Darlington area. The sites are located around the main line rail station; in the town centre; close to the A66 and close to the A1 (M) and include four strategic development sites each over 40ha (100 acres).

1.2 Prior to this appointment Darlington was identified as the ‘Gateway’ to the Tees Valley and it is believed that the town has locational and quality of life advantages which, if capitalised upon, can generate economic and development activity, which may not go elsewhere in the Tees Valley.

1.3 The framework therefore provides a programme of measures, designed to enhance those characteristics in order to facilitate development, and a number of investment priorities for the public sector.

1.4 The framework also provides a set of investment priorities principally for the Tees Valley Partnership, for the Tees Valley Urban Regeneration Company and for the Darlington Partnership.

The Brief

1.5 The brief sought to generate a development framework, with proposals that would attract development and employment to Darlington and the wider Tees Valley by building on its gateway location and quality of life characteristics. Consideration was also given to the key sectors for future economic growth in Darlington, as identified in the Tees Valley Economic Futures Study and the Baseline Scenario Study.

1.6 The brief also required a review of the potential development sites for office and business development against the economic research undertaken. The sites were:

- Haughton Road
- Faverdale (including land to the east of the Strategic Reserve Site)
- Yarm Road North (Darlington Great Park)
- Town Hall Plus Feethams East
- Feethams West
- Yarm Road South (Morton Palms Extension Land)
- Site South of Ring Road
- Railway Station West and East.

1.7 From the nine sites included within the brief only three were carried forward for inclusion in the Development Framework. The Framework focuses on these priority sites and considers physical developments that meet the economic needs/demand of the town as well as other issues such as supply chains, physical site characteristics, service availability, transport requirements, planning issues, designs, environmental factors and other constraints.

1.8 The study also had to review the requirements for the Faverdale Strategic Reserve Site and the opportunities for complementary development required to facilitate the growth of the identified economic sectors. Once the background research and analysis had been undertaken the team were required to create a Development Framework and identify an overall set of priorities for the partners.

Study Process

1.9 The framework puts forward proposals that will attract development and employment to Darlington by building on its 'gateway location' and other key characteristics. In putting forward proposals the framework considers the requirements of the brief and address a number of key sectors necessary for economic growth as detailed below:

Economic

1.10 Darlington has a history of economic under-performance and in looking to the future the economy of the town will have to move in one of several directions. We believe Darlington has a real opportunity to successfully improve its image, and thus the perception of the Tees Valley area in general, by working with its indigenous resources such as its advantageous location, superior business and high quality of life.

1.11 Local businesses/firms in the town support the view that Darlington is well placed (in locational terms) to create new inward investment opportunities and if the right offer is created this will support any future growth and expansion of existing businesses in the town. It will also help retain the young population and assist in attracting inward investment.

Supply and Demand

Faverdale Strategic Reserve Site

1.12 The Faverdale Reserve Site is circa 120ha (297 acres) and is held in reserve for a large inward investor. Whilst interest has been expressed in this site it still remains available. In terms of future demand it is not possible to predict the level of interest.

1.13 We acknowledge the site is greenfield in nature and that strong arguments must be put forward in terms of securing greenfield consent. However, we would highlight the site was originally allocated as a strategic reserve site in the Borough of Darlington Local Pan 1997 and the fact that it is exclusively reserved for large inward investors. In this respect it must be recognised that Faverdale will only be released for major inward investors, which if implemented the economic benefits to Darlington and the wider Tees Valley would far outweigh the loss of greenfield allocation.

1.14 The presence of the strategic site at Heighington Lane, Newton Aycliffe around 6.4km (4 miles) to the north of Darlington must be recognised.. However, in light of this sites existence we believe Faverdale is the preferred location for a number of reasons. Whilst both sites have access to the A1M, Faverdale unlike Heighington Lane, is immediately adjacent and enjoys good visibility and profile. Heighington Lane is set back from the motorway and has lees prominence than Faverdale. Faverdale also benefits from the possibility of a future freight rail spur from the existing Corus connection in the medium to longer term whereas Heighington Lane does not. Given the above we believe Faverdale is more sustainable than Heighington Lane and in this respect it would seem logical to retain the strategic allocation.

1.15 Indeed we would also highlight that Heighington Lane remains undeveloped despite its assisted area status. Whilst Faverdale has similar status this was only recently implemented and without this had previously attracted interest from Mercedes, Hyundai and Kimberly Clark. This would appear to support our view that Faverdale is the preferred strategic location.

Industrial Market – Tees Valley

1.16 Despite a large supply of allocated land, there is little supply of good clean serviced sites in the Tees Valley. In addition there is a large amount of old (secondary) stock available but this is largely unsuitable for today's modern day users and is in the wrong locations. On current figures there is just over one years supply of industrial space available (99.959sq.m (1,075,985sq.ft)) of which little can be described as modern space.

Industrial Premises - Darlington

1.17 There has been little in terms of new speculative development in Darlington largely due to the absence of assisted area status. The most notable observation from our analysis was the limited available modern format space in the traditional mid-range of 450-1,800sq.m (4,884-19,377sq.ft).

Demand for Industrial Premises

1.18 Demand is thought to be better in Darlington than in the eastern parts of the Tees Valley where there is a large amount of available stock in Enterprise Zones. It is believed that there is a reasonable demand for a limited number of new, medium-sized (10-20,000sq.ft) units in the town. It was also evident from our consultations with local businesses that there is also a latent indigenous demand.

Distribution/Logistics – Darlington

1.19 Darlington acts a regional hub for the Tees Valley and is situated in an ideal location for the distribution of goods via transit. The major competing distribution locations (the M62 corridor) are now nearing capacity and indeed very few sites in these established areas are now capable of accommodating buildings over 27,868sq.m (300,000sq.ft). The increased competition for sites in these locations is forcing occupiers to look further afield in terms of location including Darlington. This is reinforced through initial consultations with distribution occupiers who have revealed a demand for a range of units that could be developed speculatively with the minimum being 9,290sq.m (100,000sq.ft).

Available Office Premises – Tees Valley and Darlington

1.20 There is sufficient quality stock in the Tees Valley (excluding Darlington) to meet the historic demand. However, in stark contrast to the wider Tees Valley there is a shortage of modern stock in Darlington but Morton Palms will add to this. Whilst Morton Palms will provide the quality stock in Darlington for the next five years there is still a requirement for space beyond the life of Morton Palms and space will need to be brought forward to meet demand after this period.

1.21 Darlington is well placed, in locational and lifestyle terms to attract an element of the office and service sector. However, unlike the rest of the Tees Valley the town has not received assistance from the public sector to develop quality office space. Consequently there is a strong prospect of latent demand within the town and wider area. This was borne out through our consultations with local firms and business as highlighted in section 3.

Requirements for Marketing

1.22 Darlington is viewed as a successful office and service centre providing a gateway function to the wider Tees Valley area. The key to the success of Darlington in these markets will be fundamentally linked to a promotional campaign on both a wider strategic level (Tees Valley) and a more local level in Darlington supported by the provision of new space and availability of serviced sites in order to deliver accommodation for the demand in a timescale beyond that of Morton Palms. This marketing is required to attract new inward investors to Darlington which would not have otherwise considered the Tees Valley. It is an addition to the range of accommodation provided, and not a direct competitor with the other B1 sites in the Tees Valley, since its target market is occupiers outside of the Tees Valley.

Exemplars

1.23 In order to inform our opinions of bringing forward development on the subject sites consideration was given to, what we believe are, successful schemes/exemplars elsewhere in the Tees Valley and the wider surrounding regions. The exemplars chosen were:

- Doxford – Sunderland
- Teesdale – Stockton
- York Science Park
- Clifton Moor – York
- Thorpe Park – Leeds

1.24 Each of these exemplars share key components which have contributed to their success these namely being: vision and framework for development, a quality environment, good accessibility, education/potential education links, enterprising developer(s) and successful corporate marketing.

Inward Investor Feedback

1.25 A selection of occupiers at these schemes and local/national agents have also been consulted to determine whether they would have/or their clients would have located in Darlington should alternative accommodation have been available. Although it was difficult to identify and then secure a dialogue with such companies we believe this is valuable first hand information.

1.26 The feedback from this exercise indicates that there has generally been a lack of inward investment to the town partly because there is very little office space available and because Darlington has not actively marketed its offer in order to create interest. Whilst there has been limited inward investment we believe the town will still be able to attract investors through the provision of high quality accommodation and increased marketing of Darlington's and the Tees Valley's offer.

Accessibility – Highway Network Issues

1.27 The A66 to the east of Darlington town centre has been the subject of evaluation by the Highways Agency in regard to the level of new local development which can reasonably be allowed due to likely generated traffic. An agreement with the Highways Agency regarding the impact of the construction of the new Darlington Eastern Transport Corridor Link onto the A66 and the level of future development which can generate traffic on to this route has been formalised. This particularly relates to the development of Darlington Great Park and Haughton Road sites where beyond the agreed level of traffic generation, the A66 is likely to constrain further development unless significant improvements/upgrading are made.

1.28 The Faverdale sites will provide Darlington with major development potential and the excellent access to the A1(M) will encourage the promotion of distribution uses, which rely heavily on good highway infrastructure. The main distributor road into the site could in this respect form part of an extended East-West route to the north of the town centre, linking with the Darlington Eastern Transport Corridor.

Urban Design Analysis

1.29 Because of Darlington's location, improvements to key sites in and around the town will reflect positively on the Tees Valley and its image as a whole. Any future development In Darlington will need to:

- Reinforce the position and function of the town centre as the main focus for Darlington's residents while allowing neighbouring centres to cater for their immediate surrounding.

- Build development to relate and strengthen its immediate context. Linkages to existing local neighbouring centres should be safeguarded in layouts. If new local facilities can be integrated into developments as a new neighbourhood centre, this should be encouraged.

- Non car accessibility of all areas needs to be considered for all new forms of development.

Conclusion

1.30 When travelling to the Tees Valley by road or rail, Darlington, inevitably needs to be passed and thus forms the 'gateway' to the area. Because of the town's strategic location any improvements to key sites in and around the town will not only reflect positively on the town but on the Tees Valley as a whole. This is especially true along strategic routes that serve Darlington and which also continue further into the Tees Valley.

1.31 High quality developments along these corridors will not only strengthen Darlington's offer for employment opportunities and quality of life it will also reflect on the Tees Valley area as a whole.

Recommendation

1.32 Its is therefore recommended that the Tees Valley Partnership should incorporate these Priority Sites within their review of the Tees Valley Strategy and applications be made for funding in order to bring forward the sites and marketing strategy, in accordance with the recommendations of this report.

2 Introduction

2.1 The Tees Valley Partnership appointed Donaldsons, in partnership with SQW Ltd (specialist economists), Lewelyn Davies (urban designers) and Jacobs (transportation consultants) in May 2002, to undertake a major strategic development framework for a number of sites in the Darlington area. The sites are located around the main line rail station; in the town centre; close to the A66 and close to the A1(M) and include four strategic developments sites each over 40ha (100acres).

2.2 Prior to this appointment GHK Consultants, in their 2001 Tees Valley Baseline and Scenario Study, identified Darlington as the 'gateway' to the Tees Valley. This phrase was used to explain that Darlington had particular characteristics which, if capitalised upon, would be of benefit to the prosperity of the wider Tees Valley. 'Darlington Gateway' was viewed by this study as part of a 'Western Growth Corridor', stretching from Darlington to Stockton through Teesside International Airport, which was felt to have good prospects as a location for new economic activity.

2.3 This framework, therefore, provides a programme of measures, designed to enhance those characteristics in-order to facilitate development, and a number of investment priorities for the public sector. Such priorities have been determined through the extent to which they:

- Enable the Tees Valley to make the most of Darlington's locational (and other) characteristics;
- Enable Darlington to contribute to the economic development of the Tees Valley as a whole;
- Establish a long-term economic raison d'être for Darlington.

2.4 This framework also provides a set of investment priorities principally for the Tees Valley Partnership (through its use of One North East (ONE) funds), for the Tees Valley Urban Regeneration Company (TV URC) and for the Darlington Partnership (the Local Strategies Partnership). Darlington Gateway is one of the initial priorities proposed for the TV URC and this Development Framework highlights specific projects in Darlington for the URC to address.

Tees Valley Partnership and the Vision

2.5 The Tees Valley Partnership is one of four sub-regional partnerships in the North East and plays a major role in delivering the sub regional economic development and regeneration agenda. Members of the TVP comprise Darlington BC, Stockton on Tees BC, Middlesbrough BC, Hartlepool BC, Redcar and Cleveland BC, Tees Valley Learning and Skills Council, Business Link Tees Valley, Tees Valley Tomorrow, Tees Valley Committee of the NE Chamber of Commerce, Tees Health Authority and representatives from the private sector, trade unions, universities, college of further education and the voluntary sector.

2.6 The TVP have established a 20 year economic development and regeneration strategy that seeks to transform the economic, social and environmental prospects of the area. To achieve this vision the TVP have identified three strategic objectives:

- Building a confident and vibrant society.
- Building a competitive and sustainable economy.
- Building a liveable and inspiring environment.

2.7 This Framework is part of the vision for the Tees Valley and provides the basis for a ten-year programme to drive economic growth and competitiveness. The Framework also forms part of a wider programme of research and project development that aims to:

- Set out a long-term economic strategy;
- Map the spatial implications of the strategy, identifying the role and contribution of each of the major communities in the Tees Valley;
- Provide an integrated five-year investment programme identifying key projects that are essential to achieving the vision. This will underpin future bids to One North East's regeneration monies and other sources of UK and EU funds;
- Define the priorities for the Tees Valley Urban Regeneration Company (TVURC) in attracting private sector investment and implementation programme.

The Brief

2.8 In summary the central part of this commission was to generate a development framework, with proposals that would attract development and employment to Darlington by building on its gateway location and quality of life characteristics.

2.9 The brief sought consideration of the key sectors for future economic growth in Darlington – identified in the Tees Valley Economic Futures Study and the Baseline and Scenario Study.

2.10 The brief required a review of a number of potential development sites in Darlington for office and business development, particularly sites close to major transport connections against the economic research which had been undertaken. The sites were:

- Haughton Road
- Faverdale (including land to the east of the Strategic Reserve Site)
- Yarm Road North (Darlington Great Park)
- Town Hall Plus Feethams East
- Feethams West
- Yarm Road South (Morton Palms Extension Land)
- Site South of Ring Road
- Railway Station West and East

2.11 The study also had to review the requirements for the Faverdale Strategic Reserve Site and the opportunities for complementary development required to facilitate the growth of the identified economic sectors. The study team was also required to comment on whether the existing strategies/studies undertaken provided a sufficient set of actions to capitalise on Darlington's characteristics.

2.12 Once this background research and analysis had been undertaken the team was required to create a Development Framework and identify an overall set of priorities for the partners.

STUDY PROCESS

2.13 This framework puts forward development proposals that will attract development and employment to Darlington by building on its 'gateway location' and other key characteristics. In putting forward proposals this Framework considers the requirements of the brief and addresses a number of key sectors necessary for economic growth, as detailed below.

2.14 **Economic -** In order to identify baseline trends, the economic background, opportunities and any other significant issues that related to the objectives of this study a review of previous studies/documents has been undertaken.

2.15 The potential for different types of economic development have been assessed in two ways. Firstly an external view of Darlington has been adopted focusing on its sub regional and competitive context. This largely focuses on the potential roles for Darlington in the sub region and in relation to competing locations for various types of development elsewhere in the Tees Valley and the wider surrounding regions.

2.16 Secondly an internal view of the potential of existing firms within the area has been undertaken. This was derived from interviews with a selection of key firms and business support organisations that were knowledgeable about the economic potential of the business base in the town. This informed the study as to the size and location of popular space which was then utilised in the site specific feasibility studies. Particular attention has been made to the potential for development of a dynamic engineering cluster.

2.17 **Supply and Demand –** In this chapter of the report we examine the supply and demand for the following land uses in Darlington.

- Industrial land and premises
- Office and B1 sites and premises
- Retail space
- Leisure space
- Residential development

2.18 In undertaking this work our research has included:

- Previous studies carried out in Darlington and the Tees Valley.
- Information provided by Darlington Borough Council (DBC), The Tees Valley Joint Strategy Unit (TVJSU), The Tees Valley Development Company (TVDC) and other public sector bodies.
- Discussions with players in the property market place including developers, local agents, One North East and DBC.
- Discussions with local firms and potential purchasers and occupiers.

2.19 In order to further test the theory that Darlington, as a gateway location, would attract economic activity and development that would not go elsewhere in the Tees Valley, Interviews have been undertaken with the key occupiers at the exemplars detailed at Section 4 of this report. This was to determine/seek their views on whether they would have located in Darlington should suitable accommodation have been available.

2.20 **Exemplars** - The exemplars considered were York Science Park, Clifton Moor – York, Thorpe Park – Leeds, Teesdale – Stockton and Doxford – Sunderland. Our analysis of these exemplars identifies the size, type and locational requirements of each scheme and information in respect of the method of bringing forward development. This information has been utilised to inform the next methods of bringing forward development on the subject sites. An assessment of the competing opportunities in the North east was also undertaken to gauge the level, quantity and quality of other available sites.

2.21 Having carried out this exercise we then consider the findings alongside the factors which appear to have contributed to the success of the exemplars in Chapter 4. This information provides the basis of our recommendations in respect of the development strategies for the various sites to be reviewed.

2.22 **Accessibility Issues –** Jacobs Consultancy have undertaken a transport and accessibility appraisal for each of the identified sites to examine the potential constraints for access by all transport modes and the interrelationship and integration with the Local Transport Plan and Local Development Strategies. In addition to these assessments the following key aspects of site development have also been considered.

- **Potential connections and cost for connections to utilities services** – Access to utilities for each site has been investigated and the constraints identified through contact with the Statutory Undertakers.
- **Current record of contamination and needs for remediation for the proposed uses** – For each site the potential contamination record from previous uses has been interpreted through an appraisal of existing records. Following this exercise the need for remediation or further exploratory works have been identified.
- **Possible flood plain impact under PPG25**.- An initial examination on the potential impact of being located in the Tees flood plain has been undertaken.

2.23 As part of this review Jacobs have undertaken a review of the current Local Transport Plan and Development Plan to understand local transport strategies and current implementation strategy in relation to the potential development sites and linkages to Darlington town centre, district centres and the strategic road, bus and rail network.

2.24 Following the master plan exercise and the identification of specific sites and likely land use mixes the potential for access by car, service vehicle's, bus, rail, cycling and for pedestrians has been considered. A comparative appraisal for each site has been undertaken to feed the overall assessment process and particular issues include:

- Integration with existing public transport services
- Parking standards and provision
- Local accident problems
- Outline implications for junction and link capabilities
- Development of sustainable transport access

2.25 **Urban Design Analysis –** This chapter largely focuses on physical site characteristics such as topography, landscape structure, linkages to surrounding network and services, transport requirements, relationship to surrounding uses. This analysis forms the basis of estimates for development capacity in view of demand, planning requirements and development targets.

2.26 **Development Framework and Site Specific Action Plans -** Feasibility studies for each of the sites have been undertaken, addressing such issues as land ownership, need for site assembly, physical site characteristics, service availability, transport requirements, planning issues, designs, environmental factors and all other issues and constraints. This considered two main areas.

2.27 Firstly did the existing use allocations meet the requirements of the market and secondly, on a strategic level, was the balance of uses on the sites workable in terms of sustainability of economic activity and deliverability of new development.

2.28 From this work the sites to take forward for development have been identified. Three sites have been selected for inclusion in the framework, **Haughton Road**, **Faverdale** and **Great Park**

2.29 **Review of Faverdale Strategic Reserve Site**

As part of this framework the strategic allocation of this site was reviewed. The future of the site , within the wider Tees Valley in terms of strategic provision was considered. Consideration has also been given to a range of alternative uses including residential and commercial uses other than its current allocation. An action plan has been provided including site plot layout, type of units, size and number, initial costing and marketing strategy.

3 Economic Baseline Analysis

3.1 In this chapter, information is presented on the key economic and social baseline characteristics of Darlington Unitary Authority, and this is compared with indicators for the Tees Valley, the North East and the UK as a whole. The indicators that have been selected include: location, demographic trends, employment, education and skills, GDP and earnings, unemployment, quality of life and the index of multiple deprivation (including debt, health, education, social and environmental and crime).

3.2 The context for this study is set by the current momentum of development initiatives and studies that are being undertaken as part of the Tees Valley Vision Action Framework, which is being implemented by Tees Valley Partnership. Setting the economic context has involved an extensive literature review of key reports and policy documents for the Tees Valley area. The baseline draws on the information from these reports and from other available statistics on the characteristics and performance of the local economy. Additional information has been drawn from a telephone survey of 34 Darlington businesses, carried out during June 2002, to gather their views on Darlington as a business location. Reference is made to the relevant findings of the business survey in the following sections and further references are made in Chapter 3 on 'Supply and Demand'. The full results of the business survey can be found in Appendix 1.

Overview

3.3 Darlington has suffered poor economic performance. The town has low wages relative to the rest of the Tees Valley and an overall low skills base. Demographic trends are predicted to remain stable for the next ten years. However, young people are underrepresented in the town and educational attainment is below average at secondary school level. Darlington has a higher than average number of engineering companies (particularly metal sheet fabrication), construction and business service companies. Unlike the rest of the Tees Valley, there has been little in the way of inward investment and start up activity in the town to date. However, Darlington has a number of assets in terms of its location, its communications network, its built environment and 'quality of life' that when combined together give this town significant potential to take up a distinctive role in the economic revival of the Tees Valley.

Location

3.4 Darlington has an excellent location, situated some 36 miles south of Newcastle and 44 miles north of York, where the Tees Valley/A66 trunk road intersects the A1/East Coast main line transport corridor. The area is also served by the Teesside International Airport, located to the East of Darlington on the A67. The conurbation of Teesside lies to the east, North Yorkshire to the south, County Durham to the North and Teesdale to the west. The areas to the west and south are sparsely populated rural uplands.

3.5 Companies that took part in the business survey were asked about the strengths of the town in terms of a business location. Seventy nine percent made unprompted reference to the very good accessibility of the town, either in terms of location or infrastructure (or both). When asked specifically about transport infrastructure in the local area, 70% of respondents said that they were satisfied with what was available. Their comments supported the concept that the town acts as a gateway, and that this role may provide potential for future growth. The minority who were dissatisfied commented on specific problems such as congestion in the town centre and limited flights from the airport.

Demographic trends

3.6 The following sections are based on pre-2001 Census Information. This data highlights that the population in Darlington has increased slightly since the 1970s when it stood at around 98,000[1] to the current level of around 100,300[2]. Approximately 85%[3] of the borough's population live within the town. The Office for National Statistics and the Government's Actuary's Department has predicted that the population of Darlington will remain relatively stable, declining only modestly, over the next 20 years[4]. This contrasts with trends in the Tees Valley and North East. The Tees Valley population decreased by 2.5% in the last 30 years from 668,000 in 1971 to 651,000 in 2001, and is projected to decline by a further 4.1% to 624,000 in 2021.

3.7 At the regional level, the population in the North East has declined by 3.7% since the 1970s and is set to decline by a further 2.7% between 2001 and 2021[5]. Conversely, the UK population is growing and has risen over the same period and is predicted to continue to increase further to 2021[6]. Figure 1 shows comparable population change statistics for each of these areas between 1971 and 2001 and the projected change between 2001 and 2021.

Figure 1: Actual and projected population change between 1971 and 2001

	1971	Population change 1971-2001	2001	Population change 2001-2021	2021
UK	55,928	7.2%	59,954	6.2%	63,642
North East	2,679	-3.7%	2,579	-2.7%	2,509
Tees Valley	668	-2.5%	651	-4.1%	624
Darlington	98	3.1%	101	-1.0%	100

3.8 The percentage of the population in 2000 in the economically active age group of 15-64 is slightly lower in Darlington (64.3%) than it is for the Tees Valley sub-region (64.9%), the North East region (65.3%) and for Great Britain (65.5%). This is mainly because Darlington has a significantly lower proportion of young people aged between 20 and 24 years of age than at the regional and national levels. Only 4.6% of the total population in Darlington is part of this young 'working population' age

[1] Population in 1971, based on 1996-based subnational population projections, Regional Trends, ONS, 2001

[2] mid-2002 population estimates, TVJSU, based on 2000-based population projections

[3] Darlington Economic Development Strategy, 1999 - 2004

[4] 1996-based subnational population projections, Office for National Statistics and the Government's Actuary's Department, Regional Trends, 2001

[5] Regional Trends, ONS, 2001

[6] 1998-based national UK projections. Office for National Statistics and the Government's Actuary's Department, Regional Trends, 2001

group, compared to 6% of the total population of the North East and 5.9% of Great Britain. The area also has a slightly higher proportion of people over 65 years of age compared to both the regional and national levels.

3.9 This stability can be partially explained by the low birth rate and low mortality rate between mid-1991 and mid-2000 giving an overall net natural change of a decline of 100 people in the population. Over the same period this decrease has been compensated for by some inmigration into the area, of approximately 700 people. However, the JSU noted in a recent report[7] that the projected stability hides some slight changes within specific groups in the population. The proportion of children and working age people is expected to fall whilst the elderly population is expected to rise.

3.10 Some firms responding to the business survey thought that outward-migration of young people had been increasing and would continue to increase unless large-scale public investment is targeted at rejuvenating the town. These comments were made in the context of opening up employment sites, improving the town's image and offer, and increasing the number of leisure facilities. In total, 11 of the 34 (32%) of companies said in unprompted responses that the image of Darlington was a disadvantage of the area (although two of these believed that it was improving).

Employment

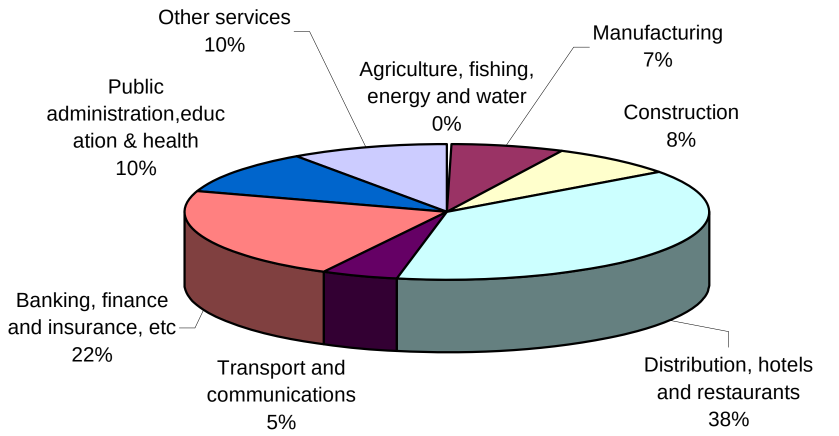
3.11 Historically, the market town of Darlington has developed as an administrative centre and general business activities have grown up around these functions. The economy is now based around the core sectors of steel manufacturing, construction, business services and retail.

3.12 According to the latest information from the Annual Business Inquiry Employee Analysis (NOMISWeb, 2000) there are over 3,000 businesses in Darlington that together employ a workforce of 44,700, an increase of 5% in employment between 1995 and 2000. Most of these businesses are in the service sector (around 85%), which includes some large key employers such as the headquarters of Darlington Building Society, a call centre for Orange and Bannatynes Leisure. Part-time employment has increased in the town as service sector jobs have grown.

3.13 Figure 2 shows the structure of the local economy by SIC sector groups. The largest broad sector group is 'distribution, hotels and restaurants', which represents 38% of all companies in Darlington. The number of manufacturing and construction companies is much smaller sectors in comparison.

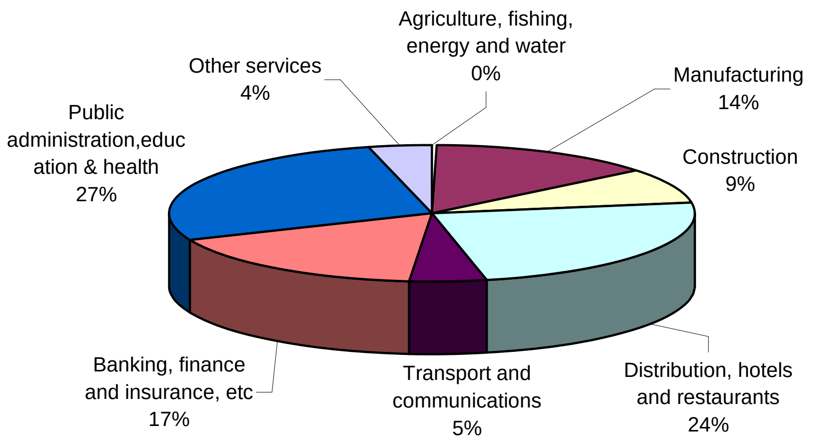
[7] Community Strategy Baseline for Darlington, May 2002

Figure 2: Total companies in broad industrial sector groups (1992 SIC) the local authority area of Darlington



3.14 Figure 3 shows the breakdown of the local economy by the number employed in each of the broad 1992 SIC sector categories. Public sector services dominate the economy by employment size. This breakdown shows that many of the distribution, hotel and catering companies are small employers and this sector has a relatively equal share of total employment to the (engineering) manufacturing and construction sectors combined.

Figure 3: Employment by broad industrial sector groups (1992 SIC) the local authority area of Darlington

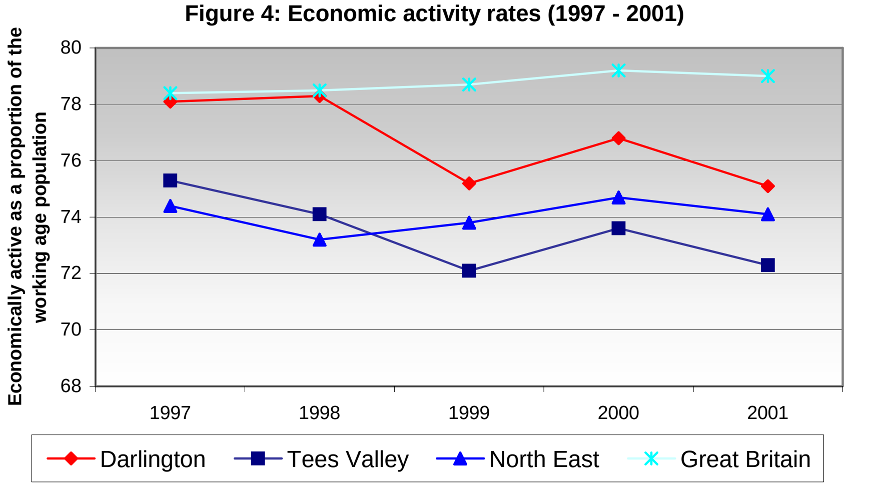


3.15 There has been a structural shift over the past 10 years and employment has been lost in the manufacturing sector (by 10% since 1995) and increased in the construction sectors (by 15% since

1995), business services (by 40% since 1995) and retail sectors. The service sector industries now contribute 83% of total employment[8]. This is higher than many other parts of the North East and above the UK average of 75%[9]. Over the past decade there has been a loss of jobs in manufacturing and a decline in full time male employment. Some growth in female part-time employment has not compensated for this loss and there has been a decline in disposable incomes in the borough. The Economic Development Study by EDAW (1997) forecast future growth in tourism and miscellaneous services and predicted that male employment will grow moderately whilst female employment will grow strongly.[10]

3.16 Figure 4 shows how economic activity rates[11] amongst the working age population in Darlington have declined between the five year period since 1997, following the decreasing pattern of activity for the Tees Valley. In 1997, Darlington equalled the average for Great Britain at 78%. Economic activity rates in the North East have remained relatively stable over the same period at around 74%. Darlington now stands closer to the rate for the North East at 75%. The main reason for the decline has been due to a loss in female employment over this time period. Relative to the North East, the female economic activity rate in Darlington is low. A TVJSU report[12] refers to other studies that have shown there is a link between economic activity rates and the perception of available work, which is even more pronounced amongst females in service sector economies. Although there has been some fluctuation in the rates from year to year, overall there has been a widening gap between economic activity rates in Darlington and those at the national level.

Figure 4: Economic activity rates (1997 - 2001)



[8] Information from the Darlington Economic Development Strategy, 2000

[9] Information from the Darlington Economic Development Strategy, 2000

[10] reference to the EDAW forecast is made in the Darlington Economic Development Strategy, 2000

[11] Source: Labour Force Survey, NOMIS, 1997 to 2001

[12] Community Strategy Baseline for Darlington, May 2002

3.17 Over the past 10 years, the number of business start-ups in Darlington has been very low as it is in the Tees Valley and North East. This can be shown in the statistical data for enterprises registered for VAT per 10,000 of the resident adult population[13]. For example in 2000, the number of business registrations in Darlington was 21 per 10,000 of the resident adult population and the number of de-registrations was also 21, which equalled the level in the North East, which was also 21 registrations and 21 de-registrations in 2000. When compared with the national level, it is evident that start up activity in the North East is significantly lower than in other regions. The number of registrations was 39, and the number of de-registrations was 37, per 10,000 of the resident adult population for the United Kingdom in 2000.

3.18 The business survey of Darlington firms was not fully representative of the economy but found that just over half of the companies interviewed (18 firms) had been founded in the local area but of these only 3 were less than 5 years old.

3.19 Seventy per cent of companies interviewed in the business survey said that they are satisfied with the private sector business services available in the town. Only 14% said that they were dissatisfied and the remainder (14%) did not feel able to comment. Those who were dissatisfied remarked that they thought that there were very few business services in Darlington. A lower proportion (56%) said that they were satisfied with the public sector business services in the town. 35% said that they were dissatisfied and gave reasons such as lack of contact, co-ordination, help and lack of financial assistance (i.e. grant aid).

3.20 Forty-one per cent of respondents said that they have key suppliers in the Darlington area and 53% have key customers in the area. Fifty-nine per cent purchase business services from outside of the Tees Valley area. This included solicitors and IT and many outsource this work to areas within the North East (Durham, Newcastle, Tyne Valley were mentioned). Others said that they have little control over the purchase of support services, which is organised nationally by their headquarters.

Education and skills

3.21 In general, local businesses considered the quality of educational institutions in Darlington to be good. There are two post-16 education colleges in Darlington, which have developed complementary niches within the town. Darlington College of Technology has its strengths in vocational programmes and offers courses from foundation to postgraduate level. The college had 1,321 students aged 17 to 18 on roll in 2001 and, of these, 6% were entered for A/AS/GNVQ examinations in the same year. Queen Elizabeth's Sixth Form College has its strengths in its academic programmes (A-Levels) and had 626 students aged 17 to 18 on roll in 2001 and entered 87% of their students for A/AS/GNVQ examinations. Three other state schools also have sixth form colleges in the borough (Hurworth House School, Polam Hall School and Carmel RC Technology School). In 2001, the average point score per student for the LEA as a whole was 18.9, which compares favourably with the average of 17.4 for England.

3.22 Darlington College of Technology is seeking to build a reputation for innovative practice. The business survey found that a high proportion (39%) of businesses interviewed had some form of links with Darlington College of Technology. This includes activities such as: sending their staff on

[13] latest statistics from Small Business Service cited in *Regional Trends, ONS*

training courses, apprenticeships, accepting students on placements, joint initiatives and using their facilities.

3.23 As part of the business survey, firms were asked to rate the quality of the educational institutions in Darlington on a scale of 1 to 5 and all who responded rated them at 3 or 4. The average was 3.61. None of the respondents rated the educational establishments as low quality (at 1 or 2) and there were no excellent ratings (at 5), which shows that the business community generally think that the standard is good but that there is some room for improvement.

3.24 Despite the positive views of businesses regarding education, GCSE results of secondary school pupils has consistently been below the national average since 1998. For example, in 2001, the overall proportion of secondary school passes between A* and C grades was 47.2% in Darlington. This can be compared to the average of 50% achieving A* and C grades for secondary schools in England. However, the Local Education Authority has made significant improvements since 1998 when the average for Darlington schools was significantly lower at 37.1% when compared to an average of 46.3% for England. These indicators on educational performance indicate that there are low expectations and low skill requirements in the town.

3.25 A Skills Audit was undertaken by Darlington Borough Council in April 2002[14]. The study comprised of three stages; businesses that employed more than ten people were interviewed f ace-to-face and businesses with less than nine employees were interviewed by telephone. A survey of residents was also undertaken in the three wards of Central, Cockerton West and Northgate North. The residents survey interviewed a range of people including the employed, the unemployed, students and retired people. The study concluded that businesses in Darlington have mixed views on skills needs. The skills surveys of both the large and small businesses found that generally these employers believe that skills are generally increasing and there is not a skills gap. Over half of the large employers said that their workforce was either lacking or needed to improve at least one or more skills (the most important were 'communication skills' and 'team working skills'). Half of the larger employers had experienced hard-to-fill vacancies over the last 12 months, whereas the majority of smaller employers had not experienced any problems with hard-to-fill vacancies.

3.26 The larger employers are arranging training both within their organisations and externally, largely for 'occupation specific skills'. The majority of smaller employers said that they are not arranging training and the most common reason given was 'no training required'. Darlington College of Technology was the most used external provider for 25% of large businesses, and is also active at their site in Catterick. Other providers included training companies and public sector support services. A handful of companies were using universities in the region, including Durham, Teeside and Northumbria.

3.27 The residents survey indicated that the skill level is poor. Over half (58%) of respondents said that they possessed one or more qualifications however under close examination these were, for the majority, at NVQ Level 2 (GCSE/O level equivalent). Thirty six per cent of residents (142) had taken part in a total of 228 courses. Darlington College of Technology was the most popular provider, accounting for 21% of these courses.

[14] Draft report of Skills Audit for Darlington Borough Council prepared by Equest research April 2002

3.28 A report of the Basic Skills Agency, undertaken in 1995/6, assessed literacy and numeracy skills of working people in Darlington to be slightly below the national average. Twenty five per cent of the Darlington's working population has low literacy skills compared to 24% at the national level and 26% have low numeracy skills in comparison with 24% at the national level. An analysis of Labour Force Survey statistics from 2000 also shows that Darlington lacks high skilled workers. The number of working age people holding NVQ Level 4 qualifications and above is only 18.3% in Darlington compared to the average of 23.1% for Great Britain[15].

GDP and Earnings

3.29 Gross Domestic Product (at current basic prices) for Darlington totalled £1.142 million in 1998 (most recent available data from ONS Regional Trends). Darlington performed more successfully (at 90% of UK GDP per head in 1998) than other parts of the Tees Valley, and the region as a whole, which stood at 78% of the UK GDP per head. However, the town was performing at 98% of UK GDP in 1995 and has shown one of the sharpest falls in the region over the three years. This could indicate the beginning of a spiral of decline.

3.30 In contrast, wage levels in Darlington are both lower than those for the North East and for the UK (see figure 6). Average gross weekly earnings currently stand at £340.4 in Darlington compared to averages of £386.3 in the Tees Valley, £380.8 in the North East and £444.3 in Great Britain (New Earnings Survey, 2001).

Figure 6: Average Gross Weekly Earnings

(Source: Tees Valley Joint Strategy Unit, taken from New Earnings Survey, 2001)

£	Darlington	Tees Valley	North East	Great Britain
Full-time Males - Total	371.0	426.1	418.6	490.5
Full-time Females - Manual	282.5	302.9	318.4	366.8
All Full - Time Adults	340.4	386.3	380.8	444.3

Unemployment

3.31 Current available statistics show that, Darlington has a high proportion of unemployed people at a rate of 4.3%, compared to the national unemployment rate of 3.2% (see figure 7). Male unemployment is also significantly higher than female unemployment in the borough, but it is important to note that there is a registration issue (i.e. females do not register for benefit if they are supported by a working partner). The unemployment rate in Darlington was still below the sub-regional and regional averages for both male and female unemployment in April 2002.

Figure 7: Official Unemployment in the Tees Valley[16]

	Male	%	Female	%	Total	%	Change on last month	Change on last year
Darlington	1,701	6.3	498	2.1	2,199	4.3	-49	-119

[15] Labour Force Survey (NOMISWeb), Statistics for 2000

[16] Source: Information and Forecasting Document, JSU, May 2002

Tees Valley	15,307	9.1	3,756	2.7	19,063	6.2	-506	-1,136
North East	49,174	8.0	12,722	2.4	61,896	5.4	-1,197	-4,191
Great Britain	717,104	4.5	228,483	1.7	945,587	3.2	-15,071	-21,298

3.32 The economic activity rate in Darlington in 1999-2000 was 75.2% overall. This is marginally higher than the North East, which stood at 73.8%, and is higher than most of the Tees Valley (excluding Stockton –on-Tees). However, it is lower than the economic activity rate for the UK (78.5%).

3.33 Darlington also has a noticeable higher proportion of unemployed people who are aged over fifty years than elsewhere in the North East and Great Britain (figure 8). This suggests that the loss of male manufacturing employment may have affected mostly the older populations, whose skills are less appropriate for the new service sector jobs or who may be on long-term sickness because the proportion out of work for this reason is relatively high in the Tees Valley and North East.

Figure 8: Unemployment by age[17]

	Darlington	North East	Great Britain
under 20	12.2%	12.9%	10.4%
20-24	16.3%	17.3%	16.1%
25-49	51.5%	52.6%	56.6%
over 50	20.0%	17.2%	16.9%

Quality of Life

3.34 Darlington has a good 'quality of life' offer. The town provides both a clean and attractive living environment, a selection of 'lifestyle' facilities (health clubs, sports centres, restaurants) and good accessibility to high quality rural areas and other large centres. Facilities in the town include: the Dolphin Leisure Centre, Cinema, Town's Civic Theatre, Library and Art Gallery. The town centre is home to 500 retail units (around 350 A1 shops and 100,000sq.m of gross retail space), this includes the Cornmill Shopping Centre, which opened in 1992. The catchment area for Darlington covers South Durham and North Yorkshire. The town is the fifth largest shopping centre in the North East. Crime rates are relatively low in the borough at 91 offences per thousand reported to Durham Police compared to the national average at 104 offences per thousand and the average for the Tees Valley at 113.

3.35 House prices are relatively high in comparison to other parts of the Tees Valley and bear close to the region as a whole. The average sale price was £120,677[18] for a detached house and £41,416 for a terraced house at the first quarter of 2002. The average price of flats and maisonettes in Darlington is also significantly higher at £65,748 than elsewhere in the sub-region and the average for the North East. Overall the average price of a residential property in Darlington was £64,249 compared to £68,278 for the North East.

Deprivation

[17] Source: Information and Forecasting Document, JSU, May 2002

[18] Average dwelling prices in 2001, HM Land Registry

3.36 Darlington as a whole, is characterised by relatively low levels of economic and social deprivation. However it should be borne in mind that there is considerable variation in the economic and social conditions across the borough. According to the 2000 Index of Multiple Deprivation, in which the level of deprivation is assessed based on income, employment, health, education, housing and access to services, and child poverty indicators, Darlington ranked 88 out of 354 local authorities (where the higher the ranking, the higher the level of local deprivation). There are pockets of serious deprivation within Darlington, the worst of which is Central and secondly Eastbourne South. Both of these wards are in the top 5% of most deprived wards in the UK. Other wards that were rated in the top 10% of most deprived wards in the UK are Cockerton West, Eastbourne North, and Park East. Other wards which score badly on the index are Lascelles, Northgate North and Northgate South.

3.37 Seven of the 25 wards in the borough of Darlington are in the top 10% of most deprived on the income and employment indices, the worst two are Central and Cockerton West (in the worst 5% for both indicators). Four wards scored particularly badly on the health, deprivation and disability index. Three wards have severe problems on the education, skills and training indices. Generally Darlington scored very well on housing and access with only one ward - Eastbourne South - in the top 10% of worst wards on the housing index and one ward (Whessoe) in the top 10% for poor accessibility to public and private services.

Economic Conclusions

3.38 The performance indicators show that the economy in Darlington has altered very little over recent years indicating that the town is 'sitting in its comfort zone', has not faced any challenges to change and is instead is facing gentle economic decline (see business views on external risks in Appendix I). This has been demonstrated through the indicators in terms of low productivity, low wages and business growth, low skills levels, below average educational attainment, low levels of inward investment and pockets of severely deprived neighbourhoods.

3.39 The town does have some key strengths and opportunities of fundamental importance to supporting its future growth as a business location. As a town it is pleasant and attractive with a high quality rural environment to the west and south. The housing stock is reasonable, and is also reasonably priced. Darlington has excellent communications in terms of the road being near to the A1 and a significant stop on the East Coast Mainline.

3.40 Darlington's sectoral composition has progressively become more service sector orientated with a number of medium-sized firms providing market functions for the surrounding area. The town also has a number of locally grown champions such as Darlington Building Society and Bannatynes Fitness. The local economy has been partially successful in shifting from predominantly manufacturing and construction activity to a business services and retail base. However, the poor current employment structure indicates that the town may have to face further restructuring. The population has grown but is forecast to remain stable in contrast to the rest of the Tees Valley. Although this trend could be affected by further outward migration of young people.

3.41 The main threat to the town is that the range of facilities is currently too limited to retain or attract a young workforce (including education, leisure, retail, business services). The lack of higher education makes the town vulnerable to the loss of young people who currently leave to go outside for higher education or jobs in more specialist services. The town lacks distinctive positioning and its cultural offer is relatively small scale and weak in comparison to other areas in the region, such as Newcastle and York. Businesses surveyed raised the point that they believe the town needs to improve its image and establish a strong identity and this would be of fundamental importance to reverse the trend of outward-migration and under-representation of young people. The town will also need to consider how to attract, and attract back, skilled people including those with young families who would provide a base of demand for education and services.

3.42 The town needs a challenge to raise its sights. Business expectations need to be raised and this might be achieved by working with the champion companies to enhance all round productivity. Darlington has strengths in its business and education links and could draw from a wider labour market to build on the town's capacity as education/training centre, serving a wider area and strengthening FE/HE linkages in the sub-region. Skills levels will need to increase in the town. Queen Elizabeth's Sixth Form College and Darlington Technology College are good but the local schools performance is poorer.

3.43 There is considerable potential to market Darlington's distinctive image as a 'good value well-located town' and complement the regeneration and growth taking place in other parts of Tees Valley. The strategy for the town may include substantial new development to reinforce the town centre with new residential, services/facilities and employment sites and includes scope to build on its location for office functions and business services initially through the development at Morton Palms Business Park. Darlington could become the administration centre for the Tees Valley and for subregional 'clusters' in civil engineering, construction, environmental and business services and work on its image through the route of being the 'Gateway to the North East'. In doing so, the town would attract investment, which would not otherwise come to the area.

3.44 In summary, this review of statistics sources and consultations with local businesses indicates that Darlington has a history of economic underperformance. In the future, the economy of the town will move in one of several directions: either stagnation, gentle decline or change and grow based on a conscious decision to take the opportunity to maximise its offer by building on its home grown assets. In working with the indigenous resources, particularly Darlington's advantageous location, champion businesses and high quality of life, the town has a real opportunity to successfully improve its image. With strategic public investment to provide a stimulus for growth, there is scope for improvement and the opportunity to capitalise on existing resources. Darlington's businesses strongly support the view that the town is in a well-placed location to create new inward investment opportunities (see responses to question 9 and 10 in Appendix I). If the right offer is created, then this will, in turn, support the future growth and expansion of existing businesses in the town, retain young people and inward investment will also follow.

4 Supply and Demand Analysis

THE SUPPLY AND DEMAND FOR INDUSTRIAL LAND AND PREMISES IN DARLINGTON

4.1 In analysing the supply and demand of industrial land and premises we have looked at the wider Tees Valley area before focusing on Darlington. The supply of sites has also been considered in the context of existing opportunities in the North East to gauge the level, quantity and quality of other available sites, details are provided at Appendix IV. We have also considered the related activity of distribution/logistic uses.

Industrial Land

4.2 The Tees Valley has experienced a rapid decline in its traditional industries. This decline started in the 1970s and resulted in an extensive rationalisation of the workforce which continues to the present day. The decline has been far more severe in the Tees Valley boroughs of Stockton, Middlesbrough, Redcar & Cleveland and Hartlepool than in Darlington. The decline left the area with a surplus of land previously used for industry. In addition, planning reviews in the 1970s compounded the position by allocating land to cater for further growth in the chemical and steel industries which then was not realised.

4.3 Consequently a large amount of industrial land in the Tees Valley has been zoned in plans. The TVJSU estimate around 2,609 ha (6,447 acres). However, much of this land is not immediately available. The position is set out in figure 9 below:

Figure 9: Employment land availability in the Tees Valley

	Undeveloped ha (acres)	Reserved ha (acres)	Committed ha (acres)	Immediate ha (acres)	Short Term ha (acres)	Long Term ha (acres)
Darlington	375.3 (927)	0(0)	0(0)	40.5(100)	75.4(186)	259.4(641)
Hartlepool	420.9(1,040)	206.8(511)	0(0)	39.5(98)	49.0(121)	125.6(310)
Middlesbrough	93.92(232)	0.91(2.25)	12.38(31)	25.53(63)	53.8(133)	1.3(3.21)
Redcar& Cleveland	560.79(1,386)	131.8(327)	1.38(3.4)	262.86(650)	98.3(243)	66.5(164)
Stockton-on-Tees	1158.83(2,864)	126.5(313)	59.52(147)	97.53(241)	105.18(260)	770.1(1,903)
Tees Valley	**2609.74(6,449)**	**466.01(1,152)**	**73.23(181)**	**469.92(1,161)**	**381.68(943)**	**1222.9(3,022)**

Source: Local Authority Data 2000; information from TVJSU paper to Structure Plan Examination in Public.

4.4 The table shows that out of the 2,609 ha (6,447 acres) only 469 ha (1,149 acres) are immediately available. TVJSU also report that this figure of 469 ha (1,149 acres) is not a reflection of the amount of good clean serviced industrial land because:

- 355 ha (877 acres) are brown field and much of the land has constraints due to contamination, poor environment and access;
- Much of the land is designated for specific uses such as port and airport uses, prestige uses and for potential polluting industry.

4.5 This fact is endorsed in the findings of the *Tees Valley Joint Strategy Unit – Strategic Employment Land Review – First Draft June 2002*, which has been updated in October 2002. The study highlights some 2610.74ha (6,451acres) of land available for development. From this the study identifies that 1,973.74ha (4,877acres) are identified for specific types of development (e.g. port related, prestige etc.) and the remaining identified for general employment uses (B1, B2 and B8). The study also identified that over 300ha (741acres) of land is identified for single users and major projects. 560ha (1,384acres) is identified for prestige business development and over 160ha (395acres) for port related uses. 720ha (1,779 acres) are identified for potentially polluting/hazardous industry. The take-up over recent years is set out at figure 10:

Figure 10: Employment Land Take-up Amount of Land

	1996-98 ha (acres)	**1998-2000 ha (acres)**	**Total ha (acres)**	**Average ha (acres)**
Darlington	7.5 (18.5)	5.0(12.35)	12.5(31)	2.5(6.18)
Hartlepool	60.4 (149)	24.0(59.3)	84.4(209)	16.9(42)
Middlesbrough	34.9 (86)	5.3(13.01)	40.2(99)	8.0(19.77)
Redcar & Cleveland	82.1 (203)	60.7(150)	142.8(353)	28.6(70.67)
Stockton-on-Tees	22.7 (56)	15.1(37.31)	37.8(93)	7.6(18.78)
Total: Tees Valley	**207.7 ((513)**	**110.1(272)**	**317.8(785)**	**63.6(157.16)**

Source: Local Authority Information 2000; Information from TVJSU paper to Structure Plan Examination In Public

4.6 The table shows an average take-up of 63.6 ha (157.16 acres) which, when compared to the immediately available figures of 465 ha (1,149 acres) produces a 7 year supply. However, we know that the figure of 465 ha (1,149 acres) is a gross figure and, as such, greatly overstates the actual supply. The year's supply of clean serviced sites immediately available, therefore, is much less.

4.7 The position in the sub-regional market for industrial land was examined by SQW in its report *"Haverton Hill Industrial Estate"* for English Partnerships in March 2002. After examining a number of locations in detail and discussions with local authorities and players in the market, the report concluded:

- the perception of a large surplus is incorrect when take-up is compared to well located, serviced and clean sites which are immediately available;
- nevertheless, at the present time, there is an adequate supply of industrial land at key locations.

4.8 The current Tees Valley strategy is to focus on four of its 'better placed' sites for strategic investment and a further four for local needs. Faverdale at Darlington is within those designated for strategic investment and Morton Palms at Darlington is designated for local needs.

4.9 The value of industrial land in the Tees Valley varies from up to £200,000 per ha. (£80,000 per acre) for the best sites to £40,000 per ha. (£16,000 per acre) for poorer locations in the east of the area.

4.10 Turning from the wider Tees Valley to Darlington, our review showed a large supply of industrial land within the borough with areas at Yarm Road, Morton Palms and McMullen Road also suitable for B1 and office use.

4.11 Significant areas included in the Local Plan are at:

- Faverdale East – extends to 49 ha (121 acres) is unserviced at present but DBC has plans to open up the area;
- Faverdale Reserve Site – a large area of around 120 ha (296 acres), part owned by DBC and held in reserve as a regional strategic site for a large inward investor;
- Heighington Lane – 14 ha (34.6 acres) close to the A1 and within Darlington; there is adjoining land within the neighbouring district of Sedgefield;
- The Airport –there is a considerable area of land designated for Airport – related uses but a recent report, by Roger Tym & Partners, has recommended a high quality business park to the south;
- Yarm Road and Morton Palms – in particular there are 56 ha (138.38 acres). south of Yarm Road of which 11.3 ha (27.9 acres) are being opened up and 35 ha (86.4 acres) north of Yarm Road which require servicing and are dependant upon access from the proposed Eastern Transport Corridor;
- McMullen Road – 6 ha (14.8 acres) could be available at short notice but a further 6 ha (14.8 acres) appear to have ground problems.

4.12 In addition, there are a number of plots available at Yarm Road Estate including an area of land at the rear of Morrisons and a number of infill areas, mostly to the north of the Town Centre.

4.13 Of this land, around 120 ha (297 acres) are held in the Faverdale Reserve Site which has been reserved for a large inward investor. In the past interest has been shown in the site by Kimberley Clark and car manufacturers such as Mercedes and Hyundai. However, occupiers were not secured.

4.14 We have spoken to TVDC about recent interest from inward investing companies. They believe that the absence of Assisted Area Status for Darlington during much of the 80s and 90s did not help the marketing of this site. They also confirm that there has been a marked reduction in interest from inward investors since the arrival of Nissan in the region in the 1980s and Samsung and Fujitsu in the 1990s. Indeed, the latter has since closed its operation.

4.15 We have also examined the size of sites taken by these three inward investing companies and compared it with the reserved site at Faverdale. Sizes are as follows:

- Nissan: 234 ha (580 acres)
- Samsung: 44.5 ha (110 acres)
- Fujitsu: 44.5 ha (110 acres)

4.16 It is impossible to predict the future level of interest in the reserved site but, given that it has the advantage of being a large area of available land and is well located in an attractive town which now has Assisted Area Status, it would seem sensible to continue to reserve an area for inward investment. However, it would seem appropriate to rearrange the area so that it could be offered as smaller, more manageable sites capable of being linked together.

4.17 Notwithstanding the site at Faverdale being reserved for inward investment and the competition from office and B1 users for the land at Yarm Road, Morton Palms and McMullen Road, there remains a large quantity of available industrial land in Darlington when compared to the average historic take-up figure of 2.5 ha (6.17 acres) per annum shown at Table 1.

Industrial Premises

4.18 In common with most parts of the north east of England, speculative development of industrial premises within the Tees Valley has not shown a commercial return. Historically, speculative premises in the area – apart from Darlington during most of the 1990s when it did not enjoy Assisted Area Status – were developed by English Estates as part of its factory building programmes. A limited amount of development was also carried out by local authorities. However, since English Estates' programmes ceased in 1994 there has been a reduction in the amount of new speculative stock coming on to the market. In addition, there has been a large amount of old industrial stock available which has depressed the market. Much of this is unsuitable for modern day users and is located in the wrong places.

4.19 From 1994 onwards English Estates' successor – English Partnerships/OneNE – encouraged development by the use of grants (known as PIPs) and schemes met with mixed success. However, the withdrawal of PIPs, following EU pressure, has resulted in minimal activity apart from a small amount of direct development from OneNE and Priority Sites Limited (a company part owned by English Partnerships) which is understood to have protected PIP monies for a limited period of time.

4.20 Rents for well specified factory units of 500 to 1,000 sq.m. (5,382– 10,764sq.ft) are around £40-£45 per sq.m. (£3.50-£4.00 per sq.ft.). For older premises rents are around £11 per sq.m. (£1 per sq.ft.) or even lower.

4.21 We have discussed the supply of premises with Economic Research Services (economic consultants) who keep and maintain a database of premises in the region known as The North East Property Database (NEPD). The database is based on information supplied by local agents and local authorities.

4.22 The NEPD figures are limited to premises in excess of 500 sq.m. (5,382 sq.ft) and the database for the Tees Valley does not include Darlington which is shown within the figures for County Durham.

4.23 Figure 11 provides a 'snapshot' of recent movements in the Tees Valley, excluding Darlington. The figures show the total stock of premises and the element which is believed to be relatively new. The information also shows the floor space leaving the database due to sales, leases and withdrawals such as demolition.

Figure 11

	April 2001 sq.m.(sq.ft)	April 2002 sq.m.(Sq.ft)
Total space	169,304 (1,822,456)	99,959(1,075,985)
Space relatively new	57,745(621,586)	47,840(514,962)
Space off database last 12 months	76,695(825,565)	116,010(1,248,762)
Space relatively new off database last 12 months	36,786(395,974)	44,327(477,147)

Source: Economic Research Services

4.24 Although we would not wish to draw too many conclusions from the figures, they do show that the total floor space has reduced significantly over the past 12 months – perhaps helped by withdrawals such as demolitions. They also show that the amount of relatively new stock to the take-up of such stock over the past 12 months has narrowed to just over one year's supply. Given the reduction in supply from public sector bodies, the figures are not surprising.

4.25 As Darlington was not eligible for assistance from the public sector agencies for much of the 90s, there has been little speculative industrial development in the town. Indeed, the only recent 'new build' scheme we have come across is a 9,000 sq.m. (100,000 sq.ft) scheme of small industrial units constructed in the mid 90s. These units were developed as part of a planning agreement for a Morrisons Superstore and took a long time to let.

4.26 We have examined the Premises Available list maintained by DBC, who in turn have checked the contents against the information held by TVDC. Within the list we have focused on units below 4,500 sq.m. (50,000 sq.ft.). We appreciate that this omits premises such as the Cummins factory at Morton Palms, but space in excess of 4,500 sq.m. (48,439sq.ft) is normally developed to owner occupier's specific requirements and seldom competes with speculative 'new build' schemes targeted at smaller and medium sized companies.

4.27 Our findings for space available below 4,500 sq.m (48,439sq.ft). are shown at figure 12 below:

Figure 12

Size Range sq.m.(sq.ft)	No: of Units	Total Space sq.m.(sq.ft)
0-225 (0 – 2,421))	12	1,236(13304)
225-450(2,421 - 4844)	5	1,393(14994)
450-900(4844 - 9688)	1	677(7287)
900-1800(9688 - 19376)	2	3,488(37546)
1800-4500(19376 - 48439)	4	22,496(242153)

Source: DBC

4.28 The Table shows that there are few available units in the traditional mid-range between 450 and 1,800 sq.m (4,844 – 19,377sq.ft).

4.29 In researching likely demand for factory units, we have looked at the results of two recent speculative schemes close to Darlington and talked to local agents, developers, OneNE, TVDC and DBC. We have also drawn on our survey of companies in the area.

4.30 At Newton Aycliffe, to the north west of Darlington, the developer Helical Bar recently constructed, with the help of a PIP, four units between 900 and 2,700 sq.m (9,688 – 29,064 sq.ft). The developer reports that the units all let within 12 months at headline rents of £40 per sq.m. (£3.75 per sq.ft.). However, Helical Bar maintains that it could not justify further development without some support from the public sector – a rent of £50 per sq.m. (£4.65per sq.ft) is necessary and the company says this is not really achievable.

4.31 Notwithstanding the rental issue, Helical Bar believes there is a reasonable demand for a limited number of new, medium-sized units in the Darlington/Newton Aycliffe area. The company says that prospects are much better in this area than in the eastern part of the Tees Valley and also East Durham where there is a large amount of available stock in Enterprise Zones.

4.32 At Heighington Lane, on the edge of Darlington and close to Newton Aycliffe, City & Northern has recently developed six units totalling around 9,000 sq.m. (96878 sq.ft) The units all let within 18 months. It is believed that the development was supported by PIP monies.

4.33 Local agents and developers:

- confirm that the Morrison scheme was the only recent 'new build' speculative development; it effectively flooded the market for small units and it took 4 years to let 90% of the space;

- view the market in Darlington and to the west close to the A1 as superior to the eastern part of the Tees Valley and believe there is a market for new units between 450 –2,000 sq.m (4844 – 21529 sq.ft) However they are cautious of developing more than 4,500 sq.m. (50,000 sq.ft.) in any one phase of development;

- agree with Helical Bar's opinion of rental values and confirm that grants are necessary to make development viable.

4.34 OneNE, TVDC and DBC all paint a similar picture to the developers and agents. OneNE reports that, following the withdrawal of the PIP scheme, it is looking at innovative ways of securing speculative development which does not show a commercial return. It is also undertaking a limited amount of direct development itself.

4.35 During the course of our survey of companies in Darlington as detailed in Appendix I we sensed a possible latent demand for industrial space from a number of the companies we talked to. Interest in new space from companies was in our experience well above the norm for this type of survey. In particular:

- 8 of the 33 companies interviewed said they had plans to move or expand – 2 had a specific requirement for industrial space and 1 a workshop and office requirement.

- The companies interviewed identified 7 other companies who they personally knew were searching for industrial or office space.

4.36 In addition, during our work on this report there were 2 active enquiries to DBC from companies wishing to relocate within the town – I requiring space of up to 10,000 sq.m (107,643 sq.ft).

4.37 In view of this potential demand it would seem sensible for DBC to reserve an adequate area of land to cater for these and other possible requirements.

The Demand for Distribution Space and from Companies Specialising in Logistics

Locational Attributes

4.38 As a regional hub the Tees Valley is situated in an ideal location for the distribution of goods via transit with easy access to the northeast and northwest of England and southern Scotland. For shippers the attraction of the Tees Valley is the presence of a modern logistics network with intermodal transfers between road, rail, sea and air transport.

Demand for Logistics

Given Darlington's location, close to the A1 and A66 and its rail, air and port links, we have examined closely the potential for development of distribution space and the possible demand from companies specialising in logistics.

4.39 In considering the demand for distribution/logistical uses consideration must be given to the more established locations to the south, namely the M62 corridor around Leeds and Wakefield, which are at the heart of the distribution network. In recent years these locations have proved extremely popular given their easy access to the motorway network, via the M62, and the nearby port, rail and airport facilities. However following a relatively high demand for land there is now a reported lack of sites capable of accommodating big units with little or no room allocated in the regional plans for further development. With continuing rising demand it is reported that only three sites are now capable of accommodating buildings of over 27,868sq.m (300,000sq.ft), these being:

4.40 **Redhouse Interchange** - 81ha (200acre) site situated at junction 38 of the A1 (M) with DFS occupying an 11,148sq.m (120,000sq.ft) unit and Nu-Tool a 5,574sq.m (60,000sq.ft) unit.

4.41 **Wakefield Europort** - Yorkshire's largest fully serviced industrial development site at junction 32 of the M62 and linked to the continent via the Channel Tunnel. The scheme has over 125,415sq.m (1.35million sq.ft) of accommodation completed and 24ha (60 acres) of remaining development land. A further 102,190sq.m (1.1million sq.ft) in varying building sizes can be developed.

4.42 **Westmoor Park** - Yorkshire Forward's Westmoor Park is 73ha (180acres) in area and situated at Junction 4 of the M18. Whilst only recently opened up for development the park already accommodates over 74,320sq.m (800,000sq.ft) for two end users. IKEA who currently occupy 60,385sq.m (650,000sq.ft) are shortly expected to increase their warehouse accommodation to its full 120,770sq.m (1,300,000sq.ft). IKEA have been joined on site by the 18,580sq.m (200,000sq.ft) European HQ of Fellowes Manufacturing. The two developments have also been joined by a speculative 3,900sq.m (42,000sq.ft) factory scheme by Clugston, 9290sq.m (100,000sq.ft) by Langtree spread across four units and a 9,290sq.m (100,000sq.ft) speculative factory unit by Shepard Construction.

4.43 **Sherburn in Elmet** – Although land is available this is due to its poor communication links and therefore this site is not considered to be in the right location.

4.44 The cause of this limited land supply in the established distribution locations is said to be two fold:

- Firstly brown field sites are now rarely recycled for industrial uses (the increase in residential developments on re-zoned land accounting for a good deal of demand and take up).
- Secondly planning approvals for new build industrial schemes on zoned land are being subject to prolonged delays, while new allocations for land development are increasingly difficult to gain.

4.45 It is reported that this has led to frustration by developers looking to invest and by occupiers looking to move into modernised and speculative built accommodation. It is said that the shortage of developable land and take up of the last remaining large speculative developments in West

Yorkshire, particularly along the M62 corridor, is helping to move demand south towards Sheffield. In the area to the south and more particularly, Sheffield, Doncaster, Barnsley and Rotherham there is more land readily available often at substantially lower prices than in the M62 corridor at Leeds and Wakefield where land can be valued at circa £555,975 per ha (£225,000 per acre). This is some £185,325 - £234,745 per ha (£75,000-£95,000 per acre) more expensive than to the south. Because of this and the availability of grant assistance and cheap and plentiful workforce supplies, locations in South Yorkshire are proving to be an ever more popular alternative. (Distribution Business – Over Due South).

4.46 If this is true for locations to the south of Leeds why can the same not be true to the north? Darlington has large sites available for development and good communications with direct access to the A1 (M) combined with nearby airport and port/rail freight facilities. Grant assistance is available and there is also a cheap and skilled workforce on the doorstep.

4.47 It is clear that increased competition for sites, in the established M62 corridor, is forcing occupiers/developers to look further afield in terms of location. A good example of this is Knight Frank's recent letting of 'The Big One' a 46,446sq.m (500,000sq.ft) warehouse on Foxhills Estate in Scunthorpe to B&Q (Distribution Business – Over Due South).

4.48 This has been reinforced following discussions with a number of distributors who were contacted to ascertain whether they would be interested in accommodation in Darlington. One distributor, Wincanton, confirmed their interest but stated that this would only be in relation to existing units for a term of 5 years. The reason for this is that their requirements are contract led with the contracts normally being for five years. In terms of the size of accommodation required they would not be interested in a unit of less than 9,290sq.m (100,000sq.ft). Once more the exact size will be dependent on the size of their contract.

4.49 Initial feedback is encouraging with other operators responding in the same vein. This evidence indicates that a range of units could be developed speculatively with the minimum being 9,290 sq.m (100,000sq.ft).

Supply of Distribution/logistical sites in the North East

4.50 There are very few distribution parks/estates in the north east which are capable of accommodating further significant development.

4.51 From the North East distribution parks there is only 57.84ha (135acres) known to be available for development, with the nearest park to Darlington (The Tees Valley) being Newton Aycliffe. Whilst this park is some 230ha (568acres) in area there is only 1ha (2.47acres) available for development. There are very few existing parks around the Tees Valley with the majority being centred on Newcastle, Sunderland and the East Durham Coalfield Enterprise Zones. (see plan at Appendix II).

Darlington/Tees Valley as a Location for Logistical Uses

4.52 Initial feedback indicates that the Tees Valley, including Darlington, is ideally situated in terms of infrastructure to capture logistical opportunities. For distribution/logistic providers looking to take up residence, the Tees Valley/Darlington offer a number of key advantages including:

- Availability of large sites and premises
- Good access to road, rail and sea transport
- Assisted area status
- Workforce with a proven track record

4.53 Initial market feedback from logistic operators is positive with the caveat that their space requirements are dependent on contracts, which ultimately drive the choice of their final site location. However, there has been little actively in the Darlington market to gauge actual demand, although it is active in the wider Tees Valley. **We would recommend that DBC reserve an adequate area of land to cater for these and other possible requirement from logistic operators, but recommend an element of caution since the actual demand will not become clear until sites/premises are marketed.**

Conclusions

4.54 From our review of the industrial market we draw out the following main findings which we will use to support our recommendations for the sites to be reviewed:

- We see the Faverdale area as the main location for industrial development in the town.
- It would seem sensible to retain the strategic Reserve Site at Faverdale for inward investment but to recognise the changing requirements of inward investors, this to include land for support and cluster industries.
- There would appear to be a demand for mid-range factory units developed on a speculative basis but it would be prudent to limit phases to 4,500 sq.m.(48,439sq.ft) and development is likely to require some form of grant assistance from DBC, OneNE, or early phases could be carried out by Priority Sites Limited.
- Given the demand for speculative units it would be sensible to allocate land that could accommodate a number of phases of development.
- We believe there is a level of latent demand within the town for industrial space which would materialise once suitable premises are available. It would be sensible for DBC to also promote an area of land to meet this potential need.
- There would appear to be demand for logistical/warehouse accommodation and limited supply both in terms of land and premises. DBC need to promote an area of land for these uses but need to express caution as actual demand will not be known until premises/sites are marketed. The ideal location would be Faverdale.

THE SUPPLY OF AND DEMAND FOR OFFICE/B1 SITES AND PREMISES IN DARLINGTON

4.55 In this section of the Report we first look at the historic background to office/B1 development in the Tees Valley and the demand for high quality space. We then focus on the market in Darlington and draw conclusions about likely demand. We comment finally on the need for a marketing strategy which includes the wider Tees Valley.

Background

4.56 There is a large stock of office space in the Tees Valley. NEPD figures for April 2002, which include units over 150 sq.m (1615sq.ft), show that for Tees Valley, excluding Darlington, there is 51,995 sq.m (559688 sq.ft) available. However, much of the stock is old and unsuitable for today's modern users.

4.57 Since the 1970s developers have found it difficult to develop office/B1 space on a speculative basis in the Tees Valley. Essentially, like industrial property, rental values have failed to keep pace with increased costs. In recent times there have been schemes developed by private developers, on a pre-let basis, but speculative development, in the main, has been carried out by:

- the public sector through bodies such as English Estates at the Belasis Hall Technology Park and/or

- private developers assisted by gap funding from the Teesside Development Corporation (TDC) and, more recently until the scheme was withdrawn, by PIP funding from EP and OneNE.

4.58 Apart from one small unit scheme carried out by English Estates in the early 1980s, public sector development, and development induced by grants, has not taken place in Darlington in recent times because for much of the 1990s the town did not have Assisted Area Status.

4.59 In recent years there has been one main exception within the Tees Valley where office/B1 development has taken place on a speculative basis without grant assistance. This is at Teesdale, a major mixed use scheme of around 512 ha (1,265 acres), close to Stockton Town Centre. The scheme was initiated by the TDC and the initial investment in infrastructure, servicing and landscaping has created a sought after location.

4.60 Much of the early development at Teesdale was carried out by a local developer, Mandale, who appeared to fund schemes from its own resources, trim specifications and costs and let on short-term leases at rents in the region of £80-£110 per sq.m. (£8-£10 per sq.ft.).

4.61 When the majority of the Teesdale site had been developed, Mandale was followed by a group of more conventional developers who, on the basis of Teesdale's success, were prepared to develop speculatively. They improved building specifications, required more conventional leases and looked for rents of around £150-£160 per sq.m. (£14-£15 per sq.ft.).

4.62 There has also been a small amount of speculative development by Mandale at Hartlepool Marina but the space does not appear to have let quickly and is unlikely to be the forerunner for further projects without some form of grant assistance.

4.63 Teesdale has demonstrated that there is a demand for modern space in a first class environment and, based on its success:

- EP has started to prepare a similar area for office and high technology development at nearby North Bank – also fronting the River Tees – the scheme will be targeted at office users and high technology companies who could be attracted by resources and facilities provided by the nearby Stockton campus of Durham University.

- EP, OneNE and Middlesbrough Borough Council (MBC) are developing the former Middlesbrough Dock – Middlehaven – as a mixed-use development to include an element of office/B1 uses close to the basins.

4.64 In March 2001 the SQW/BBP Alliance, in co-operation with Lamb & Edge (Chartered Surveyors), were commissioned by EP to review the market for office and high technology sites and floor space within the Tees Valley (excluding the borough of Darlington) and make recommendations for the development of North Bank.

4.65 The work included desk research, interviews with players in the market place and a detailed review of sites and premises and take-up on a quantitative and qualitative basis. Sites and premises were systematically graded within bands, starting at Grade A and moving downwards.

4.66 The report concluded:

- In terms of both sites and premises, Teesdale, North Bank and Middlehaven were the main Grade A locations within the area.
- At Teesdale 57,072 sq.m. (614,338sq.ft) had been developed and a net figure of 54,000 sq.m. (581,270sq.ft) had been occupied over an effective development period of around 10 years; the take-up of other Grade A space within the study area had averaged around 2,500 sq.m (26,910sq.ft) per annum. Overall, the take-up of quality space in the Tees Valley area, excluding Darlington, appeared to have averaged around 8,000 sq.m. (86,114 sq.ft) per annum.
- The amount of stock coming on stream at North Bank was expected to be around 60,000 sq.m (645,856sq.ft) over 10 years (from 2004) and 27,000 sq.m (290,635sq.ft) at Middlehaven, also over 10 years (from 2003).
- Although an element of additional demand perhaps could be generated at North Bank by high technology users, the exercise showed that the average historic take-up of space was likely to be met by the proposed space at North Bank and Middlehaven.

4.67 All this assumed that the pattern of future demand would follow the past and that, building on the confidence generated by Teesdale, private developers would continue to develop premises at North Bank and Middlehaven or the public sector would find ways of procuring the floor-space.

4.68 Given the time which has passed since the report, we have up-dated the position at the three Grade A locations, Teesdale, North Bank and Middlehaven, and find that at:

4.69 Teesdale – a further 9,800 sq.m (105,490sq.ft). has been developed, of which 6,300 sq.m(67,814sq.ft) is available. In addition, there is a larger amount of floor space on the market from second-hand stock than at March 2001. However, developers do not appear concerned at the increase and believe that the space will be taken up in time. Only around 3 ha (7.41acres) of land remains available for development and this is in the ownership of Terrace Hill.

4.70 North Bank and Middlehaven – the schemes are progressing and the proposed office space appears to be broadly as it was at the time of our report – estimated timescales for the programmes appear to have slipped by around 1 year.

4.71 The up-date shows that SQW/BBP's conclusions at March 2001 hold good – there is likely to be sufficient qualitative stock from these schemes over the next 10 years to meet the average take-up of qualitative stock over the last 10 years for the Tees Valley, excluding Darlington.

Darlington

4.72 We now turn from the wider Tees Valley to the market in Darlington but will return to the position in the Tees Valley when reaching our conclusions on the market at the end of this section.

4.73 The absence of Assisted Area Status in Darlington for most of the 1990s precluded activity from the public sector agencies and, in the main, development has been restricted to organisations such as The Darlington Building Society constructing their own premises. Given the lack of recent development, the great majority of office space is old and in today's terms sub-standard.

4.74 Rents for office space in the town vary from as low as £66 per sq.m. (£6 per sq.ft.) to £110 per sq.m. (£10 per sq.ft.) for suites in North Gate House.

Supply of Sites and Premises in Darlington

4.75 Within the town there are a number of sites suitable for office/B1 development. These include out-of-town sites:

- Yarm Road and Morton Palms which we referred to in our review of Industrial Sites and Premises; in particular, there are 56 ha (138acres) south of Yarm Road and 11.3 ha (27.92acres) of these are being opened up for a business park – we describe this further in this section of the Report; there are also 35 ha (86.49) north of Yarm Road which are dependant upon access from the proposed Eastern Transport Corridor.

- Morton Palms Estate where there are small sites available and a planning permission for 6,396 sq.m (68,848sq.ft) of office space.

- McMullen Road where 6 ha (14.83acres) could be available at short notice but a further 6 ha (14.83 acres) appear to have ground condition problems.

4.76 Closer to the town centre there are a number of small sites which could be made available such as an area of land at Feathams West owned by the developer Terrace Hill.

4.77 In addition, there are plans to develop an office/B1 park to the south of Teesside Airport. However we understand that this will require a change of planning use for the land which is presently being debated by the various public sector bodies.

4.78 It can be seen that there is no shortage of sites for development. We have examined the premises available list maintained by DBC who, in turn, have checked this with the information held by TVDC. The position is shown at Figure 14.

Figure 14

Size Range sq.m.(sq.ft)	No: of Units	Total Space sq.m.(sq.ft)
0 – 225 (0 – 2,421)	36	3,222(34,682)
224 – 450(2,421 – 4,844)	8	2,680(28,848)
450 – 900(4,844 – 9,688)	3	1,900(20,452)
900 – 1,800(9,688 – 19,376)	3	3,512(37,804)

Source: DBC

4.79 The Table shows a number of smaller units but few medium or larger sized units and an absence of modern stock. Indeed, the only modern unit we could find was 1,200 sq.m.(12,917sq.ft) at Hopetown Park which was a refurbishment away from the Town Centre.

4.80 Although there is little or no stock of a qualitative nature, the future is likely to be completely different and has been changed by proposals for development at Morton Palms. At this location OneNE and DBC have opened up 11.3 ha (27.92 acres) by providing roads and infrastructure and have sought bids from developers. There has been strong interest from the market and we understand terms have been agreed with Highbridge Properties to act as developer. The scheme, which will start shortly, includes:

- 28,000 sq.m. (301,399 sq.ft) of office/B1 space to be developed in phases – the first phase will total 5,000 sq.m (53,821 sq.ft).

- other uses including a health & fitness centre, a hotel & restaurant, a pub and a crèche.

4.81 The scheme will be developed to a high specification and its environment and car parking facilities will provide Darlington with an office scheme that should match the requirements of today's modern users. At this moment in time other out of town sites detailed at 3.80 are either difficult to develop in the short to medium term, or do not offer an equivalent environment and setting as the Highbridge proposal.

Demand

4.82 There are a number of factors, which lead us to believe that Darlington should be able to attract an element of the office and service sector. It has the comfortable feel of a country town, attractive countryside – particularly to the west and south, good housing stock and first class road and rail communications.

4.83 In addition and unlike the remainder of the Tees Valley, it has not received assistance from the public sector to develop quality office space such as the scheme at Teesdale. There is the prospect, therefore, of a latent demand within the town and wider area and this came to light in our survey of companies set out at Section 2. Interest in new space was, in our experience, well above the norm for this type of survey. In particular:

- 8 of the 33 companies interviewed said they had plans to move or expand – 4 had specific office requirements and 1 an office and workshop requirement;
- the companies interviewed identified 7 other companies who they personally knew were searching for office or industrial space.

4.84 We have looked at Highbridge Properties plans for Morton Palms and we have seen a report from their consultant surveyors Cushman & Wakefield Healey & Baker. The developer appears extremely confident about the outcome of the scheme. The consultant surveyors report that:

- the site is a unique opportunity to create a business park to attract inward investors which will compete successfully with other centres in the region;
- there is strong demand from local, regional and national occupiers for quality office accommodation in the area;

- there is a limited supply of quality office accommodation across all size brackets to satisfy existing demand – the existing stock of office accommodation in the area is approaching, or past, its useful economic life;
- the demographic profile of the local area is extremely strong and labour costs are competitive – a particularly important factor for footloose requirements.

4.85 In addition, the consultant surveyors' report contains a list of enquiries from 10 organisations requiring space of between 1,100 and 9,000 sq.m (11,840 – 96,878sq.ft).

4.86 We have talked to a number of local agents, developers, OneNE, TVDC and DBC about the prospects for Morton Palms and office development in Darlington. Their views were consistent:

- There has been a shortage of office/B1 space in Darlington and interest from developers and enquirers has increased during the present economic cycle;

- There is interest in modern space from a number of occupiers in the town and there are a number of footloose enquiries for large space; rents of £155 per sq.m. (£14 per sq.ft.) should be achievable;

- Within the Tees Valley Morton Palms is likely to be the most sought after location, particularly for inward investors, followed by Teesdale and North Bank and then Middlehaven;

- The prospects for Morton Palms are good and the first phase of 5,000 sq.m. (5,3821sq.ft) should let quickly. The feeling is that the 28,000 sq.m. (301,399) of office/B1 space should be let and occupied within, or around, 5 years;

- There was general agreement that SQW/ BBP's historic take-up figure of 8,000 sq.m. (86,114sq.ft) of quality space for the Tees Valley, excluding Darlington, made sense. A number of those interviewed believed that the Morton Palms scheme could increase this level of take-up in the wider Tees Valley because there was a latent demand in Darlington and the scheme could attract wider interest which would otherwise be lost to the area. This interest could be reinforced by a marketing campaign for all the sites in the Tees Valley led by a body such as TVDC or the new URC;

- One developer, who had bid for the site at Morton Palms, was extremely disappointed at losing the scheme. He strongly believed the town could be successful as an office centre and attract demand of 5,000 sq.m. (53,821sq.ft) per annum or more. The same developer also believed that the scheme could act as a 'project leader' for other schemes in the Tees Valley and raise the overall level of enquiries.

Inward Investor Feedback

4.87 To build on these views, and obtain further evidence about the prospects for office development in Darlington, we talked to a number of companies that had enquired of the TVDC about office space in the area but had not proceeded. We also contacted a selection of local/national agents and occupiers at York Science Park, Clifton Moor – York and Doxford – Sunderland to determine whether they would have/or their clients would have located in Darlington should alternative accommodation have been available and/or if there were other factors which would have persuaded them to locate in Darlington. Although it was particularly difficult to find details of such companies and then secure a dialogue, we believe this feedback provides a valuable insight into the perceptions of Darlington.

4.88 The feedback from this exercise indicates that there has generally been a lack of inward investment to the town partly because there is very little office space available and because Darlington has not actively marketed its offer in order to create interest. The majority of property agents said that inquiries for office space particularly in Darlington are very rare and there has not been much interest in Darlington from either developers or occupiers in the past. Similarly none of the companies we interviewed had seriously considered Darlington when they were seeking their current location. However, on a more positive note all of the agents and occupiers interviewed had a positive perception of the town and viewed it as having a good location that could offer a good quality of life and a good supply of inexpensive labour. However, they also said the town lacked a dynamic and 'trendy' image which would be important in attracting new private sector inward investment. A number of the regional agents were cautious about the possibility of creating oversupply in the near future, but said that they would not discount Darlington as a location for speculative development.

4.89 Whilst there has been a notable lack of supply of good quality accommodation and no significant promotion of the town we believe that Darlington can still attract users to the Tees Valley if quality accommodation is in place and if the town markets its offer. A full analysis of these discussions are provided at Appendix III

Conclusions

4.90 From our review we draw a number of conclusions about the office market in Darlington and the Tees Valley.

- First, there is a large amount of office stock in the Tees Valley – the great majority is not in Darlington – but most of the stock is outdated and unsuitable for today's modern user.

- Second, good quality accommodation has been facilitated by the public sector at Teesdale and is now planned at North Bank Stockton and Middlehaven. The historic, average take-up of this type of space in the Tees Valley, but excluding Darlington, has been around 8,000 sq.m. (86,114sq.ft) per annum. The proposals at North Bank and Middlehaven should satisfy this level of demand

- Third, there is no modern stock of good quality office space in Darlington but Highbridge's scheme at Morton Palms will completely change the picture. The 28,000 sq.m. (301,399sq.ft) scheme is likely to add around 5,000 sq.m.(53,821sq.ft) per annum to the stock of quality premises in the Tees Valley.

- Fourth, the players in the local market believe that Morton Palms will be the most sought after location in the Tees Valley and should be fully developed and occupied within, or around, a 5 year period. Clearly, as there has been no quality stock on the market, it is difficult to be specific about estimated demand. However, given the attractiveness of Darlington as a location; the views of players in the market place and the take-up of quality space which has occurred in the rest of the Tees Valley over recent years we see a take-up figure of 5,000 sq.m. (53,821sq.ft) per annum as a sensible guide for future development in Darlington.

- Fifth, at face value there could be an oversupply of quality space in the Tees Valley but there is, perhaps, a latent demand in Darlington and Darlington may attract additional enquiries that could otherwise be lost to the wider sub-region. Morton Palms itself could act as a 'project leader'.

- We believe that a concerted marketing campaign is required to secure the best outcome for both Morton Palms and the wider Tees Valley. We would see this being overseen by, perhaps, TVDC or the URC who would promote all the sites under one corporate banner. At the same time, we would see the same body trying to persuade the various site owners to differentiate the space they had on offer and, therefore, promote wider choice in the sub-region.

- We believe the issue now is for Darlington to address what happens after Morton Palms is developed. It could be fully developed and occupied within 5 years or less and, given the planning time frame for future development, it would seem appropriate to address the alternative sites that could meet demand after this time. We take forward our findings in this section when making our recommendations for the sites to be reviewed.

- Despite Darlington being perceived as a well located town in terms of infrastructure, quality of life and inexpensive labour there has been a distinct lack of inward investment/interest from developers and occupiers in the past. It is believed that the main reason for this is Darlington has not actively marketed its offer to create interest. In this respect we believe that Darlington can still attract users to the Tees Valley if quality accommodation is in place and if the town markets its offer.

THE SUPPLY AND DEMAND FOR RETAIL SITES AND PREMISES IN DARLINGTON

4.91 Darlington is identified in RPG1 (Regional Planning Guidance) as a regional shopping centre, alongside Newcastle, Sunderland, Middlesbrough and the Metro Centre at Gateshead. The 'Darlington Retail Study' undertaken by Drivers Jonas in December 1999 also concluded that Darlington serves the towns population well, drawing its trade from Newton Aycliffe, South Durham and parts of North Yorkshire. In this respect the demand for further retail development in Darlington must be viewed in the context of the surrounding retail hierarchy and the competing developments elsewhere in the Tees Valley and the wider surrounding region.

COMPETING TOWN CENTRE SCHEMES – REDCAR

Regent Walk

4.92 This new £26 million scheme will be opened in October and totals 18,363 sq m (201,000 sq ft), comprising 23 retail units on an open mall basis and anchored by a 6,503 sq. m (70,000 sq ft) Morrisons foodstore. Pre Lets have already been secured from Westgate Department Stores, Argos, Peacocks, Bodycare, Dorothy Perkins, Burtons and numerous other high street fashion retailers.

COMPETING TOWN CENTRE SCHEMES – HARTLEPOOL

Middleton Grange Shopping Centre

4.93 Middleton Grange Shopping Centre is the dominant focus for retailing in the town with no other High Street or comparable covered scheme. The centre originally opened in the sixty's and underwent a major refurbishment during the mid to late 1990s'. The centre now offers circa 550,000sq.ft of retail space split between 150 units which are arranged on two levels. High Street retailers represented in the centre include Marks and Spencer, Westgate Department Stores, WH Smith, Littlewoods, Woolworths plus many more leading high street names.

COMPETING TOWN CENTRE SCHEMES - MIDDLESBROUGH

4.94 There is plenty of shopping opportunities in Middlesbrough and the town has three main shopping malls/arcades providing a wide choice of high street fashion retailers. The four main centres are: -

Cleveland Shopping Centre

4.95 The centre opened in 1972 and has recently undergone a refurbishment. The centre is in the main shopping centre close to the University of Teesside. The centre has in excess of 29,728sq.m (320,000sq.ft) and many high street names such as Boots, Littlewoods, Iceland, WH Smith and British Home Stores.

Hill Street Shopping Centre

4.96 The centre originally opened in 1981 and has recently undergone a major refurbishment and development programme. The latest extension to the centre will open in September 2002 and will increase the total retail floorspace to 21,555sq.m (232,017sq.ft) The Centre is anchored by Primark, Argos, Debenhams, Woolworths and Marks and Spencer.

Captain Cook Square

4.97 The Captain Cook Shopping Centre is situated opposite the Cleveland Centre, in the heart of Middlesbrough and incorporates the towns bus station. The development is designed on an open mall basis around a new public open space. The development opened in October 1999 and provides circa 20,439sq.m (220,000sq.ft) of retail floorspace. Anchors of the scheme are Wilkinsons, Co-op Department Store, JJB Sports, TJ Hughes and Waterstones.

COMPETING TOWN CENTRE SCHEMES – STOCKTON

4.98 Stocktons retail offer is centred on two major shopping centres and a pedestrianised High Street. These are:

Wellington Square

4.99 This new £43 million scheme and comprises around 16,723 sq m (180,000 sq ft) of new retail space with 800 car parking spaces and forms a logical extension to the High Street. Debenhams have occupied a 929 sq m (10,000 sq ft) extension to their existing High Street Store and Marks and Spencers have a new entrance onto the Mall. Most of the 42 shop units were occupied when the centre opened in September 2001. Retailers include WH Smith, Superdrug, Dixons, Lidl, MVC, Clinton Cards, KFC and Pilot.

Castlegate Shopping Centre

4.100 The Castlegate Centre is the only covered shopping centre in Stockton and is situated to the south of the High Street. The centre comprises 54 units on one level and facilities within the scheme include a hotel, offices and market hall. The centre is anchored by Uptons Department Store, Woolworths and Boots and provides free parking for circa 1000 cars.

Markets

4.101 The pedestrianised High Street hosts a market every Wednesday and Saturday, with over 150 stalls. A smaller market takes place on a Friday.

COMPETING TOWN CENTRE SCHEMES - DURHAM

Millburngate Shopping Centre

4.102 The Centre is the only covered centre in the city and is anchored by Safeway. The centre opened in 1976 and was last refurbished in 1986. The centre provides circa 18,580sq.ft (200,000sq.ft) of retailing and other key tenants include Dixons, Early Learning Centre, Fosters and Our Price.

Prince Bishops Shopping Centre

4.103 The Prince Bishops Shopping Centre open in October 1998 and is designed on an open mall basis.. The centre is regarded as the prime retail area within the City Centre and provides circa 14,400sq.m (155,000sq.ft) of retail floorspace. The centre is anchored by Bhs and JJB with other multiple retailers including Next, River Island, Allsports, and Boots.

It is evident from the above that many of Darlington's competing centres have secured major retail developments/refurbishment's in the last five years, further enhancing their retail offer. However, Darlington has not witnessed any major retail development or refurbishment of its existing provision, which may in time affect its ability to compete with its neighbours.

COMPETING OUT OF TOWN RETAIL SCHEMES

4.104 The only major competing out of town development in the Tees Valley is Teesside Retail Park. Another site worthy of consideration is the proposed Dalton Park at Murton in County Durham.

Teesside Retail Park

4.105 This is one of the largest out-of –town centres in the North of England and the main Retail Park within the Tees Valley area located just off the A66 Trunk Road. Current occupiers on the park include, Carpet Right, Power House, Kingsburys, Powerhouse Sound and Vision, JJB Sports, ALDI, Northern Electric, Argos, My Travel, Poundstretcher, Sports Soccer, Currys, PC World, Miller Bros, Brunswick Warehouse, Brantano, Boots, JD Sports, Toys R Us, Pets at Home, Mothercare World, Homebase, Comet, Betta Bedrooms, Rosebys, Time Computers, Carphone Warehouse and a Morrisons foodstore and Petrol Filling Station.

Dalton Park

4.106 This is a new 27,870sq.m (300,000sq.ft) outlet centre and leisure development combined with 50 acres of landscaped parkland is to open in March 2003.The retail element will comprise 13,935sq.m (150,000sq.ft) of factory outlet sales and catering.

FUTURE RETAIL DEVELOPMENT CONCLUSIONS

4.107 In terms of future capacity we would highlight the findings of Drivers Jonas report and draw on the main conclusions. These being:

- There is no additional capacity for a major foodstore within Darlington. Any new food retail development is to be retained within district and local centres.

- Comparison non-food retail must be retained within the existing town centre and any new development will largely centre around a major town centre scheme with one or two anchor tenants.

- Commercial Street has already been identified for major non-food retail development. As highlighted earlier in the report many of Darlington's competing centres have already secured major retail developments/refurbishment's in the last five years and it is in this respect that we support the promotion of the Commercial Street site for a major town centre redevelopment scheme. This should be continued to be actively promoted by the Council.

4.108 Given the retail offer in the surrounding centres and the proposed development at Commercial Street it is clear that further retail development is not a major driver in developing the identified study sites. Although there may be scope for additional supporting retail services to support the thriving business economy (i.e. Post Office, dry cleaners, sandwich shops etc.) these uses would be similar to those found in district/local centres and will also support existing and additional residential developments.

THE SUPPLY AND DEMAND FOR LEISURE SITES AND PREMISES IN DARLINGTON

Town Centre

4.109 There would appear to be a demand for leisure facilities when considering the proposed development at Feethams East. Whilst this scheme failed to proceed it was not due to a lack of demand but due to the requirement for a Multi Storey Car Park as part of any development, which impacted, greatly on scheme viability.

4.110 Indeed for Darlington Town Centre there is still a outstanding Gala bingo requirement and a need for family orientated leisure that is not solely licensed. We have also considered the potential for a small multi screen cinema (6 screens) but viability is a major concern with the poor covenant operators requiring £3-400,000 per screen in incentives. Competition from the nearby Teesside Leisure Park, Hartlepool Marina and the proposed Dalton Park, outside of Darlington's administrative boundary, also captures the majority of the cinema market.

Teesside Leisure Park

4.111 The park supports the Teesside Retail Park and is also located just off the A66. Current occupiers include, Gala Bingo, Gala Casino, Fatty Arbuckles, Hollywood Bowl, Showcase Cinema (14 Screens), Pizza Hut, Exchange Bar, Burger King, TGI, KFC and Franky and Benny's.

Hartlepool Marina

4.112 Following substantial public sector investment, in infrastructure and site services, from the Teesside Development Corporation the town has witnessed significant private sector interest, particularly around the marina area. Current developments include a xx screen Warner Bros. Cinema, a Mecca Bingo, Pizza Hut, KFC and Burger King.

Dalton Park

4.113 The leisure element of Dalton Park comprises circa 13,935sq.m (150,000sq.ft) which includes a hotel, multiplex cinema, health and fitness and bowling.

FUTURE LEISURE DEVELOPMENT CONCLUSIONS

4.114 Given the existing leisure provision in the Tees Valley and the surrounding region and the sequential approach to site selection, endorsed by PPG6, for all new major generators of traffic it is clear that major leisure development will not be a major driver in developing the selected study sites. However there may be scope for an element of supporting leisure facilities again to support the thriving business economy.

SUPPLY AND DEMAND FOR RESIDENTIAL SITES AND PREMISES

4.115 A high quality residential offer is a major attraction for inward investors. It is also popular in mixed-use schemes due to the financial contribution to employment uses. In considering the suitability of residential development on the sites we have considered the requirements of PPG3 and the relevant policies within the Structure and Local Plans.

Planning Policy Guidance Note 3

4.116 PPG 3 requires that when assessing the suitability of land for housing development consideration should be given to the following criteria:

- The availability of under used buildings and previously developed sites;
- Accessibility and location in relation to employment, shops and services by modes of transport other than the car;
- Whether the capacity of the existing and potential infrastructure is adequate to absorb further development;
- The ability to build communities to support new physical and social infrastructure and to support existing services and facilities;
- Physical and environmental site constraints.

4.117 When following this search sequence the Guidance states that previously developed sites, including buildings suitable for conversion or reuse, should be developed before greenfield sites. Only when sites perform poorly in relation to the above criteria can greenfield sites be considered first.

DarlingtonStructure Plan 2000

4.118 The Darlington Structure Plan provides the strategic planning guidance for the Borough until the Tees Valley Structure Plan is adopted.

4.119 Policy 7 of the Structure Plan states that 'provision should be made for about 4,450 new dwellings in the County, in addition to those needed to replace dwellings to be cleared, for the period 1991-2006'.

4.120 Policy 9 further states that the principal location for new housing development will be within the development limit of the urban area of Darlington. Elsewhere a policy of general restraint will apply and priority is to be given to the redevelopment of derelict redundant sites.

Emerging Tees Valley Structure Plan (soon to be adopted)

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4.121 Policy H1 states that provision should be made for around 33,000 new dwellings in the Tees Valley between 1998-2016, including replacement of dwellings to be cleared. From this figure the plan indicates that around 5,500 new dwellings are to be provided in Darlington.

The Borough of Darlington Local Plan (adopted 1997 and altered in 2001)

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4.122 The overall requirement for new housing in Darlington for the years 1991-2006 is for 4,450 new dwellings to be completed.

Demand

4.123 Throughout recent years the housing market in Darlington has been buoyant , with new dwellings completed averaging over 400 pa, peaking at 476 in 2000-2001. This was the highest recorded level of private house building activity in the Borough in the last twenty years. The Structure Plan requirement is for approximately 300 dwellings a year.. Local residential developers confirm that demand is mainly for the larger middle range and executive style housing with there being a plentiful supply of older terraced private sector housing and council owned rented accommodation.

4.124 The North East England: Changing Housing Markets and Urban Regeneration Final Report CURS University of Birmingham 2002 identifies Lingfield, Bank Top and Central Wards amongst ten wards where there is evidence of a risk or market failure because of low or changing demand.

4.125 Typical values for greenfield sites in the Darlington area are reported to be circa £110,000 - £1,235,000 per ha (£449,193 - £499,777 per acre). Values for brownfield land are around £610,000 - £740,000 per ha. Local agents also confirm that the higher density developments will be capable of realising higher values typically between around 1,235,000per ha (£500,000 per acre).

Supply of Available Housing Land

4.126 The Local Plan allocates land for residential development throughout the local plan period. However, the local plan period is from 1997-2006 and with almost two third of this period over most of the allocations and commitments have either been completed or are under construction. As such additional development on the selected study sites is difficult to quantify. This is given added significance in that the majority of the sites are greenfield and go against the guidance contained within PPG3.

Conclusion

4.127 Whilst residential development has not been considered appropriate on the majority of the sites, largely due to the existing supply of allocated housing sites and the fact that most of the sites considered under this Development Framework are greenfield, residential development has been considered suitable as part of a mixed use scheme on Haughton Road. This is because the site is sequentially preferable, being located in a central location accessible to alternative forms of transport. The other sites of Faverdale and Darlington Great Park are less favourable in terms of location and accessibility and are both greenfield, hence development on these sites would be in conflict with PPG3 and Local Development Plan Policy.

5 Exemplars

5.1 In order to inform our opinions and understanding of the method of bringing forward development on the subject sites we have considered, what we believe are, successful schemes/exemplars for further consideration. These may not be considered to be direct comparisons to the situation at Darlington but, we believe, there are some useful lessons, which can be drawn from them in terms of developing a regional business location. The exemplars considered were **York Science Park**, **Clifton Moor - York**, **Thorpe Park – Leeds**, **Teesdale – Stockton** and **Doxford - Sunderland.** Our analysis of these exemplars identifies the size, type and locational requirements and information in respect of the method of bringing forward development e.g. Public Sector assistance, partnerships and private sector involvement. This information has then been utilised to inform the next methods of bringing forward targeted development on the subject sites.

5.2 We have also approached a selection of the occupiers at these schemes to determine whether they would have located in Darlington should alternative accommodation have been available, the results of this exercise are highlighted at Appendix III.

Thorpe Park - Leeds

5.3 Thorpe Park claims to be one of the largest sites of its kind in the UK and is aiming to be the North of England's premier Business Park. It is situated approximately 9.7km (6 miles) east of Leeds City Centre at junction 46 of the M1 motorway, which provides direct access to the A1(M), M62 and Leeds City Centre.

5.4 The park comprises some 109ha (271 acres) with the capacity for up to 167,220sq.m (1.8million sq.ft) of bespoke office accommodation. The park is split in two, the northern section and the southern section. More than a third of the total site area is devoted to a green park. Development has commenced on the southern section of the park and when compete will provide a total of 59,120sq.m (636,382sq.ft). The northern section of the park offers the potential for up to 116,384sq.m (1,252,788sq.ft).

5.5 Work started on a new direct motorway junction to the park in October 2001. This is a £4m investment by the Developer and was completed in spring 2002.

5.6 Seven Trent Property and GMI own the park and the developer is **Thorpe Park (Leeds).** Thorpe Park (Leeds) is controlled and funded by Severn Trent Property and has an agreed planning framework masterplan with the local authority (Leeds City Council).

5.7 Current occupiers on the park include:

- **National Grid –** The National Grid were the first occupiers on the park and bought a 3.716sq.m (40,000sq.ft) office building which they took occupation of in May 1999.

- **IBM** –IBM chose Thorpe Park for the relocation of its regional headquarters after two years of searching the Leeds area for a new site. IBM agreed a 2,974sq.m (32,000sq.ft) pre let at a rent of £177.61 psm (£16.50psf) on a 25 year lease. Construction of this tailor made building began in mid 2001 and the property is expected to have an end value of circa £7m.

- **Time Retail Finance** – Time Retail Finance a subsidiary of the King Fisher Group, took occupation of a 36,000sq.ft (3,346sq.m) building in December 2000.

- **Thorpe Park Hotel and Spa** – The National Hotel chain, Shire Inns, is building its largest complex in the UK at the park. The 123 bed four star hotel will have a wide range of meeting and conference rooms. Other facilities include a restaurant, lounge area and bar, leisure facilities, pool, gymnasium, sauna and whirlpool.

- **Octagon** – Comprises eight self-contained office buildings, offering accommodation in the following size range 173 – 3,855sq.m (1,862 – 41,496sq.ft).

  The development provides multi occupancy space in two storey pavilions, which share common infrastructure and car parking spaces. Each pavillion is approximately 464.5sq.m (5,000sq.ft) and is designed on the basis that they are occupied by one or two companies in a single building or on a floor by floor basis.

- **Regus –** The Regus centre is a new two storey, air conditioned building offering equipped, networked offices for 1 – 100+ people on flexible lease terms varying from 3 months to 5 years. Shared facilities include meeting rooms, video conferencing, cybercafe, internet connectivity and business support services. Regus is paying over £167psm (£15.50psf) for the building on a 25-year lease.

- **Cable and Wireless** - Currently letting, by way of assignment, their existing premises. The accommodation is to a high specification and totals 2,090sq.m (22,500sq.ft). The property is to be let on a 15year lease on full repairing and insuring terms with 5 yearly rent reviews.

- **WS Atkins** - Are taking 31,500sq.ft (2,926sq.m) of office accommodation on the park at a reported rental value of £178psm (£16.50psf). A planning application has been submitted to Leeds City Council for the six linked units and the space is expected to be available by early 2003.

Key Facts and Apparent Factors Contributing to Success

1. Work on this £500m scheme began in late 1998.

2. The park is directly connected to the broadband fibre network and has been identified as a international BT e-location.

3. The park will shortly benefit from a knowledge economy campus following a recent deal/partnership with the Developer Thorpe Park (Leeds) and the University of Leeds.

4. Rents at Thorpe Park are quoted at around £179psm (£16.50psf)

5. The layout, design and attractiveness of location.

6. A buoyant Leeds economy and a shortage within the city of quality space within an attractive environment.

7. Excellent accessibility with direct link to A1/M1 link.

8. Development initiated by a proactive Local Authority (Leeds City Council).

Doxford International Business Park - Sunderland

5.8 Doxford International Business Park is located at the junction of the A19 and the A690, close to Durham, Sunderland and Newcastle. The park has excellent road links with direct access to the A19 and A1(M) via the A690. Construction of this 19.42ha (48 acre) Business Park began in 1991 with the park being developed in eight phases. The Park originally had Enterprise Zone status and the detailed masterplanning of the park has resulted in more than 60,386sq.m (650,000sq.ft) of high specification office space, with on-site retail and restaurant facilities.

5.9 The developer of the park is **Akeler Developments** and current occupiers include:

- **One 2 One** - Occupy a 2,461sq.m (26,500sq.ft) switch centre.

- **Axicom** – Axicom an international marketing company took occupation of a 11,148sq.m (120,000sq.ft) office block at the Park.

- **Barclays** – Barclays chose Doxford International Business Park as the location for a 9,290sq.m (100,000sq.ft) call centre. The bank's telephone banking arm Barclaycall occupy two units at a rental value of £137psm (£12.75psf).

- **Regus** – Regus Business Centres took occupation of a 2,360sq.m (25,400sq.ft) office building on a 15 year lease in March 1999. It is believed that the package included a rent-free period.

- **Subscription Services Limited –** Subsidiary of the post office.

- **Reg Vardy** – The Motor Group Reg Vardy acquired the last 1.5ha (3.69 acres) site for their 4,715sq.m (50,750sq.ft) building. Future plans for the site also include a call centre and space for the contract-hire side of the business.

Other occupiers on the park include : -

- Arriva
- The National Lottery
- Northern Rock
- Royal Sun Alliance
- Sunderland Housing Groups
- Nike
- London Electricity
- Leighton
- Akeler/Grove Worldwide
- Grove Worldwide

Key Facts and Apparent Factors Contributing to Success

1. Work commenced in 1991

2. The Park has the only Teleport in the Country outside of London which allows businesses and call centres on the park to operate their call centres and offices globally.

3. Rents at Doxford are generally around £130psm (£12psf)

4. Enterprise Zone designation

5. Good access and communications

6. The layout, design and attractiveness of the location.

7. Developed by enterprising developer with strong support from Local Authority (Sunderland City Council).

8. A very strong corporate marketing campaign.

Teesdale - Stockton

5.10 The park extends to an area of around 51 ha (126 acres) and is located alongside the south bank of the River Tees and close to Stockton Town Centre. The area has been developed as a mixed-use scheme to include, offices, housing and a campus for Durham University at Stockton.

5.11 Teesdale was developed as a mixed-use flagship scheme by the Teesside Development Corporation and its location, river setting (enhanced by the Tees Barrage), landscaping and design have all contributed to produce an attractive commercial and residential location.

5.12 Total built space amounts to around 67,000 sq. m.(721,205 sq.ft) in various buildings between 457 and 9,244 sq metres (4,919sq.ft-99,505sq.ft). The first building was granted planning permission in 1989 and, following a pause, further schemes followed to the present day.

5.13 The main occupiers on the park are:

- Barclaycard
- Abbey National
- Barclays Bank
- Inland Revenue
- Environment Agency
- VAI UK.

5.14 There are also a number of local professional firms such as Dickinson Dees (solicitors), Sanderson Townend and Gilbert (chartered surveyors), Wise Speke (stockbrokers) and Halcrow Crouch (consulting engineers).

5.15 Early rents were reported to be in the region of £8-£10 pr sq. ft. based on a basic specification and short leases. Recently rents have reached £14-£15 per sq. ft. on the basis of an improved specification and longer leases.

Keys Facts and Apparent Factors Contributing to Success

1. The early vision of TDC to create an attractive complex, its ability to fund the necessary infrastructure, kick start development by way of incentives and promote the location within its corporate marketing strategies.

2. A shortage of modern office space in the main centres of the Tees Valley – particularly space in an attractive setting with car parking.

3. A local developer who apparently funded schemes from non-institutional sources, trimmed specifications and rents and let on short leases.

4. The overview of the TDC and the local authority (through the planning mechanism) to ensure consistent standards of layout and design.

York Science Park - York

5.16 York Science Park comprises an area of around 9ha (21 acres) which is located within the University of York's campus at Heslington. The park has been well laid out, developed to good design standards and its buildings sit within an attractive environment. The park is developed and managed by **York Science Park Ltd**, a joint venture between the **University of York and P&O Developments.**

5.17 In the 1980s the University began to debate and plan the Science Park and in around 1989 it entered into an arrangement with P&O Limited to form the York Science Park Limited (YSPL). YSPL acted as a developer and drew down University land at market value for subsequent development. At present there remains only 2ha (5 acres). of available land which is reserved for special requirements.

5.18 Development at the Science Park has been phased, beginning in 1992 with the completion of a 7,700 sq. m (83,000sq.ft) building pre let to **Smith & Nephew** . Phase two saw the completion of the 2,860 sq. m (30,800sq.ft) Innovation Centre, providing serviced office accommodation to small technology-based companies. This was followed by the Genesis office development which provides 6 units of high – tech research accommodation totalling 2,027sq.m (21,815sq.ft). An incubator of around 2,500sq.m (26,910sq.ft) and specialising in IT is planned for completion in 2003.

5.19 The Main occupiers on the park are Smith & Nephew, Infocom, and Berkeley Process Control, together with a number of smaller companies who have direct links with the University's nearby resources and facilities.

5.20 Larger units were let on conventional leases and rents have grown from £120 psm (11 psf) to £155per sq.m (14 psf). Smaller units have been let on license terms (including elements such as rates, lighting, heating and telephone servicing etc.) and rents have grown from £155 psm (14 psf) to over £300 (27psf). Rents of recent Bio-tech units (again including elements such as rates, lighting etc) have reached £480 psm (44 psf).

KEY FACTS AND APPARENT FACTORS CONTRIBUTING TO SUCCESS

1. The early vision of the University to develop a park within its campus and to be an active promoter through its involvement with the park, the innovation centre and its development company has been key to the parks success.

2. The nearby services and links from the University available to occupants, some of whom have been university spin outs.

3. A formal marketing strategy (linked to the York Science City initiative) involving the University and other bodies to promote the park as one of the main cornerstones of the City's economic strategy.

4. The layout, design and attractiveness of location.

5. A shortage of quality space within the city of York of quality space within an attractive environment.

6. Development of the park commenced in 1992 with Smith and Hampton's 7,700sq.m (83,000sq.ft) offices.

7. Rents at York Science Park are circa £300psm (27psf).

CLIFTON MOOR - YORK

5.21 Clifton Moor is located just off the York outer ring road (A1237) to the north of the city centre. It began its life in 1936 as an airport. The RAF took over the air base at the beginning of the Second World War. After the war ended the airfield closed and little was made of the site until 1983 when Ryedale District Council allocated 43.71ha (108 acres) of the site for residential use and 54.63 ha (135 acres) for industrial and retail use. There is a wide range of service and manufacturing businesses and a growing number of major car retail showrooms.

5.22 The first phase of development at Clifton Moor opened on 3rd February 1983. Following this initial phase of development Clifton Moor has become ever more popular and is now a successful multi million pound location. It is home to over 250 businesses some of the current occupiers include: -

- Allied Dunbar
- Marconi
- NHBC
- Yorkshire Forward
- Environment Agency
- Royal London Insurance
- Scottish Power
- Securicor Omega Express

5.23 There is also the Clifton Moor shopping centre housing well know brand named shops as well as a large multiplex cinema, night club, restaurants, family pubs, fitness centre and a purpose built nursery. Occupiers at the Shopping centre include: -

- Toys R Us
- Argos
- Currys
- McDonalds

- Mothercare
- Comet
- Sport Division
- Carpetright
- Shoe City; and

Key Facts and Apparent Factors Contributing to Success

- Good location
- Good environment
- Shortage of supply of high quality modern accommodation in York City centre within an attractive environment.
- Support of Local Authority (York City Council) in its marketing.

Conclusion

5.24 Whilst these exemplars are not direct comparisons to the sites at Darlington they have all been successful schemes in their own right and all have common key themes which appear to have contributed to their success. These themes are:

- Local Authority/Regeneration Company/Developer Vision and framework for long term development.
- High quality public realm/landscaping.
- Excellent access
- An enterprising developer
- Local Authority support underpinned with good corporate marketing.

6 Accessibility and Urban Design Issues

6.1 This section of the report considers the accessibility issues associated with development and then goes on to detail the general principles of urban design. These points are further examined in our detailed analysis of the sites as detailed at Section 6.

TRANSPORT, ACCESSIBILITY AND INFRASTRUCTURE

6.2 The provision of good strategic and local accessibility is a key element in the development of new and regenerated employment areas and we have taken these factors into account when reviewing the following sites:

- Haughton Road
- Faverdale (including land to the east of the Strategic Reserve Site)
- Yarm Road North (Darlington Great Park)
- Town Hall Plus Feethams East
- Feethams West
- Yarm Road South (Morton Palms Extension Land)
- Site South of Ring Road
- Railway Station West and East

6.3 Some sites being considered have been historically used for industrial development and have varying degrees of contamination. An initial outline desk study has been undertaken to collate all existing data and to summarise the current implications for site development. If certain sites are to be taken forward, further contamination studies may well be required, including site survey, to define the extent, level of risk and likely cost of this element of site development.

6.4 The third element of work has been to examine existing provision of statutory undertakers services to each site and to estimate any additional utilities costs required to develop the site for the likely uses defined within the overall master planning process. At this stage, such estimates can only be outlined as the type of site use and its intensity may well change, as design briefs are prepared in detail.

Strategic Transport Issues

Area Wide Transport Links

6.5 Darlington is strategically placed to take advantage of both highway and rail access to the regional and national primary network. Sites within urban Darlington have relatively easy access to the A1 (M) via the A66 or A68 links, and therefore good highway access to Tyneside, West Yorkshire and the Midlands. This is particularly important benefit for developing logistic (distribution and warehousing) uses.

6.6 Darlington Station is on the East Coast Mainline route and is served by most of the services passing between Edinburgh, Newcastle, West Yorkshire and the Midlands, additionally with reasonably good links to London. The local Teesside Airport provides internal links within the UK to other major cities and to the near continent.

6.7 Due to its strategic position, developments within Darlington must also be considered as part of the wider Tees Valley area. The A66 provides a key highway link between the A1 (M) and Stockton, Middlesbrough and Redcar areas. Additionally, bus services link these centres from Darlington Town Centre.

6.8 The proposed Darlington Eastern Transport Corridor improvement forms a key part of the Local Transport Plan proposals to be implemented by 2006. It forms a single carriageway link from the A66, skirting Darlington Great Park, to the B6279 Haughton Road. It is expected that this new route will attract substantial traffic from the Haughton Road and Yarm Road routes, which will be traffic calmed. In the longer term, the route could be extended to link to the Faverdale Development area distributor route linking to the A68.. With this future scenario, the route would accommodate a substantial proportion of regional traffic from the A1 (M) north into the Tees Valley and provide good access to any adjacent development.

6.9 Historically, there has been a significant spatial relationship between Tees Valley towns in providing residential and employment areas. Within the journey to work area, the average journey length is 6-7 miles, well below the national average of around 20 miles, emphasising the sustainable nature of local transport/land policies. The Local Unitary Development Plans and Local Transport Plans reinforce this approach in future years. Thus development within Darlington must be considered in the context of the overall Tees Valley in terms of location relating to both highway and sustainable transport access.

Local Transport Plan

6.10 The Local Transport Plan for Darlington aims to develop a sustainable transport network, in line with Government policy. In relation to this document and the Unitary Development Plan, a key policy issue is to integrate the location of major new development sites with transport corridors. It is appreciated that some “out of town” development sites for business or industrial use will need good highway links and reasonable levels of parking provision. However, it is essential that access by bus, rail, cycling and walking links be reinforced as part of Darlington’s local area network. For sites close to or within the town centre, pedestrian, cycling and local bus movements must be encouraged through improved segregated links emphasising the safety and convenience of users. Access to Darlington Station and to town centre bus terminus locations is important. Access to the new development sites on the margin of the urban area, although requiring significant car access, must be integrated into the local bus network and form sustainable connections with surrounding residential areas.

Highway Network Issues

6.11 Sites in the Darlington area have good access to the A1 (M), via A68 to the north of the town centre and A66 (M) to the south. The A66 also provides the main strategic link from the A1 (M) into the Tees Valley and carries a significant level of traffic flow, especially at peak hours. Capacity on this route is constrained by its single carriageway and at grade junction characteristics and congestion regularly occurs.

6.12 In respect of the sites to be reviewed we would highlight two main points:

6.13 **Firstly** - The A66 to the east of Darlington town centre has been the subject of evaluation by the Highways Agency in regard to the level of new local development which can reasonably be allowed due to likely generated traffic. An agreement with the Highways Agency regarding the impact of the construction of the new Darlington Eastern Transport Corridor Link onto the A66 and the level of future development which can generate traffic on to this route has been formalised. This particularly relates to the development of Darlington Great Park. Development generating no more than 800 trips inbound in the morning peak period will be allowed. A roundabout junction will be formed with the A66 and a traffic signal junction constructed at the B6279 Haughton Road. Beyond this agreed level of traffic generation, the current design of the A66 is likely to constrain further developments unless significant improvements are made.

6.14 **Secondly** - The Faverdale sites will provide Darlington with major development potential over the coming years. The excellent access to the A1 (M) will encourage the promotion of distribution uses, which rely heavily of good highway infrastructure. The main distributor road into the site from the A68 will need to serve a large area of existing and future industrial/employment development and could also form part of an extended East-West route to the north of the town centre linking with the Darlington Eastern Transport Corridor. Given the environmental impact on existing adjacent residential areas and the new housing areas proposed at West Park, off the A68, alternative alignments for this route through the Faverdale development area have been considered. This may include a direct link to the A68/A1 (M) junction and the capacity implication of this existing grade separated roundabout will need to be considered.

Public Transport Issues

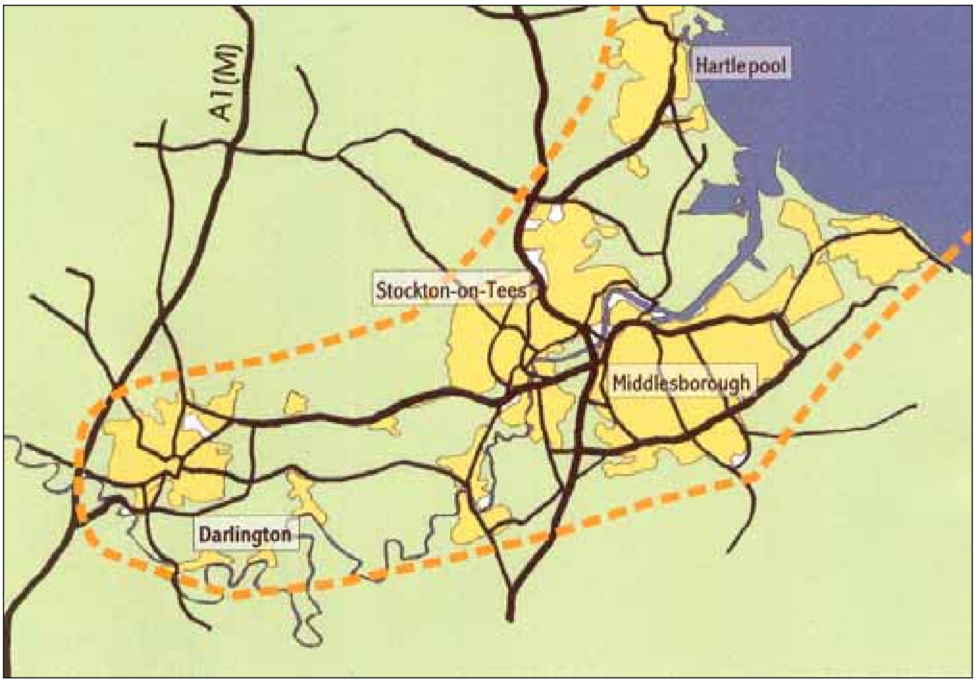
6.15 Darlington has a relatively comprehensive bus network linking the town centre, with limited access to Darlington Station. For regional (and national) access into the area, the station plays a major role and new development sites will need to take account of bus and taxi access. A new “Flight” coach service from the station to Teesside Airport is proposed.

6.16 A recent study into a rapid transit scheme for the Tees Valley concluded that likely patronage would only justify a light rail route from Stockton to Middlesbrough. Any link to Darlington would be through improved bus services. These would need to serve the sites in the Darlington Great Park and Morton Palms areas.

URBAN DESIGN ANALYSIS

Darlington – Growth Characteristics

Figure 13 Darlington's Position in the Tees Valley

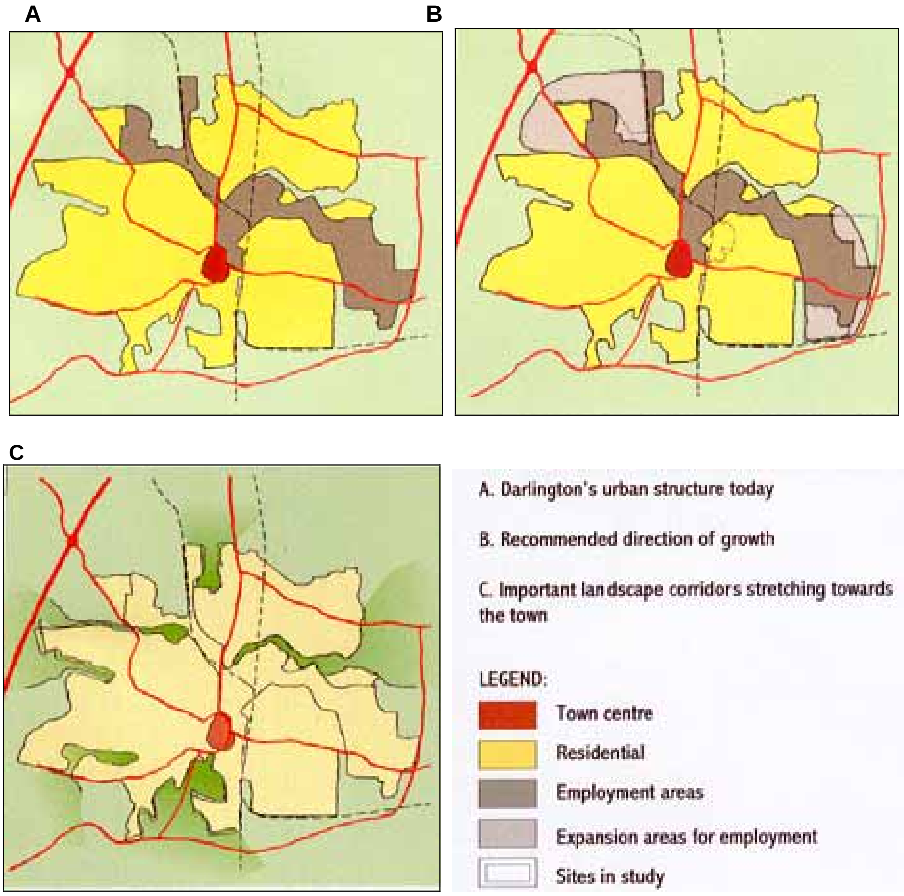


6.17 The Tees Valley describes the area around the mouth of the River Tees with its towns and resident industry tightly clustered around it (see figure 13). Its conical shape stretches back inland where Darlington forms the tip of the cone. When travelling to the Tees Valley by road or rail Darlington inevitably needs to be passed and hence forms the point of entry to the region for most people. It is this locational characteristic which has led to the description of Darlington as the Gateway to the Tees Valley.

6.18 Because of Darlington's strategic location improvements to key sites in and around Darlington will reflect positively on the Tees Valley and its image as a whole. This is especially true along strategic routes that serve not only Darlington but continue further into the Tees Valley. These are:

- A1(M)
- A66
- A68, and
- A167.

6.19 High quality Gateway developments along these corridors will not only strengthen Darlington's offer for employment opportunities and quality living, but will reflect on the area as a whole.



6.20 Darlington is a market town of around 100,000 people that has grown around the River Skerne, just north of the River Tees. With the introduction of the railway it gained a new raison d'etre and prospered. Main routes radiate out from the centre connecting the town with its surrounding hinterland. Over the centuries, its general growth pattern has remained compact and radial.

6.21 Major employment lands form a band diagonally through the town with Faverdale Industrial Estate to the North West, work areas along the now dismantled railway corridor to Lingfield and Morton Park in the East of the town centre (see figure A).

6.22 Green fingers of parkland as well as the alignment of the River Skerne, create positive corridors linking the town centre with the countryside. This structure of green corridors into the heart of the urban area is very valuable and needs to be preserved during further town expansion and capitalised upon. Indeed this 'green setting' is one of the quality of life factors which contributes to Darlington's popularity.

6.23 In recent decades, residential development has occurred mainly westwards towards the A1(M) while development for employment has crept eastwards along the A66 corridor and remained at the motorway junction of the A1(M) and A68.

Suggested Directions of Future Growth

6.24 It is inevitable and natural that towns grow over time in population, spread and quantum development. The pattern of growth can reinforce or detract from the already existing structure of the town. Future growth should therefore be guided to enhance and support what Darlington already has to offer. This will strengthen the town and its position in the Tees Valley. Any future development in Darlington should therefore:

- Reinforce the position and function of the town centre as the main focus for Darlington's residents while allowing neighbourhood centres to cater for their immediate surrounding.
- Build development to relate and strengthen its immediate context. Linkages to existing local neighbourhood centres should be safeguarded in layouts. If new local facilities can be integrated into developments as a new neighbourhood centre, this should be encouraged.
- Non-car accessibility of all areas needs to be considered for all new forms of development

6.25 This translates into the following physical areas of growth :

- Firstly, focus on using available redundant land close to the town centre and along its main transport routes. This will ensure and improve the compactness of the town.
- Strengthen Morton Park as a location of employment opportunities, especially if and when the Cross Town Route becomes a reality. This will give the opportunity to enhance bus services to the employment area. All employment sites around Yarm Road enjoy good visibility from the A66 and can truly act as a Gateway development and introduction to Darlington from the East.
- Build out land at Faverdale for employment opportunities that rely on easy access to strategic routes such as the A1(M).

7 Summary of Main Issues

7.1 In this section of the report we summarise the main points from our baseline research, which have been used to inform the Development Framework.

Economic

7.2 Darlington has a history of economic under-performance and in looking to the future the economy of the town will have to move in one of several directions. The economy can either stagnate, gently decline or make a conscious decision to take the opportunity to maximise its offer by building on its home grown assets.

7.3 Darlington has a real opportunity to successfully improve its image by working with its indigenous resources such as its advantageous location, superior business and high quality of life. Local businesses/firms in the town support the view that Darlington is well placed (in locational terms) to create new inward investment opportunities and if the right offer is created this will support any future growth and expansion of existing businesses in the town. It will also help retain the young population and assist in attracting inward investment.

SUPPLY AND DEMAND

Available Industrial Land – Tees Valley

7.4 A large amount of land (2,609ha (6,447 acres)) has been zoned in local plans. From this total allocated land supply only 465ha (1,149 acres) are immediately available. However this is not thought to be a true reflection of the supply of good clean serviced sites because 355ha (877 acres) are brownfield and subject to constraints such as contamination, poor environment and access. A lot of the land is also designated for specific uses such as port and airport uses, prestige uses and for potential polluting industry.

7.5 The average take up of industrial land has been 63.6ha (157.16 acres)pa which, when viewed against the supply of available land (465ha (1,149acres) provides a seven year supply. However, this is a gross figure and as such overstates the actual supply.

Available Industrial Land - Darlington

7.6 Our review showed a large supply of industrial land within the borough with areas at Yarm Road and Morton Palms also suitable for B1 and office use. Significant areas of industrial land are provided at the following locations: -

- Faverdale East
- Faverdale Reserve Site
- The Airport
- Yarm Road and Morton Palms

7.7 In addition to the above there are also a number of plots available at Yarm Road Industrial Estate including an area to the rear of Morrisons and a number of infill areas, mostly to the north of the town centre.

Faverdale Strategic Reserve Site

7.8 The Faverdale Reserve Site is circa 120ha (297 acres) and is held in reserve for a large inward investor. Whilst interest has been expressed in this site it still remains available. In terms of future demand it is not possible to predict the level of interest. However, given that Darlington now has the advantage of being in an assisted area and the fact it is a large area of available land that it is well located, it would seem logical to retain the strategic allocation.

7.9 Not withstanding the reserve site and the land at Faverdale, Yarm Road and Morton Palms, there remains a large quantity of available industrial land in Darlington when compared to the average take up figure if 2.5ha (6.17acres) per annum.

Industrial Premises – Tees Valley

7.10 There is a large amount of old (secondary) stock available but this is largely unsuitable for today's modern day users and is in the wrong locations. There was a total 139,304 sq.m (1,499,504sq.ft) of available industrial accommodation in April 2001. The supply fell significantly during the next twelve months and stood at 99,959sq.m (1,075,985sq.ft) in April 2002. The amount of available new stock also reduced over the same period and narrowed to just over one years supply.

Industrial Premises - Darlington

7.11 There has been little in terms of new speculative development in Darlington largely due to the absence of assisted area status. Indeed the only 'new build' scheme was a 9,000sq.m (100,000sq.ft) development of small industrial units constructed in the 1990's as part of the Morrisons superstore and these proved difficult to let.

7.12 The most notable observation from our analysis was the limited available modern format space in the traditional mid-range of 450-1,800sq.m (4,884-19,377sq.ft).

Demand for Industrial Premises

7.13 Demand is thought to be better in Darlington than in the eastern parts of the Tees Valley where there is a large amount of available stock in Enterprise Zones. It is believed that there is a reasonable demand for a limited number of new, medium-sized (10-20,000sq.ft) units in the town. It was also evident from our consultations with local businesses that there is also a latent indigenous demand.

Distribution/Logistics – Darlington

7.14 Darlington acts a regional hub for the Tees Valley and is situated in an ideal location for the distribution of goods via transit. The major competing distribution locations (the M62 corridor) are now nearing capacity and indeed very few sites in these established areas are now capable of accommodating buildings over 27,868sq.m (300,000sq.ft). The increased competition for sites in these locations is forcing occupiers to look further afield in terms of location including Darlington. This is reinforced through initial consultations with distribution occupiers who have revealed a demand for a range of units that could be developed speculatively with the minimum being 9,290sq.m (100,000sq.ft).

Available Office Premises – Tees Valley and Darlington

7.15 There is sufficient quality stock in the Tees Valley (excluding Darlington) to meet the historic demand. However, in stark contrast to the wider Tees Valley there is a shortage of modern stock in Darlington but Morton Palms will add to this. Whilst Morton Palms will provide the quality stock in Darlington for the next five years there is still a requirement for space beyond the life of Morton Palms and space will need to be brought forward to meet demand after this period.

Supply of Sites - Darlington

7.16 There are numerous sites in Darlington that are suitable for office/B1 development, including:

- Yarm Road
- Morton Palms
- McMullen Road

7.17 There are also a number of smaller sites closer to the town centre which could be made available such as an area of land at Feethams West owned by Terrace Hill. In addition there are also plans to develop an office/B1 park to the south of Teesside Airport, although current plans are just for air related development in the first instance. In view of this it is quite clear that there is no shortage of sites for future office/B1 development.

7.18 Darlington is well placed, in locational and lifestyle terms to attract an element of the office and service sector. However, unlike the rest of the Tees Valley the town has not received assistance from the public sector to develop quality office space. Consequently there is a strong prospect of latent demand within the town and wider area. This was borne out through our consultations with local firms and business as highlighted in section 2.

Requirements for Marketing

7.19 Darlington is viewed as a successful office and service centre providing a gateway function to the wider Tees Valley area. The key to the success of Darlington in these markets will be fundamentally linked to a promotional campaign on both a wider strategic level (Tees Valley) and a more local level in Darlington supported by the provision of new space and availability of serviced sites in order to deliver accommodation for the demand in a timescale beyond that of Morton Palms. This marketing is required to attract new inward investors to Darlington which would not have otherwise considered the Tees Valley. It is an addition to the range of accommodation provided and not a direct competitor with the other B1 sites in the Tees Valley, since its target market is occupiers outside of the Tees Valley.

Retail

7.20 Comparison capacity is limited but there is a need for qualitative expansion given the recent developments in the competing centres of Redcar, Durham, Stockton and Middlesbrough. The town centre is the preferred location for further comparison floorspace and in this respect we support the promotion of the Commercial Street Proposals. There is no capacity for convenience retailing other than at district/neighbourhood centre level.

Leisure

7.21 The viability of leisure schemes is difficult, in acceptable locations, in planning terms especially in view of the major competition from Teesside Leisure Park and Hartlepool Marina.

Exemplars

7.22 In order to inform our opinions of bringing forward development on the subject sites consideration was given to, what we believe are, successful schemes/exemplars elsewhere in the Tees Valley and the wider surrounding regions. The exemplars chosen were:

- Doxford – Sunderland
- Teesdale – Stockton
- York Science Park
- Clifton Moor – York
- Thorpe Park – Leeds

7.23 Each of these exemplars share key components which have contributed to their success these namely being: vision and framework for development, a quality environment, good accessibility, education/potential education links, enterprising developer(s) and successful corporate marketing.

Inward Investor Feedback

7.24 A selection of occupiers at these schemes and local/national agents have also been consulted to determine whether they would have/or their clients would have located in Darlington should alternative accommodation have been available. Although it was difficult to identify and then secure a dialogue with such companies we believe this is valuable first hand information.

7.25 The feedback from this exercise indicates that there has generally been a lack of inward investment to the town partly because there is very little office space available and because Darlington has not actively marketed its offer in order to create interest. The majority of property agents said that inquiries for office space particularly in Darlington are very rare and there has not been much interest in Darlington from either developers or occupiers in the past. Similarly none of the companies we interviewed had seriously considered Darlington when they were seeking their current location. However, on a more positive note all of the agents and occupiers interviewed had a positive perception of the town and viewed it as having a good location that could offer a good quality of life and a good supply of inexpensive labour. However, they also said the town lacked a dynamic and 'trendy' image which would be important in attracting new private sector inward investment. A number of the regional agents were cautious about the possibility of creating oversupply in the near future, but said that they would not discount Darlington as a location for speculative development. There has been a notable lack of supply of good quality accommodation over the years with little supporting promotion of the town, therefore we believe that Darlington will attract an increasing number of inward investors to the Tees Valley if quality accommodation is in place and if the town markets its offer.

Accessibility – Highway Network Issues

7.26 The A66 to the east of Darlington town centre has been the subject of evaluation by the Highways Agency in regard to the level of new local development which can reasonably be allowed due to likely generated traffic. An agreement with the Highways Agency regarding the impact of the construction of the new Darlington Eastern Transport Corridor Link onto the A66 and the level of future development which can generate traffic on to this route has been formalised. This particularly relates to the development of Darlington Great Park and Haughton Road sites where beyond the agreed level of traffic generation, the A66 is likely to constrain further development unless significant improvements/upgrading are made.

7.27 The Faverdale sites will provide Darlington with major development potential and the excellent access to the A1(M) will encourage the promotion of distribution uses, which rely heavily on good highway infrastructure. The main distributor road into the site could in this respect form part of an extended East-West route to the north of the town centre, linking with the Darlington Eastern Transport Corridor.

Urban Design Analysis

7.28 Because of Darlingtons location improvements to key sites in and around the town will reflect positively on the Tees Valley and its image as a whole. Any future development In Darlington will need to:

- Reinforce the position and function of the town centre as the main focus for Darlingtons residents while allowing neighbouring centres to cater for their immediate surrounding.

- Build development to relate and strengthen its immediate context. Linkages to existing local neighbouring centres should be safeguarded in layouts. If new local facilities can be integrated into developments as a new neighbourhood centre, this should be encouraged.

- Non car accessibility of all areas needs to be considered for all new forms of development.

Conclusion

7.29 When travelling to the Tees Valley by road or rail, Darlington, inevitably needs to be passed and thus forms the ‘gateway’ to the area. Because of the towns strategic location any improvements to key sites in and around the town will not only reflect positively on the town but on the Tees Valley as a whole. This is especially true along strategic routes that serve Darlington and which also continue further into the Tees Valley.

7.30 High quality developments along these corridors will not only strengthen Darlington’s offer for employment opportunities and quality of life it will also reflect on the area as a whole. This is the underlying rationale for the work carried out on the site specific analysis on which the Development Framework was built.

8 Development Framework and Site Analysis

Context

8.1 Darlington has been identified as a 'gateway' to the Tees Valley and it is believed that Darlington has locational and quality of life advantages which, if capitalised upon, can generate economic and development activity, which may not go elsewhere in the Tees Valley.

8.2 We believe that from our research work undertaken to inform the development framework that the above statement can be supported. The key to bringing forward the economic activity is to provide a supply of accommodation, supported by a targeted marketing campaign to inward investors located outside of the region. The implementation plan for this development is outlined by the proposed Development Framework.

8.3 An initial evaluation has been undertaken of all the sites contained within the brief. Following this initial appraisal and preliminary discussions with the client, three sites have been shortlisted for further investigation and indicated as the 'Priority Sites' below. The remaining sites are also considered in greater detail and are included at Appendix V.

Priority Sites

- Haughton Road
- Faverdale
- Darlington Great Park (Yarm Road North)

8.4 The Development Framework focuses on the priority sites and considers physical developments that will meet the economic needs/demand of the town as well as other issues such as supply chains, physical site characteristics, service availability, transport requirements, planning issues, designs, environmental factors and other constraints. The plans for the priority sites are indicative at this stage but serve to identify the potential opportunities which can provide future space. As with all masterplans these are initial layouts which provide for flexibility to respond to market changes and the ability to respond to material changes as further more detailed work is undertaken.

Development Framework Rationale

8.5 The background research underpinning the development framework identified a shortage of industrial and quality office space in Darlington. The two main focuses of industrial and out of centre office space are based at Faverdale Industrial Estate to the north of Darlington and the Yarm Road/Morton Palms area to the south east for new office space. The Development Framework follows the main division of uses, concentrating further industrial development at Faverdale and new Business Park based office space at Darlington Great Park/Morton Palms.

8.6 In planning, location and accessibility terms the Haughton Road site offers a unique opportunity to provide quality modern office space close to the town and to maximise on the strategic links of the station and town centre environment providing facilities such as shopping, banks etc for staff. We believe that the combination of town centre office space and out of town business pack space will provide a balanced development mix and importantly serve a wider market of occupiers..

8.7 It should be noted that the masterplan options put forward for the priority sites are initial options which have taken account of the information on constraints which are contained within the analysis. It must be noted however that each of these sites will need further on site investigation in terms of topographical level surveys, ground condition investigations and detailed discussions with utility providers before work may commence on site. The purpose of these indicative masterplans is to highlight what is capable on the site subject to further site specific detailed investigation.

8.8 In preparing the Development Framework we have also considered the other sites within the brief. Their analysis and summary Action Plan are included in Appendix V.

Options for Growth

Haughton Road

8.9 The site extends to an area of circa 30.22ha (75 acres) and is located to the north east of Darlington Town Centre close to the east coast main line rail station. The site is in multiple ownerships split between Railtrack, British Rail (Rail Property), Darlington Borough Council and Northern Electric. We believe from our research of the market and of available sites, this is the principal opportunity, especially given its location, for the provision of a mixed-use scheme providing office, residential and neighbourhood facilities in a central sustainable location. It is a priority for public sector intervention given the uncertainty surrounding contamination and associated remediation costs, which will need to be the subject of further investigation. The acquisition and relocation of the third party landownerships need further consideration and depending on the approach to this, the site could be delivered in three phases providing a 10 – 15 year supply of accommodation after Morton Palms.

Faverdale

8.10 Faverdale is located on the northern outskirts of Darlington at the junction of the A1 and A68 and includes the Strategic Reserve Site. The majority of the site is greenfield with the only exception being an area to the south east where Corus have their existing works. Given the existing Faverdale Industrial Estate and good access to strategic routes such as the A1 (M) we believe this is the most suitable site for industrial development, including logistics, and should provide a range of speculative accommodation. As well as the primary uses it is also proposed to provide a small element of supporting retail and leisure, in terms of hotel and licensed use, in later phases. Work is underway to secure funding to open up the site and it is recommended a developer is selected to bring forward the sites in partnership with the public sector.

Darlington Great Park

8.11 The site extends to around 52.12ha (129 acres) and is situated to the east of Darlington and to the west of the A66 Trunk Road. The site is a gateway site due to its long frontage onto the A66 and its accessibility from the anticipated Cross Town Route. It is a greenfield site in various ownerships with Durham Cathedral owning the majority (34.61ha (85.5 acres)). Other landowners include Lingfield and Marchday. The Local Authority regard the Marchday land as previously developed land and have put it forward as an NLUD (National Land Use Database) site. Funding is in place for the Cross Town Route and due to its location and neighbouring uses this site is best suited for B1/office development. It is anticipated this site should be brought forward by the private sector for office/employment use in a quality business park environment. The site will be a natural successor to Morton Palms and will provide the next five-year supply of accommodation. This site is likely to come on stream at the same time as Haughton Road and the release of accommodation will need to be monitored/controlled. This could be achieved through planning control or agreement with the private landowners. Indeed differentiation between the type of office accommodation on each site, town centre and out of town Business Park will further add to the range of product on offer and will be attractive to a wider range of occupiers.

Analysis of the Three Priority Sites

8.12 We have provided a full technical analysis of the sites at Appendix V and enclose in this section of the report a summary highlighting site information , development proposals and an indicative action plan

Haughton Road – Site Analysis

Location	The site in its totality is situated to the north east of Darlington close to the east coast main line rail station.
Site Area	30.22ha (75 acres)
Description	The land is broadly framed by Haughton Road, Hundens Lane, Yarm Road and the east coast main railway. Access to the site can be achieved from Darlington's main railway station, which provides good linkages to the town centre and national connections.
	The site encompasses the current council depot, allotment gardens behind Hundens Lane, the Northern Electric facility on Haughton Road, surplus rail property and the Darlington Borough Council depot and storage yard.
	Residential development backs onto two sides of the site while the railway forms a definite boundary to the west. The site is bounded to the south by small-scale warehousing and industrial activity. The land appears to be mainly flat in nature with some shrubs and woodland near the rail track, which was planted as part of the Railside Revival Programme undertaken in the mid-late 1980's. .
Ownership	Darlington Borough Council own some 16.26ha (40acres) split 5.17ha (12.77acres) open land, 0.39ha (0.96acres) which is leased to Northern Electric, 3.42ha (8.45acres) which is statutory allotments, 4.94ha (12.2acres) which is currently their council depot and 2.34ha (5.78acres) of rail side revival landscaping to the west of the east coast main line. Rail Property's land holding extends to circa 11.99ha (30acres). Railtrack own 0.76ha (1.87acres) of which 0.25ha (0.61cares) is occupied by Wentworth and 0.51ha (1.26acres) is occupied by Jarvis. In addition to the land Northern Electric lease from Darlington Borough Council

Deleted:

	they also own 1.91ha (4.72acres) to the west of the east coast main line, fronting Haughton Road.
Planning	The site is allocated as an 'opportunity site' in the Borough of Darlington Local Plan with an emphasis on employment uses.
Development Constraints	**Urban Design** To open up the site and utilise it to its best advantage it is highly recommended that the site be extended to include these uses and form a frontage to Yarm Road. At present, the frontage with Yarm Road is largely dominated by a very high retaining wall with small-scale industrial units clustered above. This structure was necessary in part to bank up towards the railway tracks and also to form flat ground adjacent to the tracks. Different design solutions are possible to use this physical constraint to best effect and advantage while also opening up the site with better direct links to Yarm Road, railway station and town centre. The site had been raised to be mainly level and on the same level as the railway lines. It therefore sits higher than the town centre, which facilitates long views to local landmarks such as Cuthbert's Church spire and the Station tower. Any development on this site needs to aim to incorporate the residual landscape and views positively into the layout.
	Contamination The majority of the site is of made ground of depths between 0.5m to 5.0metres. The origin and quality of the fill material varies and is often unknown. The degree and depth of contamination across the site is unclear but believed to be severe in places including phytotoxic chemicals and lead. Further assessment has been made of the site through a review of previous technical reports, which focus on different areas of the Haughton Road site. However, none of them have considered the data in relation to the site as a whole. This means there are data gaps, some of which are significant for the whole site redevelopment.
	Ecological and Archaeological Consultation of Darlington Borough Local Plan and the Council's Environment Department shows there to be no known ecological protection areas, archaeological areas of interest, or other known risks across the site.

Accessibility

The Haughton Road Development will be focussed on sustainable transport principles promoting local travel between residential and employment areas by bus, walking and cycling. With the convenient adjacent of Darlington Station and the town centre, the level of sustainable travel movements will be significantly higher than an out of town development of similar characteristics. The level of longer distance commuting trips which might impact on the wider strategic network, e.g. A66 are considered to be low.

By splitting access to the site between three main access points, the level of additional traffic should be capable of being dispersed within the existing highway network, requiring only relatively limited improvement to existing junctions. The site access junctions themselves will need to be carefully located, having due regard to existing conditions, and designed to meet current highway standards.

Utilities

As with the majority of new developments there will need to be additional utilities placed on the site to cater for the new development. However at the Haughton Road site there are additional problems, the main ones are outlined below:

Electric

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The northern edge of the Rail Property land along Haughton Road has an underground cable (no details) which turns down Vicarage Road. This line becomes an overhead 132kv cable, which runs down the east edge of the Rail Property land down to a sub station off John Dixon Lane. John Dixon Lane has a 33kv line along its length which branches into the sub station. A cable (no details) runs along the rear of the houses on the west of Hunden's Lane. A 132 KV overhead line runs from the Byron Road/Hunden's Lane junction through the north of the site. On the other side of the railway line a cable (no details) runs from the Northern Electric Depot into the DBC Rail Siding land. Two 6kv cables run from the Borough Road Industrial Estate area into the DBC Rail Siding Land.

The presence of overhead lines reduces the developable area significantly and could create some resistance to the purchase of residential property on the site as a whole.

Telecommunications

An underground BT line runs down Haughton Road and branches into Vicarage Road with an overhead line running the length of Vicarage Road and into the DBC depot. An underground line runs down Hunden's Lane along the back and front of the houses and branches off along John Dixon Lane. Borough Road Industrial Estate has a network of underground cables.

Proposals	A mixed use development comprising B1/offices, supporting hotel and conference facilities, green park/public open space and high and low density residential development. Two options for the future development of the site have been tabled, each sharing the same content but with different layouts.
Rationale	The scheme is based around a green park which is at the heart of an urban scale mixed use development of office and employment uses, hotel with conference facilities and housing. There are major costs associated with third party acquisitions, infrastructure works and remediation but we believe they are justified by the frontage and profile which will be created for this key mixed use development. The concept of the site is to provide linkages across the site both in physical and use terms to enhance permeability.
Financial	**Costs** From the desk study it is clear that this site has been subject to significant contamination over its lifetime, particularly for railway related uses. It is virtually impossible to assess the likely environmental risk and the associated costs from a short initial appraisal and limited data from site survey. Any remediation cost estimates can only be provided on an averaged basis and heavily caveated as to their value at this stage. From experience elsewhere, remediation works can vary from £50,000 -£600,000 per acre. It is suggested that a figure of £200,000 is adopted at this feasibility stage. Contamination costs for the whole site (50 acres) at £200,000 per acre is £10,000,000 Initial consultations have been undertaken with Northern Electric to consider the cost and implications of reducing the impact of their substation and feeder lines on the development site. Although Northern Electric is unaware of a satisfactory alternative site for the substation, they estimate that its removal from Haughton Road would cost in the region of £3 million. Alternatively the overhead power lines within the site could be placed underground for around £1.5 million. Estimated costs for access and utilities total £3.085m for access works and £1.5m for Utilities divided over the phases: **Total estimated costs of opening up site - £17.585m plus costs of third party acquisitions, of which remediation works are c£10m.**

	Value An initial estimate of the value of the land in a remediated condition has been undertaken for feasibility purposes. As with the estimates for the costs, these are only initial figures and are likely to change over time as the scheme layout becomes firmer. The land values have been based on prevailing values around the Darlington area. In terms of the office allocation we have adopted a value of £150,000 per acre based on the Morton Palms and £300,000 per acre for housing. This gives **an initial site value of £14.8 m**, but as with the cost figures they will need to be split over the phases and detailed cash flows calculated based on a firm scheme layout.
	Viability **The initial viability of the scheme shows a negative value of c£3m at this early stage.** This is only an estimate of costs and values and should be used for guidance purposes only. The main variables lie with the cost figures especially of the remediation and works required to moved the substation. At this stage, however we believe this is a scheme worthy of public sector financial assistance since this is a centrally located brownfield site which will provide a range of economic and social benefits should development proceed.
Implementation Action Plan	**Immediate** The initial option masterplans show the potential for Haughton Road, but much more work is required in terms of site constraints which will in term impact on layout and quantity of development and ultimately viability. We therefore strongly recommend that **on site ground investigations works** are undertaken in order to quantify the level and contamination and therefore the cost of remediation. **Immediate** The on site contamination testing will also inform the location of contamination “hotspots” which will influence the siting of buildings etc. Such scheme alterations and cost implications will undoubtedly impact on scheme viability. Therefore it is recommended that a **detailed Feasibility Study** is commissioned. This will be based on the results of the testing and will consider land assembly, access, layout and phasing. Detailed costings of the relocation of the allotments, Council Depot, third party acquisitions/ relocations and utilities once a scheme layout is fixed. Recommendations should also be sought as to the most appropriate mechanism for sharing the development process between the joint owners. It is recommended this detailed work is undertaken before substantial public sector financial resources are committed to the scheme, which will enable an informed decision making process.

ImplementationAction Plan	**Immediate** Discussions with Rail Property Ltd have confirmed their disposal strategy. An approach has been made as to whether they would consider a public sector partnership approach to implement a larger scheme. Given the benefits of this town centre site an approach should be made to the public sector (ONE North East and the Tees Valley URC) to gain support for this flagship regeneration scheme. **Immediate** An electrical substation is also located on-site with overhead power cables traversing the length of the site. This poses a significant constraint to development and negotiations with the electricity board are encouraged to find a more suitable location on or off-site. This will allow a wider array of development options. **Medium Term** Depending on the remediation required it is feasible that this site may come on stream at the same time as the accommodation at Darlington Great Park. This factor needs to be acknowledged but can only be addressed by: • **Product differentiation** – these two sites are producing different formats of space. One is an urban mixed-use environment and the second is an out of town location. • This can be enforced by **supplementary planning guidance** for both sites introduced in the Local Plan Review

HAUGHTON ROAD

Description

- The site is located to the north east of Darlington Town Centre close to the east coast main line railway station. It develops a brownfield site in a central sustainable location.

Key Objectives

- Fully integrate mixed-use development Office/B1/Residential/Neighbourhood Facilities/Hotel and Conference facility.
- Release 4,645sq.m (50,000sq.ft) of B1 Business/Office accommodation over a five year period.

Phase	Floorspace/Area	Type	Partners	Action	Outputs	Timescale
				Ground Investigation Study	Costs of Remediation	Immediate
				Detailed Feasibility Study	Fixed Scheme Layout and Supporting Viability	Once Ground Contamination known
Option A – Station Related						
Phase 1a	1.7ha (4.25ac)					
	1.5 ha (3.75ac) relocating the existing 1.00ha (2.5ac) at Yarm Road	Relocated Industry	DBC/OneNE/URC/Priority Sites/Rail Property Ltd	Site development on a phased basis to include third party acquisitions, remediation works, access and infrastructure works.		
	0.12 (0.3ac)	Electricity Substation				
Phase 1b	8.8 ha (22ac)					
	4.45 (11.1ac) 220,000 sqft	Office				
	1.20 (3ac)	Mixed use (shops, office,				

	120,000sqft	residential)				
	3.1ha (7.75ac) 130 homes	Residential				
	1.00ha (2.5ac)	Open Space				
	Nil	Allotments				
Phase 2	16.5ha (41.25ac)					
	0.75ha (1.9ac) 40,000sqft	Office				
	13.18 (33ac) 470 homes	Residential				
	2.00 (5ac)	Allotments				
	3.30 (8.25ac)	Open Space				
Option B: Central Park						
Phase 1a	1.7ha (4.25ac)					
	1.5ha (3.75ac) relocating the existing 1.00ha (2.5ac) at Yarm Road	Relocated Industry	DBC/OneNE/UR C/Priority Sites/Rail Property Ltd	Site development on a phased basis to include third party acquisitions, remediation works, access and infrastructure works.		
	0.12 (0.3ac)	Electricity substation				
Phase 1b	13.7ha (34.25ac)					

	7.00 (17.5ac) 360,000sqft	Office				
	0.80 (2.0ac) 80,000sqft	Mixed Use (Shops, Office, Residential)				
	3.3ha (8.25ac) 130 homes	Residential				
	2.15 (5.4ac)	Open Space				
	0.4ha (1ac)	Allotments				
Phase 2	11.6ha (29ac)					
		Office				
	12.08 (30ac) 420 homes	Residential				
	1.6ha (4ac)	Allotments				
	1.85ha (2.6ac)	Open Space				
Totals						

Nil

Faverdale – Site Analysis

Location	The site is strategically located on the northern outskirts of Darlington town centre at the junction of the A1(M) and A68.
Site Area	188ha (465 acres)
Description	This composite site of 188 ha (465 acres) to the north-east of Darlington close to the A1(M) is the largest possible allocation considered in this study. In this it brings together land designated for industrial use, a strategic reserve site as well as land currently not allocated and part of the countryside. Boundaries to the site are Faverdale Industrial Estate to the south, railway lines to the east, Burtree Lane to the north and the A1(M) and A68 (West Auckland Road) to the south. Access to the site can currently be gained from three roundabouts along the access road south of the site.
	The majority of the site is in agricultural use at present with three farms based there. The topography is gently undulating with few small ponds and creeks draining the land. Especially across the southern part of the site mature hedgerows and a woodland of ecological significance dominate the character of the site. They need to be considered in any development proposal for the site.
Ownership	(Darlington Borough Council has consolidated their ownership (26.75ha

	(66.10acres)) along the sites southern boundary in order to provide access from the roundabout to the south of High Faverdale Farm. • Wilkinson (3.61ha (9acres)) • Hodgsons. (25.77ha (64acres)) • Metcalfe (21.31ha (53acres)) • Trustees Thornton and Croft (43.51ha(108acres)) Miller developments also have a series of fairly long options (10-12years) on the site.
Planning	Outline planning permission was granted in 1992 for the uses as outlined in the Borough of Darlington Local Plan (large industrial users) and this was renewed in 1995. Planning permission has since lapsed. The sites reserve status is reflected in its exclusion from the development limit for the town. Hence it is not available for the wider range of employment uses covered by Policies EP2 and EP3 within the Borough of Darlington Local Plan.

Development Constraints	**Urban Design** Development o the site would have a high magnitude of adverse impact to a handful of homes in the immediate area – although they already have views of the existing industrial estate. Faverdale Whin is the most important issue. Protection of existing trees and hedgerows (where possible) is an important goal **Contamination** The site is mostly greenfield. The western half of the site is a strategic reserve site for development as designated by Darlington Borough Council. Portion C3 of the site is a former Corus site steel rolling mill. **Environmental** In an environmental assessment undertaken by Bullen's they conclude that the site, as a whole, comprises mature trees, species-rich hedgerow, areas of woodland and running water. Three Tree-Preservation Orders. Potential badger activity. Possible skylark, bats and bat roosts and dear foraging ground. This was confirmed during the JacobsGIBB site reconnaissance. **Archaelogical** Ridge and Furrow', otherwise no known archaeological sites affected by the extension. However, Deserted Medieval Village of Whessoe is located in the field to the north part of the proposed development – maybe a possibility that the remains continue onto the affected site and would therefore, be affected by the proposed work. **Ecological** There are a number of wildlife species such as badgers, voles, bats and amphibians. The site will need a range of surveys to ascertain level and location of wildlife. The site also has a number of hedgerows and mature trees which may need to be retained as part of the development layout.

	Accessibility This level of additional traffic represents two-way traffic generation. In terms of distribution and traffic impact, this would be most significant upon the immediate section of the A68, in particular the Faverdale link road/A68 roundabout and the Faverdale/A68 junction. If development proceeded, the traffic impact will require more detailed modelling to assess capacity constraints in combination with local traffic growth factors. Distribution beyond the immediate section of the A68 is likely to be proportionately greater towards Darlington in the peak hours. Therefore, whilst there appears to be capacity on the A68 to accommodate development traffic, a more detailed traffic impact would necessarily need to consider the area of influence together with sustainable access.
	Utilities Overhead 33KV power lines and a strategic water pipeline traverse the south eastern corner of the site. A 30m wide corridor needs to be kept free of development in any proposal to accommodate these services. If the overhead power lines were to be put underground, this reserve can be reduced to 10m width.
Proposed Development	Speculative development of industrial units in the mid range size bands and the allocation of development land for indigenous industrial demand and logistical uses. In addition to these primary uses there will also be a small element of supporting retail and leisure, in terms of hotel and licensed use. Due to the proximity and easy access to the railway, a strategic link to the railway should be safeguarded to allow for any future use of the reserve site to benefit from access to rail freight. The analysis plans indicated a possible alignment.
Rationale	Given the existing Faverdale Industrial Estate and good access to strategic routes such as the A1 (M) this is the most suitable site for industrial development, including logistics as it forms a natural extension to the existing estate and is largely within the control of the Council. The existing roundabout to the north of the existing Faverdale Industrial Estate can also be utilised to open up the land for development.
Proposed Development - Strategic Reserve Site	Retain the existing allocation of 121ha (300 acres) for development by inward investors. This will be on the proviso that only two thirds be developed with the remaining land being utilised for an environmental buffer. Two options are proposed:

	Short Term – The current strategic allocation will be retained.
	Long Term – Depending on the scale of development in the initial phases at the rest of Faverdale the option of re-aligning the reserve site could be considered. This would only occur in the event that all of the land along the sites southern boundary is developed in the initial phases of development.
Rationale	Since the reserve site was allocated requirements have changed and the allocation needs to be more flexible. The initial development of the industrial allocation has been designed in such a manner that a site review in 5-10 years could realign the strategic allocation to the north of the site in order to release more land for industrial/logistics space at the extension of Faverdale.
Financial	**Costs** An initial evaluation has been made of the costs associated with highway and utilities infrastructure. The likely staging of Phase 1, 1a and 2 require subjective judgements as to which part of the infrastructure will be included in each phase. In developing the site, the initial phase will require basic connection of the estates road to the highway network and the provision of utilities. **The infrastructure and utilities costs total £4.685m over the proposed phases**
	Values The site values have been based on the prevailing industrial land values of £100,000 per acre. This low level of value combined with large up front costs associated with infrastructure and services, creates initial viability problems which will need to be borne by the Public Sector, but there will be a small project surplus over the life of the scheme.
	Viability Public Sector funding is required to open up the first phase of development.

Implementation Action Plan	**Immediate** The developer selection process will need to be commenced at an early stage preferably by the end of 2002. This will ensure that public funds to open access can be spent before the financial year end in 2003. Site infrastructure works will need to implemented immediately after this to ensure that the land is released for development. The current plan allows for the initial public sector road infrastructure to open up 2.7ha (6.75ac) of land. This has been designed in such a way so as to provide a range of unit sizes from 12-25,000sqft to cater for both indigenous demand and speculative demand.

FAVERDALE

Description

- The site is located adjacent to the A1(M) and A68. It abuts the existing Faverdale Industrial Estate.

Key Objectives

- Provision of industrial floorspace for speculative and indigenous demand. Sites for logistics uses.
- Safe guarding of rail freight access in long term plan and retention of strategic reserve site.

Phase	Floorspace/Area	Type	Partners	Action	Outputs	Timescale
			OBC/OneNE	Developer Selection Process	Developer Partner	By Christmas 2002
			DBC/OneNE	Site Infrastructure Work	Release of 2.7ha (6.75ac) of land	By March 2003
Ia	2 x 25,000sqft	Indigenous demand	DBC/OneNE			
	2 x 12,000sqft	Speculative	Private Sector			
	1 x 15,000 sqft					
	89,000sqft					
1b	2 x 8,000sqft	Speculative				
	3 x 15,000sqft	Speculative				
	61,000sqft					
1c	4 x 12,000sqft	Speculative				

	1 x 15,000sqft	Speculative				
	63,000sqft					
1d	6 x 12,000sqft	Speculative				
	72,00sqft					
1e	2 x 12,000sqft	Speculative				
	1 x 15,000sqft	Speculative				
	2 x 25,000sqft	Indigenous demand				
Phase	**89,000 sq.ft**					
Totals	**374,000 sq.ft**					

Darlington Great Park – Site Analysis

Location	The site is situated to the eastern side of Darlington and to the west of the A66 Trunk Road. Current access is from Yarm Road Industrial Estate via Yarm Road and the A66.
Site Area	52.12ha (129acres)
Description	The site is currently undeveloped green field with no direct access but is located adjacent to the A66 on the eastern side of Darlington. The site is located immediately south of the now redundant Stockton and Darlington Railway and east of Lingfield Close and British American Tobacco. The site is located adjacent to the A66 on the eastern side of Darlington. The adjacent industrial estates of Yarm Road and Lingfield are accessed via McMullen Road (C182) with subsequent access to Haughton Road (B6279) and Yarm Road (B6280) providing access to the A66 and Darlington town centre.
Ownership	The site is in various ownerships with Durham Cathedral owning the majority (34.61ha (85.5acres)) of the land. Other landowners include Lingfield and Marchday who own land to the west of the site and Wm Morrisons who own land to the south.
Planning	Although the site has a complicated planning history, there are no outstanding planning permissions across the site. The entire site is allocated within the Borough of Darlington Local Plan for Business (use class B1) uses. General industrial (use class B2) and warehousing (use class B8) are also permitted where they do not harm the amenity of the area of nearby residential areas. Development on this site will not be permitted if access is via a residential street. An area of land along the northern boundary of the site is also allocated for a high quality/business park development only.

Development Constraints	**Urban Design** This site is another key gateway site for Darlington due to its long frontage to the A66 and its accessibility from the anticipated Cross-Town Route. The site sits adjacent to the Lingfield Industrial Estate and just behind the employment area of Morton Park. To the north and east agricultural fields dominate the picture. Although access to the site can be achieved through existing employment development to the south, the site's best potential and marketability is unlocked when primary access is achieved from the proposed Cross Town Route. Only then will it act as a Gateway site portraying high quality development a quality gateway development of a greened business park The site needs to balance in design terms the need to respect the green setting with substantial landscaping etc with the existence of light industrial adjacent properties and the existing A66. **Contamination** Durham Cathedral 1 and 2 are Greenfield sites whilst there is historic evidence to show that Lingfield Properties and Marchday contain fill materials. For the Lingfield Properties and Marchday sites, aerial photography from the 1940's shows these areas to be exposed open pits. Although there is no evidence to suggest the sites were used for landfilling purposes the nature of fill used to level the sites is not known. An environmental assessment of the site undertaken by Edward Roswell Associates offers no commentary as to the nature of the fill. The fill could be potentially contaminated and may pose a risk of landfill gas. **Archaeological, Environmental and Ecological** The environmental assessment undertaken by Edward Roswell Associates suggests that although there are no known ecological protection areas across the site there is the potential for bat and meadow pipet activity on site. The environmental assessment undertaken by Edward Roswell Associates suggests that although there are no known ecological protection areas across the site there is the potential for bat and meadow pipet activity on site. **Utilities** Telecommunications NTL have a 250mm cable cover running along Lingfield Close and up to the west of the Marchday site.

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	Gas A high pressure mains runs to the east of the A66. A low pressure main runs along Lingfield Close up to the roundabout. **Electric** No data.
	Accessibility The Darlington Eastern Transport Corridor (DETC) is planned to provide approximately 3 kilometres of 7.3 metre wide single carriageway connecting the A66 trunk road to the east of the town with the B6279 Haughton Road. The scheme is an integral part of the adopted Borough of Darlington Local Plan and the emerging Tees Valley Structure Plan. This route will provide the major access point to Darlington Great Park. The DETC from Haughton Road (B6279) to the A66 is proposed to be fully open by early to mid 2005. The road scheme is simply not to provide access to the development sites by the private car. The Council is insistent that developers should provide high quality and frequent public transport access to the sites, services which will use both the scheme itself and the adjacent corridors which benefit from significant traffic relief. As part of the development of the DETC and concerns over the potential impact from development related traffic most especially in the AM peak, a likely restriction is to be placed to try and restrict development related traffic to 800 trips inbound (i.e. towards Darlington town centre) as long as the DETC/A66 junction would remain as an at grade roundabout.
Proposals	27,870sq.m (300,000sq.ft) of office space in six phases of 4,645sq.m (50,000sq.ft). In terms of an appropriate layout development has been concentrated along the frontage of the Cross Town Route to take advantage of the prominence of the site. This site should be ready to provide the future employment and office accommodation/supply following completion of Morton Palms (ie 5-10 years – medium term).

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Rationale	The main underlying requirement for the promotion of development on this site is the requirement to open up this site by the eastern section of the Cross Town Route. Funding has been secured by Darlington Borough Council and this will also provide an access spur road into the site. We believe this site would be the natural successor to Morton Palms which is currently being marketed and has an expected release of 50,000sqft pa over 5 years. Due to its location and neighbouring uses, this site is best suited for B1/office development. Residential is not a viable use as this development would be too cut off from other residential areas and necessary facilities
Financial	**Costs** It is assumed that access will be taken from the DETC to be constructed in the Local Transport Plan period to 2006. The access roundabout cost would be included in this highway link. This is a greenfield site with access to the Cross Town Route. With the exception of site services and infrastructure costs, which will largely be borne by the developers of this site, we believe at this stage, there are unlikely to be abnormal costs, other than utility costs in the order of £¾m, associated with bringing this site forward for development. **Values** These would be based on the likely values received at Morton Palms, currently £250,000per acre for a serviced site. **Viability** Based on the assumption that the Morton Palms site is successful and there has been an increase in the profile of Darlington as a location for inward investment we believe, at this stage, the development of this site should be sufficiently viable for the private sector to bring forward.

Implementation Action Plan	As mentioned at above we believe this site should be brought forward by the private sector but this will be dependent on the completion of the Cross Town Route for which funding has been confirmed. **Immediate** It is recommended that the owners of the land are kept fully briefed of the proposed timescale for the implementation of the Cross Town Route and spur road. **Short Term** In addition it is recommended that a Development Brief for the newly opened up site is prepared and incorporated with the Local Plan Review Process. This should focus on the provision of modern office accommodation within a quality green Business Park setting. The differentiation of type of office accommodation and location of this site will provide a contrast to that offered at Haughton Road. Further control can be exercised through the planning process and in agreement with land owners. **Longer Term** Monitoring of situation in respect of viability, in case additional public sector funding could be required.

DARLINGTON GREAT PARK

Description

- The site is situated to the east of Darlington and to the west of the A66, and comprises 52.12ha (129ac) of greenfield land.

Key Objectives

- Procurement of new road access and spur road to open up Business Park site.

Phase	Floorspace/Area	Type	Partners	Action	Outputs	Timescale
			DBC	Development Brief	Development Contents	Immediate Land Plan Review
			DBC/Highways	Road Construction	Access to Site	0 – 3 years
I	27,870sqm (300,000sqft)	B1 Office/Business Park	Landowners	Released in 5 phases	60,000sqft per phase	3+ years
II						
Totals	27,870 sqm (300,000sqft)					

9 MARKETING STRATEGY

9.1 The marketing strategy for Darlington Gateway should be built around a carefully defined offer for the product: in physical terms, this is the three priority sites catering for a range of office-based and industrial uses, and the reserve site for one or more large inward investors. When a broad strategy has been set out, a staged plan of action can be developed within these parameters. This can be refined and taken further as Darlington becomes better known in the market place.

Findings from analysis

9.2 The key research findings upon which the offer should be based are summarised as follows:

Strengths

- well-located, relatively low cost town, liked by those in business there; good communications; available labour force, housing and employment land; well-regarded schools and local College

Weaknesses

- failure to replace/generate new higher value uses within the area; lack of strong service base and local HE provision; low profile outside

Opportunities

- fit with Tees Valley strategy for ‘Western Corridor’; large, potentially attractive sites that can be brought forward relatively easily for phased development – these will add to the depth and quality, as well as the scale, of the sub-region’s portfolio; interest in Morton Palms already showing that new markets can be created here

Threats

- economic downturn would make strategy hard to realise in short-medium term; apparent lack of dynamism would be reinforced were other key employers to close/move out; oversupply of sites in area if airport site developments proceed at same time

Darlington's offer

9.3 The Darlington offer must complement and add to that for the Tees Valley subregion: the aim is to promote distinctive features of the town/local area, which will attract wider interest from potential investors that might otherwise not consider Tees Valley. Specific features for emphasis will be north-south communications to Newcastle and York; labour force with good basic education and potential to link in College-based training; market town functions and lifestyle, with access to Pennine Dales as well as the North York Moors. The theme of ***'Darlington – Gateway'*** includes but is not restricted to a Gateway to Tees Valley. This concept will allow local distinctiveness to be emphasised - to the benefit of Tees Valley – while potentially enabling other roles to be brought out, in relation to the surrounding rural areas and also to the North East as a whole.

Placing the message

9.4 Having established what it is that Darlington has to sell, the next step is to get this message out into the market place. Our contacts with property agents during this study showed that at present the town was not being considered for mobile new investment. This reflected a view that there was little product available: the low to non-existent profile of Morton Palms Business Park with Leeds and Newcastle agents suggested that there even where new developments were coming forward, there was little awareness of these.

9.5 The challenge is therefore to raise the profile of the town as a location for business. Opening up Gateway sites in the town will provide Darlington Borough Council and Tees Valley Development Company with a message about new product. Effective marketing requires this message across to different audiences, using appropriate, cost-effective, media. It will require some money, but also persistence and the capacity to tailor the style and content to specific target groups and changing circumstances. The Darlington message and product will need to be placed at regional level, with One NorthEast, as well as in the sub region, and with property agents and other intermediaries outside as well as inside the region, particularly in Leeds.

9.6 A possible starting point – building from the high level of satisfaction among local businesses and the earlier 'Quiet town' slogan, while using the current low profile as a feature, might be to promote ***'Darlington –a Quiet Success' .*** This could be used as an early generic promotion through the property press, or addressed direct to key agents. It should utilise quotes from named individuals and companies in the town. As sites and premises were brought on stream, activity could be increased, the content behind the message made more specific, and the message directed to key target business groups.

9.7 Over time, the aim will be to reinforce the idea that Darlington is a place where people want to be, and where new things are happening. This will build a virtuous spiral of confidence in the town, providing the increased demand that will lead to asset growth, and which in turn will generate further new investment.

Building capacity and refining the content

9.8 Effective action in getting the message across will require continued close co-operation between the Borough Council, responsible for information content and for ensuring that development opportunities are brought forward, and TVDC, the agency responsible for promoting inward investment. The content should feature businesses already working successfully in the town, and the promotion will need to include those bringing sites and premises to the market place.

9.9 We found a strong identification with the town among locally-based businesses, and some fears that its attractiveness could be lost if actions were not taken to build a broader business base and offer more to keep – or draw back to the town – younger people. This interest and concern should form an explicit element in the marketing strategy.

9.10 Close, two-way working will be required for DBC and TVDC to refine, update and make relevant the content of the information and the way that this is presented. We would expect this to include information on the wider area, as well as Darlington itself, and cover

- current and future availability of sites and premises
- labour skills, availability and catchment areas
- town and population profile: communications, including rail links and broadband availability; schools' performance; colleges and training; HE access and other facilities in Darlington and the surrounding area
- financial and professional service assistance including key contacts in the town, with Business Link, in Tees Valley and in One NorthEast.

9.11 Much of this information is already available, but mechanisms need to be put in place that will provide for regular updating based on feedback from the market.

- What type of enquiries are coming forward, and what are those enquiring looking for?
- What are the implications of this for the content of the message about Darlington
- ….and for the way in which the message is presented?

9.12 Consideration should be given as to whether a separate *'Business Guide'* is needed, or this information should be included in existing brochures/publications. If it is decided to produce something new, we would recommend a folder format, allowing individual topic sheets to be regularly updated and customised to meet particular needs.

9.13 On the basis of our research, early targets for business groups might include 'back office' administrative functions for industry, financial and professional services, and government. There is every merit in testing this early through direct marketing, by mailshot or other means. But effective learning will occur only when there is a specific product to sell, and the capacity to feedback the results and refine the approach to the market. It has proved difficult during this project to identify relevant market information from existing agencies: we believe that this difficulty reflects the lack of product, which has resulted in little useful information being gathered.

9.14 In the absence of a rolling programme for marketing, the following questions suggest how a process of probing content and defining targets could make the first stage market testing more relevant, and more valuable to later promotional activity.

- What industrial site marketing parallels should be drawn on for Faverdale – in Tees Valley, elsewhere in the North East and in the A1/East Coast mainline corridor through Yorkshire? What scope is there to build on the sectoral potentials now being identified through the Tees Valley Partnership?

- As the Darlington Great Park site is seen as following on from Morton Palms, the experience of the latter site in the market should be carefully documented: how did it achieve profile in the market? At what point and why was it judged a success? What could have been done better – in content and also in timing?

- What are the learning points and possible parallels for the Haughton Road mixed use development, which will include new offices close to a town centre with relatively low level service functions? How can the market for this be defined in a way which will complement that for Morton Palms/Darlington Great Park, and also Teesdale/North Bank?

9.15 The target market should be refined continually, through a process of interaction between research at – and feedback from - the regional and sub-regional levels, and experience gained in promoting Darlington. Efforts should be made both to raise awareness and to follow up with specific information, through One NorthEast as well as through Tees Valley Partnership and Development Company.

First steps

9.16 We recommend that first steps should include the formation of a ***Darlington Marketing Group,*** on which all these interests would be represented, together with Business Link and Darlington College. This could be basis for obtaining financial contributions, and ensuring funding bids are co-ordinated and submitted in the Tees Valley Sub-regional Action Plan. We would suggest that private sector interests also be invited to join the Group in an advisory role, with key individuals from major firms as well as the Chamber of Trade.

9.17 The first task of the Marketing Group would be to take the questions on content listed above, and consider how these could be used, to refine existing information, and the content of their own publications and websites.

9.18 Different media channels/journals should be approached, taking advice from TVDC and other organisations with relevant recent experience.

- Regional and sub-regional business publications regularly seek content – articles which can be used to ‘sell’ new products, or highlight recent successes, or longer features/ supplements on the changing economic role of Darlington and the wider Tees Valley.

- Professional/trade press, One NorthEast cluster publicity and North East Chamber of Commerce newsletters should be used to feature sectors and business areas where Darlington already has some strengths

- Part of the message is intended to raise awareness and confidence within the town: the local paper can play a key role.

- Major development opportunities should be advertised in the commercial property press.

9.19 Other approaches should also be considered. For example

- Darlington sees itself, at least partly, as an engineering town – the Engineering Employers Federation – North (based in Washington) is not well represented in Tees Valley. There may be an opportunity to link EEF into awareness raising activities

- the first stage is generating momentum and a belief that possibilities are changing and new opportunities arising. The research carried out for this project indicated that at least some local firms would be ready to recommend Darlington to other businesses they dealt with on a regular basis. This exercise could be repeated on a larger scale to generate a relevant database of businesses which had substantial commercial dealings in Darlington, but were not located there.

9.20 Making operational a contacts database, which highlights key names for re-contacting at specified intervals, should be regarded as one of the early core tasks for marketing Darlington, even if the Marketing Group is not formally constituted.

Funding Partners

9.21 Partners to include Darlington BC, TVDC, One NE, Chamber of Trade, major employers, strategic landowners, Business Links.

10 Conclusions and Recommendations

10.1 Darlington was identified, in GHK's 2001 Tees Valley Baseline Scenario Study, as the gateway to the Tees Valley. It was believed that the town had locational and quality of life advantages which, if capitalised upon, could generate economic and development activity that may not go elsewhere in the Tees Valley.

10.2 This statement is supported to an extent through our research to inform the Development Framework. We believe the key to bringing forward economic activity in Darlington will be to provide a supply of accommodation, supported by a targeted corporate marketing campaign to inward investors located outside of the region, so as to attract occupiers who would not normally locate elsewhere in the Tees Valley.

DEVELOPMENT FRAMEWORK RATIONALE

10.3 There is a shortage of industrial and quality office space in Darlington. The two main focuses of existing industrial and out of centre office space are based at Faverdale Industrial Estate and Yarm Road/Morton Palms area for new office space. In this respect the framework follows the main division of uses, concentrating further industrial development at Faverdale and new business park office space at Darlington Great Park.

10.4 The Haughton Road site also offers the unique opportunity to provide quality modern office space within the existing town centre and to maximise on the strategic links of the station and town centre environment. We believe that the combination of town centre office space at Haughton Road and out of town business park space at Darlington Great Park will provide a balanced development mix and will serve a wider market of occupiers. It was established at an early stage that the Haughton Road site was the principal site in terms of key project outcomes and the main priority site to be considered for public sector assistance.

HAUGHTON ROAD

10.5 From our research of the market and available sites we believe this is the principal opportunity, especially given its location, for the provision of a mixed-use development. The proposed scheme is based around a green park, which is at the heart of an urban scale mixed use development of office and employment uses, hotel with conference facilities and housing.

10.6 There are major costs associated with third party acquisitions, infrastructure works and remediation but we believe the frontage and profile created justifies these costs.

10.7 The initial viability of the scheme shows a negative value of circa £3 million with the main variables being the costs associated with remediation and the works to move the sub station. Given the site is a centrally located brownfield site which will provide a range of economic and social benefits this site is considered to be a priority for public sector assistance.

10.8 Further more detailed work is required before substantial public sector financial resources are committed to the scheme. The work necessary to assist in an informed decision making process includes **on site ground investigation works, a detailed feasibility study, and contact/negotiations with landowners and electricity undertaker.**

10.9 Given the benefits of this town centre site an approach should be made to the pubic sector (ONE North East and the Tees Valley URC) to gain support for this flagship regeneration scheme.

FAVERDALE

10.10 Given that this site is adjacent to the existing Faverdale Industrial Estate and has good access to strategic routes such as the A1 (M) it is the most suitable site for industrial development, including logistics. We would recommend that a range of speculative industrial accommodation in the mid size bands be provided and the allocation of development land for indigenous industrial demand and logistical uses. In addition to the primary uses a small element of supporting retail and leisure, in terms of hotel and licensed use, should also be provided in later phases.

10.11 Given the proximity and easy access to the existing railway line, a strategic link to the railway needs to be safeguarded to allow any future use of the reserve site to benefit from access to rail freight.

10.12 Public Sector funding is required to open up the first phase of development and the developer selection process will need to be commenced at an early stage, preferably by the end of 2002. This will ensure that public funds to open access to the site can be spent before the financial year end in 2003. Site infrastructure works will need to be implemented immediately after this to ensure that land is released for development. It is therefore recommended that the **Council proceed with the marketing of the site for a developer partner and applications for additional funding for infrastructure.**

FAVERDALE - STRATEGIC RESERVE SITE

10.13 Since the reserve site was originally allocated requirements have changed and the allocation now needs to be more flexible. In terms of proposals the existing allocation is to be retained for inward investors on the proviso that only two thirds can be developed with the remaining land safe guarded for an environmental buffer. Two options are proposed:

- **Short Term:** The current allocation retained.
- **Long Term:** A review of the site could be undertaken in 5-10 years and the allocation re-aligned to the north which will release more land for industrial/logistical space. This will only happen in the event that all the land along the sites southern boundary is developed in the initial phases.

DARLINGTON GREAT PARK

10.14 The main underlying requirement for the promotion of development on this site is the requirement to open up this site by the eastern section of the Cross Town Route. Funding has been secured by Darlington Borough Council and this will also provide an access spur road into the site. We believe this site would be the natural successor to Morton Palms, Great Park should be ready to provide the future employment and office accommodation/supply following completion of Morton Palms (ie 5-10 years – medium term).

10.15 Based on the assumption that the Morton Palms site is successful and there has been an increase in the profile of Darlington as a location for inward investment we believe, at this stage, the development of this site should be sufficiently viable for the private sector to bring forward.

10.16 It is recommended that the **owners of the land are kept fully briefed of the proposed timescale for the implementation of the Cross Town Route and spur road**. In addition it is recommended that a **Development Brief for the newly opened up site is prepared and incorporated with the Local Plan Review Process**. **Monitoring of situation in respect of viability,** in case additional public sector funding could also be required.

10.17 Differentiation between the type of office accommodation on each site will further add to the range of product on offer and will be attractive to a wider range of occupiers, if required further controls can be exercised through the planning process or an agreement with the landowners.

MARKETING STRATEGY

10.18 The Strategy should be built around a carefully defined offer for the product: in physical terms, this is the three priority sites catering for a range of office-based and industrial uses, and the reserve site for one or more large inward investors. When a broad strategy has been set out, a staged plan of action can be developed within these parameters. This can then be refined further as Darlington becomes better known in the market place.

10.19 As a first step we would recommend the formation of a Darlington Marketing Group. This could then be used as the basis for obtaining financial contributions and ensuring funding bids are co-ordinated and submitted in the Tees Valley Sub-Regional Action Plan. We would recommend that private sector interests be invited to join the group in an advisory role, with key individuals from major firms as well as the Chamber of Trade.

RECOMMENDATION

10.20 Its is therefore recommended that the Tees Valley Partnership should incorporate these Priority Sites within their review of the Tees Valley Strategy and applications be made for funding in order to bring forward the sites and marketing strategy, in accordance with the recommendations of this report.

APPENDICES

Appendices

Appendix 1 – Local Business Analysis

Appendix 2 - North East Distribution Parks and Competing Opportunities in North East

Appendix 3 - Inward Investment Analysis

Appendix 4 – Other Development Sites

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