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**OVERVIEW OF ECONOMY AND REGENERATION PORTFOLIO**

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1. Since the last meeting of Council, the following are the main areas of work undertaken under the Economy and Regeneration Portfolio.

**Town Centre**

2. In June I, along with Officers and the local MP, met with representatives of Marks and Spencer (M & S) PLC and with owners of the House of Fraser building to discuss the situation regarding the announcements made by these two national retailers.
3. It is with extreme disappointment that M&S PLC has decided to close its store on Northgate Road in August and was unwilling to consider options for its retention. Whilst it has confirmed that the Faverdale Simply Food outlet will open in August, we will continue to seek discussions about Town Centre presence. We have been assured that staff will be offered redeployment opportunities where possible and we will maintain dialogue over this and its future intentions for the building.
4. In light of the House of Fraser CVA agreement on 22 June 2018 the Darlington store has been earmarked for closure in February 2019. We continue to press management at House of Fraser to open dialogue and we are discussing options with the current building owner on its future. The store recently underwent a major refurbishment programme and it is devastating that despite trade and performance levels being positive, House of Fraser management has decided that it is, along with neighbouring Middlesbrough, part of the national closure list of 31. We will continue to work to examine all possibilities and if closure is implemented the Council will, with partners, support those employees affected by the House of Fraser decision.
5. The current Town Centre Strategy was adopted in 2012 and we will be refreshing our existing Town Centre Regeneration Strategy and consult on a vision for the future of the Town Centre that responds to a rapidly changing retail environment. The Council recognises the need to work with the community and business to tackle these emerging challenges and to seize on the opportunities that exist. I will update on that process in due course.

## **Darlington Borough Local Plan 2016/36 – Draft Local Plan Consultation**

6. Cabinet gave approval to the commencement of a six week period of consultation on the draft Local Plan 2016/36 which will involve writing to all parties on the Local Plan consultation database, Parish Councils and Statutory Consultees. A series of drop in sessions where members of the public can meet with Officers have also been arranged.
7. The Director of Economic Growth and Neighbourhood Services was also granted delegated power, in consultation with myself, to make any minor changes to the documents before they are finally published.
8. Local Planning Authorities must prepare a Local Plan that sets out the local planning policies for their local planning authority area. Government guidance requires that Local Plans must be positively prepared, justified and effective and be consistent with national policy, in accordance with Section 20 of the Planning and Compulsory Purchase Act 2004 (as amended) and the National Planning Policy Framework (NPPF).
9. The plan preparation process should fully involve everyone with an interest in the document or area and they should have had the opportunity to comment.
10. The Draft Local Plan is currently out for consultation. The consultation runs for six weeks until 2 August 2018. Officers are carrying out a number of drop in sessions and engaging with educational establishments. Drop in sessions remaining are:-
  - (a) Saturday 28 July 11am – 3pm Dolphin Centre; and
  - (b) Monday 30 July 3pm – 7pm Dolphin Centre.

### **Housing Delivery**

11. In the financial year 1 April 2017 to 31 March 2018 there was 488 net dwellings completed.
12. The following sites have been granted planning permission since the last report to Members:
  - (a) Twelve houses on land adjacent to Oaktree Inn, Middleton St George;
  - (b) 75 dwellings at Walworth Road, Heighington;
  - (c) Outline permission for 95 dwellings at Roundhill Road, Hurworth;
  - (d) Mixed-use development comprising shopping and convenience store and residential development of ten dwellings on land at Acorn Close, Middleton St George;
  - (e) Outline permission for 370 houses at land at Berrymead Farm, Coatham Mundeville; and
  - (f) Outline permission for 380 houses at Burtree Lane, Darlington.
13. In addition, detailed approval following previous outline planning permission for a significant distribution facility near Lingfield Point has been granted planning permission.

## **Investment and Funding**

14. The Council has secured £450,000 development funding from Tees Valley Combined Authority to work with Darlington Mowden Park Rugby Football Club to investigate the feasibility of creating a Sports Village on land adjacent to and incorporating Darlington Arena.
15. The Council has secured £1,080,000 funding from Homes England towards the construction of 30 new affordable homes on Allington Way North. The overall investment for these homes, including Council contributions, will be £4.028m.
16. The Council has appointed Price Waterhouse Cooper (PWC) to undertake the final piece of finance work on Feethams House in order to enable the Ministry of Housing, Communities and Local Government to make a decision on European Regional Development Fund (ERDF) funding. The PWC work was completed at the end of June 2018. It is hoped to secure a decision on the ERDF by the end of this month.

## **Business Investment Team**

17. There have been 91 property searches year to date generated from the Invest in Darlington website managed by the Business Investment Team.
18. Currently there are 51 live investment projects on the pipeline which, if land, and are converted to success, will generate in excess of 500 jobs. This is in addition to a large single occupier on the Symmetry Park site which has been granted planning permission and if secured will create circa 3000 jobs.
19. Small independent operators are being encouraged to take occupation of empty units in the Town Centre by means of a business rate relief scheme, utilising surplus monies awarded from the Government revaluation relief pot. To date, the Team has supported four new businesses who have, as a result, moved into empty premises 3 on Post House Wynd and 1 on Duke Street.
20. The Team has now assisted three businesses to date in securing grant awards from the Tees Valley Capital Grant scheme totalling £920,000 to accelerate growth and aid job creation.
21. Business Central at Central Park is now 100 per cent occupied, with additional small businesses awaiting offices becoming available. There is currently a lack of provision for suitable grade A office accommodation which has contributed to the success of Business Central.
22. There have been ten new business start enquiries since the beginning of the year, which have now been referred into partner organisations and being supported to set up businesses.
23. A new scheme has been brought online with North East Enterprise Agency Limited which is now offering £10,000 capital grants for new businesses being created in priority sectors in the Tees Valley. Two new start businesses in Darlington have been referred into the scheme.

24. Employment rates in the North East have reached a record high according to the latest Office of National Statistics figures released. Between February and April 2018, the unemployment rate in the North East fell below 5 per cent for the first time. The number of people out of work in the region is down by 11,000 over the same period last year and is now at half the level of four years ago.

### **New Licensing Laws Houses in Multiple Occupation**

25. Darlington has approximately 500 Houses in Multiple Occupation (HMOs) and this type of accommodation is typically used by the most vulnerable people and often represents the worst housing conditions in the private rented sector. Fire safety is a particular concern in HMO's and regulations ensure that adequate fire detection provisions are in place. Currently only 23 of the largest HMOs require a licence from the Council but from 1 October 2018 licensing will be extended to many more HMOs. All HMOs regardless of the number of the storeys with five or more occupiers, representing two or more households will need to apply for a licence from the Council. Early estimates could mean that up to 100 additional more HMOs will need a licence from October. This figure could increase further as more inspections are carried out.
26. Additional licensing will mean that landlords and their properties will be subject to stricter regulations and inspections. Landlords will need to be 'fit and proper' to hold a licence and not have any relevant convictions such as fraud, dishonesty or any sexual offences. Properties will need to reach minimum legal standards including fire safety and higher management standards will also need to be maintained. A licence fee will be payable to the Council and the licence will expire after five years. Licences can be revoked by the Council if standards are not maintained and legal action can be taken against offending landlords.
27. The Private Sector Housing Team is currently identifying properties that will require a licence, working with landlords and landlord organisations. Landlords have a period of grace until October to apply for a licence and are being encouraged to apply for a licence early and before the deadline. After such time it will become an offence not to have a licence, or not to have applied for a licence. Standards in HMOs will be improved as inspections and regulation increases. Tenants will benefit as the quality and standards of their homes in the private rented sector improves. This is the primary reason for the new legislation being introduced.

### **Energy**

28. After convening a meeting of the five Tees Valley Combined Authority (TVCA) Local Councils to discuss a coordinated policy suite in late 2017 a comprehensive piece of work has been commissioned to support the development of a Tees Valley wide Energy Strategy. Funded by the Department for Business, Energy and Industrial Strategy this builds on the current Circular Economy strand within the Strategic Economic Plan and has an emphasis on tackling fuel poverty and embedding best international practice into the residential sector. Covering such matters as energy efficiency measures and advice, Local Plan policy review, feasibility studies for battery storage and innovative funding and financing

mechanisms, this Strategy is due to report in the Autumn. The Tees Valley Energy Strategy will be supported by an action and delivery plan for specific bankable projects.

## **5G Update**

29. Two projects will be taken forward by TVCA in 2018 including activity in Darlington:

- (a) Local full fibre network to support 5G for the Tees Valley (Wave 3 Bid for Summer 2018) based on fibre and 5G infrastructure delivery with Private Sector for the Tees Valley.
- (b) 5G testbed and trial programme (Urban Connect Communities Project) (Expression of Interest submitted early June 2018) based on selective added benefit economic sector application.

**Councillor Chris McEwan**  
**Economy and Regeneration Portfolio**