

**CABINET
5 JULY 2022**

INGENIUM PARC – PROPOSAL TO MARKET AND DISPOSE OF LAND FOR DEVELOPMENT

Responsible Cabinet Member – Councillor Alan Marshall, Economy Portfolio

Responsible Director – Ian Williams, Chief Executive

SUMMARY REPORT

Purpose of the Report

1. The purpose of this report is to seek approval to market the land at Ingenium Parc as shown cross hatched on the attached plan at **Appendix 1** and to seek preferred developers. A report will be submitted back to Cabinet with recommendations once offers and expressions of interest have been received and analysed.

Summary

2. The land is in the ownership of the Council and is allocated for employment uses. An access road funded through TVCA to open the site has been constructed but developers are now required to bring forward plot(s) for potential occupiers.
3. This may be by direct sale or Expressions of Interest through the NEPO portal with a view to selecting a Preferred Developer. Scheme proposals will be requested together with indicative land values.
4. It is anticipated that further infrastructure in the form of additional road, sewers and utility services may be required to open later phases for development. If this is the case and for the Council to remain procurement compliant it is considered advisable for the Council to market plots on an "Open Tender" basis in line with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.

Recommendations

5. It is recommended that:
 - (a) Cabinet agrees to the disposal of plots on a direct sale and to marketing the land to seek Expressions of Interest if required.
 - (b) Delegated Authority is given to the Chief Executive to negotiate provisional disposal terms, with the final terms being reported to a future meeting of Cabinet.

- (c) The Assistant Director Law and Governance be authorised to enter into any necessary agreements to facilitate the above-mentioned developments.

Reasons

6. The recommendations are supported by the following reasons:
- (a) To promote new development and Economic Growth.
 - (b) To facilitate future expansion of Ingenium Parc and ensure the availability of development land for employment related uses.

Ian Williams
Chief Executive

Background Papers

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

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S17 Crime and Disorder	The report has no implications for crime and disorder
Health and Well Being	The report has no implications for health and well being
Carbon Impact and Climate Change	There is potential for any new Building to be easily accessible by sustainable transport modes which will help ensure the carbon footprint of the development is acceptable.
Diversity	No implications
Wards Affected	Eastbourne ; Sadberge and Middleton St George ; Hurworth
Groups Affected	All
Budget and Policy Framework	The resolutions in this report will not make changes to the Budget and Policy framework.
Key Decision	No
Urgent Decision	No
Council Plan	Supports the Council Plan by bringing jobs potentially to Darlington, and facilitating development
Efficiency	The workload resulting from the recommendations in this report assumes resources at existing levels.

MAIN REPORT

Information and Analysis

7. The Council-owned land amounts to circa 16.40 Ha (40.51 acres) as shown cross hatched on the plan at Appendix 1. It is a key employment site and located within Darlington's Eastern Urban Fringe. It is accessed from Salters Lane to the south of the existing Cummins factory off Yarm Road.
8. Enabling infrastructure to unlock the land has been provided by Tees Valley Combined Authority and the Council is now looking for developer(s) with a view to attracting manufacturing and industrial units and to provide infrastructure and services so that the wider site is development ready in the future.
9. These proposals will increase the supply of employment opportunities within Darlington and will be an excellent addition to support Darlington's growing economy.
10. The Business Growth and Investment Team have received enquiries for land for business re-location/development. It is therefore proposed that officers seek to attract developers to bring plots forward for development and also to consider seeking Expressions of Interest if required.
11. Once a preferred developer has been provisionally identified, a report will be submitted back to Cabinet for consideration of options and terms.

Legal Implications

12. As this proposal concerns the sale of land, the Council must ensure that it complies with S.123 of the Local Government Act 1972. Save for the above there are no legal implications arising from the proposal in this report at this stage, though legal implications may arise following title investigations.

Planning Comment

13. The site in question is allocated for employment related uses subject to the grant of detailed planning permission.

Finance Comment

14. TVCA are entitled to be repaid £1.6m grant used to carry out the infrastructure works from any capital receipts generated from the site. The actual value of capital receipts will not be known until after submission of developer expressions of interest.
15. The Council opted to tax on the land in August 2019 and any subsequent sales will be subject to VAT.
16. Any costs involved in marketing the site will come either from within existing revenue budgets or be netted from the capital receipt.