

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting23rd January 2020

1. Title of Item/Report

Indigenous Growth Fund Update

2. Record of the Decision

Cabinet received an update on the Tees Valley Indigenous Growth Fund along with a proposal seeking approval for the acquisition of a key piece of employment land at Durham Lane Industrial Park using the Council's Fund allocation received from the Tees Valley Combined Authority.

Stockton had prime status as an employment location in the Tees Valley and had the most total industrial floorspace of all five Boroughs; with larger than average units when compared to the other areas. Stockton also only had a 1.8% vacancy of its total industrial stock. This was as a result of the Borough's relative economic strengths in the Process, Chemicals and Energy, Advanced Manufacturing, and Logistics sectors which tended to be large space users.

Take up of industrial accommodation in Stockton-on-Tees currently consisted almost entirely of small and medium sized units and in general had slowed in the Borough and the wider Tees Valley since 2014. This was likely due to a lack of supply of good quality units rather than through a lack of demand. For the five years up to 2018 Stockton had an annual average take-up of industrial employment land of 363,026, which was the largest of any Local Authority area in the Tees Valley.

An opportunity had presented itself for the Council to secure more appropriate employment land through the acquisition of undeveloped land within Durham Lane Industrial Park. The Industrial Park itself was home to several international, Industry leading businesses and employed over 1,000 people. Acquisition would not only safeguard strategically important employment land, it would also allow the Council to realise additional economic value as a result of job generation and social value embedded in our approach to procurement.

The site was also adjacent Eaglescliffe station which provided the stopping point for Northern Rail Trans-Pennine services to York, Leeds and Manchester, and the Grand Central service to London. The station

was well used, having experienced significant growth in patronage over recent years.

Currently the station had no clear or official walkway to the industrial estate and a train track would have to be crossed to reach the estate. Recognising the strategic importance of the industrial estate and opportunities to support continued economic growth, the Council was currently working with TVCA and Network Rail on proposals to create a car park of approximately 120 spaces, an extension of the existing access road to the car park and provision of a pedestrian footbridge (incorporating lifts) to the existing island platform of Eaglescliffe Station to enhance existing but informal pedestrian routes and to provide access to the new footbridge and station from surrounding residential areas to the west of the railway lines.

The proposed car park and pedestrian overbridge would allow for future rail passenger growth and rail station population catchment growth, however an extension of the existing access road was necessary for the delivery of the proposed car park. By doing so, it would have the added benefit of supporting the attractiveness of the site for future employment development. The Council had therefore been in active discussions with the owners of the land over recent months around the purchase of land necessary to facilitate the extension of the access road.

RESOLVED that:-

1. The report be noted;
2. Cabinet approve the acquisition of the remaining undeveloped employment land at Durham Lane Industrial Park at Market Value and note that the allocation of resources from the Indigenous Growth Fund will be considered as part of the Council's Medium Term Financial Plan by full Council.
3. Cabinet delegate authority to the Director of Finance & Business Services in consultation with the Leader of the Council to agree the final terms of the acquisition.

3. Reasons for the Decision

To provide Members with an overview of the Tees Valley Indigenous Growth Fund and the acquisition of employment land.

4. Alternative Options Considered and Rejected

None.

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

Not Applicable

7. Date and Time by which Call In must be executed

Midnight 31 January 2020

Proper Officer
27 January 2020