

## **Cabinet**

**16 April 2014**

## **Durham City Regeneration Masterplan**



**Key Decision R&ED/07/13**

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### **Report of Corporate Management Team**

**Ian Thompson, Corporate Director Regeneration and Economic Development**

**Cllr. Neil Foster, Cabinet Portfolio Holder for Regeneration and Economic Development**

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### **Purpose of the Report**

1. The purpose of this report is to advise Cabinet of the background to the preparation of a dedicated regeneration masterplan for Durham City and to seek endorsement to a recommendation to implement the masterplan in association with key partners and potential investors.
2. The masterplan (with its accompanying delivery plan) aims to express the council's regeneration priorities for the City of Durham over the forthcoming 5 years. It is recognised that several of the major infrastructure projects and key development sites will not come forward until later in the County Durham Local Plan period.
3. The regeneration masterplan supports the principles underlying the delivery of those major projects in accordance with the County Durham Plan and indicates the general criteria that the council will employ in determining support for new projects and investments. The masterplan will be subject to ongoing, regular review.
4. The delivery plan identifies key public sector activity and investment for major projects of circa £130 million that has the capacity to generate an estimated £850 million from the private sector.

### **Background**

5. Durham City is an attractive place, to live, work and visit. The presence of the cathedral, castle and university underpins a high quality environment, a strong housing market and a range of employment opportunities. The city is also a significant administrative and cultural centre and has excellent communication links regionally, nationally and internationally.
6. As a place, Durham has always been important to the wider county, but its wider significance and potential have tended to be understated in the past. In many ways, the city is underdeveloped and has significant potential to raise its

influence in terms of a contributor to economic growth. There is clear potential within Durham to accommodate growing sectors of the economy, to broaden its offer to visitors and to offer homes to a growing population. With strategic investment and sensitive planning, Durham can become one of the most important centres for economic growth in the north east. Achieving this major step-change relies upon carefully planned growth and preserving and enhancing the city's historic assets, which make Durham such a unique place, of global significance.

7. To help to realise that potential, a regeneration masterplan has been produced to outline the strategic context for how the city can develop, the principles which should guide investment and the current programmes of regeneration and investment activity which are underway or planned.

The main aims of the masterplan are to:

- help focus and co-ordinate regeneration activity and projects in Durham and to enable their delivery;
- contribute to the delivery of the emerging County Durham Local Plan and Infrastructure Delivery Plan;
- inform ongoing and future consultation with partners, stakeholders and the community;
- help to progress proposals with investors, developers and landowners; and,
- raise Durham's profile in order to attract and stimulate further investment in the city.

A copy of the masterplan's Executive Summary is provided as Appendix 2.

## **The Vision**

8. Certain assets within Durham – the World Heritage Site and the university – are “world class”. The vision is to see other, major components enhanced, so that Durham becomes a world class location for commerce, for living and for visiting. In short, Durham can become world class on every level.

## **Strategic Context**

9. The regeneration masterplan for Durham has been produced in the context of the Council's Regeneration Statement 2012-2022 which seeks to fulfil the city's potential as a major retail, business and residential centre, academic hub and visitor destination and to deliver the cultural and tourism ambitions for the city which will benefit the county as a whole.
10. The masterplan has a clear focus on the city centre. It is shaped by recent and emerging strategies, specifically the County Durham Local Plan, underpinned by robust evidence on growth sectors and population predictions and driven by the desire to broaden Durham's appeal in order to realise its potential.
11. It highlights the strategic links and the priority projects which can be delivered. Looking further ahead, it also identifies the types of project which could assist in sustaining a controlled and cohesive approach to growth in the city.

## The Approach to Delivery

12. The intention is to secure a “thriving Durham City” with an emphasis upon enhancing the vitality of the city centre in order to maximise economic benefits and to complement market strengths. The council will seek to harness private capital in order to ensure delivery, with the council acting as facilitator with partners to secure infrastructure, create opportunities and assist with sources of finance.
13. The masterplan is based upon a three strand approach to achieving growth for Durham:
  - **Establishing a central business quarter** - to attract emerging high growth sectors and to increase private sector employment to create a more balanced economy.
  - **Releasing land for new homes** – to support the needs of a growing population.
  - **Developing Durham’s leisure tourism offer** – broadening what Durham has to offer to a larger range of tourists including young people and families, in order to make it a genuine ‘48 hour stay’ visitor destination.

The masterplan outlines a framework within which the council will work with key partners and potential investors to deliver the three strands while protecting heritage assets and ensuring that the necessary supporting infrastructure is put in place.

## County Durham Local Plan

14. The masterplan draws upon the spatial approach that reinforces Durham City as a key location for new development in County Durham and identifies approximately 23 hectares of employment land, 5,220 houses and 5,800 sqm of new convenience retail floorspace. The Local Plan, as it moves to Examination in Public, has identified that it will:
  - **Stimulate private investment in the city**
  - **Support the vitality and viability of the city centre;**
  - **Help realise the potential of the city for tourism, retailing and leisure;**

This will be achieved by;

- Prioritising the redevelopment of land and buildings around the historic core of the city which support its key role as an employment, housing, retail and tourism centre;
- Respecting the special character of the historic centre and World Heritage Site;
- Accommodating the future aspirations of Durham University;
- Identifying Aykley Heads as a Strategic Employment Site, predominately for office development alongside a mix of other uses including housing;

- Identifying Sniperley Park, Sherburn Road, Merryoaks and Land North of Arnison as Strategic Housing Sites;
- Identifying Land North of Arnison as a key location for new convenience retail floorspace;
- Identifying North Road and Claypath as Regeneration Areas; and
- Providing for the delivery of the Western Relief Road early in the Plan period and the Northern Relief Road later in the Plan period to relieve congestion and enhance the employment, tourist and shopping potential of the city.

## Major Projects

15. There is a suite of major projects and identified opportunities which have the potential to make a fundamental difference to the city and achieve the desired levels of growth for the wider area. We will produce an Investment Prospectus, in accordance with the Masterplan and delivery plan, in order to brief prospective investors as to opportunities in the city. They are:

<i>STRAND</i>	<i>PROJECT(S)</i>	<i>IMPACT</i>
<b>Central Business Quarter</b>	Redevelopment of <b>Aykley Heads</b> as a major prestige business park. Supported by redevelopment of <b>Milburngate House</b> .	Creation of significant new employment space, mixed-use space, housing and 5,000 to 7,500 jobs within the city centre and adjacent to it. Economic growth linking to wider county.
<b>Land for New Homes</b>	Bringing forward land, currently within the greenbelt at <b>Sniperley, Sherburn Road, Merryoaks and land North of Arnison</b> together with sites within the existing urban area.	Expanding the housing stock by 5,220 new homes to accommodate rising population.
<b>Developing Durham's leisure tourism offer</b>	A new family visitor attraction. Conference and meeting venues. Building on the programme of events Using the river to its full potential	More visitors, staying longer and spending more in Durham. Linking with other tourism assets across the county.

16. In addition, the masterplan provides a summary of other regeneration projects and opportunities which support the three strands, including:
- **Retail** – Major redevelopment opportunities at North Road and Claypath areas;
  - **Infrastructure** – Western and Northern Relief Roads;
  - **the University** – a strategy for growth, particularly for post-graduate and overseas students;
  - **City centre housing** – via Durham City Homes and the private sector;
  - **Culture and events** – building upon the success of the Lindisfarne Gospels, cycling and international cricket.

The overview of the key projects is provided at Appendix 3.

## **Delivery Plan**

17. Development will be phased into cohesive and financially viable packages in order to maximise positive impact.

## **Consultation**

18. Baseline information gathering has been undertaken with key stakeholders and there has been consultation during the drafting stages of masterplan with the Durham City Board of the County Durham Economic Partnership, the Durham Area Action Partnership and Elected Members. Furthermore, the masterplan underwent a period of public consultation in October and November 2013, contemporaneous with consultation on the Pre-Submission Draft of the County Durham Local Plan. Comments made during the consultation exercise have been considered and the masterplan has been further refined to reflect a range of issues and priorities. Some examples are: the adoption of a higher priority on joint working with the University and local residents to resolve issues around city centre living, an intention to utilise benefits raised through development to support deprived communities and the placing of greater emphasis on Durham's potential to enhance its ability to act both as a transport hub and a location for family tourism and leisure activities.

## **Recommendations and reasons**

19. The Durham City Regeneration Masterplan will help plan, co-ordinate, and deliver regeneration activity in the City over the coming years.
  - (a) It is recommended that the report and masterplan be approved by Cabinet for implementation with other partners, businesses and interest groups and
  - (b) It is recommended further that the Corporate Director Regeneration and Economic Development, in consultation with the Cabinet Portfolio Holder produces an Investment Prospectus, in accordance with the masterplan and delivery plan, in order to brief prospective investors as to opportunities in the city.

## **Background papers**

Durham City Masterplan March 2014  
EqIA – Equalities Impact Assessment

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**Contact: Peter Coe Tel: 03000 262042**

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## **Appendix 1: Implications**

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### **Finance**

The document contains a delivery plan with possible partners and costs identified. The opportunities can be resourced through a combination of DCC capital programme, Section 106, CIL, asset backed regeneration vehicle, private sector, and developer contributions.

**Staffing** - None

### **Risk**

Detailed Risk Assessments will be undertaken for each project/development

### **Equality and Diversity / Public Sector Equality Duty**

EqlA completed

**Accommodation** - none

**Crime and Disorder** - none

**Human Rights** - None

### **Consultation**

Consultation has been undertaken with stakeholders, a summary log is attached. Detailed comments that were made to the draft Masterplan and responses to these comments are available on request.

**Procurement** - None

**Disability Issues** - None

### **Legal Implications**

The masterplan will provide evidence to help support the County Durham Local Plan but will not have any statutory weight in the planning process.

## **Appendix 2: Copy of Executive Summary**

# **1. Executive Summary**

## **1.1 Overview & Aims**

- 1 For many, Durham City is an attractive place, to live, work and visit. The range of housing and employment, the quality of the environment and its unrivalled heritage have prompted some to describe it as the perfect city, a must see destination and one of Britain's most romantic cities.
- 2 But from an economic point of view, the real beauty of Durham is its potential. With strategic investment and sensitive planning, Durham can become one of the most important centres for economic growth in the north east.
- 3 To realise that potential, we have produced this masterplan to outline the strategic context for how we see the city developing, the principles which should guide investment and the programmes of regeneration and investment activity which are underway or planned.
- 4 The purposes of the masterplan are to:
  - focus and co-ordinate regeneration activity and projects in Durham and to enable their delivery;
  - contribute to the delivery of the emerging County Durham Plan and Infrastructure Delivery Plan;
  - inform consultation with partners, stakeholders and the community;
  - help to progress proposals with investors, developers and landowners; and,
  - raise Durham's profile in order to attract and stimulate further investment in the city.

## **1.2 Durham City**

- 5 Durham is one of the most historic cities in northern England. It has many advantages which stem from the international significance of its cathedral and university and from the quality of the built environment around the World Heritage Site, historic core and surrounding urban area.

- 6 The city is also a significant administrative and cultural centre and has a beautiful natural setting and excellent communication links regionally, nationally and internationally.
- 7 As a place, Durham has always been important to the wider county, but its wider significance and potential have tended to be understated and underdeveloped in the past.
- 8 However, through a new approach to regeneration and spatial planning, the city is now being given the opportunity to grow significantly, to capture emerging business growth sectors, meet demand for new homes and to expand and enhance its leisure offer to visitors and tourists.
- 9 Achieving this major step-change relies upon carefully planned growth and preserving and enhancing the city's historic assets, which make Durham such a unique place, of global significance.

### **1.3 The Vision**

- 10 Certain assets within Durham – the World Heritage Site and the university – are “world class”. Our vision is to see other, major components enhanced, so that Durham becomes a world class location for commerce, for living and for visiting. In short, we want Durham to become world class on every level.

### **1.4 Strategic Context**

- 11 Our masterplan for regeneration in Durham City has a clear focus on the city centre. It is shaped by recent and emerging strategies, underpinned by robust evidence on growth sectors and population predictions and driven by our desire to broaden Durham's appeal in order to realise its potential.
- 12 It highlights the strategic links and the priority projects which can be delivered. Looking further ahead, it also identifies the types of project which could assist in sustaining a controlled and cohesive approach to growth in the city.

### **1.5 The Approach to Delivery**

- 13 We want to secure a “thriving Durham City” with an emphasis upon enhancing the vitality of the city centre in order to maximise economic benefits and to complement market strengths. There is a need to harness private capital in order to ensure delivery, with the council (and partners) acting as facilitators to secure infrastructure, create opportunities and assist with sources of finance.
- 14 The masterplan is based upon a three strand approach to achieving growth for Durham:



- **Establishing a central business quarter** - to accommodate emerging high growth sectors and to increase private sector employment to create a more balanced economy.
- **Releasing land for new homes** – to support the needs of a growing population.
- **Developing Durham’s leisure tourism offer** – broadening what Durham has to offer to a larger range of tourists including young people and families, in order to make it a genuine ‘48 hour stay’ visitor destination.

- 15 The masterplan outlines a framework for how the council will work with key partners and potential investors to deliver the three strands while protecting heritage assets and ensuring that the necessary, supporting infrastructure is put in place.

## 1.6 Major Projects

- 16 The masterplan describes a wide range of projects and initiatives that are already in place, planned or desired.
- 17 Within this, there is a key suite of major projects and identified opportunities which have the potential to make a real difference to the city and achieve the desired levels of growth for the wider area:

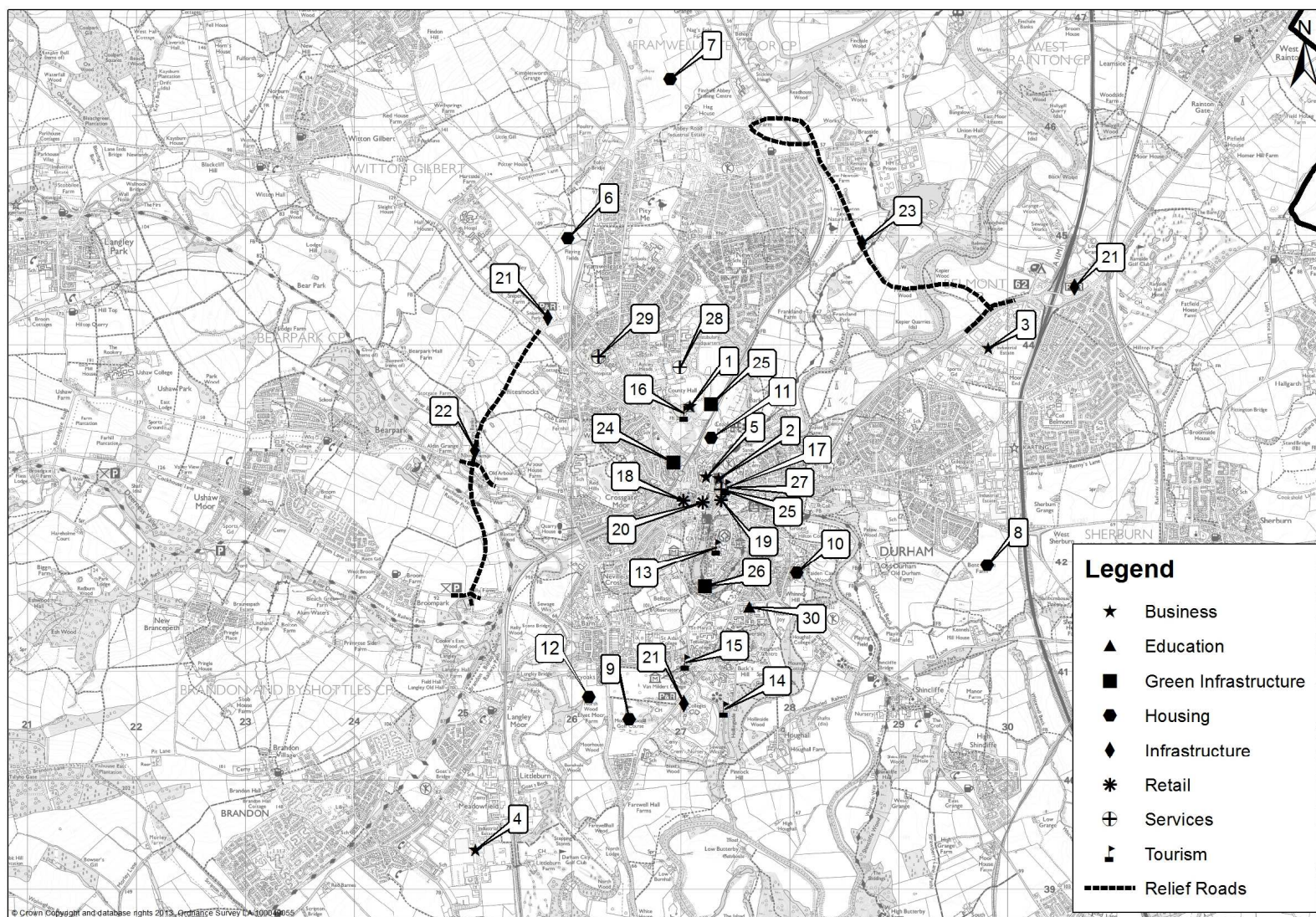
<b>STRAND</b>	<b>PROJECT(S)</b>	<b>IMPACT</b>
<b>Central Business Quarter</b>	Redevelopment of <b>Aykley Heads</b> as a major, prestige business park. Potentially supported by redevelopment of <b>Milburngate House</b> .	Creation of significant new employment space, mixed-use space, housing and 5,000 to 7,500 jobs within the city centre and adjacent to it. Economic growth linking to wider county.
<b>Land for New Homes</b>	Bringing forward land on new, strategic sites at <b>Sniperley, Sherburn Road, Merryoaks, and land North of Arnison</b> together with sites within the existing urban area.	Expanding the housing stock by 5,220 new homes to accommodate rising population.
<b>Developing Durham’s leisure tourism offer</b>	A new family visitor attraction. Conference and meeting venues. Building on the programme of events Using the river to its full potential.	More visitors, staying longer and spending more in Durham. Linking with other tourism assets across the county.

18 In addition, the masterplan provides a summary of other regeneration projects and opportunities which support the three strands, including:

- **Retail** – North Road and Claypath areas;
- **Infrastructure** – Western and Northern Relief Roads;
- **the University** – a strategy for growth, particularly for post-grad and overseas students;
- **City centre housing** – via Durham City Homes and the private sector;
- **Culture and events** – building upon the success of the Lindisfarne Gospels, cycling and international cricket.

19 Finally, the masterplan sets out a delivery plan, identifying strategic links, timescales, expected outputs and proposed sources of funding, where known.

## Appendix 3: Plan of Key Sites



### Business

1. Aykley Heads
2. Freemans Reach
3. Belmont
4. Meadowfield
5. Milburngate House

### Housing

6. Sniperley
7. North of Arison
8. Sherburn Road
9. Mount Oswald
10. Whinney Hill School
11. Durham Northern Quarter
12. Merryoaks

### Tourism

13. World Heritage Site
14. Botanical Gardens
15. Oriental Museum
16. DLI Museum
17. Millenium Place

### Retail

18. North Road
19. Market Place
20. The Gates

### Infrastructure

21. Park & Ride Sites
22. Proposed Western Relief Road
23. Proposed Northern Relief Road

### Green Infrastructure

24. Wharton Park
25. Aykley Heads
26. Riverbank Gardens

### Services

27. CAP
28. Police HQ
29. University Hospital

### Education

30. University