

**CABINET
9 JULY 2019**

DARLINGTON TOWN CENTRE STRATEGY 2019-2030

**Responsible Cabinet Member – Councillor Alan Marshall
Economy and Regeneration Portfolio**

**Responsible Director – Ian Williams
Director of Economic Growth and Neighbourhood Services**

SUMMARY REPORT

Purpose of the Report

1. To gain Cabinet approval to commence public consultation on the draft Darlington Town Centre Strategy (2019-2030).

Summary

2. In January 2019 Cabinet approved the development of several proposals that aimed to encourage the delivery of key strategic sites in Darlington Town Centre. The report also complemented and supported the work and actions outlined in the Town Centre Footfall Strategy report agreed by Cabinet in July 2018. The sites identified in the report included:
 - (a) Victorian Indoor Market
 - (b) Skinnergate and the Yards and Wynds
 - (c) Northgate area
 - (d) Crown Street area
3. This report provides an update on these developments and sets out several strategic interventions which are further detailed within the attached Town Centre Strategy 2019-2030 (**Appendix 1**).
4. Members may recall that in 2012 the Council set out its vision for Darlington Town Centre. Despite uncertainty and changing customer trends several objectives articulated in the vision have been delivered. Over the last 7 years Darlington has evidenced just how important the Council's role is in facilitating regeneration with both policy and direct intervention; and the success this can bring even during periods of economic downturn.
5. Notwithstanding these successes, over the last few years, Darlington like many towns and cities has seen a huge change in the make-up of its town centre. Large scale closures of many prominent retail operators, the uncertainty surrounding high-profile retailers and the changing business model of mainstay national retailers has caused a degree of consternation across the town centre as the role of large retail stores as "anchors" within the town centre continues to come under real threat.

6. Given these seismic changes in the environment of all town centres there is a need for all Councils to develop strategies and plans that have business investment at their heart and that are focused on transforming the place into a complete community hub incorporating health, housing, arts, education, entertainment, leisure, business/office space, as well as retail.
7. The refreshed strategy for Darlington Town Centre is outlined within this report with full details including target interventions, masterplan framework and economic benefits set out within the proposed “Darlington Town Centre Strategy”.

Recommendation

8. It is recommended that Members support the Town Centre Strategy 2019-2030 and agree the commencement of a consultation exercise with stakeholders, partners and communities.

Reasons

9. The recommendation is supported by the following reasons:
 - (a) To ensure that the Council has an established and agreed vision for the future of Darlington Town Centre.
 - (b) Suitable alternative uses of sites are pursued to support the actions detailed in the Darlington Town Centre Footfall Strategy (2018).
 - (c) To contribute to the further economic wellbeing and vitality of the Town Centre.

Ian Williams
Director of Economic Growth and Neighbourhood Services

Background Papers

Draft Town Centre Strategy 2019-2030
Masterplan – Darlington Town Centre – IDP -2019

Mark Ladyman: Extension 6306

S17 Crime and Disorder	This paper supports and complements the actions detailed in the Darlington Town Centre Footfall Strategy to reduce ASB in the Town Centre.
Health and Well Being	No direct impacts
Carbon Impact	No direct impacts
Diversity	No direct impacts
Wards Affected	All
Groups Affected	All
Budget and Policy Framework	This decision does not represent a change to the budget and policy framework. Any works highlighted in the report will be met through existing agreed budgets.
Key Decision	No
Urgent Decision	No
One Darlington: Perfectly Placed	The actions detailed in the report aim to improve the attractiveness of the Town Centre therefore directly impacting on Perfectly Placed.
Efficiency	The report aims to utilise the Councils and partner resources in a collective more efficient manner.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

The Development of Darlington Town Centre

10. Darlington Town Centre is a key element of the economic, social and environmental fabric of the town. It needs to be at the core of community and economic life, offering spaces in which to live, meet and interact, do business, and access facilities and services. The Council together with partners needs to take collective responsibility to help the town centre thrive sustainably, reinvent its function, and meet the needs of residents, businesses, and visitors.
11. Given the changes in both the environment of the high street and changes in peoples shopping habits there is a need for all towns to develop plans that have business investment at their heart and are focused on transforming the place into a complete community hub incorporating health, housing, arts, education, entertainment, leisure, business/office space, as well as retail. Councils together with business and the communities needs to develop a compelling proposition both for residents, stakeholders and visitors, a proposition that embraces the heritage, culture and social context of the town.
12. Retail activities alone can no longer anchor a town centre and with the long lead-in times needed for major regeneration plans to come into fruition it is important to consider other uses town centre. A carefully future proofed strategy robust enough to appeal to multiple customer groups while still offering a unifying town-centre vision is essential. This approach also brings with it the differentiation and variety needed to make Darlington Town Centre a place people will want to visit, shop, work and live. The attached strategy aims to ensure that:

“By 2030 Darlington Borough Council together with its partners and communities will have delivered real positive change to our town centre. Enhancing the competitiveness and vitality of our town centre as place at the heart of the community, which celebrates our heritage, supports local economic growth and enhance the health and well-being of people who live in, work and visit our borough”.
13. In January 2019 Cabinet approved the development of several proposals that aimed to encourage the delivery of key strategic sites in Darlington Town Centre. The report also complemented and supported the work and actions outlined in the Town Centre Footfall Strategy report agreed by Cabinet in July 2018. The sites identified in the report included:
 - (a) Victorian Indoor Market
 - (b) Skinnergate and the Yards and Wynds
 - (c) Northgate area
 - (d) Crown Street area

14. This report will update members on progress on actions and interventions relating to the above sites and highlight the main elements of the emerging strategy to be consulted upon with partners and communities. In addition to the strategy there has also been developed a delivery action plan, which in parts has commenced, which clearly details other actions both the Council and partners are pursuing to develop Darlington Town Centre (**see Appendix 2**).

Delivering the Strategy

15. Darlington Town Centre is a key element of the economic, social and environmental fabric of the town. It needs to be at the core of community and economic life, offering spaces in which to live, meet and interact, do business, and access facilities and services. The Council together with partners needs to take collective responsibility to help the town centre thrive sustainably, reinvent its function, and meet the needs of residents, businesses, and visitors.
16. However, given the challenge in the retail market Darlington, like many town centres, has several empty premises which do not contribute positivity to the image and vibrancy of the town centre. Given that it is highly unlikely that town centres will return to the halcyon retail concentration of the past the centres need to reinvent themselves as a focal point not only for retail but for leisure, events, working and living. Putting it simply the town centre needs to contract its retail core and the Council together with partners needs to examine and pursue other uses for vacant land and buildings.
17. Following the successful interventions initiated through the last Town Centre Strategy (2012), there is now a strong basis for the delivery of ambitious regeneration and development aspirations to ensure Darlington town centre continues to thrive and evolve. The recent developments build on the strengths of Darlington town centre and provide the basis for attracting further significant investment. Several vacant sites present the opportunity for major development and the Town Centre Strategy is ambitious in identifying key areas that will have the biggest impact whilst supporting Darlington's socio-economic objectives.
18. Darlington town centre continues to face challenges and without the Council's direct intervention, the risk is the necessary pace and scale of change and ultimately this ambitious vision, will not be achieved. The private sector will not deliver economic objectives on its own. Further refinement of the existing strategy, together with the introduction of several additional key interventions within the context of a Town Centre Strategy are now necessary if the objectives for the town centre are to be achieved in the context of the challenges it faces.
19. More than ever before, Darlington town centre must be competitive if it is to be vibrant, diverse and successful and to achieve this, it is considered vital that the Council assists in leading, facilitating and enabling the conditions for economic growth through direct intervention in economic development and regeneration in partnership with business and communities. As such, this report refreshes the strategy and for Darlington town centre and sets the framework for utilisation of £10m investment identified within the Tees Valley Combined Authority's Indigenous Growth Fund.
20. The attached strategy proposes a new joint vision for the Town Centre which:

- (a) develops and enhances Darlington's unique selling points.
- (b) establishes a richer understanding of the current and future demographic demands upon the town centre.
- (c) creates an accessible town centre for motorists, pedestrians and cyclists.
- (d) establishes new anchors within the town such as a revitalised, refurbished and refreshed Victorian Indoor Market.
- (e) invests in our heritage assets like the historic yards and wynds and utilising their charm and attractiveness by holding regular events and activities.
- (f) reduces the retail footprint of the town replacing empty shops and derelict pieces of land with appropriate, sustainable and high quality residential accommodation.
- (g) ensures any future developments of the town centre strategically fits and complements forthcoming investments into the Bank Top Train Station and the development of initiatives surrounding the Darlington 2025 programme of projects.

Proposed Interventions

21. To assist in the preparatory work for the development of the Town Centre Strategy and following competitive tender, the Council appointed IDP, a major practice of architects and designers to assist in developing the masterplan framework (**An Executive Summary is attached in Appendix 3**). The master planning exercise focussed on possible interventions and very much explored the 'art of the possible' of development in the following areas.
 - (a) Skinnergate and the Yards.
 - (b) The Northgate area.
 - (c) The Crown Street and East Street area.
22. The redevelopment of the Victorian Indoor Market is considered a key component of the future development of a vibrant town centre both in terms of growing footfall and interest in the town centre and this project is subject of a separate report to Cabinet. However, it must be stressed that the crucial and high profile role the Victorian Indoor Market plays in the delivery of the Town Centre Strategy. The redevelopment of the Indoor Market directly supports the creation of a thriving and vibrant town centre economy and will assist in the attraction of more diverse and higher quality retailers therefore strengthening the evening economy and make the town centre a destination for visitors outside the Borough.
23. Over the last few months a number of interventions and acquisitions have been explored and while specific cost is yet to be determined the approximate intervention levels have been estimated
 - (a) Skinnergate – Purchase of buildings and demolition - £1m.

- (b) Public Realm improvements including lighting, shop fronts and greening of town centre - £1m.
- (c) Highway improvements to Skinnergate £1.5m.
- (d) Acquisitions Commercial Street area - £1m.
- (e) Acquisitions in East Street and Crown Street are- £4m.

24. The above are clearly estimates and further detailed work will be required

Skinnergate and the Yards

25. Skinnergate and the Yards are at the heart of the heritage centre of the town and in the past were prominent retail thoroughfares. More recently the area has suffered from several years of persistent voids and a high turnover of retail units and while the emerging Local Plan identifies the area as being within the primary shopping zone given that the patterns of retail use it is likely that the amount of retail frontage currently available will not be required. This change in requirements therefore provides an opportunity for other uses to be considered for several of the buildings along Skinnergate.
26. The recently completed town centre master plan has identified proposals for the re-development of Skinnergate and the Yards which includes:
- (a) Re-use of buildings into mixed development use i.e. maintaining a degree of retail space but predominantly delivering additional residential homes which will assist in enhancing the visual attributes of Skinnergate and achieve a marked increase in vibrancy and footfall.
 - (b) General improvements to the physical appearance through shop front improvements, public realm including the Yards and Wynds, which will include improve lighting and access together with appropriate animation which will make the areas more attractive as places to visit and participate in events.
27. The redevelopment of vacant buildings and derelict plots along Skinnergate will allow for a sensitive mixed development infill that would deliver a modest amount of housing and still retain a small element of retail units which will be in keeping with the past and current uses of the area. Given that Skinnergate is within a conservation area any development would need to reflect and take into account the heritage and historical significance of the area. Any agreed development, which will have to acknowledge these important constraints, will greatly improve the general appearance of the area and enhance the vibrancy of the town with the increase in the residential population of the town centre.
28. Members will be aware the Council recently purchased 12 Skinnergate and officers are currently in negotiation with the owners of the adjacent buildings to facilitate a residential development opportunity. The outcomes of these negotiations together with proposed designs for the proposed development will presented to a forthcoming Cabinet meeting.

29. Shop fronts make a big impact on the appearance of a town centre and the character of the conservation area. Their condition affects a town's image. High quality shop fronts make a town feel more welcoming to locals and visitors. They improve its image and build a stronger sense of identity, hopefully encouraging a greater number of shopping visits.
30. With the imminent development of the Victorian Indoor Market it is proposed that a scheme for shop front improvement and public realm enhancement be introduced for the Skinnergate and Post House Wynd and the Yards area of the town which will assist in complementing the Victorian Indoor Market redevelopment project.
31. The Yards and Wynds adjacent to Skinnergate reflect the town's medieval street pattern with several prominent burgage plots. They are a hidden gem and are greatly underplayed. There is an opportunity through careful investment and working with local traders to improve the floor space of these routes, improve the lighting and importantly improve the shop frontages as a main driver to promote an improved offer which will assist in increasing footfall in these places. In addition, there is scope for improved public art and enhanced lighting to illuminate these wynds and yards drawing people between High Row and Skinnergate.
32. The proposed shop front improvement scheme aims to enhance the image of our town centre through using grants to cover shop front renovation, decoration, new signage and or replacement of historical features and invest in our heritage assets
33. The objectives of this scheme are:
 - (a) To improve business frontages including shops, commercial businesses and social enterprises.
 - (b) To enhance the appearance and appeal of the town to visitors, customers and the local population.
 - (c) To preserve and enhance the special characters of the conservation area it's listed buildings and other buildings of public importance.
 - (d) To assist towards encouraging further inward investment and stimulate business and consumer confidence.
34. With regards to the shop front improvement scheme the intention is to allow for grants sufficient in size and match funding requirements sufficiently low to be attractive to shop owners and occupiers, whilst not so large as to unnecessarily limit the number of potential properties which could be improved, with a view to maximising benefits for the town centre environment.

Northgate Area

35. The closure of the Marks and Spencer store in 2018 was a substantial blow to the retail profile of Darlington Town Centre. The 25,000 square feet of retail space together with additional space on the higher levels of the building is in a prominent position at the North entrance of the town centre. While recent store openings adjacent to the building have assisted in the increasing consumer activity in this part of the town partial derelict and empty properties opposite the empty store portray an unwelcoming vista to local shoppers and visitors when accessing the town from this gateway.

36. However, the area continues to present a major opportunity by virtue of the land and property uses; ground levels; and gateway location and lends itself to a possible for a mix of commercial and residential development and is particularly suited for the development of a convenience store.
37. For any future developments in the area to achieve a critical mass the Council will need to consider the contribution the Commercial Street car park can play in facilitating future development. As highlighted earlier the area is suitable for the location of a convenience retail store. The draft Local Plan has highlighted a lack of convenience food shopping in the town centre and such an approach would meet the requirements of the 'Town Centre First' policy within the National Planning Policy Framework. Recent evidence shows that despite their modest size, these stores have rapidly assumed significant and documented trip generation and 'anchor' roles essential to the sustainability of town centres. Moreover, they have facilitated trends towards increased local of food shopping, reduction in car dependency and higher than expected levels of linked trips to other retailers and facilities within the town.
38. The prominent former Marks and Spencer building once acted as an important anchor for retail in the Northgate area. Work carried out by IDP has suggested that the building could demolished to make way for the development of approximately 100 residential units predominantly modern apartments. However, given the given the objective of developing a convenience store within the area together with the current type of retailers operating in the immediate area it may be more practical and deliverable to work with the current owners to attract an additional discount retailer to create a hub of similar retailers.

Crown Street and East Street Area

39. The master planning work completed by IDP identified the area as a potential area for residential development. Clusters of housing could be developed along an integrated waterway within the urban context. Housing will need to reflect the street pattern and be orientated and align views from housing to make use of the best features of the local area. However, site levels are a key consideration as land slopes down to the River Skerne.
40. Private sector interest in investing in the area has commenced with planning permission granted to transform the Northern Echo office into 52 apartments and 1065 sq.m. of commercial/office space. This development will be act as a useful weathervane to test market demand and the developer's confidence in residential investments.
41. If successful the regeneration of this area would have wider positive implications on the performance of the Town Centre: residents and visitors will spend longer in the centre, undertake 'linked trips' between retail, leisure and other uses, and increase their dwell-time in the centre. The development of a residential offer can also help to increase footfall outside of retail hours, for example in early evenings.

Financial Considerations

42. Whilst this paper sets out thoughts on a future work programme, it is in reality a strategy paper a strategy and financial interventions are not yet known and will depend on the type of scheme which is brought forward.
43. Some early stage feasibility work is being initiated and is funded through the Governments Estate Regeneration Fund and the Councils Advanced Design Fees budget. It is anticipated that additional Council funding will be required on schemes and bids to the Future High Street Fund and TVCA will follow in due course with individual cabinet reports coming forward as appropriate.

Legal Implications

44. This paper sets out thoughts on a future work programme and consultation plans, and legal implications will depend on the development of specific schemes.
45. Property acquisition and disposals will be subject to legal due diligence and further Cabinet approvals on and subject to the terms and method of acquisition. Grant funding schemes will need to be provided on an accessible basis ensuring the funding delivers required outcomes and ensures prudent use of funds and does not give rise to state aid. It is anticipated that further Cabinet reports detailing the funding sources will cover these issues and further detail on legal implications.

Consultation – Proposed Consultation Approach

46. We have now developed land assembly drawings and outline designs with possible future use for several the areas detailed above. It is now proposed that we find out from people what their views are on future use and how these proposals fit with the general approach of improving retail space, contracting the town centre and delivering the ambitions of more housing, an increase in business space and the hosting of more events and festivals. It is expected that the consultation will be taken over a 6-week period.
47. In order to ensure people are aware of the consultation the following actions are proposed:-
 - (a) An article based around the key messages appeared in a future edition of the One Darlington magazine.
 - (b) A media release regarding the consultation.
 - (c) A news story on the website linking through to the consultation page.
 - (d) DBCs social media feeds will be used to promote the consultation and sign post people to the web page to leave their views throughout the consultation period.
 - (e) A proposed draft of the consultation is attached as **Appendix 4**.
48. Sustained and proactive social media activity on the council's social media channels will take place, both slightly in advance of and during the consultation period. The Town Centre Reference Group will be asked to do the same.

49. At the start of the consultation, it is proposed that there will be a stakeholder session (to include a workshop) with stakeholders which will include the Town Centre Reference Group, housing providers, local property and landowners, transport providers and public-sector partners. A separate session for market traders will also take place.
50. Further engagement activities may include the following:
- (a) A staffed drop-in exhibition stands in the Indoor Market Dolphin Centre and the Cornmill Shopping Centre.
 - (b) All proposal documents to be posted on the Council's website with links to survey forms.
 - (c) Survey forms will also be available within other Council building and participating retailers and businesses.
 - (d) The use of Council House tenant's groups to gain their views on town centre living.
 - (e) Engage with town centre users which could include interviewing people on public transport heading to the town centre.
 - (f) To engage young people, we will work with the Queen Elizabeth and Darlington College to carry out field research and consultation with young people on the future of the Town Centre.
 - (g) To ensure that all councillors are involved in the consultation process, members of the team will be encouraged to present the masterplan to their respective political groups.
 - (h) All feedback will be collated at the end of the consultation period, and subsequent recommendations for change will be made as appropriate prior to finalising and approving the master plan document.
 - (i) Consultation and community engagement will take place on the direction of the strategy and on each of the schemes as they are progressed, and the outcome of this consultation will form part of the future Cabinet reports.
51. The Town Centre Reference Group will also be used as means of engagement and gaining the comments and views of stakeholders with the Town Centre.