

**AGENDA ITEM**

**REPORT TO CABINET**

**DATE 18 July 2024**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

**CABINET DECISION**

**Regeneration and Housing - Lead Cabinet Member – Councillor Nigel Cooke**

**CENTRAL STOCKTON AND NORTH THORNABY BLUEPRINT**

**SUMMARY**

In July 2023 an update was provided to Cabinet on the Council's ambitious regeneration programme alongside a series of next steps for place-based economic development and growth. The report recognised the importance of ensuring our town centres are prosperous, vibrant places that are fit for future generations as this is key to attracting investment, creating opportunities, and improving outcomes for communities across Stockton-on-Tees. Alongside this it was noted that the level of ambition shown is attracting significant interest from private developers, who are keen to be involved in the next phases of design and development.

This report provides an update on progress and seeks approval for the recently completed 'Central Stockton and North Thornaby Blueprint' which sets out the vision and development framework for transformational change over the next 25 years.

**RECOMMENDATIONS**

1. Cabinet approves the Blueprint for Stockton and North Thornaby as the strategic framework to guide development and investment decisions specifically in Central Stockton and North Thornaby
2. Cabinet approves the retention of Splash as Stockton's central leisure centre and agrees in principle to invest in extending its operational lifespan. This includes necessary internal refurbishment and reconfiguration to expand gym provision. A detailed report on the budget allocation will be presented to a future Cabinet meeting.
3. Cabinet notes the work undertaken on Stockton Town Hall and agrees in principle to its refurbishment to accommodate a modern registrars service. A detailed report on the budget allocation will be presented to a future Cabinet meeting.
4. Cabinet notes the work undertaken on the Municipal Quarter and approves in principle the establishment of a joint venture between TVCA and SBC to invest in the Municipal Quarter. Cabinet also approves an allocation of up to £450,000 for associated feasibility work. A detailed report on the budget allocation to enable full progression of the proposals will be presented to a future Cabinet meeting.
5. Cabinet notes the work undertaken on options for a Council Chamber and dedicated space for elected members and notes the feedback from the members' advisory

panel. Cabinet agrees to locate the Council Chamber and dedicated space for elected members in Dunedin House. A detailed report on the budget allocation will be presented to a future Cabinet meeting.

## **INTRODUCTION**

The Blueprint (Appendix 1) sets out an exciting and innovative vision for the future development of Central Stockton and North Thornaby areas.

It outlines plans to ensure transformational change over the next 25 years by creating prosperous, vibrant places fit for future generations by delivering modern, mixed-use neighbourhoods and a stronger town centre helping to make sure it is a safe and welcoming place where people want to work, live and visit.

The ambitious Blueprint has been developed through extensive consultation with residents, businesses, partner organisations and stakeholders, including young people from Stockton Riverside College.

It focuses on eight key intervention areas in Central Stockton and North Thornaby they are:

- 1) Town Centre (south)
- 2) Town Centre (north)
- 3) Municipal Quarter
- 4) Castlegate Quay
- 5) Prince Regent Quarter
- 6) Waterways
- 7) North Shore
- 8) Tees Valley Care and Health Innovation Zone

The Blueprint builds on the ambitious regeneration already under way in Stockton town centre to transform the Castlegate Shopping Centre site into Stockton Waterfront urban park and reconnecting the town centre to the river. As well as seeking Cabinet's approval of the Blueprint, this report asks Cabinet to consider and approve in principle the next steps for four individual projects within the Stockton Central and North Thornaby Blueprint areas.

## **DETAIL**

The delivery of the Blueprint (Appendix 1) will transform the Central Stockton and North Thornaby areas.

An extensive engagement and consultation process, including workshops and public consultation has informed its development. As well as residents, businesses and partner organisations, students from Stockton Riverside College also provided valuable insight into the views of younger residents who use Stockton and North Thornaby.

Public consultation took place online, with a social media campaign at each stage to raise awareness and encourage people to engage with the plans. The final proposals were also made available in local libraries.

This campaign was very successful with 1,300 contributions. There was also around 11,000 'visits' to the consultation website and over 500 people subscribed to receive regular updates about the project.

This engagement helped to shape five important themes at the very heart of the Blueprint. They build on the strengths of the area and focus on aspects that will drive change for all:

- A great place to live
- A centre for care and health innovation
- A riverside leisure destination
- A well-connected place
- A sociable and cultural town

This Blueprint is focused across eight intervention areas. They have prime strategic locations across central areas in Stockton and North Thornaby to create a thriving connection between town, places and people.

### **1) Town Centre (South)**

There are big plans for Stockton Waterfront urban park and the largest scale intervention in this zone is the development plot at the southern end of the park. It is anticipated that this will be one of the earlier projects to be developed with an apartment-led development recommended with ground-floor retail.

The Blueprint identifies opportunities to extend the residential offer into the areas between the High Street and West Row, the former Post Office site, in the future.

Other opportunities include the refurbishment of Stockton Town Hall and The Shambles. Work has been undertaken to consider options for repurposing the Town Hall as a Register Office and service with this being detailed in further sections of this report.

### **2) Town Centre (North)**

The Council is committed to redeveloping the former Debenhams Building for use by future generations, with opportunities for a unique town centre offer such as food/beverage, small-scale leisure, co-working, or artisan making/retail space being recommended.

### **3) The Municipal Quarter**

Municipal Quarter is seen as a spark that will drive change and appetite for town centre living in Stockton. Opportunities for the retention of Stockton Central library, the enhancement of Splash, as well as delivering up to 400 homes in this area are covered in the Blueprint.

A development brief has been developed for this area which seeks to provide an additional level of detail on the opportunities within this zone. Further information on the design brief is provided within subsequent sections of this report. It is acknowledged that residential opportunities within this zone would need to be delivered within a phased manner.

### **4) Castlegate Quay**

Stockton Waterfront urban park will help connect this area with the town centre. There are longer-term aspirations to improve the public realm in this area and introduce additional uses to celebrate links with the Stockton and Darlington Railway and increase opportunities for family friendly daytime and evening waterside leisure.

### **5) Prince Regent Quarter**

There is a longer-term vision to re-imagine Prince Regent Street as a pedestrian-friendly boulevard, with street trees and improved crossings to improve access to the town centre. There are also opportunities for a more transformational approach to the wider quarter to create a safer, walkable and mixed-use neighbourhood.

### **6) Stockton Waterways**

The River Tees is one of our greatest assets and where the Council's ambitions continue to flow.

There are already numerous assets and activities on the River Tees and the Blueprint seeks to build upon these to increase opportunities for local people to engage with the water. This includes not only the river, but its basins and canals within the Tees Valley Care and Health Innovation Zone. Some of the larger scale projects include the potential introduction of a floating lido in the River Tees and an events amphitheatre at the White Water Course.

### **7) North Shore**

Opportunities in this area are linked to exploring further residential-led regeneration and better connecting communities into the town centre. Alongside residential there are opportunities for other mixed-use development.

### **8) Tees Valley Care and Health Innovation Zone (TVCHIZ)**

In October 2023 an initial Vision for the Tees Valley Care and Health Innovation Zone highlighted this exciting, once in a generation opportunity to deliver a nationally significant cluster that realises benefits for the whole of the Tees Valley. The Blueprint captures some of the key interventions to deliver this vision.

This includes improvements at Thornaby Station to deliver a Transport Hub, locating new care and health assets along a 'Health Spine' which unites the zone, new development on underutilised land (including Tees Marshalling Yards in the longer-term), building on existing educational assets to deliver an 'Open Innovation Campus' and maximising opportunities for people to live, work and learn.

Several individual projects have already been identified which support the vision outlined in the Blueprint. They are outlined below, and this report seeks Cabinet's approval in principle of the next steps.

### **Municipal Quarter**

The Municipal Quarter is identified as one of the earliest development opportunities in the Blueprint. It has the potential to create a modern and aspirational residential offer, that can support our wider ambitions for a high growth economy. The delivery of 350/400 new homes, aimed at people looking to live closer to town, can provide an offer that is not currently available in the Tees Valley. We can achieve this by focussing on the refurbishment and repurposing of Municipal Buildings along with the redevelopment of adjacent sites.

The exciting opportunity to develop the Municipal Quarter has been incorporated into a masterplan that explores the strategic vision and identifies the opportunity for wider economic benefits, by creating a new, aspirational living offer at the heart of the Tees Valley, which can appeal to a broader demographic aligned with our growth aspirations.

Redevelopment of the Municipal Quarter would see retention of Stockton Central library and Splash as part of a residential-led, mixed use development supported by public amenities and green spaces. There is an aspiration to nurture health and well-being by creating stronger pedestrian linkages between Stockton High Street, riverside and Northshore and encouraging active travel modes.

A Feasibility Design Report has also been undertaken which assesses the development potential of the site. The report has identified that the creation of a new residential market in the Municipal Quarter is likely to require public intervention. Given the scale, size and characteristics of the site, it is envisaged that a public / private sector partnership will be required to bring forward future residential development in a phased manner so that the early stages act as a catalyst for the later phases of development.

It is proposed that the Council and TVCA reach an agreement in principle to establish a joint venture vehicle to invest in the Municipal Quarter site. Both parties will establish a joint project team to work through the next phase of development, working collaboratively to share resource and expertise.

The next stage of development work will explore potential delivery options and partnership structures for the site including, where appropriate, market testing and analysis of delivery models that reflect the characteristics, opportunities, and challenges to be addressed in the Municipal Quarter. A joint valuation of the Municipal Quarter site will also be undertaken along with exploring potential grant sources such as Homes England.

Both parties will share the cost of appointing specialist independent advisors towards the next phase of development costs. A future report will be brought back to Cabinet with a recommendation on the most appropriate delivery model to be progressed to Full Business Case. At this stage Cabinet are asked to approve an allocation of £450,000 from the previously approved £20million for development of civic and leisure facilities to support additional this process.

### **Splash**

One of the considerations within the Blueprint is the future of leisure provision in Central Stockton. The Waterfront development site was previously identified for a new leisure and civic facility; however, considerations through the Blueprint have suggested that this location is best suited for residential led development with active uses at ground floor fronting the Waterfront Park. This will activate the area and link development with adjacent sites and existing health uses.

Within the wider Blueprint there are not considered to be other suitable and available locations for new build leisure. Therefore, as part of the development of more detailed work in the Municipal Quarter, consideration was given to the retention of Splash in the context of

integration into a residential led redevelopment of the area. Retaining Splash in this location was seen as a positive element of a new residential community, adding to the attractiveness of the Municipal Quarter as place to live.

Detailed surveys and analysis of Splash have been undertaken in the last 10 months, exploring the base level of work required to retain the current scope of provision whilst extending the operational lifespan of the building, including analysis of work that would be required to update and replace parts of the centre that have reached the end of their intended operational life or where new specifications and finishes need to be upgraded to modern standards as well as areas identified for repair and cyclical maintenance.

Work undertaken has built upon previous assessments of the required costs to extend the existing functional lifespan of the facility through investment in significant upgrades to electrical and mechanical elements of the building, new changing village, refurbishment of the pool hall and flumes as well as alterations and replacement of several interior walls, doors, fixtures and fittings.

Alongside the assessment of a base scenario, options to improve the functionality and layout of the building to respond to changing demands around gym floorspace and to provide greater flexibility in activity rooms and communal spaces alongside enhancements to pool provision were also undertaken. At this stage the anticipated cost is circa £8.5million and these specifications can now be used as a basis to establish a more accurate cost for works through a competitive tender process. Approval is therefore sought from Cabinet to agree that Splash is retained in its current location with approval for required budget for delivery to be presented at a future Cabinet meeting once costs are finalised through further engagement with contractors.

## **Town Hall**

### **Introduction**

Stockton Town Hall has been closed as an administration and civic building since the beginning of the COVID19 Pandemic due to the building being deemed as not fit for purpose and in need of substantial investment before it can be reopened as a functioning building. Cabinet will be aware that essential conservation works as part of planned maintenance have recently been completed on Stockton Town Hall. These have included restoration of the roof, clock tower and spire, to make the building watertight and installation of lightning protection. Structural repairs have also been made to the basement structure and all the windows at second floor, and the majority at first floor have been replaced.

Following Cabinet approval in July 2023, architects were appointed to develop proposals to relocate the Registrars service within the Grade II\* listed building. A significant amount of work has been undertaken to take the designs to RIBA Stage 2 (Concept), working alongside the Registrars service to agree a proposed layout.

### **Design Proposal**

The architects proposed design includes the establishment of a reception and waiting area to the ground floor, alongside a suite of Registrar rooms and a 'Strong Room', which is a fire protected room required to store historic registers and hard copies of records made as part of the registrar service provided. To the first floor, a ceremony suite is provided, offering a setting for modern ceremonies overlooking the south of the High Street and the Waterfront Park. The design proposal for the first floor also seeks to restore the former Council Chamber which can provide the registrar service with the option of offering a more traditional and formal setting for ceremonies. This proposal ensures that the historic Council Chamber room is preserved whilst

bringing a new and sustainable use to this important heritage asset. The statutory ceremony room would also be on the first floor. The second floor would be used for staff welfare facilities and office space, and there would be a requirement to bring the current lift which only accesses the first floor to the second floor for service delivery.

The architects' proposals seek to reintroduce the southern façade as the main entrance, bringing the historic grand original door and staircase back into use for ceremonies. A further opening would be re-introduced on this southern elevation of the building, reflecting the previous shop entrances that have historically dominated this façade. As part of these proposals, an external draft lobby would be required to provide protection from the elements for people in the reception and waiting area and to also enable the provision of a Fully Accessible WC (FAWC). This lobby then leads into the internal waiting area which would be of an appropriate size to accommodate both the continual high footfall that the service receives, and to ensure that enough space is provided to support private conversations of a sensitive nature between customers and members of the Registrar team. This external lobby would be sensitively designed to be lightweight and of high architectural design and would remain an 'add on' feature that could be easily removed without affecting the existing buildings fabric in the future. The architects' proposals also show a concept public realm design for the external areas surrounding the proposed entrance lobby. There are some level differences between the external and internal floor space and whilst the concept explores how this could be achieved as a layout, it is proposed to review this in more detail as part of the next stage of design.

### Registrars Service

The Registrars service is a key statutory function at the heart of the Council. On average over the last 5 years (excluding 2020/2021 as wedding ceremonies, notices of marriage and birth registrations were suspended most of the year) the service dealt with: 1490 Notices of Marriage, 230 Ceremonies, 2,700 death registrations and 2,900 birth registrations per annum. In addition to monthly group citizenship ceremonies and people requesting historical certificates for genealogy research, passport applications, school placements etc. In 2022/2023, 2,718 historical certificates were handwritten, and 12,497 current birth, death and marriage certificates were issued.

Relocating the Registrars service within Stockton Town Hall would clearly generate significant footfall, breathing life back into an empty building, reinstating its original purpose as a key historic community and civic asset for the town and people of the Borough, whilst securing its future. It would once again be at the heart of the community for which it was built to serve.

### Next steps

It is proposed to commission the next stage of design works to tender (RIBA Stage 4). This will enable the design team to continue to work with key stakeholders and to establish a firm capital cost for delivering the redevelopment of the building. At the current time the indicative cost of the proposed scheme is £6.5m, however, the final allocation will be presented to Cabinet as part of future financial reporting.

### **Accommodation Strategy & Council Chamber**

A report to cabinet in July 2021, approved the purchase and refurbishment of Dunedin House in North Thornaby to facilitate as Asset Rationalisation strategy and re-locate some Council Services. The refurbishment proposals are based on previous Smarter Working in Stockton (SWIS) programme to provide a high quality and modern working environment to support new ways of working. Good quality accommodation is also key to the recruitment and retention of

staff. Since then, a phased refurbishment programme has continued to be delivered on site and is due to complete by the end of July 2024. A decant programme then follows this and runs to the end of September which will see staff transitioned from other administration buildings into Dunedin.

In addition to this, members will be aware that as part of the July 2021 cabinet approval, it was agreed in principle to develop a new facility that would include a customer contact centre, library, register office and a flexible space for civic and public facing business meetings. This facility was intended to host meetings of Council and, therefore, act as a modern Council Chamber. However, as part of the Cabinet approval in July 2023, alternate options for the customer contact, Stockton Central Library and the Register Office were proposed. It has, therefore, been pertinent to undertake a review of options for the provision of a modern Council Chamber as a new build option for this single element would not be considered economical in the current climate of extremely high construction costs.

An options appraisal was undertaken in consultation with Democratic Services to consider options for both a permanent location for the Chamber, and how sites across the borough could support a peripatetic (travelling) chamber. The option to house the Chamber within Dunedin House's planned conferencing facilities was considered as part of this appraisal but discounted due to its inability to facilitate the number of people typically attending formal Council meetings. However, due to the recent departure of Job Centre Plus as a tenant on the ground floor of the building and that space falling under the control of the Council this option has been reconsidered. Alongside this, work has been ongoing in relation to several services that are within existing buildings which were originally out of the scope of the Dunedin project. The vacation of Job Centre Plus in particular has meant that Electoral teams can now be facilitated in this area of Dunedin House. Therefore, as part of the conceptual work developed for the former Job Centre Plus space, a new modern Council Chamber has been established which will sit alongside a series of meeting rooms for elected members and the creation of a neighbourhood office space for Democratic Services including the Electoral teams and their bespoke storage needs. This will ensure that Dunedin House provides an efficient civic function which is close to other Council Services and will provide a dedicated space to support the democratic diary across the calendar year with a dedicated entry point for public access.

The options appraisal and preferred option described above were recently presented to Members Advisory Panel (MAP) Group, a representative consultative body. The feedback from that group was extremely useful with the group providing their support for the preferred option.

Cabinet is therefore asked to approve the principle of developing the preferred option of incorporating a modern Council Chamber into the Democratic Services suite within Dunedin House. A final budget allocation will be presented to Cabinet as part of future financial reporting.

## **FINANCIAL IMPLICATIONS**

Members will recall from the report in July 2023 that £20m previously approved borrowing for investment in Leisure and Civic facilities was retained to support a range of Town Centre developments. £450,000 of this funding will be required as referenced in recommendation 4. A detailed report on the further allocation of this budget will be brought back to a future Cabinet meeting.

## **LEGAL IMPLICATIONS**



As the projects described in this report develop and progress there will be a range of legal issues to consider and address including in relation to property rights and acquisitions, planning, environmental and other impact assessments, the potential for public consultation and engagement to be required and the need to ensure that sound contractual agreements are put in place to protect and secure the Council's interests.

## **RISK ASSESSMENT**

The recommendations made in this report are at this stage are categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk. More specific risk assessment will be required as the detail of projects develop and progress

## **CONSULTATION INCLUDING WARD/COUNCILLORS**

An extensive engagement and consultation process, including workshops and public consultation has been undertaken which included involvement of ward councillors.

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Background Papers:

Report to Cabinet July 2023

Report to Cabinet July 2021

Ward(s) and Ward Councillors: Stockton Town Centre / Mandale and Victoria