

**CABINET**  
**8 SEPTEMBER 2026**

---

**ACQUISITION OF 18 KING STREET**

---

**Responsible Cabinet Member –**  
**Councillor Mandy Porter, Resources Portfolio**  
**Councillor Chris McEwan, Economy Portfolio**

**Responsible Director -**  
**Trevor Watson, Executive Director Economy and Public Protection**

---

**SUMMARY REPORT**

**Purpose of the Report**

1. To seek approval for the acquisition of 18 King Street.

**Summary**

2. In line with the Town Centre Regeneration Strategy and as part of the Strategic Sites Development Programme Darlington Town Centre, several properties in the Commercial Street were purchased and demolished in and around 2022 using Indigenous Growth Fund (IGF) to create a comprehensive development site.
3. A block of three properties on King Street were included in the intervention. Two of the three properties were acquired at this time.
4. An opportunity to acquire the remaining property with vacant possession has arisen and terms have been agreed in principle with the current tenants with secure tenancies being compensated to assist with relocation.
5. Acquiring this property completes the Commercial Street development site assembly as included in the development agreement with CityHeart and paves the way for redevelopment at pace.
6. Furthermore, the acquisition allows for the subsequent demolition of the three properties on King Street removing unsightly vacant properties from a public area in the short term, and providing holding cost savings.

## **Recommendations**

7. It is recommended that: -

- (a) Cabinet approves the acquisition of 18 King Street as shown edged red on the plan at **Appendix 1**
- (b) Cabinet delegates the agreement of final terms of the acquisition to the Executive Director Economy and Public Protection which are summarised in the Part III report at **Appendix 2**

## **Delegations**

8. The agreement of final terms of the acquisition to the Executive Director Economy and Public Protection which are summarised in the Part III report at **Appendix 2**

## **Reasons**

9. The recommendations are supported by the following reasons:-

- (a) To complete the site assembly of the Commercial Street development site and enable redevelopment of the site under the council's development agreement.
- (b) To enable the demolition of the three King Street properties together at a substantial cost saving over demolition of the two already owned in isolation.

**Trevor Watson**  
**Executive Director Economy and Public Protection**

## **Background Papers**

References to background papers are embedded in the report.

author : Sarah Wayman

|                                                  |                                                                                                                                                    |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Council Plan                                     | The acquisition facilitates the redevelopment of the wider site and is therefore in line with all of the Council Plan objectives.                  |
| Addressing inequalities                          | N/A                                                                                                                                                |
| Tackling Climate Change                          |                                                                                                                                                    |
| Efficient and effective use of resources         | The purchase of this property will allow the redevelopment of the Commercial Street area. Resources already allocated to the project will be used. |
| Health and Wellbeing                             | N/A                                                                                                                                                |
| S17 Crime and Disorder                           | The acquisition facilitates the demolition of vacant adjacent properties, and the subsequent redevelopment will improve the area as a whole.       |
| Wards Affected                                   | Park East                                                                                                                                          |
| Groups Affected                                  | N/A                                                                                                                                                |
| Budget and Policy Framework                      | This report does not recommend a change to the Council's budget or policy framework.                                                               |
| Key Decision                                     | No                                                                                                                                                 |
| Urgent Decision                                  | No                                                                                                                                                 |
| Impact on Looked After Children and Care Leavers | None                                                                                                                                               |

## MAIN REPORT

### Information and Analysis

10. In 2012 the Council agreed to the adoption of a Town Centre Regeneration Strategy for Darlington which focussed on the diversification of the Town Centre with an emphasis on bringing forward both residential and commercial developments. The strategy aimed to achieve several key ambitions which included car parking in the Feethams area to support the cinema and assist in the release of sites.
11. The Strategic Sites Development Programme Darlington Town Centre cabinet report dated 9 January 2019 identified Commercial Street car park as a potential location for mixed-use development.
12. On 9 July 2019, Cabinet approved the release of £10m of funding from the Tees Valley Combined Authority Indigenous Growth Fund (IGF) to carry out a series of interventions aligned to the Town Centre Strategy, including strategic site assembly involving the purchase of land and buildings at several town centre locations including the Commercial Street area.
13. Several properties in the Commercial Street area were subsequently purchased and demolished. A block of three properties on King Street was included in the intervention. Having successfully acquired two of three properties (the former Route 66 and Aruba nightclubs), negotiations to purchase the remaining property (18 King Street) stalled at the time as the owner did not wish to sell.
14. Demolition works at the Commercial Street area then ceased as the estimated costs to demolish two of the three properties are significantly more than the cost to demolish the

block as a whole. The difference in cost estimate is due to party wall works. See the Part III report at **Appendix 2**. Further attempts to reach an agreement with the owner of 18 King Street were made but were ultimately unsuccessful.

15. At the Cabinet meeting on 11 June 2024 the principle of entering into an agreement with a private sector development partner to bring forward development on several Town Centre sites was approved. Commercial Street was identified as one of the three core sites included in the proposal.
16. In July 2025, Cabinet approved the appointment of the CityHeart consortium as its preferred development partner to bring forward the three core town centre sites as well as the STEM site at Central Park and entered into a development agreement with CityHeart in May 2026.
17. Work has since been progressing at pace on all of the sites included within the development agreement including proposals for Commercial Street.
18. The acquisition of 18 King Street will complete the assembly of the Commercial Street site from private ownership.
19. An opportunity to purchase the remaining property has now arisen and terms have been agreed in principle with the seller. See terms in the Part III report at **Appendix 2**.
20. The property is currently subject to two tenancies which expire in two years. Terms have been agreed in principle to acquire the property with vacant possession which includes an allowance to compensate the displaced tenants to assist with their relocation costs.
21. Acquisition of 18 King Street completes the assembly of the Commercial Street site ready for development by the partnership.
22. Following acquisition, steps to progress the demolition of the three properties will immediately commence though planning, tender of costs / procurement exercise and contract award. The site will be left in a neat and tidy condition awaiting redevelopment.

### **Financial Implications**

23. The acquisition cost will be funded by Towns Fund grant. The demolition of the three properties will be funded mainly from IGF funding, along with the remaining Towns Fund budget allocated to this project.

### **Legal Implications**

24. The Council's internal legal department will be instructed to deal with the acquisition of the property.

### **Estates and Property Advice**

25. Comments from Estates and Property are embedded in the report.

### **Procurement Advice**

26. Not applicable for the acquisition however, a demolition contractor will be procured via the required processes in accordance with the Council's internal procedures and in compliance with the Procurement Act 2023.

### **Climate Change**

27. Demolition will release the embedded carbon in the existing buildings. This can be mitigated to some extent by reusing material wherever possible on site or recycling them for use in other construction or road projects.
28. Any new build will increase the council's carbon emissions. These can be reduced by following sustainable business practices.