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**BEAUMONT STREET – CTC MARINE PROJECTS**

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**Responsible Cabinet Member - Councillor John Williams, Economy Portfolio  
Councillor Stephen Harker, Resources Portfolio**

**Responsible Director - John Buxton, Director of Development and Environment**

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**Purpose of Report**

1. To consider a proposal to dispose of part of the Feethams West Site to facilitate the development of a new headquarters office building for CTC Marine Projects.

**Information and Analysis**

***Background***

**CTC Marine Projects**

2. CTC Marine Projects is a significant company, a world leader in its field, with its headquarters in Darlington. It is a strongly growing company which fits well into Darlington's future economic aspirations: for example, it is creating higher wage level jobs in Darlington, is part of the growing engineering design sector, and is involved in sponsoring and recruiting local graduates.
3. Due to its employment growth, the company needs to move from its current offices on Coniscliffe Road and create a new high quality company headquarters fit for the future. CTC wants its headquarters to be of a particularly high design quality.
4. CTC is keen to be in the town centre, so that the offices are easily accessible for staff and visitors, and to create the right high quality image for visitors to a company winning very high value contracts. In looking at town centre sites which could be immediately available, only the Council-owned Feethams West site fully meets the company's needs and aspirations (see **attached plan**).
5. However, there is a need to consider how this project fits with the ongoing deliberations about the future of the Feethams/Beaumont Street sites more generally and the work already progressing on the Town Centre Fringe.
6. The Town Centre Fringe (the eastern edge of the town centre from Victoria Road to Houghton Road and possibly beyond) has been identified in the Taking Forward Darlington Gateway research (on the future of Darlington's economy) as a key future priority. It provides scope for capitalising on a successful town centre, a successful Central Park and the main rail station, and creating a vibrant mixed-use area between those three.

7. This has been endorsed by the Darlington Partnership Enquiry Group on the Economy. The area is included in the Tees Valley City Region programme as a priority. One NorthEast have agreed to help fund the next stage of feasibility work for this area, leading to a development strategy/masterplan for this wider area. It is anticipated that this would allow plans to be progressed and funded once Central Park was underway.
8. If the request by CTC Marine is considered favourably the work on the wider Town Centre Fringe will be progressed in parallel to the planning brief for the Feethams/Beaumont Street site and will provide an analysis of the wider urban design context.
9. The role of the planning brief would be to guide any future uses of the sites, and would be likely to contain a 'design code' (similar to that used for Central Park). The planning brief would be the document against which the selection of developments and designs would be decided, and would be used as the benchmark for future planning applications.

### **Planning Comments**

10. Both the Council's Local Plan and subsequent supplementary planning guidance "Adding to Quality", identify the Feethams East and Feethams West sites as suitable for a prestigious mixed-use development based on leisure, offices and housing. As such, the principle of developing part of the site for offices would appear acceptable, subject to the usual planning considerations.
11. The proposed CTC Marine Projects offices would provide a sustainable town centre development of a quality which not only enhances the site itself, but which would provide a signal to future developments in the area of the standards required at this key location.
12. It is important that the future development of the wider site is considered in a comprehensive manner, which should be achieved through the production of the development brief as described above. Equally, the development of part of the Feethams West site for high quality office development will need to relate well with the emerging development brief for the larger site.

### **Proposed Development Process for CTC Marine Projects**

13. Fundamentally, CTC Marine Projects does not wish to procure the purchase of the Council's land or the building of their new offices. But they are prepared to give an undertaking that on completion of a new office building, built to their specification, they would enter into a lease agreement on terms which reflect the quality of the office building being provided. On this basis therefore, it is proposed that the Council proceed to select, jointly with CTC, a developer for the site who in turn would build the new office and on completion enter into a direct lease agreement with CTC Marine Projects. Effectively, what is being proposed is the disposal of part of the Beaumont Street West to a preferred developer subject to the promise of a pre-letting to a quality covenant in the form of CTC Marine Projects. It would be a condition of the agreement between the Council and the selected developer that the developer could only build the office when they had an agreement with CTC to lease it. In order to get to the stage of selecting a preferred developer it is imperative a planning brief is prepared by the Council with input from CTC Marine Projects in terms of their specific requirements.

14. It is suggested that the Council uses its planning framework partner, Building Design Partnership (BDP) to progress the CTC Brief. BDP were selected competitively by the Council three years ago to assist generally with planning and related work. BDP are a national consultancy with a strong track record in urban design and master planning.
15. A Project Manager from the Council will drive the project and co-ordinate all the inputs.
16. A Brief would be prepared by BDP in agreement with CTC Marine Projects. The Brief would consider the planning policy context, including heritage and design issues, procurement information, land constraints, highway matters and information obtained from the site and land surveys/investigations. The Brief would be based on existing Council planning policy and on urban design best practice. The cost of BDP producing the Brief will be forward funded and met by the land receipt on sale completion.
17. Following an invitation for 'expressions of interest' (Phase 1) from potential developers/architects, shortlisted developers/architects would then be required to provide detailed proposals for the office building in accordance with the Brief, together with their financial proposals for the land (Phase 2).
18. The successful developer/architect would then be appointed and required to enter into a development agreement with the Council, along the lines outlined above, similar to the process followed for Morton Palms and Commercial Street.
19. In addition to the CTC process, there would be a requirement for the Feethams/Beaumont Street site to work closely together with the work on the wider Town Centre Fringe to ensure a synergy between the masterplan/Brief for the wider area.
20. It is proposed that the programme envisaged for the CTC Marine offices could progress concurrently with the Town Centre Fringe, ensuring that the wider plans are addressed and it does not stymie development of the surrounding land.

### **Financial Implications**

21. The receipt for the land disposal is unknown at present but the competitive process will ensure best consideration is achieved (commensurate with appropriate design quality), and satisfy CTC that the Council will dispose to a developer at open market value. Disposal of this area should have no detrimental effect on the value of the remaining area and might enhance it.
22. Development of the site would involve the loss of about 60 car parking spaces. However, by the time construction commences additional car parking spaces may be available in The Oval development or the Council could seek the creation of additional car parking spaces elsewhere to offset the loss. Potential loss of car park income to the Council will be reduced by people parking instead within other car parking spaces elsewhere in the town centre that are currently not at capacity and might be further offset by the creation of additional spaces elsewhere if required.

## **Outcome of Consultation**

23. Consultations on this proposal have taken place with the Feethams and Markets Working Group, the broadly based group of people set up to look at this site after the 'Have Your Say' consultations. At their meeting on 1 October the Group unanimously supported this proposal as being beneficial to the company, the Darlington economy, the town centre and the site.
24. Full public consultation of a proposed scheme will take place before a planning application is submitted as part of the Council's normal requirements of developers. It may be possible to display schemes from all the shortlisted developers for public comment, if CTC's timetable allows this.

## **Legal Implications**

25. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

## **Section 17 of the Crime and Disorder Act 1998**

26. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. The proposed planning brief would consider 'designing out crime' issues.

## **Council Policy Framework**

27. The issues contained within this report do not represent changes to Council policy of the Council's policy framework.

## **Decision Deadline**

28. For the purpose of the 'call-in' procedure this does not represent an urgent matter.

## **Recommendation**

29. It is recommended that:-
  - (a) The proposed development and disposal of part of the Beaumont Street West site as outlined in the report be approved;
  - (b) The Assistant Chief Executive (Regeneration) and Director of Corporate Services in consultation with the Cabinet Members for Resources and the Economy be authorised to agree the Brief, and seek initial expressions of interest from potential developers, and;
  - (c) conclude the developer/architect selection process and complete the sale of the land..

(d) The Borough Solicitor be authorised to complete the documentation accordingly.

(e) Terms agreed to be reported to Cabinet in due course.

### **Reasons**

30. The recommendations are supported as this is an excellent opportunity both to help a world-class company meet its expansion needs in Darlington and to kick-start the regeneration of this part of the town centre with a development of high quality.

**John Buxton**  
**Director of Development and Environment**

### **Background Papers**

No background papers were used in the production of this report.

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