

## CABINET ITEM COVERING SHEET PROFORMA

**AGENDA ITEM**

**REPORT TO CABINET**

**5 AUGUST 2010**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

### **CABINET DECISION/KEY DECISION**

**Regeneration and Transport – Lead Cabinet Member – Robert Cook**

#### **CENTRAL STOCKTON REGENERATION UPDATE**

1. Summary

This report provides an update on the progress to date with regard to the regeneration of Stockton Central Area.

2. Recommendations

Members are recommended to:-

1. Note the progress made to date on the regeneration of Stockton Central Area.
2. Agree the schemes to be prioritised from the funding available within the medium term financial plan
3. Delegate the allocation of resources from the remaining SMI regeneration approved funding to any of the prioritised schemes to the Chief Executive in consultation with the Leader of the Council and Cabinet Member for Regeneration and Economic Development

3. Reasons for the Recommendations/Decision(s)

To facilitate the implementation of priority projects contributing towards the regeneration of Stockton Central Area.

4. Members' Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

**Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.**

**AGENDA ITEM**

**REPORT TO CABINET**

**5 AUGUST 2010**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

**CABINET DECISION/KEY DECISION**

**CENTRAL STOCKTON REGENERATION UPDATE**

**SUMMARY**

This report provides an update on the progress to date with regard to the regeneration of Stockton Central Area.

**RECOMMENDATIONS**

Members are recommended to:-

1. Note the progress made to date on the regeneration of Stockton Central Area.
2. Agree the schemes to be prioritised from the funding available within the medium term financial plan
3. Delegate the allocation of resources from the remaining SMI regeneration approved funding to any of the prioritised schemes to the Chief Executive in consultation with the Leader of the Council and Cabinet Member for Regeneration and Economic Development

**DETAIL**

**BACKGROUND**

1. A report was presented to Cabinet in May 2009 detailing a number of projects, opportunities for development, infrastructure enhancements and events proposed for the central area of Stockton. This report seeks to update on what has been achieved since the last Cabinet report, its impact, and detail how further development opportunities in the central area will be taken forward.
2. The SMI vision is to create a city scale environment at the heart of the Tees Valley City Region that will radically transform the environment, economy and image of the place. In order to achieve this, a multi-faceted approach to regenerating the urban core of the Borough that encompasses the key areas of housing, health, education, business and leisure must be undertaken.
3. For clarification, Cabinet agreed that the future vision for Stockton is for a modern, successful and vibrant market town with a thriving University and modern educational establishments, high quality public spaces and a retail offer that serves the needs of residents of the Borough whilst remaining complementary to that of nearby centres.
4. It was agreed that Stockton Central Area will be a focal point for cultural and leisure activity through the provision of year round festivals and modern leisure facilities, making the most of its unique built heritage through the preservation and enhancement of historical buildings and will continue to build on the asset of the River Tees and riverside area which provides a high

quality setting for new businesses, recreational activities and unique opportunities for riverside living.

### **Project Progress**

5. Since the last Cabinet update on the Stockton Central Area significant changes to public sector capital funding have been experienced. The implications of these changes have a knock on effect for the projects still to be delivered in Stockton Central Area. Clearly, there needs to be an evaluation and assessment of established priorities given this new financial context; the expenditure already incurred in project preparation; and the likely future delivery framework.
6. In December 2009, an investment strategy for Stockton Central Area was produced and this has assisted in shaping priorities for investment and new areas for development across the central area many of which are reflected in project updates below.
7. CULTURE – The last year has seen exciting proposals come forward from local developer, Jomast, to refurbish the Globe Theatre for use as a 2500-seat capacity performance venue. Planning permission for the scheme was granted in February 2010 and funding bids are being pursued based on an agreed business case. It is intended that the Globe scheme will be implemented, and the venue potentially be operational by late 2011.
8. Grant funding worth £30,000 has been secured from the Arts Council for the ‘Meanwhile’ project, to support local community groups and artists to stage events and activities between June and November, re-occupying 3 vacant retail units at Wellington Square and Shambles Market Hall. The units are being leased by Tees Music Alliance (TMA) on a rent-free basis, and TMA’s charitable status means that they are not liable for rates.
9. A masterplan is being formulated for the continued development of the Cultural Quarter, in particular the expansion of activity into Hodgsons Yard and develop additional creative industries accommodation at the Courtyard Hotel. This plan is expected to be complete in September. It has not been possible at this stage to agree a purchase price on either Hodgsons Yard or Courtyard Hotel and it is not considered that a sufficiently strong case exists to acquire either property by using the Council’s compulsory purchase powers.
10. HERITAGE – The restoration and enhancement of the historic fabric of the town centre continues through the Stockton Heritage in Partnership (SHiP) scheme. The second year of the five-year SHiP programme saw the successful repair of the roof of 16 West Row which will be used as an artists workshop and gallery, as well as promotional and community activities to raise awareness of local heritage. Funding commitments are in place for the next three years for the repair and restoration of 127-8 High Street, investigative work on 26-34 West Row and further works to the exterior of 16 West Row; however, the projects will have up until the end of the five year programme to complete.
11. An outline funding bid for a Townscape Heritage Initiative (THI) was approved by the Heritage Lottery Fund in April 2010, and a more detailed funding bid is to be prepared in the next six months based around 13 priority and 8 reserve properties on Dovecot Street and High Street. The ambitious THI scheme will complement the existing SHiP scheme, and includes a five-year programme of £3.5 million of physical changes to the central core of the town including reinstating historic features of existing buildings, public realm improvements and improving links with the town centre and Cultural Quarter.
12. RETAIL - High levels of vacant retail units are currently being experienced in high streets across the country and Stockton is no exception with a vacancy rate of 21%; however progress has been made on rejuvenating and enhancing the retail offer across the town centre.

13. Following its refurbishment and as a result of proactive marketing and engagement with retailers, the Shambles Market Hall is now fully occupied and is the new home for Stockton Tourist Information Centre. Footfall has increased at both the Shambles and Tourist Information Centre as a result. The facility will continue to be managed to ensure a wide range and mix of retail offer. The former Woolworths retail unit in the Castlegate Centre was occupied by B&M stores in October with the creation of 40 local jobs; they were joined by Café M (Milligans) in May creating 20 local jobs and adding greater diversity to the Castlegate Centre offer. Other potential businesses have regular discussions with landlords, with a view to taking up empty units like the forthcoming opening of a unit on Silver Street for a specialist sci-fi memorabilia retailer.
14. In December 2009 the Council secured £52,000 from the Department of Communities & Local Government empty shop revival fund to help Stockton and Billingham town centres weather the recession. This funding was boosted by a £150,000 revenue allocation approved by Cabinet in May 2009 for support to local businesses and entrepreneurs to make the most of opportunities in the town centre. The money is being used to improve the look and feel of the two town centres by reviving empty spaces left vacant by shops hit by the financial downturn, and by staging a series of projects and events to encourage shoppers and visitors into the town.
15. These have included supporting more town centre events throughout the year and using innovative designs and art-work to decorate empty units in both Stockton and Billingham, which has proved highly successful, in particular at prominent units like the former Internationale, Savers and Curry's units on Stockton High Street. The Town Centre Manager is also exploring the potential provision of three-dimensional artwork on vacant units as has been so successfully used at Redcar.
16. The funds also supported the 'Shop Start' competition which saw a young entrepreneur; 21 year old Jade Stephenson, win a free shop unit for a year and open vintage clothes store 'Wardrobe' in Wellington Square Shopping Centre. The Council and the Centre's owners supported the competition to find the best young retail business idea, sponsoring the first year's overheads. The store has been open since December 2009 and is trading well.
17. The regular Wednesday and Saturday markets continue to attract high levels of footfall and town centre spend. A new programme of privately-operated farmers markets commenced in March 2010 and these are proving very successful especially in Wellington Square. A nationally renowned continental market operator has approached the Council with a view to attending Stockton in 2011.
18. Attracting a major foodstore to the town centre remains a priority. The outline consent for a foodstore in the Castlegate Shopping Centre expired in August 2009 and due to lack of operator interest in the site it is no longer considered appropriate to promote this site. Much discussion has taken place with supermarket operators to establish specific site requirements in Stockton town centre and work is ongoing to match these requirements with development opportunities.
19. The two sites generating interest amongst operators are the Municipal Buildings area of Church Road and the smaller site bounded by the High Street, Yarm Lane, Exchange Yard and West Row. The potential use of these sites is currently being explored in terms of viability, planning policy, and land owner interest. Clearly, any proposals for Municipal Buildings will involve appropriate relocation of Council staff.
20. LEISURE, EVENTS & PROMOTIONS – Leisure - Work is due to complete in July on the £2.6 million extension of the Splash leisure centre, with extended gym and changing room facilities, new multi-activity spaces, badminton courts, and a new reception foyer area. A launch event will follow later in the summer.

21. A strategy is being formulated as to how to develop the town centre's evening economy, with recommendations to concentrate efforts to develop and diversify the evening economy at hubs around the Globe, Arc and Cultural Quarter, as well as key links to North Shore along Church Road. This work will be completed in August, and will seek to deliver a more diverse leisure offer across the central area that will be sustainable and commercially viable, meeting the needs of all residents of the Borough.
22. Events – A year-round programme of events has been developed to raise Stockton's local and regional profile as a vibrant town centre offering a range of cultural activities; in order to attract additional visitors, develop partnerships with local businesses, and create a convincing proposition for new investors in the town. Since the last Cabinet update, the hugely successful Infinity Festival was held in the spring of last year to celebrate the opening of the award-winning Infinity Footbridge (and its anniversary marked with illuminations in May 2010); the Take to the Tees summer festival to celebrate the River Tees and promote water based activities; the Dragon Boat Festival; the annual Stockton International Riverside Festival and Stockton fireworks display which drew in huge crowds to the town; and closely followed by the detailed programme of events to mark the second year of the Christmas Festival. More recently, the 700<sup>th</sup> anniversary of Market Charter was marked with a week of celebrations in May 2010 when the Bishop of Durham visited the town centre along with specialist events that supplemented the usual vibrant Stockton market. Other local events included Festafall, TEGOFEST, the Northern Children's Book Festival, and Heritage Open Days designed to raise the profile of Stockton's rich heritage. Funds are in place to see a further year of these events, with the addition of the River Tees Rat Race event to this year's Take to the Tees Festival and the Freedom Parades.
23. Promotion – Work is underway to develop a more significant and co-ordinated approach to the promotion and marketing of Stockton town centre, selling the centre's assets, communicating positive messages, maintaining good relationships and regular communication with retailers, developers and landowners, and presenting the centre as a safe, secure and family-friendly destination for day trips as well as during the evenings. The 'Get Connected' brochure, launched last August, is designed to shift perceptions of the Borough, setting out its unique assets and strengths. Over the next six months these headline messages will be backed up with tailored marketing information for investors and retail operators, as well as a town centre focused website with promotional material for visitors and shoppers.
24. SITE ASSEMBLY & INFRASTRUCTURE ENHANCEMENTS - Site assembly for future development remains a priority for the Central Area. The acquisition of the former Glynn Webb property on Chandlers Wharf is required to facilitate the re-alignment of Riverside Road junction with Bridge Road as part of the Tees Valley Bus Network Improvements scheme funded partly by Department of Transport. After much negotiation, a sale price for Glynn Webb has now been agreed, and the Council is currently in the process of agreeing all legal paperwork with a view to completing the acquisition in autumn 2010, on the proviso that Single Programme funding can be confirmed.
25. In March 2010, the Tees Valley was awarded £37.5 million to fund a series of enhancements to major bus routes across the Tees Valley Bus Network. In Stockton, some of this funding will be used on infrastructure improvements to Bridge Road and Yarm Lane that will see a reduction in bus journey times and help promote the use of sustainable transport. Planning permission for the realignment of Riverside Road and enhancements to Bridge Road and Yarm Lane was granted in April 2010 and it is anticipated that following completion of the acquisition and subsequent demolition of Glynn Webb, bus network improvement works will begin in early 2011.
26. The volume of bus traffic on the High Street was highlighted as an issue in the 2008 Stockton Town Centre Study and continues to be an issue for retailers and for the users of the High Street. The works to the High Street under the Tees Valley Bus Network Improvement scheme includes improvements to the bus stands and information display, as well as

rationalising the number of High Street stands. Opportunities for the construction of a bus station continue to be pursued following the unavailability of a site at the High Street intersection with Dovecot Street identified as the most favorable in terms of bus operator requirements.

27. Site valuation and layouts have been produced, which were neither ideal from an operational point of view nor affordable in terms of site assembly and construction. An alternative option has been identified and is currently under consideration by bus operators in advance of more detailed site appraisal work, but it is unlikely to be acceptable from an operational point of view. Should a suitable location not be found, then measures to reduce the number of bus movements on the High Street are being pursued in line with proposals coming forward in the draft Urban Design Guide, produced by the Urban Design team.
28. HIGH STREET & URBAN DESIGN GUIDE – The emerging Urban Design Guide sets out a framework of design guidance for areas undergoing or requiring change within central Stockton; creating a sound basis of understanding of the built form and how this can be preserved and enhanced inform the public realm proposals for the SHiP and THI schemes. It is intended that the Guide will be adopted as a Supplementary Planning Document (SPD) as it builds on the policies of the emerging Local Development Framework, in particular the Regeneration Development Plan Document (DPD); however, it will have to remain in draft format until the Regeneration DPD is formally adopted in 2012.
29. The Guide is designed to be used by any party from either the public or private sector involved in the ongoing regeneration of the town centre, as well as a tool to generate investment, help, encourage and reinforce a top quality built environment; thereby helping to strengthen its retail niche as a market town. It details proposals to address the public realm throughout the town centre (informing the public realm proposals for the SHiP and THI schemes) with suggested changes to the spatial use of the High Street for the market, events, taxi rank and car parking.
30. The reintroduction of cars and car parking on the High Street has been a long standing point of debate for Stockton town centre and must be considered in line with the future volume of bus traffic and bus travel times. Detailed traffic modelling of the High Street has been undertaken over recent months to establish the viability of a range of proposals for reintroducing vehicles onto the High Street and the subsequent impact on the surrounding road network and existing public transport services.
31. One of the conclusions drawn from the traffic modelling is that it is viable to provide car parking on the High Street at both the northern and southern ends as well as allowing cars to move one way along the High Street. Options for how this can be properly introduced are being considered in line with proposals emerging for the wider spatial use of the High Street.
32. A first phase of car parking can be provided at northern end of the High Street in advance of wider High Street improvement works, along with additional short stay parking in front of 16 Church Road. These works will be designed in accordance with long term proposals for the High Street, ensuring that they will fit seamlessly into a newly configured High Street, and will create 54 short stay car parking spaces, benefiting businesses in the town centre and supporting the development of the evening economy (an indicative layout can be seen at **Appendix 3**)
33. BUSINESS – Businesses continue to be supported through the signposting services of the Council's Business Development Team; through the quarterly Business Forum; and have access to business accommodation to suit their requirements at the Council's Business Centre on Brunswick Street. Proposals and funding are yet to be finalised for Stockton Incubation Centre, a youth business centre and associated retail outlet offering flexible space, shared resources and dedicated mentoring for young people wanting to set up a business venture. Located in the heart of the town at a refurbished 143 High Street. It may be possible to link

proposals for an enterprise arcade, a project planned for the coming year to use vacant shop units on the High Street for businesses to test the market before progressing to their own premises. The project is very short term (6 months) and will use funds from the Business and Enterprise work stream of the £60 million Tees Valley Industrial Programme (TVIP), subject to the forthcoming government spending review.

34. The Five Lamps Organisation is delivering the Enterprise Gateways contract to provide a range of enterprise support activities based in Stockton, Thornaby and Billingham. Their Stockton Enterprise Gateway is based at 32 Dovecot Street, which recently underwent a £360,000 refurbishment using Community Assets Fund grant to facilitate delivery of support from the premises. Over 300 residents have been engaged and the gateways have assisted the creation of 39 businesses.
35. Delivery of the Council's Communities Fund commenced in April 2009, which aims to tackle worklessness and improve skill levels in the Borough, recognising the need to tackle worklessness on a local community wide basis to provide maximum flexibility to design local worklessness programmes to meet local needs. The contract for delivering support in Stockton Town Centre was awarded to the Five Lamps Organisation. In the first year of delivery a total of 1641 residents across the Borough have been engaged with 378 people securing employment, of the 1641 residents engaged, 495 were from the Town Centre area and 156 have now started work.
36. An exercise to map creative industries located in the Borough is being undertaken, which will formulate recommendations on where growth of this sector can be supported. Businesses across this sector will be mapped and the recommendations will be used to formulate initiatives to best match the requirements of the creative industries sector. Proposals that will attract ERDF support are being worked up that will bring support from the Digital City initiative to creative businesses in Stockton. This will see the refurbishment of 62 Dovecot Street, in line with the recommendations of the mapping exercise, to provide a supportive environment for creative industries with both workspace and sector support for business activities and research. Direct links with Arc, Stockton Business Centre and Green Dragon Studios will ensure effective management arrangements are in place for the building.
37. HOUSING – The delivery of a mix of high quality homes is essential to creating sustainable communities in the urban core of the Borough. The linkages between these housing sites and with the town centre are also paramount to ensuring sustainability of the Stockton Central Area. Following on from the last Cabinet update the North Shore Home Zone for 50 new homes with design features such as roof terraces, courtyards and views of the River Tees, received planning permission in February 2010, with a start on site anticipated in the next 12 months.
38. Residents voted in favour of redevelopment of the Swainby Road area, Victoria Estate and extending the Parkfield Phase 2 redevelopment area when consulted in late 2009 and early 2010; with the decant of Swainby Road commencing in January following cabinet approval of the scheme.
39. Given the current financial climate and uncertainty around funding available, negotiations for properties at Parkfield and Swainby Road have been suspended pending the release of previously ring fenced HMR grant and confirmation of funding from HCA,
40. The redevelopment of Victoria Estate is likely to come forward in the long term (in 5-15 years time). The Council will continue to work with public and private sector partners to ensure the delivery of high quality schemes and identify future development opportunities including encouraging living within the town centre and redeveloping housing sites adjacent to the town centre, where appropriate.



41. Operations of Tristar Homes will shortly change, as all Tristar tenants voted to sell the Council's 10,400 homes across the Borough to a new not-for-profit company formed by a partnership between Tristar Homes and Housing Hartlepool. This transfer will allow the new company to access £140 million for a five-year programme of housing stock improvements, as well as redevelopment of key areas such as Victoria Estate on the edge of the town centre.
42. EDUCATION – Planning permission was granted in February 2010 for an iconic state-of-the-art youth facility in the Northern Gateway on part of the former Tilery Sport Centre. The 'Myplace' Inspiration, Creativity and Entertainment (ICE) Centre will enable 13-19-year-olds, along with those with disabilities aged up to 25, to access leisure, social, advice and learning facilities. The £5 million Big Lottery Fund scheme received funding approval in May and is due to start on site in October of this year pending confirmation of revenue and operational budgets.
43. The Building Schools for the Future (BSF) programme to radically transform secondary education provision has advanced over the past 12 months, with three companies bidding for the £180million Local Education Partnership contract to design, build and maintain twelve of the Borough's schools. However Government has now announced that Stockton's BSF programme has been "stopped" and our two Academies projects are "for discussion". The Council is actively pursuing the continuance of the programme. Alternative delivery options are being developed for consideration by Cabinet. Our main sponsors for the North Shore Heath Academy are committed to supporting the Council in their endeavors to restart the programme. The Northern Gateway has been selected as the preferred location for the new North Shore Health Academy sponsored by the NHS Stockton-on-Tees and co-sponsored by Stockton College Consortium and Stockton Council, to replace Blakeston School Community Sports College and the Norton School Humanities College when they close at the end of August. The Academy, specialising in science with a strong health, well-being and sport theme, will initially open on the existing Blakeston School site this September, however, the new building that was planned to be constructed on the Northern Gateway through the Building Schools for the Future programme now depends upon Government's approval before it can progress.
44. The Primary Capital Programme (PCP) has also advanced since the last update, with the PCP moving into the second of its fourteen-year programme of modernisation of the Borough's primary schools so that they are fit for purpose and enable young people to achieve their full potential. Mill Lane Primary School adjacent to the town centre benefited from improvements in the first year. The programme for the remaining years is subject to a budget review
45. HEALTH – A brand new doctors' surgery opened earlier this year on Clarence Street at the edge of the Northern Gateway. The surgery, The Arrival Practice, provides primary health care to people seeking asylum and refugees living in the North Tees Primary Care Trust area. Planning for the new community facilities at the Stockton Integrated Health Centre are in the early stages of site assembly regarding a site at Alma Street, and it is envisaged that the centre will be operational by 2013.

### **Central Area Priority Projects**

46. It is considered that over next three years projects that should be given priority are the refurbishment of the Globe Theatre, acquisition and demolition of Glynn Webb with associated highways enhancements, Townscape Heritage Initiative, the development and delivery of car parking on the High Street and the refurbishment of 62 Dovecot Street.
47. At this stage, the delivery of a bus station in the short to medium term has been ruled out on the basis of cost and available sites that meet bus operators' requirements. Furthermore, site assembly in line with properties previously acquired at Southern Gateway and the pursuit of infrastructure enhancements to link the High Street to the riverside, such as the proposed

land bridge over Riverside Road, have been given a lesser priority due to current funding constraints.

48. Supporting the delivery of anchor stores within the town centre along with a bus station in line with a redesigned High Street and enhanced public realm as well as physical development of the Southern Gateway site remains a longer term priority for the central area and will be given further detailed consideration following the completion of the urban design guide and more clarity on future funding opportunities. An indication of the likely delivery timescales can be seen in **Appendix 2**.
49. The redevelopment of the Globe Theatre is considered to be the main priority scheme within the Central Area. The direct impacts of the refurbished Globe will be to create 23 new permanent jobs, safeguard 72 construction jobs and to increase footfall in the town centre. Footfall projections are based on 30 live music performances, 15 comedy performances, 10 other entertainment events and 10 private hire events per year, with the venue operating at 70% capacity. Based on industry standard figures this projects an additional 82,500 visitors per year with an estimated spend of £4.5m inside the venue and a further £7.8m of spend in the wider town centre over a five year period. This is estimated to create and support up to 130 additional jobs in the Central Area.
50. The redevelopment of the Globe is seen as key to supporting the growth and diversification of the evening economy in central Stockton. It is anticipated that the Globe will act as a catalyst for bringing vacant properties back into use to support the evening economy and will provide an alternative leisure offer that is currently unavailable in central Stockton. Public sector funding will contribute towards the project and as such a development agreement or other suitable legal documentation will be drawn up to protect the public sector investment and to ensure maximum economic benefits are gained from the redevelopment of the Globe and that programming compliments and adds value to existing events in the town centre. However the full detail of any such agreement cannot be determined until funding of the project is finalised.
51. The Tees Valley Bus Network Improvements (TVBNI) project has been given full approval by the Treasury after the recent review of Major Scheme Funding. The realignment of Riverside Road is seen as a major priority for the TVBNI project and is designed to improve bus journey times as part of a package of measures that also includes the Mandale Gyrotory Bus Corridor Improvements scheme which is currently under construction.
52. In order to allow the realignment of Riverside Road element of the scheme to progress, the purchase of land at the Glynn Webb site is essential. If the land is not acquired there are wider implications for the TVBNI project. The TVBNI requires a 'local contribution' across all Local Authorities in the Tees Valley, which is provided in this instance in the form of capital funds to acquire and demolish the Glynn Webb site
53. If the Glynn Webb site cannot be acquired there would be no alternative but to reduce Stockton's element of the TVBNI project accordingly resulting in the loss of several other TVBNI schemes across the network, as well as the enhancements planned at Riverside Road.
54. The refurbishment of 62 Dovecot Street will provide 600m<sup>2</sup> of flexible business accommodation to support creative industries, in particular digital media companies, by potentially forming a satellite facility for DigitalCity, the Tees Valley wide initiative to create a vibrant, successful and self-sustaining supercluster in digital technologies, digital media and creative sectors, and their enabling capabilities. This supports the key priority to diversify the offer of the town centre and attract new footfall through this prominent area of the town. The facility at 62 Dovecot Street will be strategically located close to the existing Business Centre and Arc, and will require refurbishment and fit-out to a high specification to support 10 new businesses. This has been estimated as costing £0.5 million, which could be funded by

seeking 50% of the capital costs from ERDF, with a 50% match funding contribution from SBC capital.

55. The reintroduction of car parking on the High Street will be a major asset for the town centre. Proposals centre around the creation of two parking areas within loops at either end of the High Street. As previously stated, the delivery of short stay car parking will, for the most part, have to be delivered in line with proposals for improving the public realm and layout of the High Street. However it is anticipated that parking areas in the northern loop can potentially be delivered in advance of wider works on the High Street for circa £1 million thereby creating much needed short stay, high churn pay and display parking close to High Street businesses and the Globe. In addition, a further 8 spaces have been identified in front of 16 Church Road to support businesses at the Northern end of the High Street.

**Paragraphs 78-82 contain confidential and commercially sensitive financial information and are therefore exempt. The exempt paragraphs can be found at Appendix 4.**

### **Planning**

56. The Core Strategy Development Planning Document (DPD), one of a number that make up a suite of documents known as the Local Development Framework (LDF), was adopted in March 2010. It sets out the Council's vision is for an upgraded and regenerated centre for Stockton, [Billingham, Thornaby and Yarm] which provides a range of improved retail and related facilities. Objective 4 of the Core Strategy seeks to deliver healthy and vibrant town centres, enhancing the role of Stockton as the main centre. In realising the vision, Policy CS 5 Town Centres seeks to concentrate retail opportunities and other town centre uses in the town and district centres, and as part of that approach makes no other allocations for retail development other than in or on the edge of Stockton Town Centre during the life of the Strategy.
57. The Planning Service, recommended that the most appropriate way forward in planning terms is to embed these priority interventions in the Regeneration Development Planning Document (DPD) and produce detailed guidance for these sites through the Urban Design Guide for the central area, which will eventually be adopted as Supplementary Planning Document (SPD).
58. The draft Preferred Options version of the Regeneration DPD is under preparation, and this includes work to review planning policy on the retail frontages in Stockton town centre, to assist the diversification of uses in some locations and the creation of a more distinct retail and café/24 hour economy in others.
59. The Urban Design Guide SPD is being prepared, and it is intended that this document will provide details to support policies in higher level Regeneration Development Plan Document. However, its legitimacy is dependent on the parent document, the Regeneration DPD, and the statutory process for the delivery of that document is lengthy. It involves many distinct stages. Throughout however, officers continue to collate and assess information, draft and assess policies, publicise and consult widely with members of public, and other interested parties such as statutory undertakers, interest groups, public bodies and experts in related fields. Upon completion, the Submission version of the DPD and the evidence base are submitted to the Secretary of State for Independent Examination. Thereafter, if at Examination the document is found 'sound', the Council can move forward to adopt the document.
60. The Regeneration DPD is mid-way through this process, with Issues and Options consulted on in September 2007. Consultation on the Preferred Options document is due in November 2010, and adoption is anticipated for February 2013. As envisaged in paragraph 28, it is likely that the Urban Design Guide will follow shortly afterwards.

## **Delivery Structure**

61. Reviewing and developing delivery structure arrangements for the delivery of regeneration actions across the central area was a key recommendation within the Central Area Investment Plan. Clear structures are vital for project delivery in the central area as they will help provide primacy in decision making, secure stakeholder support for proposals and give clarity and confidence to the private sector, increasing the potential for investment in the central area. As such proposals for a structure that will aid investment and reduce bureaucracy are currently being drafted with a view to establishing the most efficient and effective means of delivering a governance structure that adds value to existing processes and protocols

## **FINANCIAL IMPLICATIONS**

62. The report outlines the prioritization of funds incorporated in the Medium Term Financial Plan associated with site assembly work for Riverside Road re-alignment works and SMI funds. There are no additional resources implications for the Councils Medium Term Financial Plan.

## **LEGAL IMPLICATIONS**

63. Further work to develop preferred proposals will highlight any legal implications of individual schemes, such as the need for the use of the Council's compulsory purchase powers, road traffic regulation orders for any alterations to the highway network, planning or listed building consent for alterations to properties, or Section 106 Agreements to secure monies towards proposed public realm works.

## **RISK ASSESSMENT**

64. The Central Area update is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

## **SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS**

65. The regeneration of the Stockton Central Area will impact on all of the thematic areas of the Community Strategy, supporting achievement of the Council's vision and ambitions for a better quality of life for the residents of the Borough.
66. **Economic Regeneration and Transport** - the regeneration proposals for the central area will assist in achieving the key ambitions to *create vibrant and successful town centres; improved city-scale facilities; and improved transport networks* through the proposals for the revitalised town centre public realm and Tees Valley Major Bus Network improvements.
67. **Environment and Housing** - the regeneration proposals will also assist in achieving the key ambitions to *create better open spaces, improve our housing and deliver design quality* through proposals for the treatment of the High Street and Riverside to create high quality leisure destinations, as well as opportunities for town centre and riverside living.
68. **Safer Communities** - the regeneration proposals will assist in achieving the key ambition to *reduce crime and fear of crime* through improved design of the streetscape, riverside and built environment to 'design out' crime, for example with improved lighting, more open spaces, and a revised CCTV coverage in line with these changes to the town centre layout.
69. **Children and Young People** - the proposed regeneration of the central area has the capacity to contribute to the key ambition to encourage the Borough's children and young people to *be healthy and stay safe* through the provision of more places to go, things to do, opportunities for leisure and to keep fit, as well as improved transport networks to increase pedestrian safety.

70. **Healthier Communities and Adults** - the proposed regeneration of the central area has the capacity to contribute to the key ambition to *promote healthy living* through the provision of new and improved opportunities for leisure, such as the Splash extension, to enable residents to improve their mental and physical health. Residents will also have *improved access to health services* with the proposed improvements to central health care provision.
71. **Stronger Communities** - the regeneration proposals will help to achieve the ambitions to generate *increased community pride, equality of opportunity and financial inclusion* so that all residents regardless of their background, lifestyle or financial circumstances, have equal opportunities to participate in and access the services and facilities in the central area.
72. **Older Adults** - the regeneration proposals contribute to the key ambitions to enable resident to be part of a *welcoming community* and enjoy *real choice, control and equal access to facilities and services* by ensuring all streetscape and building developments are built to DDA standards.
73. **Arts, Leisure and Culture** - the regeneration proposals for contribute to the key ambitions to *promote our festivals* and *promote the performing and visual arts* by supporting the marketing of Stockton's programme of events throughout the year and the cultural linkages through the town centre from the riverside through to Arc.

## **EQUALITIES IMPACT ASSESSMENT**

74. This report is not subject to an Equalities Impact Assessment because it is not seeking a new policy, strategy or change in the delivery of a service.

## **CONSULTATION INCLUDING WARD/COUNCILLORS**

75. Work on the regeneration of the Stockton Central Area will continue to be developed in line with the guidance of a Steering Group made up of Council officers, ONE and key stakeholders including the Homes & Communities Agency (HCA), as well as close liaison and engagement of investors, developers and businesses from the private sector. The Urban Design Guide will be taken forward through the Local Development Framework process, which is subject to consultation as set out in the Local Development Scheme.
76. Members should note that the proposed interventions are strategic in nature at present and further detailed consultation with key stakeholders and town centre users will help shape the final schemes. Further meetings with appropriate stakeholders will continue to be held as proposals are progressed further, such as bus and taxi operators, shopping centre owners, landowners, Retail Forum, Markets Forum, Disability Advisory Group, Central Area Partnership Board, English Heritage, Cleveland Police and Emergency Services, University of Durham Stockton Campus and Stockton Riverside College.
77. Proposals detailed within the report have been included in previous consultation events relating to the Stockton Town Centre Study and proposals for Stockton Riverside. Further consultation has taken place on the Globe Theatre refurbishment as part of the business planning process.

**Name of Contact Officer: Nigel Laws**  
**Post Title: Regeneration Projects Manager**  
**Telephone No. 01642 527565**  
**Email Address: Nigel.laws@stockton.gov.uk**

Education related No

Background Papers

- Stockton Central Area Investment Strategy (2010) available in Members Library
- Stockton Town Centre Study (2009) available in Members Library
- Stockton & Middlesbrough Joint Retail Study (2008) available in Members Library
- Reports to Cabinet on 14.05.09 (Stockton Town Centre & Riverside Sites Update), 25.10.07 (Stockton Town Centre), 31.08.07 (Stockton Town Centre & Riverside Sites Action Plan), and 30.11.06 (Stockton Town Centre & Riverside Sites Masterplan & Action Plan), all available from <http://www.stockton.gov.uk/egenda>
- Stockton Riversides Sites Master Plan (2006) available in Members Library
- Tees Valley Partnership Investment Strategy (2006) available in Members Library
- SMI Development Framework (2005) available in Members Library
- Stockton Town Centre Regeneration Strategy and Action Plan (2004) available in Members Library
- Looking After Our Town Centres, DCLG Paper available from <http://www.communities.gov.uk/publications/planningandbuilding/towncentres>
- Stockton on Tees Borough Council Core Strategy Development Plan Document Adopted 24 March 2010  
<http://www.stockton.gov.uk/resources/planning/CoreStrategy>
- Stockton on Tees Borough Council Regeneration Development Plan Document: Issues and Options September 2007  
[http://www.stockton.gov.uk/citizenservices/planningdepartment/dev\\_plans/ldfhome/regendpdm/ain/](http://www.stockton.gov.uk/citizenservices/planningdepartment/dev_plans/ldfhome/regendpdm/ain/)

Ward(s) and Ward Councillors:

Stockton Town Centre Ward:-

Councillor David Coleman  
Councillor Paul Kirton

Property

There may be potential implications for Council assets and property in the assembly of sites for medium and longer term actions outlined in the report. Other than agreeing a potential lease for the 62 Dovecot Street property, there are no direct implications in relation to any of the more immediate priority projects.

## Appendix 1 – Town Centre Funding Priorities

Project	Fit	Impact	Funding	Funding
Townscape Heritage Initiative (Medium Term) <b>Total Cost: £3.49m</b>	Returning void floor space to use and investment in the public realm.	116 jobs created or safeguarded; 15 businesses created or supported; and void floor-space returned to use for retail, commercial and residential use.	First stage approval has been secured for the Heritage Lottery Fund with the delivery plan being produced for April 2011. Grants will be offered from August 2011, though there will remain the risk that private owners will not be able to contribute.	£1.74m of Heritage Lottery Fund has been agreed in principle subject to the delivery plan. £290k of ONE support has been requested through a business case but not committed or contracted. £1.17m of private match funding will be required and will need to be confirmed on a project by project basis. £290k - £580k SBC capital programme will be required dependent on ONE funding being available.
Glynn Webb (Short Term) <b>Total Cost: £3.1m</b>	Property acquisition for the facilitation of Riverside Road realignment.	Improved transport infrastructure for the town centre with improved capacity and links to the wider Tees Valley.	Heads of Terms agreed, confirmation of the Bus Major scheme funding in place.	£1.834m SBC capital programme is committed through the cabinet approval for Southern Gateway. £1m ONE funding has been offered but remains at risk as no contracts are currently in place.
62 Dovecot Street (Medium Term) <b>Total Cost: £500k</b>	Refurbishment of a Council asset for linking to the DigitalCity Initiative.	600 m <sup>2</sup> of business space to support creative industries and digital companies. Support provided for 10 businesses new to the town centre.	This Council-owned property will shortly be vacated. To deliver the project, partnership working will be required with Tees Valley authorities to attract ERDF support.	Funding proposals are currently being developed to attract 50% support from ERDF with the balance being required from SBC capital budgets £250k SBC £250k ERDF
Globe (Short Term) <b>Total Cost: £4.1m</b>	Restoration of the property as a 2,500 capacity entertainment venue.	23 new permanent jobs, 72 construction jobs safeguarded. Over the next 5 years it is projected that 165,000 new visitors will spend £5m in the town centre.	Full designs, planning permission and Listed Building Consent are in place. The property owner is in a position to proceed upon confirmation of public funds.	£2.9m private sector funding in place £500k ONE funding at risk £700k SBC
High Street Public Realm (Medium Term) <b>Total Cost: Unknown</b>	Improvements to the High Street in line with the Urban Design Guide.	Improvements to the safety and wellbeing in the town centre with better access to retail and activities for visitors and residents.	Means of delivery to be explored in partnership with HCA and may be taken forward as part of a LABV	Provisional cost will be available upon completion of Urban Design Guide.
Car Parking (Short Term) <b>Total Cost: £1m</b>	Return on street car parking to the town centre.	Increase the ability of the high street to attract national operators. Increase visitor spend on the High Street.	Needs to be delivered by the Council without compromising future High Street public realm improvements.	£1m (assuming urban design specifications)
Stockton Incubation Centre (Short Term) <b>Total Cost: £1.24m</b>	Property refurbishment to create incubation space for creative and retain businesses.	650 m <sup>2</sup> of business space for 11 new businesses and the safeguarding of 23 construction jobs	Private Sector delivery partner currently negotiating on purchase price and management structure. Risk that project will not proceed.	£807k private sector funding in place £434k One funding at risk
Delivery of Anchor Stores (Medium Term)	Supporting the delivery of anchor stores within the town centre to increase footfall and enhance the retail offer.	100+ jobs created. Increased footfall in the town centre provided that physical linkages to existing retail areas can be achieved.	Suitable site for foodstore needs to be assembled. Need to work in partnership with retail and food retail operators to ensure delivery.	Private investment with potential for SBC assets and property to be used to support delivery.

<p>Bus Station (Long Term) <b>Total Cost £12m</b></p>	<p>Construction of a bus station, removing buses from the High Street.</p>	<p>Removal of buses from the High Street will create a more pedestrian friendly environment upon which to base proposals public realm improvements. Will also enhance linkages between the 2 main shopping centres</p>	<p>Cost of site assembly and clearance likely to be prohibitive on one option  No guarantee that bus operators will agree to location of bus station which could result in substantial compensation claims form operators</p>	<p>No funds are identified for assembly of either site or for construction of bus station.</p>
<p>Southern Gateway (Long Term)</p>	<p>Site assembly at key gateway into the central area. Site is partially assembled using a combination for SBC and ONE funds.  Long term aspiration is for the site to be developed for mixed commercial use providing a modern gateway to the town centre.</p>	<p>High, quality modern entrance to Stockton town centre. Job creation based on large scale commercial development entirely dependant upon mix of uses.</p>	<p>Further funds required for site assembly. Four out of the seven properties on the site are under SBC ownership. Use of CPO powers may be required for acquisition of remaining properties. No development partner or definite end use identified at this time.</p>	<p>Estimate value of remaining properties is £2 million.</p>



## Appendix 2 – Delivery Timescale

	Achieved (since May 09)	Short (>1 year)	Medium (1-5 years)	Long (5-15 years)
<b>Culture</b>	<ul style="list-style-type: none"> <li>• Planning consent secured for Globe refurbishment</li> <li>• 'Meanwhile' Arts project secured £30k Arts Council funds for 17 projects</li> <li>• Purchase of Courtyard Hotel &amp; Hodgson Yard pursued but unable to agree a price</li> </ul>	<ul style="list-style-type: none"> <li>• Globe refurbishment</li> <li>• 62 Dovecot Street project developed for creative industries accommodation</li> <li>• Evening Economy Study complete</li> <li>• Cultural Quarter Masterplan complete</li> </ul>		
<b>Heritage</b>	<ul style="list-style-type: none"> <li>• SHiP Year 2 successes</li> <li>• THI Stage 1 Bid Approved</li> </ul>	<ul style="list-style-type: none"> <li>• SHiP Year 3 successful</li> <li>• THI Stage 2 Bid submitted</li> </ul>	<ul style="list-style-type: none"> <li>• SHiP Year 4-5 successful</li> <li>• THI Delivery (incl. Dovecot St public realm)</li> </ul>	
<b>Leisure / Events / Promotions</b>	<ul style="list-style-type: none"> <li>• Splash expansion complete</li> <li>• Infinity festival Year 1 &amp; 2</li> <li>• Take to Tees</li> <li>• Year 2 of Christmas Festival</li> <li>• 700<sup>th</sup> Market Anniversary</li> <li>• Get Connected brochure launch</li> </ul>	<ul style="list-style-type: none"> <li>• Splash complete</li> <li>• Take to Tees incl. Rat Race</li> <li>• Year 3 of Christmas Festival</li> <li>• Town Centre website developed</li> </ul>		
<b>Retail</b>	<ul style="list-style-type: none"> <li>• Discussions ongoing with operators &amp; agents re their requirements for a food store in the town centre</li> <li>• 'Shop Start' competition won by 'Wardrobe' – Jade Stephenson</li> <li>• Shambles fully occupied</li> <li>• Woolworths unit occupied by B&amp;M</li> <li>• Farmers Market programme agreed for Stockton town centre</li> <li>• Prominent empty units decorated with vinyl</li> </ul>	<ul style="list-style-type: none"> <li>• Regeneration DPD amended regarding retail frontages policy</li> <li>• Continental Market programmed.</li> </ul>	<ul style="list-style-type: none"> <li>• Approval of town centre foodstore and anchor store</li> </ul>	
<b>Business</b>	<ul style="list-style-type: none"> <li>• ERDF 'Routes to enterprise' project up &amp; running</li> <li>• Working Neighbourhood Fund project up &amp; running.</li> <li>• Stockton Incubation Centre funds approved</li> </ul>	<ul style="list-style-type: none"> <li>• Stockton Incubation Centre Planning consent</li> <li>• Stockton Incubation Centre delivered</li> <li>• Enterprise Arcade scheme developed</li> </ul>		
<b>Public Realm</b>	<ul style="list-style-type: none"> <li>• Urban Design Guide in development</li> <li>• Traffic modelling of town centre scenarios complete</li> </ul>	<ul style="list-style-type: none"> <li>• West Row public realm improvements</li> </ul>	<ul style="list-style-type: none"> <li>• Urban Design Guide adopted as SPD</li> <li>• High St Bus Majors works</li> <li>• Short stay car parking in northern loop</li> </ul>	<ul style="list-style-type: none"> <li>• Bus Station</li> <li>• High Street public realm improvements</li> <li>• Market re-aligned</li> </ul>
<b>Riverside Links</b>	<ul style="list-style-type: none"> <li>• Tees Valley Major Bus scheme funding confirmed</li> <li>• Planning Consent secured for road re-alignment</li> </ul>	<ul style="list-style-type: none"> <li>• Glynn Webb &amp; all remaining land acquired potentially via CPO</li> </ul>	<ul style="list-style-type: none"> <li>• Riverside Road / 1825 Way junction realigned</li> <li>• Castlegate Breakthrough &amp; Green Boulevard designed &amp; costed</li> </ul>	<ul style="list-style-type: none"> <li>• Chandlers Wharf, Castlegate Quay &amp; Southern gateway mixed use developments</li> </ul>
<b>Housing</b>	<ul style="list-style-type: none"> <li>• North Shore Home Zone Planning Consent secured</li> <li>• Consultation on Parkfield, Victoria &amp; Swainby in favour of re-development</li> <li>• Stock transfer determined</li> </ul>	<ul style="list-style-type: none"> <li>• Start on site at North Shore</li> <li>• Start on site at Queens Park North</li> </ul>	<ul style="list-style-type: none"> <li>• Boathouse Lane redeveloped</li> <li>• Parkfield Phases 1 &amp; 2 redeveloped</li> <li>• Swainby Road redeveloped</li> </ul>	<ul style="list-style-type: none"> <li>• Victoria Estate redeveloped</li> </ul>
<b>Health</b>	<ul style="list-style-type: none"> <li>• Alma Street location selected for Integrated Health Centre</li> </ul>	<ul style="list-style-type: none"> <li>• Stockton Integrated Health Centre planning consent</li> </ul>	<ul style="list-style-type: none"> <li>• IHC operational 2013</li> </ul>	
<b>Education</b>	<ul style="list-style-type: none"> <li>• Myplace planning permission granted</li> <li>• North Shore Health Academy at Northern Gateway announced</li> </ul>	<ul style="list-style-type: none"> <li>• Myplace start on site</li> <li>• New North Shore Health Academy opens</li> </ul>	<ul style="list-style-type: none"> <li>• Myplace operational 2012</li> <li>• New Academy building operational 2013</li> </ul>	

APPENDIX 3

