

DURHAM CITY REGENERATION MASTERPLAN

**“WORLD CLASS ON EVERY LEVEL:
A REGENERATION MASTERPLAN FOR
DURHAM CITY”**

March 2014

This is a Regeneration Masterplan which deals with the city centre; the major development areas identified within the Pre-Submission Draft of the County Durham Local Plan; the wider city, and the surrounding area to provide context where necessary.

The Masterplan is not a document that will have weight in statutory planning terms, but it offers practical support to the County Durham Local Plan and illustrates potential delivery routes for key projects. It has been produced at the time of the consultation on the Pre-Submission Draft of the Local Plan. It will be reviewed and refined as the Plan progresses through its final stages, as projects and initiatives develop and in response to consultation and changing context.

It has a seamless, strategic fit with the council's stated ambitions to grow Durham City's employment base and strengthen its resident catchment as a key economic driver for the county as a whole. Finally, it is intended as a briefing document for potential investors to attract and guide new activity.

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1. Executive Summary

1.1 Overview & Aims

- 1 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 Local Plan and the 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:

STRAND	PROJECT(S)	IMPACT
Central Business Quarter	Redevelopment of Aykley Heads as a major, prestige business park. Potentially supported by redevelopment of Milburngate House .	Creation of significant new employment space, mixed-use space, housing and 5,000 to 7,500 jobs within the city centre. Economic growth linking to wider county.
Land for New Homes	Bringing forward land, on new, strategic sites at Sniperley, Sherburn Road, Merryoaks, and land North of Arnison together with sites within the existing urban area.	Expanding the housing stock by 5,200 new homes to accommodate rising population.

<p>Developing Durham's leisure tourism offer</p>	<p>A new family visitor attraction. Conference and meeting venues. Building on the programme of events Using the river to its full potential.</p>	<p>More visitors, staying longer and spending more in Durham. Linking with other tourism assets across the county.</p>
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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.

2. Introduction and Background

2.1 Durham City

20 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.

21 That said, in many ways Durham is underdeveloped and has much greater scope to act as an effective centre of sustainable economic growth.

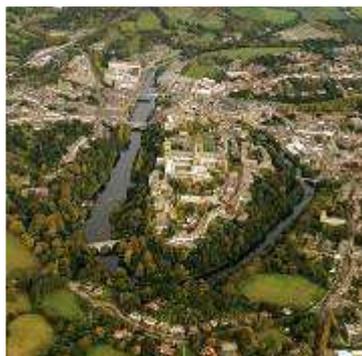
22 Currently, its limited size prevents it from playing a much bigger role in the county's economy and that of the wider region.

23 However, Durham offers opportunities to create a critical mass of employment, population, and leisure attractions to become a city of greater significance. As a council, we are clear that one of the county's top economic priorities is to encourage the development of a "Thriving Durham City", where the potential to create a major commercial, residential and tourist destination is achieved in full.

24 This masterplan provides a summary of the detailed programme of regeneration and investment activity that is taking place or is planned. It provides the strategic context for delivery and establishes key principles to co-ordinate and focus investment. It deals with the city centre, the major development areas identified within the Draft Local Plan, the wider urban area and local context where necessary. It will be updated as the Local Plan progresses through its final stages, as projects and initiatives develop and in response to changing context.

2.2 History, geography and connectivity

25 People have settled in the Durham area since roughly 2000 BC. The city's origins can be traced back to 995 AD, when a group of monks from Lindisfarne chose the strategic high ground of a peninsula in the River Wear as a place to settle with the body of Saint Cuthbert.

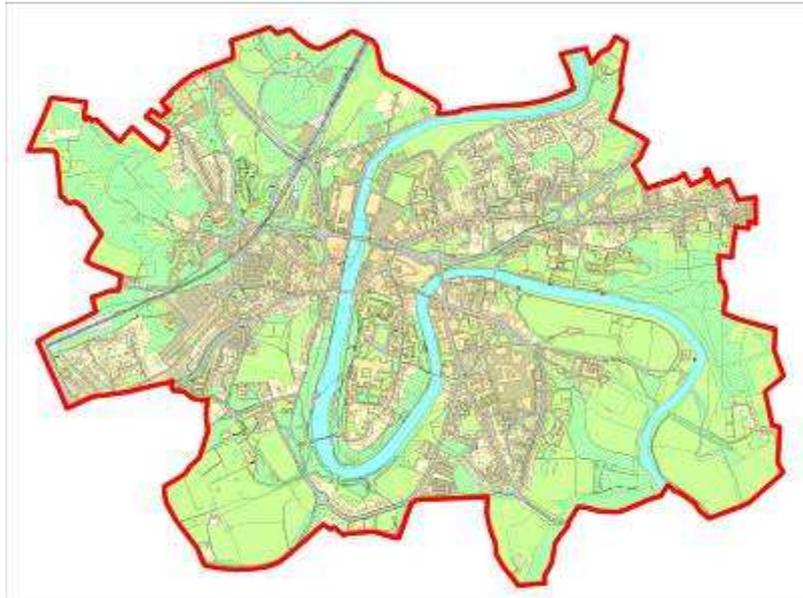


- 26 It was on this site that the monks established Durham Cathedral as a shrine to the saint. The cathedral and the castle both date from the 11th century, and the city centre which developed around this historic site has changed little in layout and form in the last 200 years.
- 27 The market place is situated at the foot of the peninsula, with mainly retail areas leading to the cathedral, castle and other university buildings. The recent £5 million “Heart of the City” project has transformed the environment of the market place through managing traffic, renewing paving, signage and street furniture, improving shop fronts and repositioning the listed statues of Lord Londonderry and Neptune to create a space for events. The council has also invested in public realm and streetscape improvements at Bow Lane and at Dun Cow Lane in the city’s historic core.
- 28 Durham has three main public spaces, connected by a medieval street pattern. Each performs a particular role:
- **Millennium Place and Walkergate:** a cultural quarter and a focus for the night time economy. Recently, the council has invested £250,000 in a Customer Access Point in Millennium Place adjacent to Clayport Library. The facility enhances library services and provides a range of services including housing and council tax benefits, council tax payments, street cleaning and environmental services and planning and building control;
 - **The Market Place:** a main orientation point and a venue for regular markets and events; and
 - **Palace Green:** in the centre of the Castle and Cathedral World Heritage Site and the main focus for visitors, university activity and congregations.
- 29 Durham is located at the heart of the North East, 20 miles to the south of Newcastle-upon-Tyne, 12 miles south-west of Sunderland and 18 miles north of Darlington and the Tees Valley. Roads connections are excellent, with strategic links to the A1(M), A690 and A167.
- 30 Due to its transport connections and access to a wide range of services, Durham is the most sustainable location in the county and was identified by the Regional Spatial Strategy as one of five strategic public transport hubs in the north-east.
- 31 Durham Rail station is a few minutes walk from the city centre and provides East Coast Mainline services to London King’s Cross (2 hours 55 mins.) and Edinburgh (1 hr 50 mins.). More locally, Newcastle is 16 minutes away by train and York can be reached in 45 minutes.

- 32 Durham has ready access to Newcastle and Durham Tees Valley international airports, the Port of Tyne and Teesport.
- 33 Durham Bus Station on North Road is within easy reach of key, central locations in the city and provides 30 regular services from 11 stands serving prominent regional locations, local centres and surrounding residential districts. The bus station is managed by the council with services operated by private operators.
- 34 In addition, Durham has a successful park and ride scheme, bringing commuters and visitors from out of town car parks, into the city centre. Three park and ride sites are located on key routes at Belmont, Sniperley and Howlands. The Belmont site has recently been extended and there are proposals to extend the Sniperley site.
- 35 Access to Durham by private car is good and there are multi-storey parking facilities in the centre at the Prince Bishops and Gates shopping centres and within the Walkergate leisure development.
- 36 The population of the built-up area of Durham is approximately 43,000, with some 31,400 people being of working age. There is a catchment of 107,000 people within a five mile radius, extending to 511,000 within 10 miles. Importantly, and with an eye to the growth potential of the city, there are 2.56 million people within a 60 minute drive.
- 37 The population of County Durham is 513,000 with projections suggesting an increase to 560,700 by 2030.

2.3 A historic environment of global significance

- 38 The Durham Cathedral and Castle UNESCO World Heritage Site (WHS) was designated in 1986, after being nominated by the government as being one of the first World Heritage Sites in the country, alongside other prestigious sites such as Stonehenge and Avebury, the Tower of London and the Giant's Causeway. The designation (which was extended in 2008) recognises the outstanding value that results from the site's rich architectural legacy, its unique history as the defended home of the Prince-Bishops and its associations with key figures in the development of the Christian Church. It is a primary objective of the masterplan that any development in Durham complements the WHS.
- 39 The whole of the city centre is a Conservation Area, first designated in 1968 and extended in 1980. It includes 595 listed buildings including the Cathedral and Castle and eleven scheduled monuments.



Durham City Conservation Area



Crook Hall, Grade 1 Listed Building

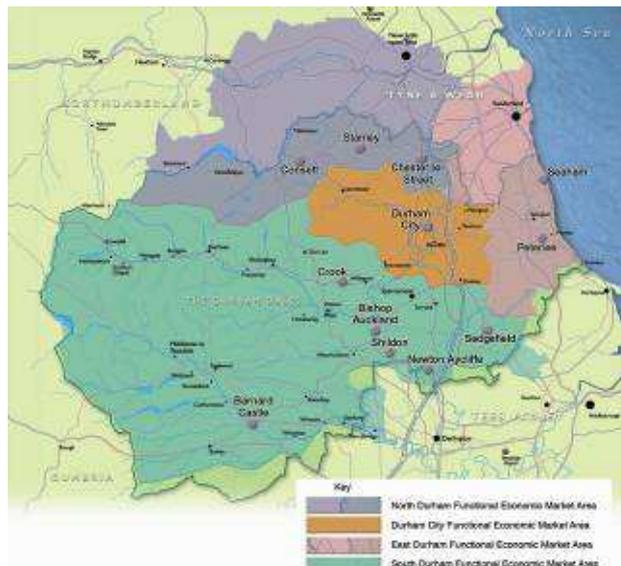
- 40 Recently, the council has worked in partnership with Durham Cathedral and the university to deliver a new WHS visitor centre at a cost of £1.2 million. The council has also invested £600,000 in the re-lighting of the castle and cathedral as part of the implementation of a lighting strategy.

2.4 Business in Durham

- 41 The economic base is dominated by the university and by public sector organisations such as the NHS, the Civil Service and local government. Durham's economy is currently over-reliant on the public sector (which

provides 45 per cent of all employment) at a time when that sector is shrinking due to spending reductions.

- 42 Detailed research has been undertaken to increase understanding of Durham's economic geography and to identify the business sectors which will support future growth and development
- 43 This has identified key links with Newcastle and Sunderland, north and east Durham and, to a lesser extent, south and west Durham and Teesside. There is a growing financial and professional services sector in Durham and there are potential links to existing call centre operations and facilities along the A19 corridor which represent a major opportunity. This sector has grown considerably in Durham (and across the wider county) creating 1,800 net new jobs in the city in the last five years.
- 44 Durham is well-placed also to offer opportunities for research and development, headquarters operations, administrative and sales functions and to link with the emerging manufacturing operations in these sectors in East Durham, Tyneside and Wearside. The presence of Durham University offers great potential for research linkage and business spin-outs.
- 45 Durham City is one of four Functional Economic Areas¹ (FEAs) in the county.
- 46 Strength of linkages between the four FEAs and other major towns and cities in the region show that Durham is more strongly linked to the north and to the east relative to the south of the county, but has the potential to develop stronger linkages with other parts of County Durham.



¹ Source - Mapping County Durham's Functional Economic Market Areas, GHK with CURDS, Newcastle University, January 2011

47 In terms of future economic growth, research has shown that new and renewable energies, the low carbon economy and digital and creative industries are emerging areas for growth in the North East economy as a whole. Durham already supports 30 per cent of the county's employment in these sectors and is well-placed to attract and support:

- **Digital and creative industries:** these are growing activities in Durham and this sector is anticipated to continue to grow over the next 10 years. There is an existing base of digital and creative industries across the North East as a whole and many Durham University graduates decide to remain in the North East following their studies.
- **Renewable energy, process industries, environmental technologies and life sciences:** the North East is particularly strong in these sectors. NETPark - the North East Technology Park at nearby Sedgefield - is one of the fastest growing science parks in the UK and focuses upon supporting companies that are developing technology and products in the physical sciences, particularly printable electronics, microelectronics, photonics and nanotechnology, and their application in the fields of energy, defence, and medical-related technologies.



NETPark Research Institute

- **Further/higher education and university spin outs:** Durham University is also part of the NETPark science community through the NETPark Research Institute which was the first building to be constructed on the site.

- **Tourism and Leisure:** County Durham’s visitor economy is one of the fastest growing in the region, led by the Living Museum of the North at Beamish, which has seen a 75 per cent growth in visitor numbers since 2008 and is now the most popular visitor attraction in the North East. The county’s visitor economy has seen 2,550 new jobs created over a seven year period (over 70 per cent of which have been generated in Durham City). Activity is going on in all four of the geographical visitor areas: Dales, Vale, City and Coast based on the county’s Tourism Management Plan to 2016. The county’s visitor economy has grown steadily in recent years and is currently worth £738 million a year, supporting 11,300 jobs. The city accounts for £191m of this total and 2,800 of the jobs. This sector of the economy is projected to grow further in the coming years.

48 Business sites on the fringes of Durham, at Belmont, Dragonville and Meadowfield offer a wide choice of premises and sites for office, manufacturing and logistics enterprises. Plans have been announced by Mandale Properties to develop a second phase of speculative offices at Belmont Business Park. Phase 2 involves the construction of four 465 m2 (5,000 ft2) B1 office units. Phase 1 of the scheme has been successful, and the type of units being delivered in Phase 2 will enhance Belmont’s appeal to smaller occupiers and to growing SMEs. The smaller Dragonville estate offers potential for affordable business development. The take up of land for employment uses will be monitored throughout the County Durham Plan period in order to review the need for further provision. In the meantime, the Plan will protect the following sites, in and around the city, for dedicated employment use.

Abbey Road	Esh Winning Industrial Estate
Abbeywoods (B1 uses only)	Langley Moor Industrial Estate
Aykley Heads (Durham City) (B1 uses only)	Langley Park Industrial Estate (North & South)
Bearpark Industrial Estate	Meadowfield Industrial Estate
Belmont (Durham City)	Sherburn Hill Industrial Estate
Bowburn Industrial Estate (North & South)	Sherburn Village Industrial Estate
Dragonville (Durham City)	Tursdale Industrial Estate
Durham Science Park (Durham City) (B1 uses only)	

49 At Freeman’s Reach in the city centre, the Homes and Communities Agency appointed Carillion plc as the preferred development partner to implement a B1 office-led scheme on the site of the former ice rink on the banks of the River Wear. The first phase of the development, which is on track for completion in late 2014, will see the relocation of National Savings & Investments from Milburngate House on the opposite bank of the river, thereby retaining a significant public sector

employer in the city. Phase 2 is expected to provide up to 7,000 square metres (75,000 sq ft) of B1 office space. The scheme will improve the quality and supply of B1 space in the city centre and represents an important first step in building the critical mass of regeneration activity in the city. In addition, there is potential for change in the combination of previously approved development, car park and adjoining land at Sidegate.

- 50 Proposals for Aykley Heads will build upon this activity which helps to raise Durham’s credibility amongst footloose occupiers and give investors and funders confidence that rental growth can be achieved in the longer term, in order to drive development and investment viability. The council is undertaking detailed feasibility work in this area.

2.4 Housing a growing population

- 51 Durham has a wide range of homes and housing options with opportunities across all residential sectors, from executive homes to the rental market. Similarly, there are options for city centre living, housing estates with good links into the centre and a range of smaller outlying settlements within easy reach of services and facilities.
- 52 The market for housing in Durham has remained relatively strong during the wider downturn in house prices and sales volumes and the restrictions on mortgage lending. Over the last five to ten years, County Durham has seen significant housing activity on two fronts – a location driven market (Durham, where the DH1 postcode remains a strong selling point) and a product driven market (led by sustained housebuilder activity in towns such as Consett and Stanley). Average house prices in Durham are the highest in the county.

Property Type	Flat	Terraced	Semi-Detached	Detached
<i>City of Durham Average Price²over County Durham Average Price</i>	+ 27%	+ 71%	+ 17%	+ 21%

- 53 Durham has seen an average of 295 new-build housing completions per year over the period 2001/02 – 2009/10³ and there is an appetite to deliver new development from national and regional housebuilders.

In recent years, County Durham has experienced net inward migration and the Office for National Statistics predicts a rise in the county’s

² Sources – Land Registry for England & Wales as reported via BBC News Channel – period Oct-Dec 2012 and Rightmove – period 12 months to April 2013

³ Source – DCC Spatial Policy Team

population. The release of 2011 Census data and the interpretation of that data in drafting the Local Plan has refined research into the anticipated population changes and future demographic composition of the county. Durham County Council has updated its population, household and employment forecasts using the latest demographic evidence in conjunction with POPGROUP modelling software. The resultant projections show that the population of the county is expected to increase by 47,700 over the plan period (2011-2030) from 513,000 to 560,700 and the baseline number of households by 22,498 over the same period. To accompany the population and household forecasts, Durham County Council has also developed a number of economic growth scenarios which evaluate potential changes to underlying rates of economic activity and which assess the demographic and housing implications of a 30,000 uplift in County Durham's labour force over a 20-year projection horizon 2011-2030. All scenario development work has been undertaken based upon the removal of the communal/special populations (including students in halls of residence/colleges, prisoners and older persons living in domiciliary care) were removed from both population and household projections. Population and household formation projections have been developed with the aim of not overestimating population change in the future.

The majority of this growth will be in Durham itself and in the north and rural west of the county. The government has reiterated recently that getting house building moving again is crucial for economic growth. Durham offers an opportunity for major, new house building activity as part of a city-wide strategy to grow the business base and a mass of population to support it. The supply of new homes is an essential component of the council's strategy to grow Durham as the principal economic powerhouse for the county as a whole. . The County Durham Plan envisages the development of 5,200 homes in the city. Some of these can be accommodated under existing planning consents and in housing allocations within the city centre but three strategic housing sites are being proposed which will accommodate around 4,000 new homes.

- 54 The council owns 19,000 homes across County Durham in the former districts of Durham City, Easington and Wear Valley and is the largest social landlord in the county, owning around 40 per cent of the total social housing stock. 6,100 homes within the City of Durham area are directly managed by the council through Durham City Homes with the main concentrations of housing being at Framwellgate Moor and at Gilesgate.
- 55 The council continues to invest in Durham's housing stock with Durham City Homes delivering works programmes. The priorities for expenditure in 2011/12 were continuing to fund the Decent Homes Programme (£4.13 million), undertaking adaptations in support of disabled living (£520,000) and implementing projects to improve tenant involvement (£30,000). The council's budgeted expenditure through

Durham City Homes is £12.98 million for 2013/14 and £12.5 million for 2014/15.

- 56 There are a range of issues, relating to affordable housing provision, housing condition, empty properties, student accommodation and houses in multiple accommodation that need to be addressed as part of a response to current and future housing needs.

2.5 A welcome to tourists and visitors

- 57 The county welcomes 19.3 million visitors per year of which 1.5 million are overnight visitors and 17.8 million are day visitors. Durham receives just over a quarter of this total, split between 440,000 staying visitors and 3.7 million day visitors.
- 58 Though small in percentage terms, staying visitors deliver almost 40 per cent of the economic impact in county's visitor economy. Visitor spend supports the equivalent of over 11,300 jobs in food and drink, attractions and activities, accommodation, shopping and transport. Indirect jobs, in the supply chain, account for 20 per cent of people whose jobs are supported through tourism. This sector has significant potential to grow further, supporting the local economy and employment.
- 59 Durham Cathedral and Castle attract 600,000 visitors a year. There is also a range of other attractions, including the Oriental Museum, Botanic Gardens, Durham Light Infantry Museum and Art Gallery, Crook Hall and Gardens, Adventure Valley and the Palace Green Library exhibitions. In addition, the historic environment, riverbanks, indoor market and emerging independent retail sector are essential components of the offer to visitors. Durham also represents a central location for exploring the county's offer including major attractions such as the Living Museum of the North at Beamish, Locomotion at Shildon and the Bowes Museum in Barnard Castle as well as venues such as the Emirates Durham International Cricket Ground at Chester-le-Street. Durham University has an international reputation for music and research and bolsters the cultural offer yet further.



- 60 The council supports the priorities of the Tourism Management Plan which articulates that we need to make better use of our existing assets and to develop the tourism product in Durham to compete with England’s premier heritage cities such as York, Bath and Chester. Chester, for example, has a visitor economy worth £400 million, twice that of Durham.
- 61 A range of further initiatives is being implemented to secure more “family-orientated” visitor attractions, secure increased numbers of visitors and dwell time and encourage discovery of other tourism assets across the county.

2.6 Distinctive Durham shopping

- 62 Durham’s retail offer is set against the backdrop of a compact, historic core. The retail centre spans both sides of the river and has a number of national multiple retailers, two shopping centres and a popular market. Durham has the potential to become a significant retail destination in its own right. The footprints of buildings within the historic core pose difficulty for some national multiples.
- 63 The Prince Bishops Shopping Centre is the primary, mass market retail destination in the centre. It has 400 car parking spaces beneath and is anchored by department store BHS. Boots and Next have prominent stores fronting the Market Place and other multiple retailers include Fat Face, Monsoon, River Island, New Look, Thomas Cook and Costa

Coffee. Whilst the Prince Bishops Centre provides the prime pitch in terms of retail offer, it is not too dominant to detract from other, neighbouring retail locations.

- 64 The Gates Shopping Centre (formerly known as the Milburngate Centre) on the western riverbank is popular amongst restaurant retailers on its river facing facade. The centre has entrances onto Framwellgate Bridge and Milburngate and is easily accessible from North Road. The centre's architecture is not sympathetic to the surrounding heritage and it suffers somewhat from limited street frontage, lying to one side of the primary retail circuit. As a consequence, it has consequently struggled to achieve full occupancy.
- 65 The Market Place, which has undergone a recent, major streetscape enhancement scheme, is medieval in origin but is now largely surrounded by Victorian buildings. It houses the financial services sector with the major high street banks as well as Tesco Metro, WH Smith, the town hall and a large 19th century indoor market.
- 66 The market, which is located in the heart of the shopping area, is a very good example of a traditional city centre market and is privately managed by Durham Markets Company. It boasts a wide range of goods and is popular with both local shoppers and travel groups. Durham Markets Company also arranges a series of outdoor, street markets including farmers', continental, medieval, green and occasional evening markets.

A north east market has been named Best Private Market in the UK 2011 at a national award ceremony.⁴

Durham Indoor Market picked up the award from the National Association of British Market Authorities for its impressive range of initiatives aimed at both traders and customers, and its outreach to the wider community with a host of promotions and events.

The award was granted to Durham Indoor Market jointly with Old Spitalfields Market in London. Graham Wilson, Chief Executive of NABMA, said: "The level of entries in this category was the best since the competition began."

Currently open six days a week, the historic Indoor Market is situated in the centre of the City in an attractive Victorian market hall off Durham's Market Place. It first opened for business in 1851, underwent extensive refurbishment in the mid 1990s, and is now home to over 50 traders offering a wide range of foods, goods and services.

Despite the recession, the Market continues to prove popular with customers and retailers alike and celebrates its 160th anniversary this year.

⁴ Source – News Release Durham Markets Company - www.durhammarkets.org.uk

Over the last twelve months, Durham Indoor Market has received over two million visitors through its doors; has had a giant mural of the City painted on its walls by Durham University students; has entertained a number of famous guests including Sir Ming Campbell and writer Terry Deary; has had its mezzanine level extended to provide greater facilities for retailers and a larger café bistro; and has played host to a number of live radio and TV broadcasts. It also plays the lead role in organising the award-winning annual Christmas Festival, the busiest retail weekend in the City Centre.

Frank Nicholson, Chairman of Durham Markets Company, commented: "This national award is a fantastic achievement which we are delighted to accept. Durham Indoor Market is the beating heart of the City and plays a crucial role in supporting independent retail and the local economy.

Our sincere thanks to all staff, retailers and customers who have supported the Market to date. We look forward to continuing to serve the people of Durham to the best of our ability in the years to come."

Durham Markets Company's Managing Director, Colin Wilkes, was presented with the award by Graham Wilson, Chief Executive of NABMA.

- 67 Silver Street is another popular retail area, linking a pedestrianised river crossing over Framwellgate Bridge to the historic core. Marks and Spencer is the anchor tenant with other national multiple retailers including H Samuel, Superdry, The Body Shop and Cotswold Outdoor. Other tenants including Cafe Rouge, Esquires and Café Nero are also present.
- 68 The Saddler Street/Elvet Bridge area is similar to Silver Street in that it represents the historic core, with narrow streets surrounded by Victorian buildings. Major retailers include Waterstones, Pizza Express, Zizzi's and La Tasca. Saddler Street is also occupied by smaller popular, independent retailers, such as Mugwump, Andersons (The Keep) and Scorpio Shoes. Elvet Bridge is an area which is popular with independent retailers and includes Sorella, Flair, La Cookshop, Van Mildert and Bramwells Jewellers.
- 69 North Road is a busy street which acts as a link between the railway station, Durham Bus Station and the centre. Whilst there are some national multiples (such as Tesco Express and Boots) and the area is also popular amongst bar operators, the environment is in need of improvement and is a key area of proposed intervention by the council.
- 70 There are two out of town developments close to the A1M: Durham City Retail Park and Dragonville Retail Park and a further development, the Arnison Centre, in Pity Me where expansion proposals have been

submitted⁵. Dragonville Retail Park adjoins a large Tesco Extra supermarket on Dragon Lane and its occupiers include Matalan and TK Maxx. Durham City Retail Park is anchored by a large B&Q Warehouse and includes the likes of Argos and Currys/PC World. The Arnison Centre in Pity Me is anchored by a Sainsbury's Supermarket and nearby occupiers include M&S, Asda Living, Next, Boots and Homebase.

- 71 During the most recent survey of the city centre area in 2011, Durham was found to have void property rates lower than the national average. Notwithstanding this, retailing faces a number of challenges – some as a result of national pressures and some related to the nature of the city itself. Durham has a number of new and ongoing initiatives to address these challenges which are an essential part of this masterplan.

2.7 Valuable green infrastructure

- 72 Green infrastructure is a distinctive feature of Durham's setting and there are "green fingers" of woodland stretching into the heart of the city and out to the wider countryside. Existing public rights of way, the Weardale Way and railway walks link the urban area with the surrounding countryside, often along river corridors. Much of the non-urban area in the vicinity of Durham is a Landscape Conservation Priority Area.
- 73 There is a large flood zone to the south of Durham⁶, and a history of flooding in the city centre - which will have to be taken into consideration and mitigated in planning new development. Two areas have been identified as key Surface Water Flood Risk areas: to the north of the city centre, an area at Pity Me/Newton Hall, including Framwellgate Carrs and the developed area along Pit Lane/Carr House Drive; and to the north east, the suburban areas of Belmont and Carrville. In the latter case, no further action is likely to be needed as works are already under way to increase sewer and drain capacity.
- 74 Parks and gardens are scattered across the south and west of the city, however, other than in the Elvet and Crossgate/Framwelgate areas, they are generally in short supply. There are many small semi-natural sites within or adjacent to the city itself and some larger sites to which there is access outside, or on the edge of, the wider city area.

2.8 Servicing the population's needs

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http://www.thenorthernecho.co.uk/news/10955323.Multi_million_pound_expansion_planned_for_Durham_s_Arnison_Centre/

⁶ Durham Flood Model, The Environment Agency, 2013

- 75 Durham's most prominent health facility is the University Hospital of North Durham, a Private Finance Initiative hospital, which opened in 2001 to replace the former Dryburn Hospital on the same site. The hospital is operated by County Durham and Darlington NHS Foundation Trust and provides acute services for the city and north of the county. Services include accident and emergency, nurse practitioners (out of hours) centre, maternity, gynaecology, orthopaedics, trauma care, general surgery (day, elective and emergency), children's ward, acute medical, intensive therapy ('intensive care'), coronary care, dermatology, vascular surgery, plastic surgery, stroke rehabilitation and haematology.
- 76 Emergency services are provided by Durham Constabulary, the North East Ambulance Service, County Durham and Darlington Fire and Rescue Service and Durham County Council.
- 77 Law courts are provided by Her Majesty's Courts and Tribunals Service.
- 78 The headquarters for Durham County Council, Durham Constabulary, the Fire and Rescue Service and the County Court are situated in Durham.
- 79 The city is also served by a range of functions in which the council has a significant stake. These include primary and secondary education, integrated children's services (health visitors, school nurses, Sure Start etc), library services, community buildings, sports facilities and assets linked to the visitor economy. The extent of provision of these services and their delivery arrangements are, in many cases, being reviewed to ensure appropriate levels of provision and to improve provision and value for money.
- 80 The area around Durham has the best provision of sports facilities in the county and also enjoys the highest usage of facilities in County Durham.

2.9 Strong cultural identity

- 81 County Durham's rich history has created a legacy of significant heritage assets and a strong and distinctive cultural identity within its communities. Durham is the spiritual centre of the North East with a range of high quality cultural assets of which the iconic World Heritage Site of the Cathedral and Castle is the best known.
- 82 The cathedral – named in a BBC poll as Britain's favourite building - is one of the finest examples of Norman architecture in the world and has become a focal point for cultural celebrations as well as Christian worship. The cathedral's "Open Treasure" project is reworking spaces within the estate to show more of its treasures and enhance its offer through events. Heritage Lottery Funding of £3.9 million towards the next phase of the project was confirmed in November 2013. This next phase of the project will see the creation of new exhibition spaces in buildings around the medieval cloister and essential fabric repairs to the claustral buildings. That includes converting the Monk's Dormitory and Great Kitchen into world class exhibition spaces, transforming the visitor experience by allowing the cathedral to show off more of its treasures, along with those on loan from prestigious museums, art galleries and collections around the world.
- 83 Durham University is also a major cultural force, with a diverse community of international students and a prominence in sport and the arts. Its £12 million investment into Palace Green Library, which provides three world-class exhibition spaces, and the new visitor centre for the World Heritage Site are significant visitor developments for Durham.
- 84 The University's Oriental Museum has recently secured £114,000 funding from the Arts Council to further develop its collections and create resources for a new gallery.
- 85 Following Durham's bid to become UK City of Culture 2013, its cultural ambitions have been raised. The most tangible result has been the continued development of a year-long programme of events that have the ability to draw an audience from the rest of the region and new events that have a national and international reach, such as the "Lumiere" international light festival and the 2013 Lindisfarne Gospels Exhibition. The council has a continuing commitment to help develop and support events and festivals in Durham.
- 86 In 2007, Durham staged 'Enlightenment', its first lights festival in which lighting installations were placed at a small number of prominent landmarks across the city. In 2009, the city persuaded Artichoke Productions to stage their 'Lumiere' light festival in the city, which attracted 75,000 visitors. The event was expanded in 2011, running over four nights and comprising a series of installations and projections illuminating streets, buildings and bridges across the city. The 2011

event attracted 150,000 visitors, and was worth an estimated £4.3 million to the local economy, securing extensive media coverage. A third Lumiere event was staged in November 2013 as part of 2013, Durham's Year of Culture.



Les Voyageurs from
Lumiere 2011

- 87 The annual Miners' Gala, held on the second Saturday in July, is approaching its 130th year and brings up to 100,000 people into Durham.
- 88 Brass: Durham International Festival is also held in July and welcomes street bands and musicians from around the world to play in the city and in schools and community venues. The 2012 event spread its programme to other venues in the county, including Chester-le-Street, Stanley, Bishop Auckland and Spennymoor.
- 89 Last held in 2010, the Durham Mysteries brought 10 specially commissioned mystery plays to the city, playing at the Gala Theatre, Durham Cathedral and outdoors at The Sands.
- 90 Held in October, Durham Book Festival is one of only two⁷ book festivals in the North East and one of the fastest growing in the country, attracting an eclectic mix of new and well known writers. The festival is programmed and produced by New Writing North for Durham County Council and supported by Durham University and Arts Council England.
- 91 The Lindisfarne Gospels came home to the North East in the summer of 2013, being exhibited at the University's Palace Green Library as part of a partnership agreement between the university, Durham Cathedral, Durham County Council and the British Library. The exhibition was a contemporary interpretation of the tale of St Cuthbert, with displays explaining how and why the Gospels were created. Some of Britain's most significant medieval manuscripts and Anglo-Saxon treasures were on show and the exhibition coincided with an

⁷ The other is at Hexham and is usually held in late April/May.

extensive programme of supporting events featuring theatre, art, music, talks and learning activities.

- 92 Also, in 2013, the Emirates Durham International Cricket Ground at Chester-le-Street hosted its first Ashes test match. The England v Australia fixture was part of a package of games, which will see Durham's county ground host the Twenty20 Cup Finals Day in 2015 and an England Test Match in 2016.
- 93 Elsewhere, Durham has a range of modern arts and leisure destinations, in keeping with a university city. The Gala cinema and theatre benefits from National Portfolio funding status from the Arts Council for England and provides a focus for arts development. The Gala is located on the north east edge of the city centre and is a popular venue for touring theatre, music and comedy. The adjacent Walkergate complex houses several national multiple restaurants and bars such as ASK Italian, Nando's, the Fat Buddha, Slug and Lettuce and Lloyds No.1. and has become a popular hub for evening entertainment and the night time economy. Adjoining the Walkergate complex is Freeman's Quay Leisure Centre which won an RICS renaissance award in 2009 for design and innovation. Towards the bottom of Elvet Bridge and onto New Elvet is a cluster of restaurants, bars and public houses and other pubs are scattered throughout the centre.

2.10 World class education

- 94 Durham University is one of the country's leading universities, attracting a student base of around 16,000 per year and employing 3,800 people of which roughly 40 per cent are academic staff.
- 95 In 1832, Bishop van Mildert endowed Durham University with the castle, medieval buildings, libraries and estates, creating England's third university. Durham has long been an innovative university, being one of the first to admit women and the first English university to establish overseas campuses. It is a pioneer in supporting regional economic needs, awarding the first Civil and Mining Engineering degrees and is a core partner in the successful science park, NETPark at Sedgefield. The university provides a foundation for the continual flow of innovation and creativity throughout the city and its status has been further enhanced by joining the Russell Group in 2012. Over 1,300 net new jobs are projected for the city in this sector by 2020. The university also generates significant income for Durham from visitors.
- 96 In spatial terms, the university is a major property owner with an estate that has evolved over the course of 200 years. It has many old, converted and listed structures within its complement of 150 academic buildings and 173 college buildings. In total, the estate comprises over 350,000 sq m of floorspace. Durham Castle and the buildings around Palace Green are part of the World Heritage Site, three properties are

scheduled ancient monuments, four properties are listed Grade 1, 79 properties are listed Grade 2 and 60 properties are within the city's conservation area. Approximately 17 per cent of the university's estate is over 150 years old.

- 97 Durham University invests significantly in its built estate. Between 2005 and 2010, the university invested £115 million in its property holdings. Major projects included the development of the Calman Learning Centre, completed in 2009, which comprises a lecture theatre and teaching space complex on the University Science Site, off Stockton Road. £60 million has been invested in developing the Palatine Centre, also on Stockton Road, which has rationalised the university's library, student services and Law School facilities. The university is also refurbishing some college accommodation blocks, redeveloping underused space and disposing of surplus assets. At Palace Green, it has invested £10 million refurbishing library space and creating improved retail and café facilities.
- 98 The University has made public its growth expectations in the University Strategy 2011-12, the Residential Accommodation Strategy 2012-20 and the Estates Strategy 2011-20. It is envisaged through these that there will be modest expansion of student numbers in Durham City (excluding Stockton Campus) by 2020 up to 15300, an increase of 1800 over 2012 numbers. The strategies indicate rationalisations and improvement within the University's accommodation to build on its collegiate offer and target up between 50 and 70% living in University accommodation (up from 43% in 2012).
- 99 The university has close working links with the cathedral, Durham County Council, County Durham Economic Partnership, the North East LEP, Durham City Area Action Partnership and Visit County Durham. It has assisted in the preparation of the Draft Local Plan.
- 100 The educational profile of County Durham residents has improved significantly over recent years and has been one of the main factors behind the county's improving deprivation rankings. Skills improvements have been driven mainly by a marked increase in GCSE attainment and the growth of more highly skilled jobs in the public sector. The proportion of people in County Durham with no qualifications has reduced from just below 18 per cent in 2004 to just over 13 per cent in 2010. The county has a similar proportion of residents with no or lower-level qualifications (levels 1 and 2) to the averages for the North East and Great Britain. However, in terms of higher-level qualifications (levels 3 and 4), it will take a significant improvement to close the gap with national averages.
- 101 In addition to the university, Durham offers a range of schools, together with further and higher education facilities, including:

- Twenty one primary schools providing education for 3,600 pupils. Durham's primary schools are outperforming both the county and national averages on the percentage of children at Key Stage 2 achieving Level 4+ and Level 5 in English, Maths and Science. In addition, there is provision in the independent sector at Choristers School and Bow, Durham School.
- Seven secondary schools educating 7,500 pupils. The proportion of Durham's secondary school students achieving 5 or more A*-C Grades at GCSE is 17.7 per cent above the national average. When Maths and English GCSEs are included, this rises to 26.8 per cent above the national average⁸. In addition, Durham School and Durham High School for Girls provide secondary and sixth form education in the independent sector.
- Further education colleges at New College and the Houghall Campus of East Durham College which specialises in horticulture, arboriculture and forestry.

2.11 Facing the challenges to growth

102 Despite its numerous advantages, the growth of Durham and the expansion of economic activity have been constrained by a variety of factors. Durham has a range of development opportunities, most of which require "unlocking" to some degree. Detailed analysis of these opportunities and challenges has identified a range of interventions which will help to overcome such barriers and to make a step change in growth. These measures are outlined later within this document, but some examples of relevant issues are:

- Population – at 43,000, Durham has a relatively small population compared with other 'historic' cities, such as York (174,000)⁹ and Lincoln (104,000). In addition, there are pockets of deprivation and socio-economic problems. Furthermore, a substantial proportion of the population is comprised of students. Whilst the student population adds greatly to Durham life, it is by nature transient and creates some problems with the extent of city centre homes in multiple occupation. The proposals within the emerging Local Plan and this masterplan address the need for population expansion, although not to the levels of Lincoln or York.
- Employment – the city's employment profile is overly dependent upon public sector administrative functions reflecting the presence of major hospitals, police and council headquarters. The public sector has been responsible for a significant proportion of the jobs growth in Durham in the recent past (2002–08). The city is therefore

⁸ Source – Dep't for Children, Schools and Families 2008 Results, OFSTED.

vulnerable to declining employment in this sector as a result of the government's deficit reduction measures.

- Business premises – there is no defined central business district; rather the majority of office provision is situated on the urban fringes. Whilst successful to date, this approach is incapable in itself of providing a sustainable solution for commerce in the medium to long term.
- Road infrastructure - within Durham, the highway network currently experiences congestion and delay in the peak hour periods. Areas where specific problems exist, or are predicted, include the A167 to the west of the city centre, the A690 approaches on both the east and west and the A691 approach from Sniperley. The most significant problem area however is on the Milburngate crossing of the River Wear. Current traffic flows indicate that this section is almost 30 per cent over-capacity, and future traffic growth will only exacerbate this situation. The issue of congestion in the central area needs to be resolved as part of strategic planning for future development and economic growth.
- Built environment – the form of new development/refurbishment is influenced by the World Heritage Site and the conservation area. Historic building footprints are an issue for some potential occupiers. The compact nature of the city centre's layout and the demand for student accommodation has resulted in restricting the extent of opportunity for redevelopment. There is competition between all sectors for the limited space available.
- Natural environment – Durham has a hilly topography which hampers movement and there is a risk of flooding posed by the River Wear in certain parts of the city.
- Visitor route – unlike other successful heritage cities, Durham does not have a well defined main visitor route through and around the city.
- Lack of a critical mass of visitor attractions – compared to York, for example which has two nationally important attractions and another 12 within 10 minutes' walking distance of the city centre, Durham has relatively few major visitor attractions within and around the city centre.

⁹ Source – City of York Council.

2.12 Managing regeneration and development

- 103 In recent years, the council has supported a number of physical regeneration projects, either on its own or through Durham City Vision (an unincorporated association comprising Durham County Council, North East Chamber of Commerce, the former regional development agency One NorthEast, Durham University and Durham Cathedral which was created in 2007 in order to drive regeneration and culture change in the city). The council is committed to working with key partners in order to co-ordinate the approach to delivery with developers, investors and occupiers.

2.13 Purpose of the regeneration masterplan

- 104 The council has prepared this regeneration masterplan to support and guide the implementation of a strategy for the future development and regeneration of Durham. To date, a detailed analysis of existing social, economic and environmental conditions has been undertaken. This locally-specific evidence base supplements evidence gathered to inform the County Durham Plan process. The masterplan document has the broader function of showcasing the amount of significant projects that are underway to enhance Durham and improve the offer for local residents, business and visitors. It will help to highlight to potential investors, the amount of work that is ongoing (including the very significant commitments of the council and partners) and as a mark of confidence in Durham's future.

3. Objectives of the Durham City Regeneration Masterplan

3.1 Tasks & Aims

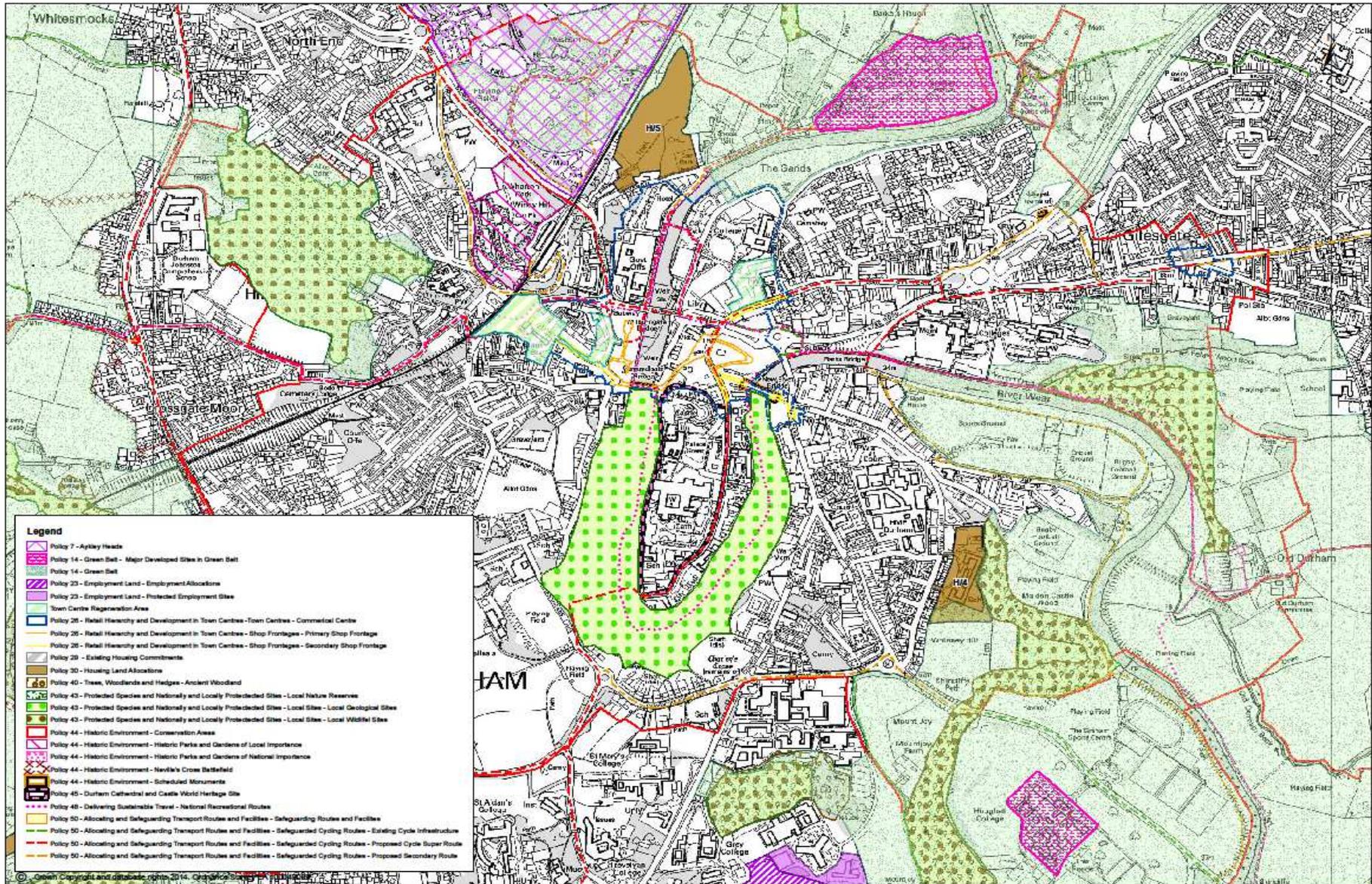
105 The purpose of this masterplan (with its accompanying delivery plan) is to express the council's regeneration priorities for Durham over the next five years in order to act as a focus for investment by the council and by others. It is recognised that several of the major infrastructure projects and key development sites will not come forward until later in the Local Plan period. The masterplan supports the principles underlying the delivery of those major projects and indicates the general criteria that the council will employ in determining support for new projects and investments. The masterplan is not a document with statutory weight under planning legislation, however it acts in practical support to the Local Plan and will be subject to ongoing review as the Plan is finalised and then implemented.

106 The regeneration masterplan offers:

- a clear statement of the strategic case for ongoing regeneration activity in Durham to support the city itself, surrounding settlements and the wider county;
- an assessment to underlie and justify, in terms of market demand and deliverability, proposed projects alongside a review of underutilised land assets;
- the formulation of a delivery plan to list key development opportunities, options, anticipated costs and returns, timescales and risks. This is provided at Appendix 1 and is accompanied by a map of key projects and opportunity sites at Appendix 2;
- a SWOT analysis as part of an assessment of Durham's continued ability to meet investor and occupier demands. This can be found at Appendix 3.

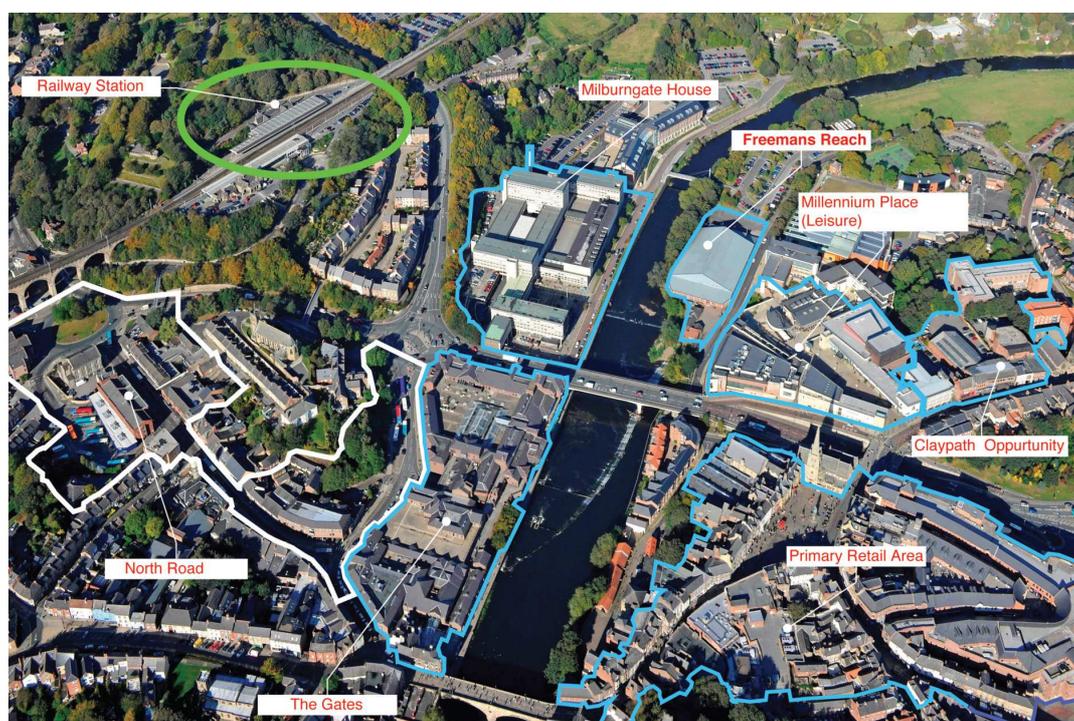
The core aims of the regeneration masterplan are to:

- focus and co-ordinate the regeneration activities in Durham and assist the enabling of a delivery mechanism for the various regeneration projects;
- contribute to the delivery of the emerging Local Plan and Infrastructure Delivery Plan, drawing together the strategic and policy drivers for development and regeneration in Durham;
- assist in the consultation process with partners, stakeholders and the community;
- assist in taking proposals forward with investors, developers and landowners; and,
- raise Durham's profile in order to stimulate further investment activity.



Realising Durham's potential

- 107 The council has a desire to stimulate Durham's economy and the prospects for attracting new business and employment. We want to facilitate regeneration activity and to guide investment and development, with a focus on enhancing the centre of Durham and on building upon the potential for further commercial, housing and visitor developments as the building blocks for sustainable economic and employment growth.
- 108 The masterplan has been designed to help achieve this while respecting Durham's history and invaluable heritage. The underlying work has examined Durham's specific needs, together with the range of potential development opportunities and has devised a delivery plan to make provision for a series of key, linked physical regeneration projects which have the potential to have a catalytic effect in raising both profile and economic performance. This work also involved an assessment of associated infrastructure requirements.



Retail and Leisure Opportunities in context

3.2 Our key partners and drivers

- 109 The masterplan also draws upon previous work undertaken by Durham County Council, Durham City Vision (summarised at Appendix 4), Durham City Area Action Partnership, Visit County Durham, Durham University, the Homes and Communities Agency and the Chapter of Durham Cathedral. The masterplan demonstrates how sustainable development can be brought forward in a phased manner to benefit

Durham's economy whilst enhancing, simultaneously, the built environment.

3.3 The favoured approach

- 110 The overarching priority of Durham County Council is to create an altogether wealthier Durham, improving the economic performance of County Durham as a whole. This priority is reflected in the Sustainable Community Strategy and Regeneration Statement and is the central theme of the emerging Local Plan. The focus is on helping to shape County Durham into a place where people want to live, work, invest and visit whilst enabling our residents and businesses to achieve their potential in full. Our overall approach to Regeneration and Economic Development for the county is to capitalise on opportunities and to work with the market to gain growth. We have set a benchmark for the county to pre-recession rates of employment, which requires more jobs, higher value jobs and more employed people living in the county. This aligns with the North East LEP's theme of "More and Better Jobs". The city of Durham offers a unique opportunity to achieve all these things.
- 111 Our 'Whole-Town' approach to regeneration is based upon creating places that are attractive, well-designed, and well-managed, with good amenities and transport connections, providing a focal point for business and social interactions. It focuses on tailored solutions for each settlement and business location in the county, shaping the places people live, work and socialise including investment in education and skills, business, housing, public realm and the wider built environment. Previous economic development and planning approaches in the county met with mixed success in terms of trying to stem population and employment loss and in attracting private sector led investment to the east and west of the county. This demonstrates the difficulty in developing growth locations in a county with a highly dispersed settlement pattern based upon its industrial heritage. As a unitary authority with a countywide remit, the council recognises the strengths and weaknesses of different areas and is able to take a more strategic view of the future.
- 112 Our approach is founded upon the core principle of raising and maintaining the employment rate at 73%, in line with one of the County Durham Economic Partnership's measures of success. This requires the county to achieve a significant level and pace of economic growth. Acceptance of low growth for the plan period is not an option which the county can accept given its current economic standing. Our main focus on raising employment rates for the resident population, reducing worklessness and supporting economic growth will also be dependent upon increasing migration, involving the injection of higher skilled employees, to address the expected reduction in the working age population. The growth of the county's economy will need to be pursued through both improving its existing skills base as well as

through the attraction of in-comers to the county to expand the size and quality of the workforce. This joint approach will help to ensure that the county has the right education and skills profile aligned to the needs and requirements of future growth sectors. Within this approach, the controlled growth of Durham is central to future success.

- 113 The council seeks to implement a city-wide, comprehensive and sustainable approach to regeneration and development which respects and enhances the city's historic core. We intend to co-ordinate our approach with key partners as listed above. Delivery will also involve working in partnership with key landowners across the city and continuing liaison with major public sector service providers, including National Savings and Investments, Identity and Passport Service, NHS and HM Land Registry. The council will continue to work also via the North East Chamber of Commerce, the Business Forum, Visit County Durham and Elected Members with retailers, business and the tourism industry.
- 114 One of the key aims of the council's approach is to work in partnership with private sector developers and investors, with the council using its influence and finance to unlock development potential and the private sector implementing key schemes.

3.4 Measuring success

- 115 The council has set itself a challenging set of targets, against which it can measure the effectiveness of delivery and implementation.
- 116 In the short to medium term, the broad range of targets includes:
- increased employment, with a particular focus on young people and on increasing the number employed in higher level occupations in Durham City;
 - an improved commercial and residential offer for Durham, with sustainable rates of delivery of new homes, led and supported by market demand;.
 - an improved tourism and cultural offer, broadening Durham's appeal and encouraging more visitors to stay longer;
 - improved infrastructure, reduced congestion and access to employment;
 - more business start ups, top twenty-three retailer representation, increased footfall and increased business growth;
- 117 The council will also monitor the longer term performance of the framework for regeneration in terms of:
- improved employment rates;

- business registrations;
- per capita gross value added (GVA).

The key drivers which inform the regeneration masterplan include:

- providing a sustainable and vibrant city centre with a focus on deliverability, creating key opportunities for change by removing constraints and securing definitive proposals for redevelopment, development or refurbishment of land and premises;
- establishing a clear set of priority projects together with a realistic delivery plan which reflects both market demand, investor appetite and availability of sources of finance;
- promoting the diversification of the local economy and employment growth, led by the private sector for Durham's benefit and for that of the county as a whole;
- expanding the population and expenditure base and improving the balance and mix of the housing offer to include market for sale, intermediate tenure and rented, which would in turn help to underpin a sustainable local economy;
- developing the tourism and leisure offer and asset base, most notably in relation to investing in the city's established tourism assets in the short term and then seeking to introduce new, family-orientated attractions and events as wider economic conditions improve;
- improving the cultural/leisure economy; building upon the reputation of the World Heritage site, the Cathedral and Christian Heritage;
- securing a growth in finance and business services economy and supporting an enterprise culture;
- ensuring that ambitious economic growth is sustainable; providing adequate and necessary infrastructure to facilitate such ambition;
- building upon our successful reputation for higher education; increasing innovation and harnessing knowledge;
- securing the provision of high quality residential neighbourhoods that are cohesive, sustainable and affordable;
- facilitating the growth aspirations of Durham University as shown in its published strategies and fostering innovative partnerships between spin-off business;
- optimising the environmental, social and economic sustainability of Durham through the design and phasing of the developments, the implementation of green infrastructure and low carbon energy initiatives;
- ensuring that key stakeholders, in particular those using the city centre, are positively engaged in the process and that the final outcomes are ones which local residents, businesses and potential investors have confidence and pride in; and,
- raising Durham's profile in order to stimulate further, appropriate investment activity, recognising and respecting fully the sensitive nature of the historic and natural environment.

4. Overview of strategic context, key issues and challenges

4.1 Detailed strategic approach

118 Appendix 5 contains detailed information on the wider framework of strategies that are currently in place or are emerging. These will guide spatial planning as a precursor to commercial growth, the delivery of new homes and the improvement of Durham’s offer to visitors. They will also help to underpin an increase in retail activity, new transport and green infrastructure, future education and health service planning, community engagement and the protection and enhancement of the historic core and key assets. Whilst all of these strategies have a bearing on Durham’s future direction, the most crucial in terms of regeneration and development are:

- the emerging Local Plan (and associated infrastructure delivery plan);
- the “Building Altogether Better Lives Housing Strategy”; and
- the Durham Tourism Management Plan (DTMaP) 2012-2016.

4.2 Key spatial requirements

119 The emerging key spatial requirements for Durham¹⁰ to the year 2030 are:

- **5,000 - 7,500 jobs** need to be created in the centre within office based accommodation to facilitate emerging growth sectors. **24.5 hectares** of available employment land within the city itself has been identified, focusing on the redevelopment of **Aykley Heads**. Aykley Heads is the prime opportunity to attract high quality businesses to Durham and it is proposed to identify it as a Strategic Employment Site (predominantly for office development but with a mix of other uses, including housing). Other land is available at Durham Science Park and Belmont and a further 175 hectares at Durham Green/Tursdale, some of which is safeguarded for development associated with rail freight;

¹⁰ As proposed in the Pre-Submission Draft of the County Durham Plan

- The phased delivery of a series of sites to meet market demand and an identified target of **5,200 new homes**. . Some of these can be accommodated under existing consents and in housing allocations within the city centre but we are proposing three strategic housing sites which will accommodate around 4,000 new homes at Sniperley, Sherburn Road and at land North of Arnison. This takes account of previous housing delivery rates achieved, together with the need to provide homes as part of the strategy for economic growth;
- The **tourism** offer needs to be enhanced in order to make Durham a viable 48-hour stay.
- A strong focus on the **vitality and quality of the centre of Durham** together with the promotion of a number of key projects for a mix of redevelopment, regeneration, community and tourism purposes;
- The **historic core** (including the World Heritage Site) needs to be preserved and enhanced with priority given to the redevelopment of land and buildings which serve to support its key role as an employment, housing, tourism and retail centre;
- A **Western Relief road** needs to be delivered early in the Plan period, to be followed by a **Northern Relief road** at a later date, to provide infrastructure to support growth and to enhance the potential to attract shoppers, tourists and employment-generating businesses;
- **Durham's green corridors and spaces** need to be maintained to ensure that the quality of the environment is preserved and enhanced, ensuring that Durham continues to offer an attractive place where people want to live; and
- There is a need for **a minimum of 6,500 sq m of convenience retail space within Durham** to reduce existing overtrading and to provide additional competition and choice for residents. This need increases when the additional new housing in the council's preferred spatial strategy is taken into account. North Road and the land North of Arnison are identified as prime opportunities for new convenience retail floorspace. The scale of these requirements will be monitored against the rate at which new homes are delivered. There is also a significant, quantitative need for extra comparison retail provision, with an emphasis on the fashion offer to enable Durham to compete more effectively with other larger centres such as Newcastle and MetroCentre.

4.3 Proposals rooted in research

- 120 To support the development of this regeneration masterplan and the associated delivery plan, consideration has been given to Durham's socio-economic evidence base. The key findings are presented at Appendix 6, together with an analysis of the key challenges.

4.4 The task

- 121 In recent years, a substantial evidence base has emerged through economic research which highlights Durham's potential for growth. The challenge is to translate this potential into measurable success at a time of financial constraint across public, private and voluntary sectors. The council believes that Durham is sufficiently robust to attract private sector investment, however it is understood that key challenges need to be tackled by the council and others to facilitate a sustained programme of development and investment.

5. The approach to delivery

5.1 A thriving Durham City

122 The council's approach to regeneration in Durham is founded upon the same evidence base as the Draft Local Plan which advocates that Durham should be the focus for policy and intervention, to secure growth for the county and the region. This approach advocates investment in the core, central area where the prime opportunities are to be found and where businesses and people want to be. This has a strong synergy with market confidence and investment requirements. Accordingly, a number of sites have been identified as having the potential to contribute to the delivery of the Plan's aspirations. These sites will be the "focus for growth" in building Durham's economy around its existing assets.

5.2 Identifying & Securing Finance

123 In formulating the regeneration masterplan, detailed consideration has been given to identifying potential sources of finance and utilising appropriate mechanisms to ensure delivery of projects. In addition to Durham County Council's budgets for regeneration, economic development, transport improvements, education etc, there are a number of existing and potential sources of finance that are capable of supporting growth. These are examined in greater detail at Appendix 7, but can be summarised as existing sources of finance:

- Community Infrastructure Levy
- New Homes Bonus
- Growing Places Fund
- Regional Growth Fund
- European Funding
- Private Sector Developer Contributions
- Prudential borrowing by the council and potential, future sources of finance, such as:
 - Tax Incremental Financing
 - Locally retained Business Rates
 - Finance for locally-devolved, major transport schemes.

- 124 The council will work with the private sector to maximise available finance from such sources. Additionally, the council will work to identify innovative funding solutions to support the regeneration agenda and to ensure that businesses are given the necessary support to access streams of finance such as Regional Growth Fund.

5.3 Establishing Durham as a world class location for business

- 125 **Aykley Heads** is referenced within the County Durham Plan as the Central Business Quarter and represents the priority in the plan, given the need to drive economic growth through facilitating private sector investment and employment. In the medium term, this will need to be supported by investment in new residential allocations and in new strategic highways, to embed the growth potential of the site and its long term economic contribution.
- 126 The council will work with the LEP and other key partners to promote Durham as a “world class location” for high value added, growing businesses and will continue to identify and assist companies, particularly those with strong growth potential in knowledge-driven and export activities. Furthermore, the council wishes to support the retention of graduates, the development of young people and the improvement of skills generally to maximise the potential within the county for employers and employees alike.
- 127 The council will work with key civil service employers to ensure retention of employment within the city.
- 128 Whilst inward investment projects into the UK have been relatively scarce in recent years, the securing of the Agility Trains project at Aycliffe Business Park illustrates that the potential for further inward investment should not be discounted and the council will continue to work with key partners, via Business Durham, to promote the county to global markets and to build the supply chain and pool of skilled employees. The development of Aykley Heads as a strategic employment site for the future will ensure that Durham is well placed to attract national and international companies and the council will establish a pathway to guide potential occupiers to the site.

5.4 Releasing land for new homes

- 129 **Sniperley** and **Land North of Arnison** in the north of the city, together with **Sherburn Road** by the A181 (Front Street) on the eastern outskirts of Durham are the strategic sites for the new residential allocations which will support an increased population and enhanced workforce.
- 130 These specific sites were selected as the preferred options for releases from the existing green belt for housing via detailed assessment of challenges to development and impact upon the environment. It is

recognised that there is a risk (due to the comparative strength of the market for residential property) that new homes could be delivered in advance of business space. Whilst it may be desirable to see a limited release of new homes in advance of commercial space, the council does not favour a “housing led” approach and will seek to ensure that a critical mass of business space is delivered with new homes serving the demand that increased economic activity creates.

5.5 Building on the success of our tourism assets

- 131 Visit County Durham, our tourism agency, has created a new place brand for the county, “this is durham” with four geographically based tourism areas that share a naming convention as part of the new place brand: Durham City, Durham Dales, Durham Coast and Vale of Durham. The branding strategy is helping the county communicate coherently and consistently with all external audiences that are important to future economic success.
- 132 A key part of Visit County Durham’s work is the county’s tourism management plan that describes how the county will develop its visitor economy. Festivals and events and local distinctiveness are among the priorities identified in this plan and are integral also to the county’s cultural strategy. Target outcomes of the approach to delivering tourism growth are to:
- increase investment and development of the county’s tourism product;
 - deliver the identified investment priorities in Durham;
 - implement ‘Destination Management Plans’ promoting the distinctiveness of specific localities within County Durham;
 - improve the marketing, promotion and business performance of tourism assets;
 - deliver a programme of high quality, high profile events, exhibitions and festivals that appeal to residents and visitors.
- 133 The council views the requirement to stimulate regeneration activity through the cultural sector in Durham as a priority and wishes to enhance support for the development of creative industries and enhance access to training opportunities in the cultural sector.

5.6 Strengthening retail performance

- 134 To date, the council's approach to improving Durham's retail and associated business performance has been focussed firmly on the city centre manager's role in co-ordinating activities and events and in liaising between retailers, other businesses, the police and emergency planning services.
- 135 Actions to date have been focussed on the evening economy with several initiatives being implemented in order to create a safe night time environment. Examples include the "Best Bar None" scheme which encourages and rewards licensees who promote responsible drinking in order to reduce alcohol-related crime and disorder, the "Safe City" project under which Durham Constabulary delivers initiatives over and above the customary levels of policing based upon analysis of crime trends and the "Nightsafe" project which involved a range of partners to manage problems arising at night time through measures such as a late night bus scheme and marshals at taxi ranks. Durham now boasts very low levels of evening crime and, associated with demand within this safe environment, there remains scope for the introduction of further bars. This impacts on the success of the evening economy and brings with it economic benefits increasing viability, choice and attraction for visitors and residents. It is an aspiration to attract more "family-friendly" bars and eating places which would complement a broadening of visitor attractions.
- 136 The council's city centre management role is geared also to assisting daytime retailing, primarily through co-ordinating events and activities and promoting the city's retail and leisure offer to shoppers and visitors within the immediate catchment area. Examples of these activities include:
- managing the events spaces in Market Place and Millennium Place;
 - organising bookings for the various markets;
 - jointly managing the annual City Retail Awards;
 - producing retail guides to promote independent retailers;
 - acting as a "signpost" to retail opportunities; and
 - providing a liaison service between retailers, other businesses and the police in relation to intelligence on criminal activity, emergency evacuation procedures and counter terrorism measures.
 - Supporting the BID process and the manager

- 137 Having achieved a measure of success in working, with partners, to make the evening economy safe and more successful, the emphasis for the future is to assist in uplifting daytime activity by encouraging broader tourism/leisure attractions, co-ordinating events and initiatives and overcoming constraints to appropriate new development, redevelopment or refurbishment schemes which would serve to strengthen retail performance.
- 138 Additionally, the council is reviewing the way in which street markets are managed across the county with a view to co-ordinating better performance from markets and closer integration with other events and the permanent retail fabric of the county's major towns. Whilst markets held in Durham perform well, the council believes that better co-ordination and promotion across the county can nevertheless offer benefits to traders and retailers alike.
- 139 The establishment of a Business Improvement District in Durham has been welcomed by the council which is working with the BID Board and Manager to help deliver priority projects.

5.7 Facilitating new development with infrastructure

- 140 Delivery of substantial development activity is challenged at present by two issues, highways capacity and flood risk.

Highways

- 141 The council is committed to ensuring that the highway infrastructure, seen as necessary to serve and support new development, along with established and planned transport solutions, enhances Durham's role as a hub and does not constrain potential. Congestion in the central area could detract from its attractiveness for future development and economic growth. As such, the council will take a lead in developing measures to address future infrastructure requirements as Durham emerges as a regional business hub. This will apply equally to dealing with existing peak-time congestion around major junctions.
- 142 Central to delivery will be the implementation of the Community Infrastructure Levy (CIL). CIL will ensure that most new development makes a proportionate and reasonable financial contribution to delivering the strategic infrastructure identified in the County Durham Infrastructure Delivery Plan (IDP).
- 143 CIL is not a direct replacement for Section 106 Agreements¹¹ which will continue to be used for site specific infrastructure (such as access roads), for securing affordable housing and for funding targeted recruitment training. Where feasible, the council will seek to utilise CIL

¹¹ Under the Town & Country Planning Act 1990

and/or S106 monies (in alignment with existing budgets) to assist in the improvement of the pockets of the city which have identified socio-economic problems.

- 144 The amount of CIL that is charged is justified by viability evidence, principally using site appraisals for different types of development such as housing or retail. This evidence must show that the level of CIL being charged is not so high that it would prevent a site from being developed. Due to different land values and market conditions across the county, the viability evidence indicates that different levels of CIL can be charged for residential development in different areas. Four zones have been identified for differential residential rates, one of which is a zone including Durham City and Chester le Street. Funding will be pursued when the Local Plan reaches approval and as final mechanisms are decided.
- 145 There is also a proposed CIL charge for non commercial uses such as large food retail and hotel and student accommodation. There will be no charge for employment or industrial uses.
- 146 It is acknowledged that the charging proposal for Sniperley and Arnison is at a high rate and is substantially higher than rates being considered by other councils in the North East, but the area requires separate and special consideration due to its location in green belt, the need to fund relief roads and the expectation that there will be a significant uplift in land values resulting from the Green Belt releases and this can, in part, be used to fund infrastructure whilst still allowing developers and landowners to make a competitive return.

Flood mitigation

- 147 In relation to the mitigation of flood risk, the council is working in partnership with the Environment Agency to find a deliverable solution to reducing flood risk generally for those areas in and around the city which have suffered flooding in the past or are at risk of flooding and to ensure that key development sites are considered appropriately. The aim is to reduce flood risk to that of a 1 in 75 year event. Results from the Durham Flood Model work indicate that the implementation of localised flood defences will be required for both the Elvet Waterside and Milburngate House sites due to the depth and velocity of projected water flows. Freeman's Reach is of lesser concern but requires localised defences nonetheless.
- 148 In relation to the Peninsula, the council will work with partners in order to co-ordinate essential service traffic with a view to making the area more attractive to visitors.

5.8 A network of green infrastructure

149 The green infrastructure strategy will be implemented in a variety of ways:

- by the continuation of existing projects by Durham County Council and partner organisations which seek to maintain and improve existing green infrastructure and access grant aid;
- through the application of planning policies which protect existing green infrastructure and require new infrastructure to be created in association with new development. New development in County Durham also offers an opportunity for delivery of Green Infrastructure through planning and development agreements such as Section 106 agreements, and potentially through Community Infrastructure Levy (CIL) or Biodiversity Offset, as identified in the Natural England White Paper 2011. This may be supplemented by grant funds from lottery, landfill, charitable trusts, and community foundations;
- via the implementation of locally-specific green infrastructure implementation plans. Each implementation plan will suggest projects that would help to deliver the strategy on a local level, and identifies a range of partners and funding opportunities for delivery.

150 So far as Durham is concerned, the focus for green infrastructure provision is upon strategic development sites in the north of the city, with aims of ensuring that new development contains sufficient good-quality open space, the impacts of development are mitigated and that there are new green links between new housing, existing urban areas and the surrounding countryside. New housing developments will be expected to incorporate sufficient green infrastructure to meet the county open space quantity standards which is calculated according to the anticipated number of new residents. The current standards set out in the Open Space Needs assessment (2010) are that 5.2 hectares of public open space should be available for every 1,000 residents.

151 It is a specific goal to ensure that the future development of Aykley Heads incorporates a new, multifunctional city park. The area of former agricultural land in the east of the site is currently underused and can provide a new park with planting and open space which is capable of being enhanced and made available for public access and recreation. New structural planting can create a new parkland garden environment. Enhanced green routes running through the park can provide attractive and safe routes linking this area to the northern entrance of Durham Railway Station and Wharton Park and residential areas to the north of the site.

152 Delivery of the Stage 2 project to upgrade Wharton Park is a key priority. The council has succeeded in securing a £2.45 million grant

from the Heritage Lottery Fund in support of a £3 million renovation to provide a new heritage, centre, café and outdoor fitness equipment, together with the delivery of improvements to the park's amphitheatre, miniature car track, footpaths, signs and entrance features.

153 More generally, the focus is upon:

- protecting the existing green setting of the historic city and World Heritage Site and developing the potential of the riverbanks within the city centre area;
- protecting and enhancing habitats and access along the river corridors of the Wear, Browney and Deerness and their tributaries - particularly with reference to Flass Vale and the Wear Valley, which come into the heart of Durham;
- continuing to safeguard the existing protected sites and supporting this by protecting and enhancing habitats linking them to one another and providing adequate open space to buffer them; and
- in urban areas with insufficient open spaces, maximising the value of the existing ones and creating new ones where possible

5.9 Providing the services to meet growth

154 Boosting economic growth and continuing to support residents into employment will contribute towards tackling health inequalities. The health improvement agenda in Durham will greatly benefit from the implementation of the Green Infrastructure strategy, in particular the commitments to improve public open spaces and the surrounding countryside. The changing requirements for services, as the city grows, will be kept under review with partners via the mechanisms established in the Infrastructure Delivery Plan.

155 The provision of community buildings and facilities is going through significant change, including the transfer of assets to the community sector and an associated programme of rationalisation and strategic investment. It is acknowledged, however, that funding implications and finance gaps may impact upon future investment and development of buildings. Community facilities could potentially receive contributions through CIL to ensure that there are facilities to encourage community cohesion resulting from new development.

156 In the context of the current economic climate and the possibility of more pressure on the current budget, the council does not have a large capital programme for investment in sports facilities. Future capital investment will need to come in partnership with the private sector, through capital receipts from assets sales, external funding and “invest

to save” initiatives. The capital receipts from old or inadequate facilities could then be re-invested into modern sports facilities.

5.10 Harnessing the historic core

157 The council favours an approach to the historic core which is based upon:

- working with partner organisations to assist and facilitate the delivery of their historic core projects and access to grant aid, specifically including the World Heritage Site, Peninsula and city centre;
- leading, facilitating and supporting partners in regeneration initiatives to tackle prominent buildings or areas which are detracting from the appeal of the historic core and replacement with development that respects the historic environment and its assets;
- leading, facilitating and supporting partners in regeneration initiatives that reuse and adapt existing buildings or areas to contemporary requirements in ways that respect the historic environment and the significance of its assets;
- continuing to deliver and encourage improved public access to the peninsula as an essential part of the strategy for the historic core and, particularly, the World Heritage Site;
- adapting to changing national planning requirements to use the formal planning process positively in order to respect the historic environment and the significance of its assets and achieving necessary viable use;
- making available clear historic environment guidance specific to projects at the early stages of project development;
- using the conservation area appraisal and management plan to inform and establish priorities within the historic core.
- using other survey and conservation management plans to inform and direct input into partnership projects.
- ensuring that the Lighting and Darkness Strategy is implemented through incorporation into major development proposals, including avoiding adverse impact of lighting on the WHS or historic environment and enhancing the quality of lighting provision; and
- ensuring that major developments incorporate signage which is based on the Signage Strategy guidelines for associated public realm, highways and footpaths.
- taking forward proposals from the conservation management appraisal.

158 Although previous surveys and supporting work have offered a better understanding of the riverbank gardens and the castle walls on the Peninsula, these remain as potential focal points for conservation and for improved access. The council is keen to support a project which will take this forward.

5.11 Overseeing Regeneration & Development

159 The council is currently actively engaged with a range of private sector developers and public sector partners in order to influence the pace and scale of development in Durham and to lever in maximum private sector investment, design quality and opportunity for residents. Examples of such developments, projects and initiatives include:

- Working to identify development partners and deliverable development solutions for Aykley Heads;
- Working with the private sector to develop a phased approach to the delivery of new homes across a range of values and tenure types to support and expand the resident population;
- Working with Visit County Durham, the Cathedral, Durham University, other tourism partners and the private sector to improve tourism/visitor potential;
- Working with other regeneration bodies, such as the Homes and Communities Agency to agree investment priorities and to align available funding and delivery mechanisms.
- Identifying funding opportunities and seeking to maximise input into appropriate projects.
- Supporting and encouraging inward investment and local entrepreneurial activity via Business Durham and private businesses.
- Working with local employers that are looking to expand their businesses;
- Working with retailers, property owners on North Road, Durham Markets Company, licensees and the police to provide support for city centre retailing and the evening economy;
- Assisting employers to offer apprenticeships through targeted support and offering a range of apprenticeships within the council itself;
- Working with partners to secure environmental improvements and implement maintenance to the river banks and vennels; and
- Working with specialist consultants and the Environment Agency to reduce the risk of flooding and preparing costed plans for new road infrastructure.

160 The council is keen to work with new and existing partners in order to drive change.

6. Project Delivery

6.1 Track Record

- 161 Over recent years, the council has made a series of investments in order to better understand Durham's assets and to improve its infrastructure and fabric, including:
- Derisking key regeneration projects with surveys, reports and strategies (£300,000);
 - Funding conservation surveys and reports, including condition surveys of major assets (£160,000);
 - Providing improvements to the Market Place and approaches under the Heart of the City project - £5 million (largely funded by the former Regional Development Agency);
 - Partnering Durham Cathedral and Durham University in commissioning a World Heritage Site Visitor Centre (£500,000) and new lighting for the WHS (£600,000);
 - Delivering public realm improvements at Bow Lane (£195,000) and at Dun Cow Lane (£200,000);
 - Providing a "Customer Access Point" in Millennium Place - £250,000; and
 - Running the Best Bar None and Nightsafe schemes - £50,000 per year.

6.2 Investing in Business Growth

At Freeman's Reach

- 162 At Freeman's Reach, development proposals are funded by a private sector partnership working with the council and the Homes and Community Agency using a site which has been brought forward by the public sector. The approved proposals, which are currently under construction, comprise office developments, restaurant/café, kiosk, hydro power installation and public space including a new riverside walk. The scheme comprises two 4 storey office blocks built in two phases, which will occupy the majority of the site and the footprint of the former Ice Rink building and car park. The kiosk, hydro power installation and main public space are located within the southern part of the site. The Phase 1 office development located within the northern end of the site offers a total floorspace of 4350m². The Phase 2 office development will have a total floorspace of 5268m², restaurant/café with a floorspace of 715m² and a kiosk with floorspace of 141m².

Offices

- 163 Phase 1 of the redevelopment of the Freeman's Reach Site will provide high quality fit-for-purpose office accommodation for the relocation of National Savings & Insurance ("NS&I") staff from ageing premises at Millburngate House. The development will provide further office floorspace in Phase 2. The development will secure 1,300 jobs within the central area and, crucially, retain NS&I in Durham.

Restaurants/Cafés

- 164 The development will provide restaurant/ café premises in order to support the wider uses across the site. These will help to create a riverside culture for dining and socialising with views over the river. Outdoor eating areas will be included within the scheme so that those using the site can break out into these areas. These facilities will help to bolster use of the area by local residents, workers and visitors.

Kiosk

- 165 A small kiosk is to be located to the south east corner of the site adjoining Freeman's Place. This is an attractive location which offers a view of the large Archimedes Screw that will provide hydro electric generation and become a new attraction in itself. In addition to a café, the kiosk will provide an initial point for visitors arriving by coach to access basic visitor information about Durham – including interpretation of the site's history.

At Aykley Heads

- 166 The site covers an area of 6.8 hectares and currently incorporates major office premises and uses including Sunderland Mutual Marine Insurance's global headquarters, Aykley Heads and Rivergreen Business Centres, Aykley Heads House including Bistro 21 and commercial office space, The Durham Light Infantry (DLI) Museum, County Hall (home to Durham County Council), Durham Constabulary Police Headquarters, Durham City Registry Office, Durham Trinity School and Sports College and Recreation ground.
- 167 Durham Constabulary is in the process of relocating the Police Headquarters to new, 3,500 sq m building providing consolidated facilities on land to the south of the existing HQ and redeveloping the existing site for residential development (comprising 227 new homes for which outline planning permission has been granted). The new HQ is expected to open in 2014.
- 168 County Hall is an ageing building which no longer meets the workspace needs of Durham County Council. It also incurs expensive running costs (of circa £2m per annum) together with ongoing high maintenance liabilities. It occupies a key position on the western frontage and is clearly visible from the B1635. The council intends to relocate services to a new fit-for-purpose building, thereby providing

increased efficiency and cost savings. Relocation will enable the existing premises at County Hall to be demolished and the site redeveloped to provide modern, flexible office space that can meet the needs of modern occupiers. The detail of this is currently being explored through a review of the council's accommodation needs, however it is important to stress that a rationalisation of the council's functions in and around the city has the potential to act as a catalyst for development and investment by others. This will also need to consider other council property in the city, such as premises at Meadowfield Industrial Estate (where 450 staff are employed).

- 169 A concept masterplan for Aykley Heads has been produced to encourage the development of a high quality business park, incorporating new, modern and fit for purpose office accommodation and taking advantage of the attractive parkland setting, whilst enhancing its landscape quality and character. The preferred solution is for circa 55,750 sq m of mixed commercial space, with an emphasis on high quality, flexible B1 office provision capable of attracting national and international companies (and circa 6,000 jobs) with some ancillary uses such as convenience retail and leisure together with extensive and high quality public open space. New development will be integrated within a strong landscape framework. It will create a new gateway entrance, attractive networks for the movement of people and vehicles throughout the site, enhance public access and opportunities for sustainable travel to the city centre and beyond via all modes of transport including public transport, walking and cycling. It will also promote innovative approaches to sustainable design which reflect current best practice. This landscape framework will enhance significantly the existing park provision in Durham and offer additional opportunities to residents, businesses and visitors.
- 170 Prior to implementation of the Local Plan, the council intends to adopt a Community Infrastructure Levy contribution scheme. It is anticipated that the Aykley Heads development would be charged at the same rate as other qualifying developments in Durham City although the details of this process are subject to change. It is possible that a Section 106 agreement will be required in addition to CIL but this would only be related to on-site works or off-site works which are required to make the development happen (such as highways). A S106 would not duplicate the provision of resources for community infrastructure contained in CIL.

6.3 Helping to Deliver New Homes & Better Housing

- 171 The emerging proposals for the Local Plan include the release of three substantial areas of land for new housing from the current green belt. The vision for these areas is that they will become seamlessly integrated, sustainable extensions to Durham, enhancing housing

choice and quality, attracting a highly skilled workforce and assisting the drive for economic growth.

At Land North of Arnison

172 The site comprises 84.5 hectares of land immediately to the north of the present extent of the Durham City urban area. At present, the land is predominantly under pasture. The objectives for the future development of the site are:

- To deliver **1,000 dwellings**, of a scale and mix that responds to local demand and supports economic growth by providing attractive, high quality houses across a range of tenures and values.
- To provide a **new convenience superstore**, to meet existing and forecast needs for new provision. In default of a superstore, the site should incorporate a number of units for local convenience shopping, either clustered together or distributed across the site.
- To respect the existing landscape and minimise the urbanising effect of development, to establish a new long term and clearly defined boundary to the Green Belt and to effectively integrate with existing neighbourhoods to the south, through enhanced connectivity and overcoming existing obstacles to movement.
- To create a highly accessible development where non-car modes are prioritised across large parts of the development and public transport connections to the city centre and other employment locations are frequent and attractive.
- To encapsulate best practice in sustainable design, including sustainable drainage and low and zero carbon technologies.
- To provide residents with a range of educational, health, social and recreational facilities on site or in close proximity. Open space will be provided in accordance with the County Durham Open Space Needs Assessment (OSNA) recommendations of 5.2 ha per 1000 residents. Community facilities will be provided in accordance with the OSNA recommendation of one small hall per 1000 people. Contributions for other facilities will be requested via S106 or Community Infrastructure Levy.
- To enhance biodiversity, including using an integrated approach to surface water management.

At Sniperley

173 This site occupies approximately 120 hectares of land to the north of the existing urban area, with its eastern boundary following the A167 Durham Road. The Sniperley “Park and Ride” facility is located

immediately to the south of the site at the junction of the A167 and the A691. The site's current use is agricultural and some pasture with a small number of arable farms operating the land.

174 Development at Sniperley will aim to meet the following strategic objectives:

- To deliver **2,500 new homes** (in several phases, envisaged as set out in the table below) along with associated education, retail, services and facilities contributing to meeting housing needs and creating a viable, vibrant and self-sustaining mixed community:

Phase 1	Years 1-5 (2014-2019)	900 homes
Phase 2	Years 5 – 10 (2019-2024)	800 homes
Phase 3	Years 10-16 (2024- 2030)	500 homes
Beyond 2030	From 2030	300 homes

- To provide a strong landscape framework and green infrastructure network which capitalises on the site's natural features to provide integration with the surrounding landscape, captures and enhances wildlife potential and embraces environmental standards to provide an attractive living environment with new and enhanced opportunities for recreation;
- To facilitate easy movement within the site and create enhanced opportunities for sustainable access to the City Centre and surrounding areas via all modes of transport (including public transport, walking and cycling); and
- To promote innovative approaches to sustainable design which reflect current best practice to ensure a sustainable development supported by appropriate supporting utilities and infrastructure.
- To provide for a range of homes of mixed types, sizes and tenures to create a mixed community. A proportion of the dwellings across the site should be provided as affordable housing in accordance with policy requirements

At Sherburn Road

175 This site, which extends to 24.7 hectares, is located on the eastern edge of Durham in the Gilesgate area. The A181 Sherburn Road forms the northern boundary of the site, serving as a significant artery

of Durham, accessing the eastern villages and beyond to Teesside and the A19. Although the A1(M) forms the eastern boundary of the site it is not directly accessible, the nearest point of access being Junction 62 some 2km to the north. The site has been held in agricultural use for a long time and is planted with arable crops. The site is in two ownerships. The lead developer for Sherburn Road is the Banks Group of Meadowfield, Durham. The company has a development agreement in place with the owner of the largest land holding on the site. It is expected that the release of land at Sherburn Road for housing will result in a high quality development of around **475 residential units**.

176 The main objectives of development at Sherburn Road are that the site should:

- Contribute to Durham by providing an appropriate mix of types and tenures including housing for families, smaller households, housing for older people and affordable housing close to a commercial area;
- Broaden the choice of housing types, predominantly for families;
- Maximise the accessibility of the site to all modes of movement including walking, cycling and buses;
- Provide structural planting to soften the edges of the development and green infrastructure to enhance the enjoyment of the site and its value for wildlife;
- Keep new development above the 80m contour to protect the character of the River Valley and Old Durham and study potential views of Cathedral and treat these appropriately;
- Create different character areas within the site to encourage diversity;
- Orientate houses southwards as much as possible; and
- Provide a positive image of Durham from the A1(M) with a mixed view of rooftops and planting.

In the Centre of Durham

- 177 An accommodation strategy, prepared by the university was released in 2012. It offers a strategic approach that will help to resolve tensions between student and family accommodation. It is recognised that the means of delivering the growth aspirations of the University need to be the subject of ongoing discussions between the University, the Council and local residents.
- 178 In relation to Houses in Multiple Occupation (HMOs), the council is progressing a system of discretionary licensing in order to cover the stock which falls outside the scope of the mandatory regime. This entails some 1,200 properties. In addition a supplementary planning document dealing with HMOs and student accommodation is under preparation in association with the emerging Local Plan that also includes policy guidance.
- 179 To address affordability and empty properties, Durham Action on Single Housing Limited is currently utilising an award of £270,000 from the government's Empty Homes Programme to bring 24 homes back into use over 3 years.
- 180 Durham City Homes is implementing a capital programme of £25.48 million across its stock in financial years 2013/15. Priority areas are the continuation of investment in energy efficiency, the replacement of kitchens and bathrooms, carrying out roofing works and environmental improvements and undertaking further housing adaptations to benefit disabled residents.
- 181 In April 2012, new legislation was introduced which changed the way in which council housing is paid for. The system of "self financing" for council housing, introduced in April 2012 allows the council to retain all rental income and spend it on the improvements and housing services that are most important to tenants.
- 182 As part of this new way of financing council housing, Durham County Council was allocated a self-financing debt of £240 million, which needs to be repaid over the next 30 years. The introduction of self-financing also introduced a borrowing cap, limiting the amount councils can borrow to make housing improvements. The borrowing cap for County Durham is £245 million, which means that it is not possible to access all of the money needed to improve homes and neighbourhoods and bring them up to the standard that tenants require under the council's business plan.
- 183 An independent survey of a sample of stock condition identified that the council needs to invest around £785 million over the next 30 years. This works out at around £42,000 per home. As the council's

ability to borrow has been limited, there is an identified shortfall of £66 million in the first nine years of the business plan.

- 184 The council has looked at the options available to help fund improvements to homes, neighbourhoods and housing services. In December 2012, the council decided upon a preferred course of action to transfer the ownership of social housing stock to Dale and Valley Homes, Durham City Homes and East Durham Homes. The council expects all of the organisations to work together under a “group structure” to maximise the amount of money they can invest and to accelerate a programme of improvements.
- 185 Transfer of stock can take up to two years to complete and can only go ahead if tenants back the plan in a vote.

At Elvet Waterside,

- 186 The council and Durham University own a range of underutilised property assets and are seeking to attract a development partner to help deliver a mixed use development solution which will enhance the site’s potential. The core site extends to 1.4 hectares and comprises the former Durham City Baths building, several areas which are presently used for car parking and disused or underutilised areas of recreation space. If required, the development site is capable of being extended to encompass a number of listed buildings in Old Elvet which are owned by the university but which are due to be vacated and the former Registrar’s office which is owned by the council.
- 187 The Local Plan permits a wide range of uses on the land and a development partner is sought in order to assist in delivering commercial and wider regeneration objectives on the site.
- 188 The building is currently semi-derelict suffering from neglect. The physical and technical constraints of the building would suggest that its adaptation to an alternative use may be improbable and early clearance is encouraged. A development brief is being prepared to illustrate the opportunity to transform this area.

At the former Durham County Hospital site

- 189 Located on the western side of the city centre, close to the rail station, this site is currently being marketed and comprises a number of interconnected, former hospital buildings constructed between 1850 and 1940. The site is suitable for redevelopment in the short term and is currently under consultation for use as student accommodation. There is a desire to retain and refurbish the more significant part of the existing structure and the options shown include this.

At Northern Quarter

- 190 This is a site of 4.7 hectares, situated on the west bank of the river, close to the rail station and to Crook Hall. There is a suggested allocation for 40 new homes with opportunity to improve the setting of Crook Hall, provide environmental benefits to the area around Sidegate and Frankland Lane and provide a safe and attractive crossing of the East Coast Mainline to improve links between Aykley Heads, Newton Hall and the City. Any proposal must have regard to the conservation area and in particular be sensitive to the impact on views of, from and to the World Heritage Site, through site design and density.
- 191 Dependent upon the site coming forward for release, there is a potential development opportunity for the Fire Brigade Headquarters at Framwellgate Moor; the site potentially offering 2 hectares with scope for 70 homes. Consent for an outline scheme was granted in January 2014.

6.4 More Visitors, Staying Longer & Spending More

- 192 The priority projects with high potential impact are:
- **The creation of a new visitor attraction with national profile and pulling power;**
 - **The emergence of the city as a conference and meetings destination; and**
 - **Protecting and enhancing the potential of annual and signature events.** This will encompass Lumiere, the Mystery Plays, Brass, the Book Festival and cultural events at the cathedral and university.
- 193 In addition, the plans for tourism entail:
- Developing the potential of the river creating a second visitor hub. The approach is to open up the city to the river and harness development, conservation and management to create new visitor experiences on and along the river;
 - Continuing to deliver an excellent experience for visitors at the Cathedral and Palace Green. It is envisaged that this will be achieved through the continuation of investment in the visitor experience and the prioritisation of orientation, interpretation, events and access which will complement major capital investment in Durham Cathedral and Palace Green Library. Opportunities stemming from the Lindisfarne Gospels project will be used to pilot ideas and new approaches;

- Preparing Durham for capital tourism investment. This will involve pursuing leads and undertaking targeted promotion for identified development sites for attractions;
- Delivering an annual programme of smaller events. This will include crafts and food fairs with the intention of creating a stronger critical mass of independent shopping and animating Durham during the day and in the early evening;
- Strengthening the potential of the existing visitor attractions. The provision of mentoring and business advice will assist in creating an offer that will excite visitors and appeal to overnight visitor markets;
- Developing a compelling marketing programme – Durham+. It is imperative to sell the city through the place brand, “this is durham”, and through the high profile quality attractions in the county to deliver longer stays; and
- Delivering a new boutique hotel and/or a new 3 star hotel that appeals to target audiences, responds to growing demand and contributes to widening the range of hotel offers.
- Beyond that and assuming a more favourable economic climate, the council will seek to support a range of medium to longer term projects that create more and new tourism “product”.

6.5 Creating New Environments for Retailing

North Road

- 194 This is a Victorian street which links key transport facilities to the central core and which has prominent views of both the cathedral and the castle. North Road forms the central spine of the regeneration area, extending up to the viaduct and the main roundabout on the A690. It encompasses the bus station, links to the rail station and has retail frontage either side of the road.

- 194 The council envisages that North Road will be a “step change” development project which will serve to enhance the retail offer, improve the pedestrian/retail environment, improve public realm, improve access and connections for pedestrians removing barriers between transport & retail zones and create suitable and attractive transport facilities through highway improvements and a new bus station. With the intention to turn this part of Durham into a gateway and destination location in itself, the main area of focus is to redevelop the northern end of North Road to create ‘North Place’.
- 195 The proposed redevelopment zone covers an approximate area of 2.1ha (5.1 acres). The area is largely (but not exclusively) in the ownership of three major land owners, including the Council. There is an opportunity here for a partnership approach between land owners and private sector developers to undertake a comprehensive redevelopment of holdings.
- 196 In order to facilitate full redevelopment potential and provide a more pedestrian friendly retail environment in keeping with the “North Place” concept, it may prove preferable to utilise the bus station site for retail development, with the bus station being relocated from such a prominent frontage. Relocating the bus station will also provide an opportunity to encourage an appropriate anchor tenant that would, in turn, attract others to this area.
- 197 In order to enhance Durham’s market share performance and enable it to assume its natural sub-regional role, it is important to address the current deficiencies in the clothing market and to attract national fashion retailers of comparable quality to those in MetroCentre and Newcastle. There is a latent demand for existing comparison retailers to ‘up-size’. The Gates Shopping Centre at the southern end of North Road presently has a limited tenant mix but has footplates that could readily accommodate higher order fashion retailers. The council has limited influence over commercial lettings strategy for this shopping centre, however, creating retail floorspace in a redeveloped North Road, would provide the modern footplates needed to attract high order fashion retailers, department store and/or a mainstream foodstore. Opportunities to provide additional massing in North Place that can help to meet this need and also to claw back trade currently leaking from the city are being investigated. An improved secondary retail destination in North Place should complement the rest of Durham’s retail offer.
- 198 The council completed a soft market testing exercise in January 2013 contributing to shaping the initiative and enabling further work on the bus station. Detailed design analysis of North Road Bus Station started in July 2013 to provide technical specification which can be taken forward. Subject to the council endorsing a preferred project, is anticipated that a procurement vehicle will be sought during 2014.

At Lower Claypath

- 199 Here the council is working with property owners to bring forward a redevelopment scheme that seeks to add value and contribute to the vitality of the central area. At present, the potential development zone houses a restaurant, a branch of Kwik-Fit (retail tyre sales and fitment), snooker club, retail shop units, student residential accommodation and a redundant cinema with a car park at the rear. A mixed-use scheme incorporating retail, leisure, hotel, offices and residential (possibly including student accommodation) would be preferable. Preferred proposals would also be to improve links between and circulation around Claypath and Millennium Place.

Business Improvement District

- 200 In October 2012, non-domestic ratepayers in the centre of Durham voted in favour of establishing a Business Improvement District (“BID”). A BID is an initiative which is controlled by business and which seeks to increase footfall and business performance and to improve the business environment. Businesses within the BID area pay an annual levy of 1.5% of their rateable value every year for a five year period. This is being invested in a series of linked projects delivered and overseen by a Durham BID Board and BID Manager. The council has been supportive of the case in favour of establishing a BID, is a BID levy payer, holds two Board seats and is working as a partner to support the emerging projects.
- 201 The nature of the projects and their delivery will be determined and delivered by a business-led board and BID manager; however four key themes for potential projects have emerged already through the process of establishing these arrangements. These are:
- Marketing Durham – including a Durham App, a customer-focused website, interactive information portals and social media accounts. Additionally, Durham BID will create and deliver a full marketing and promotions strategy and enhance the programme of events and festivals. The total, projected spend in this area is over £1.5 million across the five years.
 - Access Durham – extending the hours of operation of the Park & Ride scheme and running a promotional scheme for parking via car satellite navigation. This is costed at £70,000.
 - Welcoming – investing in enhanced floral displays, city ambassadors and street games equipment. The expected investment is circa £480,000.

- Business Durham – incorporating measures to centralise procurement of services, B2B trading schemes, annual retail awards, welcome packs for new businesses, a reinvigorated Chamber of Trade and a Design Square for fashion entrepreneurs and textile designers. The total spend in this project area is in the region of £122,500.
- 202 The BID projects will deliver circa £2.6 million of investment into the heart of Durham, led by the requirements of business and directly addressing desires to increase footfall and business productivity.
- 203 The council intends to continue its ongoing support for the night time economy through the Best Bar None and Nightsafe initiatives

6.6 Modern Infrastructure for Historic Durham

- 204 The strategy for infrastructure acknowledges that road traffic in and around Durham should flow in a way that satisfies the expectations of local residents, visitors, emergency services, employers, commuters and bus companies. This is a current requirement and will remain the case during and following the period of growth.
- 205 Provision of relief roads, on the western and northern sides of the centre of Durham will represent one element of a wider transport solution and are being considered in conjunction with other measures to address the impact of current and future business and housing needs. As with all such transport proposals, it is acknowledged that the planning and implementation process demands a dialogue with all affected stakeholders in consideration of the appropriateness of suggested solutions.
- 206 Currently, the proposals for relief roads are at a stage of route identification assessment, where issues and constraints are being recorded and assessed. The council will then consider these implications for future development in more detail.
- 207 The Draft Local Plan identifies that two thirds of the homes required to support economic growth could be accommodated at the Sniperley and North of Arnison sites. Traffic modelling work¹² which has been undertaken for the council indicates that the Western Relief road is required in the medium term (currently assumed circa 2017/19) in order to support the development of these sites and the housing allocation at the Merryoaks site. Developing some new housing on the allocated sites in advance of construction of the road will be acceptable but delivery of the road is an early priority to provide developers with

¹² Modelling carried out 2013 based on TIF as referred to in Section 4.131 Pre Submission Draft Local Plan, October 2013, DCC

- certainty and to ensure that development is not constrained. A western relief road would provide an alternative route from the A690 and the A691 on the west of Durham to the already congested existing A167. It would also provide some relief to the A690/A167 junction at Neville's Cross which currently encounters significant delay in the peak hour periods. This route together with the provision of a northern relief road would also provide a measure of relief to the already congested section of the A690 crossing the River Wear at Milburngate, by facilitating a new route from the west side of Durham to the A1 corridor.
- 208 The construction of a northern relief road for Durham would provide an alternative route from the A1 corridor to the north and west of the city centre, and would provide a measure of relief to the already congested section of the A690 crossing the River Wear at Milburngate. The degree to which the relief would be provided would require further assessment and output from the traffic model for the city area. The Northern Relief road is unlikely to be required for some considerable time. Current traffic modelling indicates that the road will not be required until circa 2025.
- 209 The council is seeking to complete the signalisation of Leazes Bowl Roundabout and Gilesgate Roundabout and to implement a series of Transit 15 projects to improve the reliability of public transport in the city. Significant funding has been made available through Transit 15 to improve the reliability of journey times for buses in Durham. A bid has been made for additional funding of £600,000 in 2014/15 which would allow the completion of a significant investment in infrastructure in Durham City to complete the signalisation of the major junctions and link their operation and performance through an optimisation computer application called Scoot.
- 210 Improvement to Junction 62 and A690 access to Belmont Business Park has been completed recently as part of the Durham Integrated Transport Approach. The improvements will deal with the increased traffic flows which will be generated as result of proposed developments within the business park.
- 211 In association with the delivery of improved road infrastructure, the council will seek to implement the provision of new and enhanced cycle lanes and links to encourage safe cycle routes across the city.
- 212 Durham's strategic position as a sustainable transport hub has been identified and is of significant benefit to the city. The council adopts an approach which seeks to encourage integrated public transport and will continue to work with rail and bus operators and interest groups to take advantages of opportunities which enhance this provision.
- 213 In relation to flood mitigation, the council is continuing to work with the Environment Agency and specialist consultants in order to produce solutions to managing flood risk. From a development perspective, the sites at Milburngate House and Elvet Waterside will require specific

flood mitigation measures to be put in place as part of a design solution. The council can provide further information to interested parties. The council will seek also to work with developers, through the planning process, to better manage surface water treatments, including:

- The management of surface water run-off at source, wherever possible;
- The management of run-off up to and including the 100 year event should be undertaken on site wherever possible;
- Source control and water quality enhancements are to be encouraged;
- Developers will be encouraged to set aside part of their site for surface water management in order to reduce flood risk generally and to contribute to green infrastructure; and
- Developers will be encouraged to incorporate permeable surfaces wherever possible and to remove surface water from combined sewer systems.

6.7 Keeping Durham Green

214 The proposed project to upgrade Wharton Park is an example of the council's desire to implement and facilitate green infrastructure initiatives in the heart of Durham. The outline proposal for Wharton Park comprises a £3 million investment to upgrade the park's facilities. Key aspects of the project include:

- Restoring Wharton Park House to a park keeper's cottage, the Grade 2 listed "Battery" and the statue of Albert the Good ;
- The creation of a new visitor centre, climbing boulders and outdoor gym;
- Refurbishing the park's play areas, miniature car track and creating a new garden area;
- Refurbishing an amphitheatre within the park to provide an events and performance area and creating a programme of events and activities;
- Improving the entrance from Framwellgate Peth, footpaths, walls, steps, access points, signage and interpretation;
- Appointing a Park Manager and a Young Apprentice and involving friends groups and community volunteers;
- Implementing a programme of improved landscape maintenance.

215 In January 2014, the project succeeded in attracting a heritage Lottery Fund grant of £2.45 million. The project is projected to be delivered over four years, commencing later in 2014. As the project moves forward, the council will be mindful of opportunities for links with



emerging built development and green infrastructure at Aykley Heads and with the DLI Museum.

Artist's Impression - Wharton Park new garden area proposal

- 216 Elsewhere, Durham Cathedral is leading a project, with support from Heritage Lottery Funding to bring its adjacent woodland areas under management, improve access, draw in volunteers and provide an educational resource.
- 217 Across the wider city, the council is seeking to use its influence to ensure that major regeneration projects incorporate public open space, linked into existing and planned green infrastructure.
- 218 At Freeman's Reach, the development is delivering a new area of public open space centred upon a hydro-electric power generation system and a further section of riverside walkway which links Freeman's Reach with Pennyferry Bridge. This will bring the historic weir back into use and ensure its future upkeep.
- 219 And, at both Milburngate House and Aykley Heads, the council is keen to encourage development solutions which secure improvements to the riverside and green infrastructure provision respectively.

6.8 Ensuring that Services are in Place

- 220 The quality of presentation of Durham to residents and visitors is a significant part of ensuring its attraction as a retail and tourist destination. The council provides a range of key services important to the running and presentation of the city. These include ensuring the upkeep of highways and footpaths and provision of parking services and control. Of special importance in the historic core is the role of care of public spaces including street cleansing. The success of the BID reinforces the need to provide effective public services to support

additional business funded initiatives. Adequate control of events is essential to encouraging high quality, well run provision to attract people into the centre and broaden the appeal to visitors.

221 Particular areas of service are:

- Freemans Quay – the pool and leisure centre are an important provision for residents and visitors;
- Markets and Street Traders Strategy – Implementing the strategy successfully is of importance for maintaining a lively programme of outdoor markets utilising the Market Place and ensuring adequate controls for street trading;
- Licensing – a range of licensing functions underpin a vibrant Durham;
- Support for the night time economy – through traffic controls and adequate street cleansing and working with the police; and
- Care of the Market Place – ensuring adequate arrangements for use and upkeep of the enhanced provision of seating and outdoor space for users.

6.9 Making the Most of the Historic Core

222 The Conservation Area Appraisal will be completed early in the masterplan period and will provide guidance for care of the historic core through a dedicated management plan.

223 The council will continue to support the work of the WHS Committee, its co-ordinator and partners in undertaking promotional activities and offering a co-ordinated approach to the care of the WHS, its setting and historic assets and improvements to access.

224 Elsewhere, the council aims to use its influence to protect and enhance the historic fabric by influencing development proposals and implementing further works. Some examples are:

- At Freeman's Reach, the project is delivering a new building which enhances the historic setting and the riverside area without adverse impact upon the views of the World Heritage Site, incorporates the requirements of the Lighting and Darkness Strategy and, vitally, replaces the former ice rink building which detracted from the appearance of the riverside.
- At Milburngate House, the council has worked with National Savings and Investments to prepare a development brief for the site. This is intended to ensure that forthcoming redevelopment proposals respect the historic setting, enhance views of the riverside and have no adverse impact upon the WHS.
- As part of the Lindisfarne Gospels project, the council will work with others to ensure that the legacy of the exhibition and

programme is used to inform and guide further, major exhibitions with particular emphasis upon the functioning and maintenance of the public realm in supporting major events and the requirement for any physical infrastructure improvements.

- As the first phase of a project to improve the riverbanks north of Elvet Bridge and the area to the rear of the Prince Bishops Centre, the surfacing of the link through Back Elvet Bridge will be improved and renamed as “Jailer’s Yard”.

6.10 Enhancing Durham's Reputation as a Leader in Education

- 225 The council is looking to invest approximately £300,000 to provide up to 60 additional places at secondary schools in the Durham City area. Specific schemes are in the course of development with the place for particular schools. It is hoped that the places would be provided by September 2014.
- 226 As an example of a partnership approach, the council is involved in work to identify a sustainable solution for Ushaw College, which lies to the west of Durham, between the settlements of Langley Park, Esh Winning and Bearpark and covers 400 acres of land in the village of Ushaw Moor.
- 227 The college, which was founded in 1808, was the principal Roman Catholic seminary for the training of priests in the north of England until closure in 2011. Durham University has had an interest in the college since 1968 and the college is a Licensed Hall of Residence. The buildings and grounds are now governed, occupied and maintained by a charitable trust. Durham University Business School is utilising accommodation at the college until 2014 whilst its own site undergoes redevelopment.
- 228 The future of the Ushaw College site is now being examined with a view to identifying and delivering a longer term, sustainable solution for the site based upon the desires of the trustees, the university, the council and other partners. This is anticipated to include an outline brief for a new university college, related use of the college chapel and library, re-use of other, integral assets and the identification of access and transport requirements.

6.11 Projected Impact

- 229 Headline analysis of a range of key projects illustrates that expenditure from the public sector (the council and partners) of circa £130 million in Durham has the potential to generate an estimated £850 million of private sector investment. A substantial proportion of the projected public sector expenditure is attributable to the requirement for the Western and Northern Relief Roads. Although these will require forward funding, it is anticipated that the expenditure will be recovered over time via S.106 contributions and Community Infrastructure Levy.

APPENDIX 1 - DELIVERY PLAN

Council Priorities

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
City Centre Regeneration Statement	Freemans' Reach (Former Ice Rink Site)	Phase 1 – end 2014 Phase 2 – end 2015	0.8 ha brownfield land in key city centre site brought back into use. Phase 1 - 4,000 sq m offices. Phase 2 - 7,000 sq m mixed commercial use. Expected £23 million private sector investment	Homes and Communities Agency (“HCA”)/Durham County Council (“DCC”)/Private Sector	Approximately £23 million private sector. Previous HCA and DCC support of £340,000.
Housing & Economy Economic Strategy	Aykley Heads	2014-2030	55,750 sq m of business space, principally B1 offices with ancillary, convenience retail and leisure. Public open space. Improved infrastructure. Projected private sector investment of £108 million based on volume of space and present day costs.	Private Sector/DCC	DCC £150,000 feasibility budget. Budget for project delivery to be confirmed but likely to be a requirement for circa £7.5 million to cover on-site and off-site infrastructure.
City Centre Regeneration Statement	Milburngate House	Development Brief approved DCC, May 2012. Site marketing to commence Autumn 2012	Major city centre mixed use project – outputs and investment to be clarified dependent on development solution.	DCC/NS&I have prepared joint brief. NS&I to conduct site marketing.	£61,000 for project development. Requirement for delivery budget to be determined.
City Centre Regeneration Statement	North Road	2014-2020	2.1 ha of land redeveloped to provide development opportunities for food/department store, other retail investments, leisure facilities and franchised outlets, improved public	Private Sector/ DCC	£4,200 for initial market testing. Delivery budget to be confirmed but is likely to be in the region of £5.2 million to cover road infrastructure and public transport hub.

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
			transport/pedestrian interface and improved public realm.		
City Centre Regeneration Statement	Millennium Place	2012 – 2014	Gala Subsidy reduced All units filled and vibrant	DCC RED DCC C+L	£375,000 (2012/13)
City Centre Regeneration Statement	Gala Theatre	2012 – 2014	Digital cinema installed Catering offer reviewed DCC Subsidy to the Gala reduced	DCC	Included in Millennium Place budget above.
City Centre Regeneration Statement	Flood Mitigation	2012 - 2017	Identified solution requires localised defences for key sites at Elvet, Milburngate and Freeman's Reach.	DCC, Environment Agency, DEFRA	£25,000 committed to assessment stage by DCC matching EA funding. Capital cost of works to fall as abnormal development cost.
City Centre Regeneration Statement	Elvet Waterside	Development brief prepared but timescale for release to be determined by flood mitigation strategy.	1.4 ha of underutilised land brought into beneficial use.	DCC/Durham University	£100,000
City Centre Regeneration Statement	Heart of the City: Market Place & Vennels	Major project completion – July 2011. Elvet Bridge completion and traffic light amendments – Autumn 2012. Streetlighting Spring 2014.	Major public realm improvement scheme with creation of events space.	DCC	£5 million
City Centre Regeneration Statement	Bow Lane Streetscape Improvements	Completed 2012	Public realm streetscape improvement scheme to access route to World Heritage Site.	DCC	£195,000 (all spent)
City Centre	Back Elvet Bridge	Stage 1 private access, improved and adopted –	Public realm improvement, improved access to	DCC	Cost to be established

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
Regeneration Statement		timetable to be established	riverside		
City Centre Regeneration Statement	Business Improvement District	2012-2017	A variety of services and projects which will be delivered around the following themes: marketing/promotion, access, welcome and business support.	Durham BID Board	Circa £2.6 million
City Centre Regeneration Statement	Best Bar None	Ongoing	Increased evening footfall, increased trade in licensed premises and a reduction in alcohol-related violent crime.	DCC/Durham Constabulary, Durham University.	£20,000 per annum
City Centre Regeneration Statement	Nightsafe Initiative	Ongoing	To deliver an imaginative and overarching strategy which manages the night time economy and addresses the needs of the city centre.	DCC/Durham Constabulary	£30,000 per annum
City Centre Regeneration Statement	Customer Access Point	Opened July 2012	Creation of facility for Housing and Council Tax benefits, Council Tax payment point, Street Cleaning and Environmental Services and Planning and Building Control.	DCC	£250,000
Housing & Economy Economic Strategy	Delivery of New Homes – Mount Oswald	Outline planning application being considered. Delivery expected in the short term.	38 ha for mixed use redevelopment comprising 72 executive homes, 250 family homes, accommodation for 1,000 students and 6.6 ha of	Private sector	Reported investment of £200 million

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
			public open space. 220 construction/supply chain jobs. Private sector investment of reported £200 million.		
Housing & Economy Economic Strategy	Delivery of New Homes – Sniperley Park	Housing to be delivered in phases over the lifetime of the County Durham Plan to 2030 and beyond.	120.5 ha for housing, ancillary uses and public open space. 2,200 new homes within the plan period plus 300 thereafter. Private sector investment estimated at £221m	Private sector	Estimate of private sector investment based upon BCIS Index for 2-storey estate housing at £100,400 per house.
Housing & Economy Economic Strategy	Delivery of New Homes – Land North of Arnison	Housing to be delivered in the medium to longer term phase of the County Durham Plan to 2030.	84.5 ha for housing development & public open space. 1,225 new homes. Private sector investment estimated at £123m	Private sector	Estimate of private sector investment based upon BCIS Index for 2-storey estate housing at £100,400 per house.
Housing & Economy Economic Strategy	Delivery of New Homes – Sherburn Road	Medium term	24.7 ha for housing development and public open space. 450 new homes. Private sector investment estimated at £45.2m	Private sector	Estimate of private sector investment based upon BCIS Index for 2-storey estate housing at £100,400 per house.
Housing & Economy Economic Strategy	Delivery of New Homes – Former Whinney Hill School Site	Short term	2.56 ha brownfield land reused. 77 new homes. Private sector investment of an estimated £7.75m	DCC/Private Sector	Estimate of private sector investment based upon BCIS Index for 2-storey estate housing at £100,400 per house.
Housing & Economy Economic Strategy	Delivery of New Homes – County Hospital Site	Expected to be medium term	1.44 ha of underutilised land and premises brought back into use. The site is likely to be brought forward for student apartments.	Private Sector	Likely investment unknown at this stage.

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
Housing & Economy Economic Strategy	Delivery of New Homes - Merryoaks	Short term	11.8 hectares developed with c. 250 new homes	Private Sector	Likely investment unknown at this stage.
Housing & Economy Economic Strategy	Delivery of New Homes – Northern Quarter	Short Term	4.7 hectares developed with 40 new homes	Private Sector	Likely investment unknown at this stage
Housing & Economy Economic Strategy	Business Durham	Ongoing	Business support, sites and premises, inward investment, exports, access to finance, support for innovation and NETPark and signposting to council services.	DCC & Business Durham	Budgets not specific to Durham City.
Housing & Economy Economic Strategy	Former Arriva bus depot, Waddington Street		Planning permission granted for new homes. 16 4/5 bedroom townhouses plus 3 x 2 bedroom apartments. Estimated investment of £5.8 million based on property configuration and expected sales values less profit margin.	Gentoo	Unverified
Tourism	Delivery of new family visitor attraction in the city centre	By 2014	Details to be refined	DCC/ Visit County Durham/ Private Sector	Budget dependent upon details of schemes
Tourism	Old Shire Hall	2014	Details to be confirmed, but potential use as a boutique hotel and serviced apartments.	Private Sector/Homes & Communities Agency/DCC/Durham University/Visit County Durham	Extent of support dependent upon end use and scheme details.
Tourism	Lumiere	Late 2013	Repeat of successful event to run in mid	Event Organiser Artichoke/DCC	Cost of event circa £1.5 m, to be funded by

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
			November 2013 over 4 nights. The 2011 event was worth £4.33 million to the local economy according to independent research but Miller Research Evaluation.		sponsorship arranged via Artichoke and £400,000 contribution from DCC
Tourism	Lindisfarne Gospels	Start 2012 – Complete Autumn 2013	Major exhibition and associated events, with significant tourism legacy	Durham University, DCC, Durham Cathedral, British Library	Unpublished
Tourism	World Heritage Site Visitor Centre	Completed and opened Spring 2012.	Vacant listed building brought back into use. Visitor attraction created	Durham University, in partnership with DCC and Durham Cathedral	£1.2 million
Tourism	Relighting of WHS – Castle and Cathedral	Phase 1 Castle – completed Spring 2012. Phase 2 Cathedral - December 2012	Major amenity lighting project	DCC, in partnership with Durham Cathedral and University	£600,000
Tourism	Signage Strategy	Phase 1 Railway Station – completed 2009. Phase 2 Market Place, Saddler St, Silver St, Elvet and Framwellgate Bridges – completed Summer 2011 Phase 3 – timescale to be determined.	2 signage projects complete 1 tentative project	DCC	Phase 1 - £20,000 Phase 2 – included within Heart of the City costs Phase 3 - costs yet to be established
Tourism	Riverbanks	Cathedral Woodlands – Start 2012, complete 2015 Castle Walls, no current timetable Riverbanks gardens Management and Access, no current timetable	7.4 ha woodland improvement, 1 visitor attraction enhanced Outputs to be clarified Outputs to be clarified	Durham Cathedral Durham University, Colleges and Durham Cathedral Durham University and Colleges	Cathedral Woodlands £700,000 Potential project , £1.6 million Potential project , cost estimate not yet available.

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
Transport & Infrastructure Green Infrastructure, Regeneration, Education, Children & Young People.	Wharton Park Refurbishment and upgrade of city centre park	2014-2018	Various improvements to structures, landscape, access together with the introduction of new attractions and facilities. Number of visitors projected to increase from 72,000 to 125,000 per year.	Heritage Lottery Fund, CDENT, DCC, Friends & volunteers groups, Young Apprentice Grant	Stage 1 - £44,000 Stage 2 - £2,450,000 Award of Stage 2 HLF grant confirmed January 2014 Circa £18,000 to be raised through private donations & fundraising.
Tourism	Dun Cow Lane	Completed Summer 2012	Public realm improvement project	DCC	£200,000
Transport & Infrastructure Local Transport Plan Regeneration Statement	Western Relief Road	Construction 2017-19	Providing infrastructure necessary to support the function of the city.	DCC/Private Sector	Cost estimate to be confirmed based on 2010 Durham Relief Road Western Route Study and Infrastructure delivery plan Investment Schedule
Transport & Infrastructure Local Transport Plan Regeneration Statement	Northern Relief Road	Late in Plan Period	Providing infrastructure necessary to support the function of the city.	DCC/Private Sector	Cost estimate to be confirmed based on 2010 Durham Relief Road Northern Route Study and Infrastructure delivery plan Investment Schedule
Transport & Infrastructure Local Transport Plan Regeneration Statement	SCOOT Project	2014/15	The project will complete the signalisation of major junctions in the city and improve the flow of traffic through an optimisation computer application.	DCC/Transit 15	£600,000

Supporting Projects

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
Housing & Economy Economic Strategy	City centre housing site at Potters Wynd.	Short term.	22 executive homes. Estimated private sector investment of £15 million based on property configuration and sale prices less profit margin.	Charles Church	Unverified
Housing & Economy Economic Strategy	City centre housing sites at Potters Bank, Former Dairy at Stonebridge and Willowtree Avenue.		Circa 126 new homes. Estimated private sector investment of £12.6 million.	Various landowners & private sector.	Estimate of private sector investment based upon BCIS Index for 2-storey estate housing at £100,400 per house
Housing & Economy Economic Strategy	Lower Claypath Redevelopment	Short to Medium term.	Mixed-use scheme incorporating retail, leisure, hotel, offices and residential (possibly including student accommodation).	Private Sector	Commercial confidential and dependent upon detail of proposal.
Housing & Economy Economic Strategy	Belmont Business Park Phase 2	1-2 years	1,860 sq m B1 office space.	Private Sector	Commercial confidential
Housing & Economy Housing Strategy	Durham City Homes Decent Homes Programme (incl heating) £6.431m Disabled Adaptations £0.420m One-off replacements £0.401m Communal room conversions £ 0.100m Environmental improvements £0.176m 28 DH Decants £ 0.050m Empty Homes £ 0.320m Supporting the programme	Current	Implementation of capital programme	Durham City Homes	Budgets of £12.98m for 2013/14 and £12.5m for 2014/15.

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
	£0.440m Disabled adaptations delivery £ 0.082m Decoration allowances £0.060m				
Housing & Economy Housing Strategy	Student Accommodation, Ainsley Street, Flass Vale	Short term	223 student bedrooms in 3 blocks.	BAM Construct UK & Connislow	Confidential
Tourism	Palace Green Libraries	New Wolfson Gallery - completed Spring 2011 New Dunelm Gallery/shop - completed Spring 2012 Cosins Library Conservation - completed Spring 2012 Interior improvements /café - Spring 2013	New gallery New gallery Conservation of significant listed interior Improved visitor attraction	Durham University	£10 million
Tourism	Palace Green, Traffic Control	Completed summer 2012	Visitor related traffic improvement project, reduction in Peninsula traffic	Durham University	£75,000
Tourism	Cathedral Open Treasure Project	Commencement 2012 – scheduled completion	Phase 1 completed – new shop for visitors and	Durham Cathedral Heritage Lottery Fund	£10 million

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
		2017 Phase 1a Shop/Foyer Autumn 2013	entrance to restaurant. Phase 2 programmed for 2014with £3.9 million grant from HLF – New collections gallery and access to Gt. Kitchen and Monks' Dormitory.		
Tourism	Castle Refurbishment	Completed Spring 2012	Major listed building refurbished, increased quality of tourist accommodation (out of term)	Durham University	£5 million
Tourism	Hotel & Other Accommodation Strategy	October 2012	Report produced for Visit County Durham and DCC by Hotel Solutions in October 2012. Identifies investment opportunities.	Visit County Durham & DCC	Completed
Tourism	Conference Study	Completed May 2012	Report produced for Visit County Durham by The Right Solution and TEAM Tourism Consulting. Identifies opportunities and requirements for support.	Visit County Durham	Completed
Education & Social Regeneration, Education, Job Creation, Children & Young People.	University (Peninsula & Elvet)	Details to be refined			
	University (Leazes Road)	Details to be refined			
	University (Science Site)	Details to be refined			
	University (Hill Colleges & DUBS)	Details to be refined			

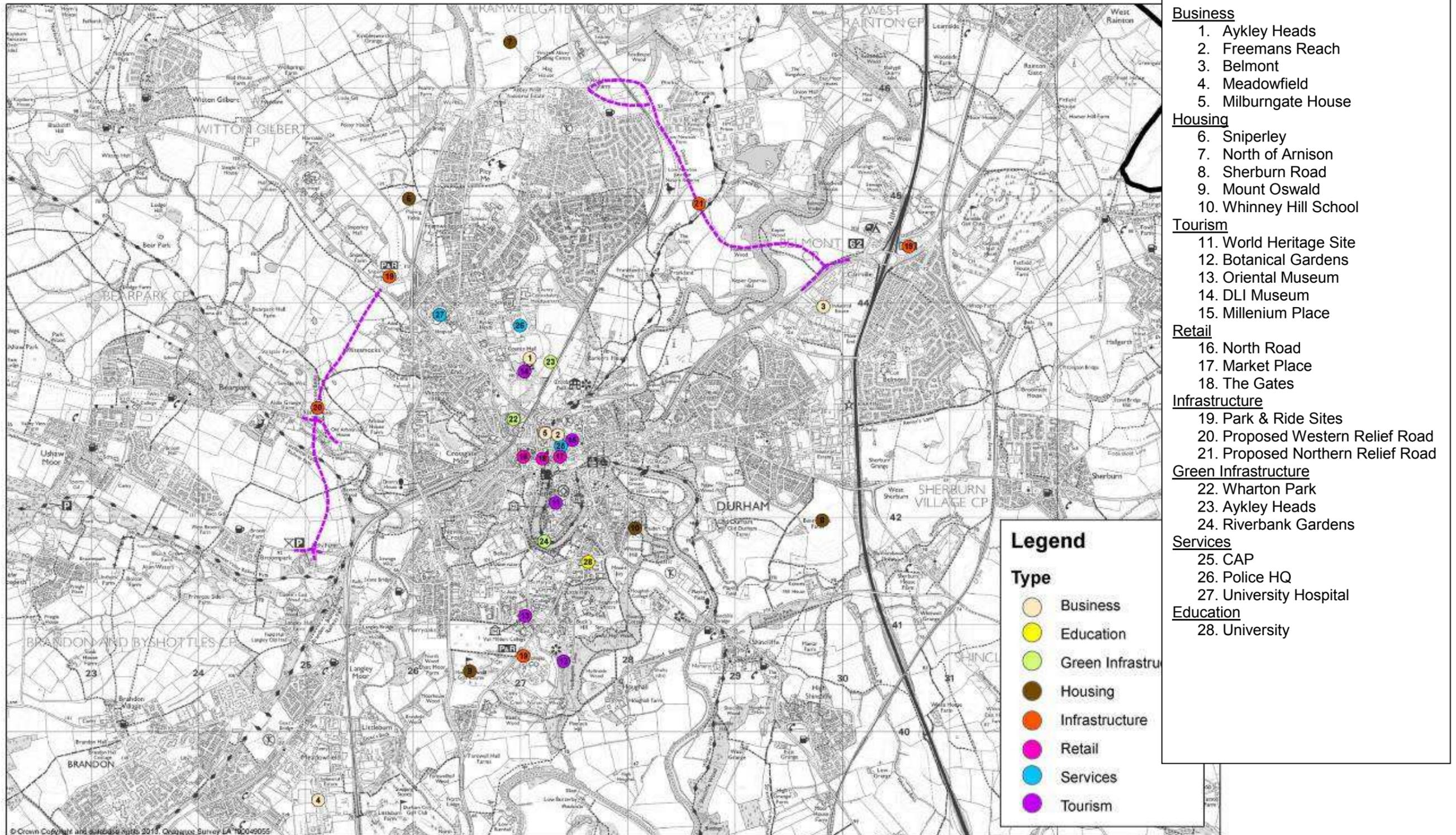
Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
	University (Site disposals) <ul style="list-style-type: none"> • Territorial Lane car park/ Elvet Waterside car park • Land off Potters Bank • Land off Green Lane • Palatine House & site • Part of the Leazes Road site 	Details to be refined			
Education & Social Regeneration, Education, Job Creation, Children & Young People.	Ushaw College	2013	To be determined by feasibility exercise, but a sustainable future for the site is being examined, with potential for a new university college, re-use of the chapel/library and development of other assets.	College Trustees/ Durham University/ DCC	To be determined.

Other Projects

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
Education & Social Regeneration, Education, Job Creation, Children & Young People.	AAP Projects <ul style="list-style-type: none"> • Activities For Young People • Supporting Voluntary & Community Groups • Funding Durham Pointer Volunteers • Supporting the Vulnerable 	2013/14	Various	AAP and delivery partners	£572,200 plus external finance.
Education & Social	Additional Secondary	By September 2014	60 new school places in	DCC	£300,000

Theme and Strategy	Project Activity	Timescale	Projected Outputs	Project Lead & Partners	Budget Details
Regeneration, Education, Job Creation, Children & Young People.	School Places		Durham City area		
Education & Social Regeneration, Education, Job Creation, Children & Young People.	County Durham Apprenticeship Programme	Ongoing	<p>Assisting the creation of apprenticeship opportunities for unemployed individuals who live in County Durham and are between 16 – 24 years of age.</p> <p>The Programme will predominantly focus on creating additional opportunities within the private sector, especially SMEs with less than 50 staff.</p> <p>Ongoing priorities are for apprenticeships in engineering and manufacturing and also in retailing via the BID.</p>	DCC & Private Sector	Budget established but not specific to Durham City.

APPENDIX 2 – MAP OF KEY PROJECTS & OPPORTUNITIES



APPENDIX 3 – SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ▪ Sub-Regional Centre serving wider county ▪ Excellent regional road links ▪ Large catchment population within 1 hour drive ▪ Public transport accessibility – EC Mainline, 2 regional airports and bus. ▪ Significant employment/administrative centre ▪ Prestigious higher education destination (Durham University) ▪ Britain's favourite building (to which there is no admission charge) ▪ Established heritage tourism destination ▪ Wide range of bars & restaurants ▪ Attractive, historic centre ▪ High quality public realm ▪ Higher order retail offer with wide range of comparison multiples (M&S, Next etc) ▪ Retail distinctiveness due to presence of high quality, niche independents ▪ Popular indoor market ▪ Strong housing market ▪ Very low levels of crime 	<ul style="list-style-type: none"> ▪ Employment profile is overly dependent upon public sector ▪ Relatively small and transient population compared with other “historic” cities ▪ Parts of the highway network currently experience congestion and delay especially in the peak hour periods ▪ Hilly topography and risk of flooding ▪ Challenges to development by the World Heritage Site, conservation area and historic core ▪ Difficulties in accessing the WHS ▪ Tourism offer not sufficiently broad to attract families with younger children ▪ Lack of a defined central business district ▪ Lack of a supermarket within the centre and lack of larger footprint stores and ready development sites ▪ Lack of department store anchors and boutique fashion retailers ▪ Student dominance of housing in central areas ▪ Steep access to the station from the centre ▪ Cultural quarter – at present, there is no real focus for this in spatial terms, although Millennium Place might offer a solution. ▪ Conflicting agendas - of major institutions who are landowners in Durham.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ▪ Scope for major, central business district, based around Aykley Heads, Milburngate House & Freeman's Reach ▪ Potential for significant new housing developments both within the central core and, subject to Green Belt releases, on the fringes ▪ Opportunities to grow Durham as a tourism destination and enhance links to other attractions in the county ▪ Key, large sites are predominantly in public sector ownership ▪ Scope for conference facilities ▪ Opportunities for mainstream supermarket, department store and high-end fashion retail within the central core. ▪ Opportunities to grow the retail and evening economy via BID, Best Bar None, Nightsafe etc ▪ Improvement and promotion of the riverbanks and opportunities for development with good green credentials. ▪ Potential to increase leisure for young people 	<ul style="list-style-type: none"> ▪ Wider economic weakness and low growth may undermine viability ▪ Lack of finance to support regeneration/property schemes ▪ Ageing population ▪ Dependent upon economic conditions, projected losses of public sector employment may not be matched by expansion of private sector activity ▪ Costs of land assembly may prove prohibitive ▪ Durham's potential to attract investment will face strong competition from across the region and from wider afield ▪ Further pressure from out-of-town retailing & internet shopping ▪ Increased competition from regional centres ▪ Loss of shops to non-retail uses

APPENDIX 4 – FORMER DURHAM CITY VISION PROJECT MONITORING LIST

Project	Current Status	Continued Monitoring/Action
Milburngate House redevelopment	Development Brief Complete NS & I marketing site	High priority for facilitation as required
Palace Green Law Library redevelopment	Complete 2013	No further action
Mount Oswald	Planning application submitted	Monitor
Old Shire Hall	Marketed by HCA with sale understood to be agreed	Monitor
Houghall		Monitor
County Hospital	Marketed, proposals to be progressed by Health Trust	Monitor
Rail Station Improvements	Complete	No further action
Elvet Place	Elvet Waterside. Development brief being progressed	Priority for action in partnership with University
St Hild & St Bede	Now included in University development plan	As action on development plan
University Gateway Project	Complete Autumn 2012	No further action
University Business School	Now included in University development plan	As action on development plan
Bio-Physical Sciences Institute	Established 2007, Now included in University development plan	As action on development plan

Project	Current Status	Continued Monitoring/Action
Cathedral Riverbanks Management Scheme	Project underway	
Cathedral Interpretation Project	Now evolved as Cathedral's Open Treasure initiative, first phase Autumn 2012	Monitor, support as necessary
Lighting Strategy	Castle and Cathedral relighting complete Dec 2012. City centre streetlighting 2013/2014	Continue implementation through major projects
Signage Strategy	Phase 1 railway Station complete 2010, Phase 2 City Central area complete Autumn 2011. Peninsula and city centre 'gap' remains as primary focus	Priority for Phase 3 for Peninsula and gaps, implement through major projects
Retail Distinctiveness	DCV report produced 2008.	Monitor – potential factor in new city centre development
Events	Following DCV inception of new events this is now part of DCC activity	Support as necessary
The Necklace Park	Following DCV inception this is now part of DCC activity	Support as necessary
Transport Innovation Fund	Reports produced , work now subsumed into County Durham Plan and supporting work	Incorporated in new proposals
City Centre Business Development	BID progressed to vote stage	Priority if agreed

APPENDIX 5 – DETAILED STRATEGIC FRAMEWORK

A5.1 The Plan for the Future

In March 2012, the Government issued the National Planning Policy Framework. This new guidance requires the council to prepare a Local Plan (**the “County Durham Plan”**). Local councils have the option to prepare Neighbourhood Plans, which reflect the needs and priorities of their communities. The council is currently preparing the County Durham Local Plan, adoption of which is anticipated in Summer 2014. The County Durham Plan will set out a spatial vision and objectives for County Durham to 2030 and contain policies that guide development and change in the county for the next twenty years. The development of the County Durham Plan is based on an extensive and comprehensive evidence base which is available to view on the council’s website at <http://www.durham.gov.uk/ldf> . The evidence that underpins the preparation of the County Durham Plan also supports this regeneration masterplan. A public consultation exercise in relation to the Pre Submission Draft of the Plan was completed in December 2013 and the anticipated timetable for progressing the plan is:

- Examination in Public – July 2014
- Adoption of County Durham Plan – November 2014

A5.2 The Spatial Context

Within the emerging County Durham Plan, the preferred Spatial Vision and Objectives and Spatial Strategy recognise both the role of Durham City as a distinct driving force of economic growth for the county and the need to realise its potential. Durham is to be a strong focus for new employment opportunities, accompanied by complementary new housing and retail development. New infrastructure required to support this growth is to be directly linked to the delivery of new development.

The emerging spatial requirements from the preparation of the Local Plan establish a number of targets for provision in Durham via a series of studies which review the capacity of retail space, employment land, housing requirements and infrastructure needs.

A5.3 *Helping Business to Grow*

County Durham's productivity has declined since the 1990s and has remained static at approx 61% of the UK average for the last few years. The shift away from manufacturing toward public and private services has had an adverse effect on the county's ability to add economic value.

The thrust of the council's strategy (as expressed in the Regeneration Statement and the emerging County Durham Plan) is to concentrate on improving the employment prospects of County Durham residents, diversifying the business base in order that it may add increased worth and strengthening the County Durham economy as a whole. Durham City is an asset and the World Heritage Site is at the centre of its distinctiveness. However, Durham's limited scale and offer as an employment and population centre prevents it from playing a much bigger role in the county's economy. Durham needs a critical mass of employment, population and visitors to build on opportunities and become a city of regional, national and international significance.

The council's strategy is based upon releasing Durham's untapped potential by continuing to facilitate investment in and around the city to deliver a significant share of a 'step-change' in the economic growth of the county. By utilising council assets, supporting private sector development and promoting Durham as a place to invest, it's offer will be improved, creating more diverse employment opportunities, stimulating further housing demand and development and enabling transport infrastructure improvements. Improvements to physical infrastructure will be complemented by enhancements to the economic, environmental, social and cultural infrastructure.

The council's strategy for Durham therefore seeks to:

- Exploit the city's potential as a major retail, business and residential centre, academic hub and visitor destination. Central to this approach is the development of a core business quarter at Aykley Heads, a housing offer that complements economic growth, a visitor offer that encourages visitors to stay longer, together with the associated infrastructure needed to support this growth.

- Deliver the cultural and tourism ambitions for Durham which will benefit the entire county.

Business Durham provides support to the business community in County Durham and is the business gateway to Durham County Council. It is led by an advisory board which is comprised of leading council members and representatives of the county's business community. Business Durham is the first point of contact for businesses operating in the county (or considering doing so) and provides a range of services, centred around:

- Offering advice and guidance to support the growth and development of business;
- Signposting businesses to relevant contacts within the council for services that they may require;
- Promoting enterprise and business start-ups within the county and working with partners to raise aspirations and encourage entrepreneurial activity;
- Organising business events and trade fairs, ensuring a strong presence from key, influential businesses;
- Providing routes to business support and financial assistance;
- Offering a service to find land and premises;
- Working with UKTI as the county's strategic lead in trade and export and inward investment; and
- Supporting NETPark and its occupiers, including Durham University, the Centre for Process Innovation and numerous, growing high tech businesses.

The **North East Local Enterprise Partnership ("LEP")** is a partnership between local authorities and businesses in Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside, and Sunderland. The Partnership was formed with a view to enhancing economic growth across these areas. The vision for the North Eastern LEP is to deliver

smart, enterprising leadership between the private sector, local government, higher and further education to rebalance the economy, and create Europe's premiere location for low carbon, sustainable, knowledge-based, private sector-led growth and jobs.

The LEP aims to:

- Ensure that the North East maximises its contribution to national economic growth and rebalancing the national economy;
- Ensure delivery of functions where they can be most effective;
- Recognise the distinctive economic circumstances and potential of the area; and
- Build on and sustain the strong leadership and partnership working between the business and public sector, underpinned by strong governance and democratic accountability to local authority leaders and elected mayors working together.

The council is promoting County Durham's abilities to help meet these challenges to the LEP and will continue to do so. This has particular significance for the successful delivery of new business space within Durham City and the infrastructure that will be required to support it. Private engagement and private sector growth will be encouraged and supported by sustainable approaches to channelling public infrastructure investment and through growth.

In terms of the strategy for encouraging further expansion of the visitor economy, the emphasis of the approach will be upon the quality of product to drive profitability and growth. Seasonal fluctuations in visitor numbers and expenditure in Durham will be addressed by a broadening of the approach to the visitor economy to focus on conferences, meetings and incentive travel in order to boost out-of-season and mid week visits. Investment in culture and creative industries will create a new supply chain which will also be relevant for the conference market.

A5.4 The Strategy for New & Better Homes

The council agreed a new, over-arching housing strategy for the county last year. The “**Building Altogether Better Lives Housing Strategy**” sets out how the council and its partners will deliver the Sustainable Community Strategy’s ambition of “creating sustainable places where people want to live, work, visit and invest”.

There are three key objectives for the housing strategy:

- Altogether Better Housing Markets – the role that housing plays in regeneration. This is intended to secure the building of more new housing, with a range of housing types and tenures to meet the economic and social needs of the county and a more joined-up approach to regeneration and delivery;
- Altogether Better Housing Standards – how we improve the quality of existing homes, including energy efficiency and the Decent Homes Standard. This is geared towards providing more Decent Homes, fewer empty homes, improved management standards in the private rented sector with enforcement taken against problem landlords, warmer homes and safer homes; and
- Altogether Better at Housing People – quality of housing management services, support and advice. This is aimed at securing more and better homes for vulnerable groups, more and better support services for vulnerable groups and higher quality housing services in the public and private sectors

A5.5 Broadening Our Offer to Visitors

Although Durham’s visitor economy has been growing steadily in recent years and now supports 10 per cent of the city’s workforce, there is some way to go to catch up with destinations that are comparable in terms of assets and make up.

Fulfilling Durham’s potential as one of North East England’s lead destinations and attracting visitors to the region from across the UK and overseas will significantly increase the economic impact of the visitor economy in our area and could almost double the number of jobs supported. As a result, the top priority of the Durham Tourism Management Plan (DTMaP)

2012-2016 in relation to Durham is to optimise its potential to attract visitors to the county and the region – particularly staying visitors – by making it a viable 48 hour stay. This is to be achieved by developing a destination development plan and investing in new visitor attractions that will have a national profile and recognition. Furthermore the longer visitors stay in Durham, the more likely they will visit surrounding attractions in the county.

The Tourism Management Plan has been augmented with more detailed studies and action plans that provide evidence in support of development and show the best routes to grow the visitor economy. These include the Durham City Destination Development Plan, a Durham Visitor Segmentation Study, a Durham Visitor Accommodation Study and a Durham Meetings and Conference Study.

A5.6 A Strategy for Retailing

The **North East Retail Study**, published in early 2011, identifies that apart from Newcastle and Sunderland city centres, MetroCentre, Middlesbrough and Darlington town centres, all the other town and city centres, including Durham City, are relatively insignificant in regional terms. Furthermore, the regional retail hierarchy identifies Durham as a third tier centre below Darlington and Middlesbrough and on a par with Stockton, Hartlepool and South Shields.¹³ The concern with this hierarchy is that retailers will look to concentrate in the higher tiers to the detriment of Durham.

If Durham is to achieve an improvement in the quantity and quality of retail provision then it is clear that extra expenditure linked directly to the city needs to be generated. New, high quality housing in Durham will increase the total population in the catchment of the city centre. It will also attract a population with higher than average household income. This will inevitably make Durham a more attractive location for retailers, particularly at the higher end of the market. Attracting these retailers will increase the vibrancy and vitality of Durham and the central core in particular. The impact of building new housing in close proximity to Durham City was tested in the 2010 **Retail and Town Centre Needs Assessment** and found that an uplift in total expenditure of over £80 million would result.¹⁴

¹³ North East Retail and Leisure Study (February 2011) One North East

¹⁴ County Durham Retail and Town Centre Study (April 2010) GVA Grimley

Additionally, and in keeping with objectives to increase the length of visitor stays through expanding the tourism and leisure offer, Durham's retail sector would benefit from the introduction of "family friendly" attractions and events.

Durham has recently established a Business Improvement District further details of which can be found at sections 5.6 and 6.6.

A5.7 Planning for New Infrastructure

The draft **County Durham Infrastructure Delivery Plan ("IDP")** describes County Durham's infrastructure requirements until 2030 and was developed in partnership with providers to identify infrastructure needs, delivery costs, and other barriers relating to infrastructure delivery. This also helps partners make efficient decisions about their own investment programmes. It has been developed in co-operation with adjoining local authorities to assess cross boundary implications regarding infrastructure provision.

The IDP schedule provides evidence of where investment is already happening in County Durham as well as highlighting where it is required in the future and where the major funding gaps are. The IDP will contribute to forward planning for communities, developers and investors around County Durham.

The report highlights some of the key development aspirations of the County Durham Plan, including where future housing and employment will be located, and identifies those places where investment is needed in the future. The document also focuses on the physical infrastructure which is essential to supporting development in the county. It includes sections on transport, broadband, energy provision and utilities.

The IDP also considers the social infrastructure, which is crucial to improving communities. It includes sections on medical care, emergency services, education facilities, community buildings, sports facilities and also a section on the tourist economy.

Finally the IDP sets out some of the funding mechanisms that may help to deliver new infrastructure in the future and an Infrastructure Delivery Plan Schedule.

A5.8 A Focus on Green Infrastructure

Green Infrastructure is also included in the IDP and its impact is referenced throughout the document, highlighting how green infrastructure can help contribute to the overall aims of other physical and social types of infrastructure. For example, accessible green infrastructure could have a large impact on visitor stay.

In addition and to accompany the County Durham Plan, the county has a green infrastructure strategy¹⁵ to:

- Identify which elements of green infrastructure are significant and should be protected;
- Identify where there are shortages in particular types of green infrastructure – for example, which settlements have insufficient parks and play areas;
- Identify the best opportunities for green infrastructure and creation – where investment could have the greatest beneficial effect or where resources should be focused;
- Act as a basis for planning policy on green infrastructure in the context of new development – showing how new development can include sufficient good-quality green spaces and other green infrastructure features; and
- Provide a framework to access funding.

A5.9 Service Planning for the Future

As part of the evidence underlying the emerging County Durham Plan, the council and its partners in provision have reviewed the service capacities and arrangements across the county, with divisions being drawn into 5 geographic zones.

¹⁵ County Durham Green Infrastructure Strategy September 2012

This forms evidence as to the provision of social infrastructure and services that will be required in order to support the growth of the city and is embodied within the County Durham Infrastructure Delivery Plan.

The necessary, future investments in infrastructure is illustrated in a series of maps and includes potential investments in GP surgeries, primary and secondary schools, children's integrated teams, tourist attractions, libraries, sports facilities and major green infrastructure projects. It is acknowledged that future housing will create more demands on social and service infrastructure. The tourism destination plans have also been included within this element of strategy, along with the Transit 15 project investments as they both relate to the needs of service infrastructure.

In terms of public service providers in Durham, it is desirable that most remain for the long term in order to provide the required services, administrative functions and employment. Whilst there is a current imbalance towards public sector employment it is envisaged that this should be addressed in general terms by introducing more private sector employment as opposed to losing public sector jobs. The council is therefore supportive of retaining key partners in Durham. As examples, a new police HQ is under construction, the future presence of NS&I has been secured and discussions are ongoing in order to ensure that the future operational requirements of the Identity and Passport Service can be met. In the main, public sector and administrative functions should be encouraged to remain in Durham – indeed many have little option.

The council itself is a major presence here and is arguably the only major public sector employer that is able to relocate functions away from the centre of Durham without adversely affecting service delivery. As an older, administrative building, County Hall is, by comparison to modern equivalents, inefficient and costly to run with major liabilities in terms of energy use, maintenance and repair. A review of operating costs and potential options is currently taking place. From the perspective of the regeneration masterplan, the redevelopment of the County Hall site as part of the development solution for a business quarter based upon Aykley Heads is a significant opportunity and the council has a major role to play in enabling development to take place. In addition, the relocation of some council functions to the heart of the central area could provide other opportunities, such as supporting conferencing facilities. It is recommended that these concepts be explored in significant detail to understand how best the council can use its holdings and influence to support new development.

A5.10 Protecting & Enhancing Durham's Historic Core

The council's approach to Durham's historic core is based upon taking the World Heritage Site as a starting point, adopting a co-ordinated approach, with the cathedral and the university and implementing appropriate public realm works. Examples of previous intervention by the council (in partnership and on its own account) are the improvements to the Market Place and the major approaches to the World Heritage Site and jointly funding the new WHS visitor centre. The council has also adopted an advisory lighting and darkness strategy and produced a signage strategy to improve legibility within the city for the benefit of visitors and to improve the night-time setting for the WHS and the wider historic core. A council project to reconfigure the lighting of the castle and cathedral has recently been completed.

The council has been conducting a city centre conservation management appraisal and emerging management proposals will affirm the future strategic direction for the historic core. The World Heritage Site (WHS) management plan is under review for its 5 year update under the joint control of the WHS Committee.

The on-going development plan for Durham Cathedral covers buildings, music, visitors and the cathedral's interaction with the community. As a result of a feasibility report on the development potential of the World Heritage Site, the cathedral is pursuing a major visitor project, "Open Treasure", that will provide better access and facilities for visitors including world class displays from the cathedral's extensive and valuable collections. The first phase, which opened up a medieval undercroft to provide a new cathedral shop and foyer with a platform lift to the cloister, was completed in 2012. Work on the second phase, costing £7 million and comprising conservation and upgrading works to the Great Kitchen and the Monks' Dormitory together with the creation of a new Collections Gallery to link the two historic spaces, is due to start in 2014. The Heritage Lottery Fund is supportive of the project and a final bid is being submitted in Summer 2013. Substantial match funding is still to be secured.

Durham University has adopted an Environmental Sustainability Policy and Strategic Plan which is geared towards maintaining, and wherever possible, improving the quality of the environment, both for the people who live and work in the university and for the wider community. So far as Durham's historic core is concerned, this involves joint working with the council and the cathedral. The university has also delivered a £10 million project at its Palace Green Libraries to conserve the historic Cosins Library, develop the Wolfson and Dunelm Galleries and improve the offer to visitors.

A5.11 Education Strategy

In general terms, the university's strategy to 2020 is built upon achieving a range of key objectives:

- Building upon a reputation for research;
- Delivering the highest standards of education;
- Becoming a "World University" through improved overseas links and increasing the percentage of international students;
- Sponsoring a sense of place and community; and
- Meeting long-term financial, social and environmental responsibilities.

The strategy provides for a growth in student numbers with an additional 700 students by 2015 and 2,000 by the year 2020. For its estate, the university is seeking to implement a programme of capital investments which will support an estate strategy founded upon:

- Providing students with attractive learning and living accommodation;
- Supporting activity in all parts of the university through the provision of high quality, flexible accommodation;
- Co-locating academic departments and making new buildings capable of adaptation;
- Using space efficiently and reducing both energy use and carbon emissions; and
- Supporting the renewal of accommodation and creating adaptable capacity

The university has prepared a development framework for its Durham estate in order to establish principles for long-term estate management. These include the creation of better linkages between sites (particularly for pedestrians and cyclists), transforming the landscape of some sites and demolishing and replacing inefficient stock.

The programme of investment covers projects on the Peninsula and in Elvet, Leazes Road, the Science Site, the Hill Colleges and Durham Business School.

The programme will be funded from a variety of sources and will include the recycling of receipts from disposals of land and buildings for housing/residential college redevelopment. Five such sites are involved at:

- Territorial Lane car park/ Elvet Waterside car park
- Land off Potters Bank
- Land off Green Lane
- Palatine House & site
- Part of the Leazes Road site

The Council's Pupil Place Planning (PPP) function assesses the need for local primary and secondary school places to ensure that every child has a place in a state – funded school in County Durham.

A5.12 A Co-ordinated Approach

The work of Durham City Vision has been subsumed into the regeneration work of the council. The former Vision projects have been divided into a priority list for action and those to be monitored. Priority schemes for continued council intervention and support are:

- Freeman's Reach (former ice rink site) and Milburngate House
- North Road
- Elvet Riverside
- Claypath and Millennium Place
- Riverbank gardens (dependent upon landowner sponsorship of projects)
- Final completion of the Heart of the City project and Lighting and Signage strategies

At present, the council is maintaining a "watching brief" (including potential support if required and if funds allow) for a range of further projects. A list of these is provided at Appendix 4.

In the past, the delivery of regeneration projects has fallen to the public sector, using finance from the Regional Development Agency and European Regional Development Fund and linking with local authorities, other key public sector institutions and the university.

In the future, the public sector is likely to adopt a strategy which is based upon co-ordinated asset release and the use of policy to stimulate and facilitate projects, working in partnership with the private sector to unlock funding and some key private ownerships around the city centre.

The council employs a city centre manager with a brief to enhance the economy of the city through liaison with retailers, other businesses, the police and emergency planning services. Businesses within the city centre have voted recently in favour of a Business Improvement District. The BID Board will seek to align its activities with the emerging projects broad forward by the council.

A5.13 Engaging with Communities

Area Action Partnerships (“AAPs”) were established in 14 areas across County Durham as a key way of engaging with both local people and other organisations and partnerships that operate within those areas. The main priority of the AAPs is to ensure that action is taken to deliver quality, cost effective services that meet the needs of the local area. The AAP covering the city stretches from Pitlington, Sherburn and Ludworth in the east, to Bearpark and Witton Gilbert in the west and encompasses all of the city centre and is known as Durham AAP.

Currently Durham AAP’s priority areas for action are:

- **Activities for Young People**
There were 10 projects supported financially during 2012/13 ranging from Boccia for disabled children to the One Big Story when a number of schools came together to write a chapter for a book.
- **Supporting Voluntary & Community Groups**

The Small Grants fund supported over 20 groups from Cricket clubs to afterschool clubs with small scale awards for equipment and days out, etc...

- **City Centre Issues**

The Durham Pointers were supported by the AAP these are the volunteers in the Market Place who provide face to face information to visitors. They have now been shortlisted for a North East tourism award.

- **Supporting the vulnerable**

New for the AAP this is looking at the impact that welfare Reform is having upon the most disadvantaged in our communities.

- **Area Budget**

The Area Budget is an annual allocation of £120,000 which is made to each Area Action Partnership to support community led initiatives that meet local needs whilst impacting upon County Council priorities. The Area Budget has been provided to encourage community participation in decision making. The Durham Area Budget 2011/12 was used to fund 15 different projects across the priority areas outlined above.

- **Neighbourhood Budget**

The Neighbourhood Budget is an annual allocation of £20,000, which is made available to Durham County Council elected members to support the improvement of social, economic and environmental well-being activities in their area. There are 13 County Council elected members within the Durham AAP area and another 8 shared with two neighbouring AAPs, equating to a potential spending power of over £400K per year.

- **Highways Budget**

The Highways Budget is an annual allocation of £5,300 which is made to each Durham County Council elected member and is designed to impact on priorities identified within the Local Transport Plan.

- **Members' Initiative Fund**

The Members Initiative Fund is an annual allocation of £2,000 to each Durham County Council elected member. The aim of MIF is to tackle neighbourhood priorities in an expedient and simple way. It is there to support community and voluntary groups to develop their effectiveness and support them to respond to community and neighbourhood needs.

More information on the Durham AAP can be found at www.durham.gov.uk/durhamaap

APPENDIX 6 – DETAILED ASSESSMENT OF KEY ISSUES & CHALLENGES

A6.1 Key Facts

- The population of Durham and its immediate surroundings at the year 2010 is 54,500¹⁶. The population of the city as a whole decreased by 6.9% between 2005 and 2010. Simultaneously, Durham's population of retirement age increased by 6%.
- When student numbers are removed from demographic analysis, Durham has an ageing population which is weighted towards the age groups from 50-74. It also has lower birth rates than the rest of the county (as a result of the large student population). This has implications for future service provision and means that Durham will, in future, be lacking in a population of key working age.
- The levels of deprivation within Durham are lower than county and national averages, although there are pockets of deprivation within the AAP area.
- Durham has the lowest rates of worklessness in the county and very low claimant rates for all key benefits. Levels of health are comparable to those nationally (and therefore better than the rest of County Durham).
- Business and employment has been growing, however there is an over-reliance on larger businesses and public sector service providers as providers of employment and economic activity.
- Crime rates are below the county average.

A6.2 A Challenge to Business

The centre of Durham lacks a professional quarter and lacks a supply of office accommodation and opportunity sites for development. The development industry considers that Durham is constrained and constricted by the existing built

¹⁶ Durham City Area Action Partnership Profile 2010

environment. Office users have located at edge of urban area locations on business and industrial parks. A solution that unlocks office development and employment is required. Freeman's Reach is an example of the council working in partnership with the private sector and other public bodies to bring forward a constrained site for redevelopment.

Similarly, there has been a need to identify a potential supply of industrial land and premises to serve both Durham itself and some of the outlying areas. The industrial estates at Belmont and Bowburn are approaching full development, leaving only Meadowfield (where there has been a recent preponderance of office schemes) as a potential land bank. Durham Green at Bowburn is well-positioned close to J61 of the A1(M) and holds planning permission for nearly 93,000 sq m of business space. The site has however failed to generate many enquiries to date.

Nationally, there are pressures on the availability of funding to support businesses whether through capital investment or support for training or other ongoing costs. Newer funding streams, such as Regional Growth Fund and Growing Places Fund may not necessarily provide all the solutions or finance required to fully support businesses to the extent that we would like to. It is therefore a key challenge to access additional sources of finance for the benefit of the county's existing and future businesses.

By nature, the county has finite resources in terms of skilled employees. The recent announcement that the Agility Trains consortium will create 900 jobs in the engineering sector in the county¹⁷ and stimulate further supply chain employment creates a certain degree of consternation amongst the county's existing engineering businesses in terms of retaining key staff and skilled employees. There is a challenge to ensure that there is a pipeline of suitably skilled staff to ensure that the county's residents can take advantage of new employment opportunities and that both new and existing companies have a sufficient pool of labour from which to draw.

As the North Eastern LEP develops, it is a key challenge for Durham to establish how it can best play its part in complementing the aims and objectives of the LEP in delivering economic growth in a regional context and how the city can secure support from the LEP in return. This masterplan advocates a "place marketing approach" for Durham which illustrates

¹⁷ Agility Trains is a consortium comprised of Japanese company Hitachi and John Laing of the UK. The consortium has been awarded a £4.5 billion contract to assemble 92 trains as the successor fleet to the InterCity 125. The facility will be based at Aycliffe Industrial Park, County Durham and employ circa 900 staff. The development will start on site in 2013 and be operational by 2015.

its unique character and its offer to business as a high quality environment, a seat of learning, a new technological enterprise and a growth centre linked to the rest of the UK by excellent rail and road links.

A6.3 Meeting the Demand for New Homes

Limitations in the availability of housing areas may detract from Durham's ability to secure the development of employment areas and to house a growing population based upon an influx of people of working age. To address this, alongside a desire to provide more sustainable transport alternatives, a number of locations on the periphery of the urban core have been identified as areas where housing could be developed to meet requirements. This presents substantial challenges in releasing land for development from the green belt whilst protecting the natural environment that forms a large part of Durham's attractiveness, in determining appropriate timescales for release of land and housing delivery rates, in securing developer contributions to the infrastructure that growing Durham will require and in determining the financing mechanisms and timescale for delivery of major, supporting infrastructure.

There are tensions within the housing sector between houses used for multiple student accommodation and private homes, particularly around Hawthorn Terrace and Whinney Hill. In late 2012, developer Connislow was granted planning permission for 223 student flats in 4 blocks on former garage premises in Ainsley Street at Flass Vale.

It is a challenge for the university and its partners in Durham to resolve such issues and to look, with private landlords, at good practice in other university cities in terms of accreditation for the private housing market. Durham has approximately 1,600 houses in multiple occupation (essentially "student houses") of which only an estimated 350 are presently covered by a mandatory system of licensing.¹⁸ There are issues around how to deal with any vacant housing stock within the city, the provision of refurbished and new social housing stock and the role of the council in conjunction with the Homes & Communities Agency and Registered Social Landlords in determining the best use of stock and assets.

¹⁸ Mandatory licensing only applies to "large HMOs" defined as those of three or more storeys or five or more tenants forming more than one household. Housing Act 2004.

A further, key issue both for rented and owned housing is that of affordability, given Durham's current role as a service centre for the public and voluntary sectors, a university city and an area within the top quartile of northern region house prices and rents. In July 2012, there was a waiting list of over 3,000 for social housing in Durham.¹⁹

A6.4 The Key Challenges for Tourism

The key challenges for Durham's tourism and visitor economy are to build upon the existing strengths in order to **attract more visitors who will stay longer and spend more in the local economy and to develop a critical mass of product which will make a 48-hour stay in Durham a viable proposition**. The key priorities are to invest in projects that will serve to:

- Attract more higher-spending visitors on short breaks who like traditional experiences or discovering new, intriguing ones.
- Utilise Durham's brand as a unique, special and authentic city in order to create a distinctive market positioning relative to competitors.
- Keep making the most of Durham's assets in the first instance but also invest in new visitor facilities in order to be more competitive.
- Maintain Durham's image of a place that is seeking tourism inward investment and which can and will support making that investment happen.
- Deliver a consistently high quality and 'rounded' destination experience across the seasons, investing in Durham's smaller attractions, using markets and activities to increase the city centre capacity in the day time and early evening and by managing signage and transport.
- Provide continued investment in high quality public realm to support the quality of Durham's natural setting and built environment.

¹⁹ Source – Draft Report of Durham Area action Partnership Housing Task Group.

- To offer better transport links between the World Heritage Site and historic centre to both the excellent visitor attractions in other parts of Durham (for example the Oriental Museum, Botanic Gardens, Finchale Abbey and Adventure Valley) and further afield (eg Beamish, Auckland Palace and the cricket ground on match and concert days). The visitor needs to know that a trip to Durham can include trips to the county's excellent countryside and other attractions with ease.

A6.5 Retail Priorities

Nationally, the "high street" continues to struggle in a climate of disadvantageous trading conditions caused by the recession, falling disposable incomes and the restrictions on lending.

As a result, across the UK, the number of trading, town centre stores fell by 15,000 between 2000 and 2009 and one in every six shops is now vacant. Footfall had reduced by 10% in the three years to 2011²⁰. Pressure has come also from continued investment in out-of-town retail parks, large footplate supermarkets and internet sales, all of which have had an adverse impact upon the "high street". Few independent retailers are entering the market.

In Durham, the central area lacks a sufficiently stimulating retail offer, principally due to constraints to development, the restrictive nature of building footprints, declining footfall and difficulties in assembling sites of sufficient size to attract mainstream foodstores or department stores. Solutions are required for attracting high profile retailing investment, stimulating specialist retailing, offering clarity to the visitor, dealing with the North Road area and reversing leakage of spend to MetroCentre, Newcastle, Sunderland, Darlington & Middlesbrough.

More specifically, the centre of Durham lacks the mid to higher range boutique comparison retailers normally associated with sub-regional centres and although there is representation by most mainstream high street brands, they currently trade from small retail units which reduce the fashion product in comparison to the larger stores in higher order retail centres.

There is potential to enhance Durham's offer for destination shopping through the quality of the environment and its visitor offer which can also serve to attract those travelling in from a sizeable catchment within an hour's drive. The key challenges

²⁰ Dept for Business & Skills/Genecon 2011

are to improve daytime retail performance and the council views the introduction of tourism/leisure attractions that offer broad appeal as a priority.

A6.6 New Infrastructure

Key central junctions and routes suffer from significant traffic congestion at peak times. Milburngate Bridge, Gilesgate Bank and junctions on the A167 are worst affected. Circa two thirds of traffic is “through traffic”. There is a challenge to re-organise the road network whilst enhancing the vitality of the centre of Durham and not simply moving congestion to other points. This is crucial if a central business quarter is to be developed. The transport solution also needs to consider servicing arrangements to premises in the heart of Durham. The “Park & Ride” scheme is seen as a success and there is pressure to increase the number of sites and operating hours. Car parking charges are viewed as expensive, particularly when compared to other centres. Creating an infrastructure and environment that can encourage new development and investment is a key priority and requires a clear strategy for delivery.

There is also a degree of tension between the need to preserve the quality of the historic environment on the Peninsula and the need to service the various requirements of the educational, religious, cultural and other uses that inhabit the area. The co-ordination of essential traffic remains a challenge which needs to be addressed in order to ensure that additional visitors can be attracted to the area.

The River Wear poses a risk of flooding to Durham and, currently, the banks of the river are breached when a 5-10 year event occurs. The Wear drains the North Pennine Moors between Killhope Law and Burnhope Seat. There are many streams in this area that eventually come together to form the start of the River Wear at Wearhead. As the river flows through the catchment, it passes through a gentler agricultural landscape of wider valleys and more open floodplains. The river is joined by the tributaries of the River Gaunless and River Browney in this middle section before reaching Durham. In Durham, there is the potential for a large number of people and businesses to be affected by flooding and there are further flood risks across the wider locality. In total there are 473 properties at risk from the one per cent flood, this may rise to 504 in future scenarios²¹. Current flood risk management activities and defences in parts of the sub-area reduce this risk. The

²¹ Source – Wear Catchment Flood Management Plan – The Environment Agency – December 2009

Environment Agency performs a number of flood risk management activities in the sub-area, including regular inspection and clearance on channels and offers a flood warning service. Additionally, the river is within a pilot area for the implementation of the Water Framework Directive.²²

Whilst there is widespread and significant flood risk to Durham, for the purposes of this regeneration masterplan, particular attention is being paid to identifying mitigation measures that will focus on key redevelopment sites such as Elvet Waterside, Milburngate House and Freeman's Reach.

It is a major challenge to mitigate flood risk to levels which do not impact adversely on these development sites and Durham's ability to accommodate development generally. The precise requirements, costs and financing solutions are being examined currently.

A6.7 *Enhancing Green Infrastructure*

The riverside walks need tidying up generally, affording improved disabled access and developing as an asset and there remains significant potential in Peninsula green spaces. This is currently being addressed in part by the Cathedral Woodlands project which is supported by the Heritage Lottery Fund. The Riverbanks Gardens and Castle Walls offer substantial opportunity for further conservation and increased visitor attraction.

The improvement of Wharton Park is a key priority and, in July 2011, the council succeeded in securing a Stage 1 Heritage Lottery Fund Parks for People grant for £44,000 to produce a conservation management plan, visitor surveys and a business plan for the upgrade of the park and its facilities. The next steps are to complete a review of the project proposal for the park prior to submitting a Stage 2 bid to HLF.

The delivery of a regeneration masterplan needs to continue to involve the Environment Agency ("EA") and the Planning Policy team in order to ensure compliance with the EA's policies for:

²² Directive 2000/60/EC of the European Parliament and of the Council establishing a framework for the Community action in the field of water policy

- The promotion of green infrastructure along the riverbanks.
- Planning of future growth with respect to sewerage capacity.
- Planning of future growth with respect to flood risk management.

A6.8 Servicing Future Growth

Additional services will be needed as a result of new development, additional employment, new housing and an increasing/changing demographic. There are currently some 18,225²³ homes in Durham –an additional 5,120 new homes will represent an increase of 28% to the housing stock with a sequential need for additional service infrastructure.

The County Durham Infrastructure Plan identifies a series of key requirements for Durham as part of a county-wide approach to future service delivery for health, emergency services, schools and young people, community buildings, libraries and sports facilities. The principal findings from this evidence base are:

- Durham has sufficient capacity within existing health facilities for current and future demand based on natural population growth. However, the impact of the proposed housing numbers and associated population increase could have significant implications and could possibly require investment in new facilities particularly on the North and West areas of the city.
- There are no deficits in service provision by Durham Constabulary but the police service is developing new headquarters with a smaller footprint at Aykley Heads. Despite an increased number of walk-in centres, the ambulance service is always stretched. Ongoing changes to delivery of hospital services such as the centralisation of specialist services (e.g. neurosurgery at James Cook University Hospital, Middlesbrough) may mean crews have to make longer trips. The majority of fire stations in County Durham have capacity to accommodate a degree of housing growth and there are 6 new buildings planned; 2 are under construction, and 4 are awaiting ministerial sign-off.

²³ Source – Strategic Housing Market Assessment for County Durham 2012 – Arc4

- There is limited spare capacity in primary school provision in Durham. The council is looking at options to provide additional places. Forecasts suggest additional places are likely to be required over the next 5 to 10 years. Some of the surrounding villages may also require extra places. The requirement for additional school places is referenced in the Supplementary Planning Documents for each of the proposed sites to be released from the green belt.
- The Transit 15 bus scheme seeks to increase bus frequency between Durham and key settlements in County Durham and is now up and running. The links between the tourism offer and transport infrastructure is a key issue for improving both the tourist and transport offer in County Durham.

The recent Localism Bill strengthens the communities' rights to take over assets and the council is responding to this accordingly. Where buildings are currently managed by the council, support will be given to local community organisations to take on buildings for themselves. The challenge in both Durham and in the wider county will be how community buildings can be successfully managed so smart investment choices are made to ensure the buildings are viable as community hubs.

- The Sport and Leisure Strategy is explicit in proposing a shift in emphasis from indoor facilities to alternative approaches such as maximising the use of the outdoor environment and more targeted interventions more able to engage hard-to-reach groups.

A6.9 Balancing the Needs of Development with the Historic Environment

Although the historic evolution of Durham's centre leaves a legacy of site and access constraints it also offers opportunities within a range of historic buildings for appropriate reuse. New development is possible on larger sites close to the centre through careful design leading to both high quality new buildings and conservation of key historic assets. The increased cost of meeting high quality requirements is supported by the gain in value through maintaining prestigious settings. It also maintains Durham's national and international profile and encourages visitors.

A6.10 Enhancing Durham's Reputation for Culture

The masterplan has needed to take account of the review of the council's Cultural Strategy and emerging alternative policies for Durham as a result of the decision not to award City of Culture status.

There has been a need for a means to better co-ordinate and publicise events and to engage more effectively with businesses to raise Durham's profile on a regional, national and international basis. Central to this challenge is the use of place marketing. Durham has a place brand, "this is durham", and a set of brand values and assets that need to be used and referenced by all in order to create a critical mass of coherent and consistent communications to external audiences. The challenge is to achieve this critical mass and to embed the messages. This will be achieved through partnership working and "buy-in" by partners. There is a drive for "family friendly" leisure uses and more populist events to augment the "high brow" offer. Allied to the tourism agenda, there is a need to develop creative and tourism industries to achieve their full potential in contributing to the growth of Durham's economy. Across the county, there is a requirement to deliver a range of cultural schemes within specific communities to support their regeneration. The council seeks to support skills development to ensure that local people can benefit from opportunities in the cultural sector.

The role of the university is also important in this regard. It is an anchor institution embedded into Durham, contributing to the cultural offer as well being a major employer. As a top three UK university, a top twenty in Europe and a top one hundred in the world; transformative research and excellent teaching are at its core. The university's influence and impact is global, however there is significant potential to harness more of this for the benefit of local, cultural development.

A6.11 Challenges for Education Provision

There is a need for close alignment between regeneration proposals across Durham and the development plans for the university and to ensure that the university's influence on the local economy can be maximised. The central core needs to take full advantage of student spending whilst resolving, simultaneously, the tensions in housing.

There are concerns that young people are let down by a number of factors (for example public transport) and seek to relocate out of the county and the region for further education and employment opportunities.

A6.12 Co-ordinating the Delivery of Regeneration & Economic Growth

There is a need to account for the potential creation of initiatives and the implementation of the Business Improvement District and the Destination Delivery Plan together with the future role of “partner” organisations. Central to achieving a co-ordinated approach is ensuring that such initiatives complement each other, rather than compete or conflict.

The management of the evening economy is generally perceived to be good but there is pressure for a more co-ordinated approach to city centre management during the day.

Of crucial importance is the council’s ability to work with partners in order to maximise increasingly scarce resources for funding regeneration activity and to assist delivery in as efficient and effective way as possible.

As stated, the council has the potential to relocate services from County Hall to alternative locations in the wider county. In regeneration terms, this may offer substantial benefits in terms of:

- Utilising the County Hall site as part of a comprehensive approach to the development of Aykley Heads as a central business zone;
- Relocating core staff and political functions into the heart of the city centre. This would offer a range of benefits in terms of boosting expenditure in the central retail area and, potentially, supporting other activities such as conferencing;
- Rationalising the council’s accommodation arrangements to buildings which are fit for use and which achieve operational cost savings; and
- Assisting other areas within the county which could benefit from the presence of the council and its staff.

APPENDIX 7 – POTENTIAL SOURCES OF FINANCE

SOURCE	EXISTING/FUTURE MECHANISM	DETAILS
<p>Community Infrastructure Levy (“CIL”)</p>	<p>Existing</p>	<p>Introduced by the Planning and Compulsory Purchase Act (2004) to create a formal mechanism by which to secure developer contributions towards infrastructure or facilities associated with a proposed development scheme. CIL became operational on 6 April 2011 and the first few Local Authorities have started to produce charging schedules. Local Authorities will be able to pool money raised from CIL to spend on infrastructure requirements within their administrative area.</p> <p>Durham City will form part of the higher charging schedule with the CIL tariff to be set at between £5.57 per sq ft - £7.43 per sq ft (£60 per sq m - £80 per sq m) for residential development and between £9.29 per sq ft - £23.23 sq ft (£100 per sq m - £250 per sq m) for large supermarkets. Other forms of commercial development will be excluded and dealt with through existing s.106 planning gain agreements. Durham County Council will have a very restricted list of “relevant infrastructure” requirements, which it can look to secure additional top-up contributions towards via s.106 agreements. The large strategic sites (e.g. Sniperley) will form part of a higher CIL tariff charging zone, with the level to be set at £250 per sq m.</p>

SOURCE	EXISTING/FUTURE MECHANISM	DETAILS
New Homes Bonus	Existing	<p>The New Homes Bonus is a scheme designed and supported by UK central Government which commenced in April 2011. The scheme serves to match fund the additional council tax raised for new homes and empty properties brought back into use, with an additional amount for affordable homes, for the following six years. The scheme aims to address the disincentive within the local government finance system for local areas to welcome growth. Until now, increased housing in communities has meant increased strain on public services and reduced amenities.</p> <p>The Department for Communities & Local Government set aside almost £1 billion over the Comprehensive Spending Review period for the scheme. This included nearly £200 million in 2011-12 in year one and £250 million for each of the following three years. Funding beyond those levels will come from formula grant.</p>
Growing Places Fund	Existing	<p>Growing Places Fund is a scheme designed and administered by UK Central Government and will provide £500m to enable the development of local funds to address infrastructure constraints, promoting economic growth and the delivery of jobs and houses. The need to secure upfront investment to unlock the delivery of the relief roads in Durham City is likely to demonstrate a good fit with the objectives of the fund:</p> <ul style="list-style-type: none"> <li data-bbox="824 1299 1727 1334">• To facilitate a forward funding of infrastructure, particularly

SOURCE	EXISTING/FUTURE MECHANISM	DETAILS
		<p>where development interests are held by a number of parties presents a challenge for securing finance in advance of development;</p> <ul style="list-style-type: none"> • Overcoming capital constraints due to current economic climate, which has reduced the flow of investment in the physical infrastructure (e.g. transport, utilities, and flood defence) required to unlock development, and therefore the creation of much needed homes and jobs; • Providing targeted investment in infrastructure which unlocks development, allowing places to realise development values which can be recycled to provide a longer-term solution to infrastructure provision.
<p>Regional Growth Fund (“RGF”)</p>	<p>Existing</p>	<p>RGF is a scheme designed and administered by UK Central Government and is a £2.4 bn fund, operating across England from 2011 to 2015. It supports projects and programmes with significant potential for economic growth that can create additional, sustainable private sector employment. It aims particularly to help those areas and communities which were dependent on the public sector to make the transition to sustainable private sector-led growth and prosperity.</p>

SOURCE	EXISTING/FUTURE MECHANISM	DETAILS
Homes and Communities Agency Affordable Homes Programme	Existing	<p>The HCA's Affordable Homes Programme 2011-15 aims to increase the supply of new affordable homes in England.</p> <p>Throughout 2011-15, the HCA is investing £4.5bn in affordable housing through the Affordable Homes Programme and existing commitments from the previous National Affordable Housing Programme. The majority of the new programme will be made available as Affordable Rent with some for affordable home ownership, supported housing and in some circumstances, social rent.</p>
Homes and Communities Agency Affordable Homes Guarantees Programme	Existing	<p>Government announced its proposal to guarantee up to £10bn of debt which will help housing providers expand the provision of both purpose built private rented and affordable housing as part of the Housing and Planning package on 6 September 2012. This housing guarantee will use the Government's fiscal credibility to reduce the cost of borrowing for housing Providers, as well as attract investment from fixed income investors seeking a stable, long term return on their investment without exposure to residential rental property risk. The rules for the Housing Guarantee Schemes, clarifying their terms, and an invitation to tender for delivery of the Schemes were launched early in 2013.</p> <p>As well as the Guarantee for the Affordable Homes element, the Government confirmed that it would make £225m of funding</p>

SOURCE	EXISTING/FUTURE MECHANISM	DETAILS
		available for new affordable housing, for use where needed alongside the Affordable Homes Guarantee. This funding was then doubled in the 2013 Budget to £450m, including London, to support up to 30,000 new affordable homes.
Private Sector Developer Contributions	Existing	The council has been assessing the planning gain contributions which sites may be capable of making towards the cost of strategic infrastructure. These assessments provide an evidence base to test financial viability and the level of contribution that sites may be expected to make.
European Funding 2014-2020	Future	<p>Funding has previously been made available via the European Regional Development Fund although finance available through the fund is limited in terms of the scope and type of projects that can be funded. To qualify, projects have to meet the investment criteria of one of the 2 Programme Priorities:</p> <ul style="list-style-type: none"> • Priority 1 - Enhancing and Exploiting Innovation: Priority 1 aims to enhance the exploitation of science, technology and other innovation leading to the creation of new small and medium enterprises, the creation or safeguarding of gross jobs, a percentage of which will be in disadvantaged areas and the generation of net Gross Value Added. There is a strong emphasis on energy and environmental technology; and • Priority 2 - Business Growth and Enterprise: By 2015 the

SOURCE	EXISTING/FUTURE MECHANISM	DETAILS
		<p>operational programme aims to contribute to increased business density and higher levels of productivity and competitiveness with the business base leading to the creation of new small and medium-sized enterprises, the creation and safeguarding of gross jobs, improved environmental management and energy efficiency in assisted small and medium-sized enterprises and the generation of net Gross Value Added.</p> <p>It is expected, but not confirmed, that similar levels of European funding will be available to the North East of England during the next European budget round of 2014-20. The details of the priorities of the new programmes, and how they will be managed, will emerge in late 2013.</p> <p>The programmes will continue to emphasise investment in business growth and innovation, particularly in relation to low carbon technologies. Both the European Commission and the UK Government are likely to promote development financing initiatives, of the type supported through JESSICA in 2007-13 and similar, in broad terms, to Growing Places Fund.</p>
Tax Incremental Financing (“TIF”)	Future	TIF is a mechanism that has been in use in the US since the late 1940s and is under discussion for introduction in the UK. It will enable Local Authorities to borrow against predicted growth in locally

SOURCE	EXISTING/FUTURE MECHANISM	DETAILS
		<p>based business rates to fund infrastructure projects. The current timetable for the reform of business rates should allow for TIF to be available in England from April 2013. It is expected TIF will be linked exclusively to business rates.</p> <p>Legislation is still required in respect of the introduction of TIFs and it is likely that in order for TIF zones to be established there will need to be a clear regeneration and economic case.</p> <p>TIF schemes are usually long term, frequently lasting 25 years or more.</p>
Locally Retained Business Rates	Future	<p>This is a further scheme, proposed by UK Central Government and is intended to enable Local Authorities to retain a significant proportion of the business rates generated within a local area. This will provide Local Authorities with the incentive to promote economic development and business growth. Business rates retention will provide an income to Local Authorities and could potentially lead to the building of capital reserves which could then be redirected to finance the development of business infrastructure. This proposal therefore ties into (and is an extension of) TIF.</p>
Locally Devolved Transport	Future	<p>In early 2012, the UK Central Government issued a discussion paper, entitled "Devolving local major transport schemes". The</p>

SOURCE	EXISTING/FUTURE MECHANISM	DETAILS
Funding		<p>intention is to permit greater financial flexibility by allocating budgets by formula, rather than Local Authorities bidding directly to the Department for Transport.</p> <p>Local transport bodies would become responsible for establishing a programme of local, major scheme priorities for delivery after 2015.</p> <p>Local authorities will still need to maximise local and third party contributions towards infrastructure schemes and to use local funding sources as a supplement.</p>
Homes & Communities Agency Stewardship Programme	Emerging	<p>This is an emerging, national, 10 year programme that tasks the HCA with dealing with assets which are the legacy of former Regional Development Agency investments and using those assets (or receipts generated by their sale) to drive economic development activity. In the North East, one of the priority areas for investment is Durham City.</p>