

Economic Strategy for Darlington 2012 – 2026



Foreword



“The current economic climate across the UK is exceptionally challenging for individuals, companies and communities and realistically it looks as if the Government austerity measures may continue for many more years. However, there is an enormous difference between this realism and defeatism, so against this background we are launching our new Economic Strategy as part of a sustained, wholehearted and overwhelming commitment to get our local economy

growing.

Darlington has clearly been affected by the current downturn, but the business community has been comparatively resilient, helped by the fact that we have such a diverse economy. In addition, the benefits of our 2002 Gateway Strategy have brought substantial investment and new jobs, housing and opportunities across the town at Faverdale, Morton Palms, Central Park and West Park. This is reflected in a rise in Darlington’s population of 7.9% in the last 10 years and the creation of over 4,000 new jobs in the last five years.

However, the economic circumstances today have prompted us to pause and reflect on how our economy should look in the future. In order to understand how Darlington should best develop, over the course of the last year, the Darlington Partnership has co-ordinated the largest ever consultation amongst employers, business support and trade agencies, education, investors and local entrepreneurs.

This consultation has been across every sector of the economy, so we can understand clearly why Darlington is such a good place to do business now and how we can ensure it continues to develop successfully.

What has emerged from our discussions is that everybody has a real affinity with the town. They want to live and work here because it is well connected at all levels of business, commerce and industry with a Council that adopts a supportive approach to development and growth.

The town is exceptionally well placed for rail, road and air travel, close to magnificent countryside and within one hour of other major towns, cities and amenities in the North East. However, everybody whom we talked with also had their own thoughts about what needed to be improved in the town, for example the infrastructure, parking, broadband speeds and better links between school/colleges and employers.

The challenges facing all of us today, as individuals and businesses, are considerable, but in Darlington I believe we have not yet realised the potential that we have in the town and how, by working together, we can make Darlington more vibrant and successful. With limited financial resources available from grants or the Council in the future, we can only deliver the priorities we have set out in this Strategy, by working together in partnership, through encouraging the growth of our existing companies as well as welcoming new business to the town.

Having lived and worked in Darlington for over 20 years, I have been proud to be involved in helping it grow and develop to where it is today. I am keen to encourage more individuals and businesses to join me in becoming involved in helping the Darlington Partnership to successfully deliver this updated strategy to help achieve our ‘Vision for Darlington’ in 2026.”

Mike Airey
Deputy Chair, Darlington Partnership
Branch Manager, Handelsbanken

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Executive Summary

Darlington's economy has many advantages including:

- a diverse range of businesses trading in many sectors - meaning that the local economy is more resilient to economic downturns;
- good education and training facilities - Darlington has some of the best school results in the country;
- excellent road, rail and air connections as well as close proximity to Teesport;
- it is set in an area that has a high quality of life with a vibrant town centre and has something for everyone culturally.

The Economic Strategy for Darlington is based on the Local Economic Assessment and extensive engagement with local businesses. Key messages from businesses are that:

- sites need to be available for start up businesses and also for those expanding or growing their activities;
- that the infrastructure needs to support local businesses and keep them here;
- the “aptitude, attitude and attendance” of young people entering the workforce is as vitally important as educational attainment;
- education needs to focus more on skills that are attractive to local employers such as Science, Technology, Engineering and Mathematics;
- Darlington needs to market itself as a business location with more support for business needed, for example mentoring.

in response, the Economic Strategy focuses on the issues and actions that businesses have said are important to the development of Darlington's local economy through to 2026:

Fix current issues first. Priority issues include increasing the capacity of local broadband infrastructure and improving key junctions in the road network, as well as making sure that power systems can support new business development.

Put the right conditions in place to help businesses start and grow. This will be done by providing prepared sites and premises that businesses can move into without delay; providing more apprenticeships for young people and helping businesses get specialist business advice. For example, the Foundation for Jobs initiative helps young people get apprenticeships, to make sure that they get the right skills needed by local business.

Seek new opportunities which encourage new, high growth, businesses to come to Darlington by promoting Darlington to these businesses as the place to be. For example, there is an opportunity for Darlington to be a centre of excellence for training for sub sea technology; the town is equidistant between the leading manufacturers of submersible equipment, has a Teesside University campus and is close to Teesport and other North East ports.

Encourage continuing partnership and dialogue between business, the public and the voluntary sectors. The involvement of many different businesses in preparing the strategy has proven the benefits of local businesses coming together to solve common problems and identify common opportunities. The strategy is based on:

- everyone involved in economic activity in the Borough working together,
- supporting local businesses to start and to grow,
- attracting new businesses to the Borough, especially those in high value, technologically skilled, industries.
- making sure Darlington has the right features to keep businesses here.

Our vision for 2026

In 2026 Darlington is a vibrant and distinctive borough.

“Made in Darlington” is an internationally recognised brand. We are exporting our expertise in advanced engineering, construction and fabrication across the globe, with particular strengths in sub-sea technologies, oil and gas and offshore wind. Global businesses and research institutions share world class facilities at the Darlington Advanced Engineering Park.

Our business services sector is also thriving, building on our strengths in shared service centres, outsourcing and in digital media. Darlington is the leading UK training centre for digital media and journalism.

Our business infrastructure is world class. Darlington has one of the best business creation and business survival rates in the country, underpinning our position as a hotbed of creativity and entrepreneurial innovation.

To support our businesses we offer a range of town centre and edge of town office and industrial sites to meet the needs of indigenous firms and inward investors. Key sites at Central Park and in the Town Centre Fringe have been developed through innovative partnerships between developers, infrastructure providers and the Council. Our strategic location on the East Coast Main Line and A1 continues to be an important attraction for mobile businesses; through investment in ultrafast broadband, Darlington is one of the top 10 connected places in the UK.

Our economic success is underpinned by Darlington’s quality of place. We offer a wide range of affordable and executive housing to meet the needs of families and young professionals.

Our town centre has retained its strong market town character and has a unique mix of high quality independent and multiple retailers serving the Tees Valley, North Yorkshire and South Durham.

In 2026 Darlington attracted over 1 million day visitors from outside the region, drawn by its mix of shopping, leisure and heritage attractions, including a revitalised market and a major cinema complex. The arts offer is strong, with a range of venues and activities.

In 2025 we led the world in celebrating the bi-centenary of the Stockton and Darlington Railway, founded by George Stephenson.

Our people are our strongest asset. Working together, Darlington Colleges and Teesside University deliver more highly skilled apprentices and graduates in Science, Technology, Engineering and Mathematics than any other institutions in the UK, serving Cummins, Hitachi and other key employers. Our businesses also offer an unparalleled range of work experience, internship and other support for young people in our schools.

Darlington offers the right place, people, infrastructure and business conditions to deliver long-term, sustainable economic growth.

Darlington

Darlington is an innovative borough, built on a rich tradition of technological and entrepreneurial innovation - from its lead role in the birth of the railways through to its globally renowned reputation for bridge building and structural engineering.

Today, Darlington is a key economic asset within the North East of England, with a sphere of influence that reaches into Tees Valley, the wider North East region and beyond. Existing sectoral strengths include the service sector, manufacturing, advanced engineering and construction; with emerging strengths in digital and media, subsea, telehealth and telecare.

Nationally recognised for its outstanding further education, training provision and the skills profile of its residents, Darlington has an entrepreneurial, innovative, diverse and resilient economy that provides employment opportunities across a wide range of sectors.

| Darlington Key Numbers | |
|--|---------|
| Resident Population | 105,600 |
| Working Age Population (16 - 64 years) | 63,600 |
| Economically Active Population (16 - 64 years) | 48,900 |
| Economically Inactive Population (16 - 64 years) | 15,900 |
| In employment | 45,200 |
| Unemployed | 5,400 |
| Number of VAT registered Businesses | 2,410 |
| Number of Jobs | 58,000 |

The key features of Darlington’s offer include:

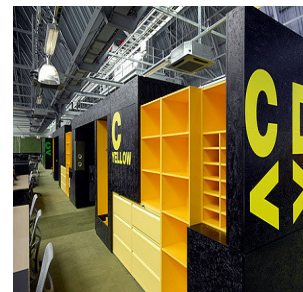
Connectivity: Darlington is a strategic public transport interchange and provides key links into the national transport network through its location on the A1(M), East Coast Main Line and the international network through Durham Tees Valley Airport;

“Modus Seabed Intervention has been based in Darlington since its inception in 2008 ... Darlington provides first rate transport links; rail, air and close proximity to national trunk road networks ... Darlington has an unrivalled engineering heritage and if it can redevelop a focus on innovation and technical excellence ... it can seek to offer business growth ... and major career opportunities.”

**Jake Tompkins, Managing Director
MODUS Seabed Intervention Ltd**



Labour catchment area: Darlington has a working age population of 63,600 with an additional working population of 1.6 million within an hours drive-time;



“We have found a very good supply of trained / skilled people and this was very important to us as we had to increase our staff numbers by over 600 in just over a year. The location is good with excellent road and rail transport links and the facilities at Lingfield Point were and are ideal for our needs. The support from the Council and the business community in Darlington has been excellent.”

**Derek Ross, Director of Operations
Student Loans Company Limited**

The relocation choice: Darlington has proven an attractive choice for Government Department relocations such as the Student Loans Company and the Independent Safeguarding Authority; for outsourcing and call centre functions and warehousing and distribution centres;



“Henry Williams Ltd relocated to Darlington in 1911 because at that time it was the home of the railway. We remained in Darlington when railway operations moved to York; in recognition of our loyal, willing, hardworking, experienced and productive workforce. Over a 100 years later we are still here for the same reason.”
Steve Cotton, Sales & Marketing Director
Henry Williams Group

World class business base: Darlington is home to a wide range of world class engineering, manufacturing, logistics, healthcare, renewable energy, contact centres and professional services businesses;



“Everything Everywhere has had a successful site in Darlington for more than 20 years primarily because of the people. In addition we have great local links with the Council, community groups and educational facilities, including Darlington College, which has enabled the launch of an apprenticeship programme to ensure the long term development of local talent, in addition to strengthening Everything Everywhere’s close working links with the town.”
Dave McQueen, Head of Consumer Loyalty
T Mobile, Everything Everywhere

Quality of life: attractive town and rural villages with house prices significantly below the national average; excellent primary and secondary schools and FE facilities with amazing countryside and coastline on the Borough’s doorstep;



“Darlington was the perfect choice, offering a superb location to the West of our award-winning main campus in Middlesbrough, and superb transport links – including access to the East Coast rail corridor ... ”
Professor Caroline MacDonald, Deputy Vice-Chancellor
(Partnerships & Standards), Teesside University

Competitive business location:- The Borough has an excellent choice of town centre and office park locations at highly competitive rates;



“Darlington is an ideal base for our business as it has a diverse range of business sectors from retail through to engineering that suits our portfolio of services. What’s more, Darlington businesses have a dynamic culture of innovation that fits our business model to a tee. We are proud to have our roots here.”
Patrick Masheder, Managing Director
Real Results Marketing

It's a great place to do business: One of the Borough's best business assets is its supportive business environment, the strength of its business networks and its locational advantages;

"We have been based in Darlington for over six years and we have grown significantly over this time. Whilst our business planning, people and ability to seek out opportunities has been a major part of our success, it is the strength of the networks locally and links to other organisations that has made the journey easier. Darlington's many networks run by both the public and private sector and its 'family-friendly' feel has provided the support and confidence to assist with our growth."

**Diane Shakespeare, Managing Director
Nordic Pioneer Ltd**



"I chose to set up my business in Darlington as it is a busy town, perfectly placed in the middle of my target market (Northumberland to Yorkshire) with great transport links. Office space is much more affordable than the surrounding cities and I have benefited from business support and networking opportunities at a range of events."

**Charlotte Nichols, Owner
Harvey & Hugo Ltd**



"Next year we'll celebrate 30 years of Clive Owen & Co in Darlington; an achievement that we feel reflects a stable and well balanced local economy, as well as an excellent location from which to serve the wider North East market."

**Neville Baldry, Partner
Clive Owen & Co LLP Chartered Accountants & Business
Advisers**

It has a strong and vibrant voluntary and community sector:

In Darlington there are around 500 voluntary and community organisations. Between them they provide services and run programmes which benefit people living and working in Darlington, ensuring that we all enjoy a good quality of life;

"Many millions of pounds are brought into Darlington each year through fundraising activities and, most importantly, also get spent in the Borough either directly or by the employment of local people. It is conservatively estimated that the voluntary sector in Darlington has an annual income of over £20million, supports 1,000 full and part time jobs and 1.1million volunteer hours. These hours represent the volunteer equivalent of another 600 full time jobs, or £12 million of paid work. The sector is therefore very valuable and makes a major contribution not only to the community, but to the economy of Darlington. eVOLution welcomes the Economic Strategy and will continue to ensure that the voluntary sector continues to be a full and positive part of the future development of the Borough."

**Karen Grundy, Executive Director
eVOLution**

What has been achieved so far ...

Considerable public and private sector investment has taken place within Darlington over the last ten years - demonstrating confidence in the Borough as a great place for business and for business growth.

Major projects include:-

- Private sector led transformation of a former wool factory into a diverse high quality business location - **Lingfield Point now houses major companies and provides flexible space for smaller businesses;**
- Darlington's successful **Business Improvement District bid will bring in £1.5m** over the next five years;
- New logistics development at Faverdale, making the most of the A1(M) which includes a **700,000 sq ft Argos Direct development;**
- **A new mixed community on 75 hectares of land in the centre of town, next to the East Coast Main Line, on land largely unused since the closure of railway sidings in the 1950's. Central Park will include high quality office accommodation and a hotel;**



In 2009 Memphis won the 'Refurbished/Recycled Workplace' category at the British Council for Offices (BCO) Northern Awards and received the 'Commercial' award at the RICS North East Renaissance Awards



Darlington College and Teesside University have moved onto Central Park providing high quality higher education facilities

- Almost £10m investment by Magnet/Nobia UK into their **Darlington site including a purpose built Training Academy and investment into state of the art Assemble to Order production assembly equipment;**
- A 62,000 sq ft department store is due to open by Autumn 2014. **Debenhams will become the largest retail outlet based in the 220,000 sq ft Cornmill Centre joining 40 other retailers;**
- £60 million ongoing capital investment into Rockliffe Hall to **create the North East's newest and most exciting hotel resort. Transformed from a derelict 18th century mansion house the 375 acre estate boasts a luxury hotel, golf course and the region's largest spa whilst also employing around 300 part and full time staff;**
- **Cinema, hotel and restaurant complex on the Feethams site to be built by 2014.**



Rockliffe Hall won the Large Hotel of the Year at the Visit England Awards for Excellence 2012 and North East Tourism 'Large Hotel of the Year' 2011

What still needs to be done ...

Despite our successes, Darlington's economy is characterised by comparatively low value added sectors, low labour productivity and low average earnings. Some of our key challenges are:

- Darlington, like other parts of the Tees Valley, suffers from a negative perception by people who don't know the area. This can **make it difficult to attract people to live or work in the Borough;**
- **We have the lowest workplace and residence based earnings in the whole of the Tees Valley** - we need to attract, or support the creation of, higher value employment opportunities in the Borough (and specifically within the advanced engineering/manufacturing, construction, digital media and telehealth/telecare sectors);
- **We have an increasing proportion of young people not in work, education or training (NEETs) whilst local graduates often leave the Borough to find "good jobs" elsewhere.** Therefore, improving access to skills, work experience and employment for young people remains a high priority;
- **Our young people are not considered "work ready" by local employers because pupils are measured against the qualifications they gain, with broader skills and attitudes taking less of a priority.** Improving the relationship between education and business, to achieve a better understanding of business requirements, is a priority for the Borough.
- **Businesses move out of the Borough when seeking new premises.** How do we stop the flow and positively promote the Borough against competing employment centres elsewhere?

- **There remain significant differences between the more prosperous and less prosperous areas within the Borough, with specific wards experiencing the highest levels of worklessness.** How do we get people into jobs?

Other barriers to Darlington's future growth are:

- Congestion within and across the Borough, **along with a lack of parking at some employment sites, is a problem;**
- Although not just a Darlington specific issue, **access to investment capital is a difficulty facing many of our businesses in securing new commercial lending or renegotiating existing loans;**
- Broadband provision across the Borough is variable and needs to **be future/'next generation' proofed to attract new businesses and retain existing ones;**
- **The business support arena has changed dramatically with the abolition of the Regional Development Agencies and Business Link.** How do we effectively support our businesses and help them to flourish and grow?
- **Some of the town's key employers are relatively 'footloose' and could choose to relocate as global economic conditions or local circumstances change.** Strengthening the 'key account' relationships between businesses and the public sector remains a priority to embed employers into the local economy;
- **Some of Darlington's key employment sites have struggled to attract developer or occupier investment.** Are our sites, premises and infrastructure fit for purpose?

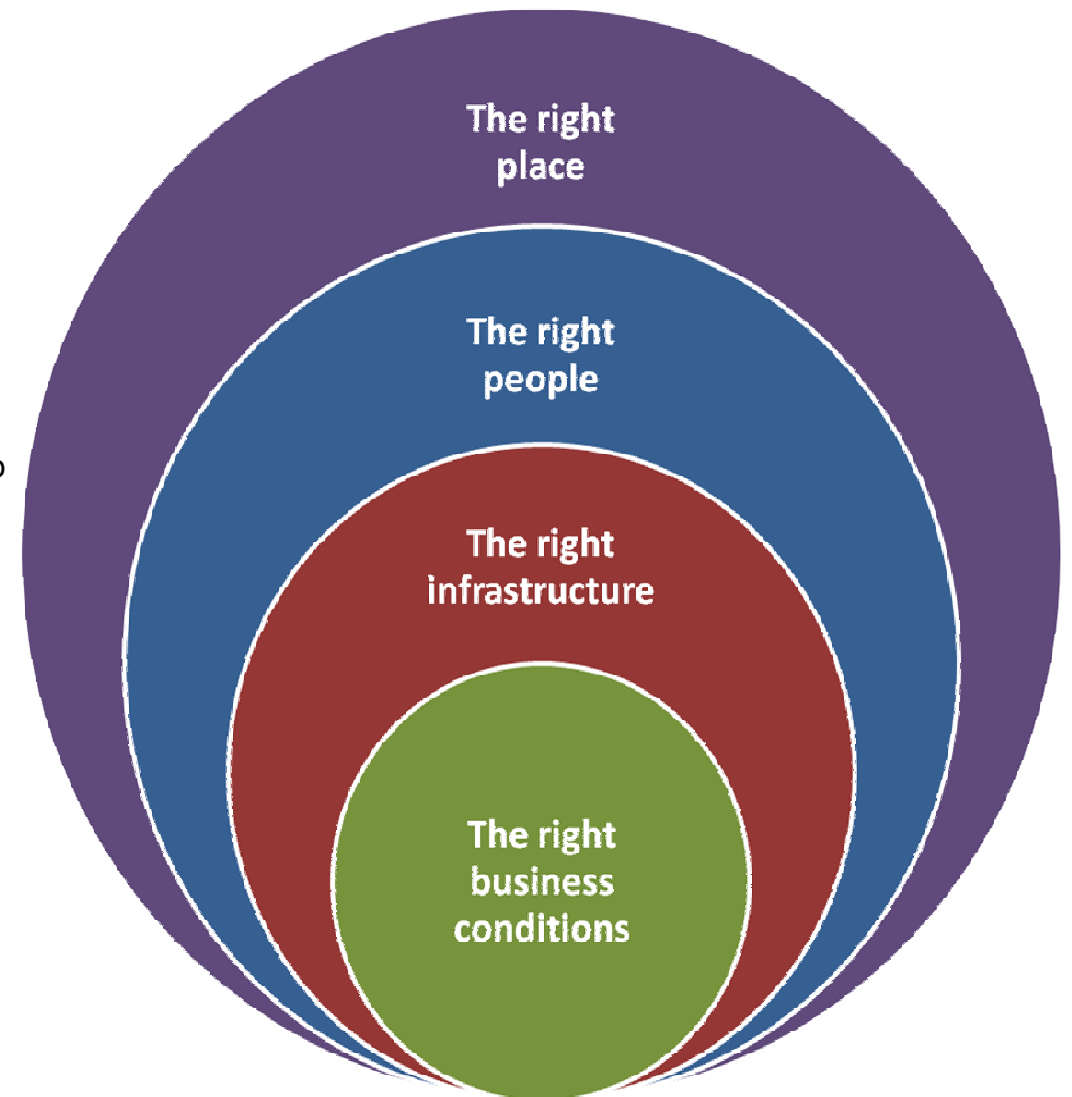
The Action Plan 2012—2026

The Action Plan 2012—2026 identifies the actions we intend to deliver under the four theme headings of:

- The right **place**
- The right **people**
- The right **infrastructure**
- The right **business conditions**

Under each theme we outline the rationale, the actions we aim to take, the objectives we want to achieve, and explain exactly what we will do to ensure delivery. The Action Plan also states the proposed timetable for delivery.

The Action Plan will be reviewed annually and updated to ensure that it is current and will also take into account prevailing economic and social issues that arise, including global and national economic turbulence, policy change and social need.



Priorities for action

To address our challenges and barriers to growth our priorities for action include:

| Theme | Priority Actions (not in priority order) | |
|-------------------------------|--|--|
| The right place | Action 1 | Develop a new approach to promoting Darlington to businesses, investors and visitors within and beyond the UK, building on key themes including our international rail heritage |
| | Action 2 | Develop and promote the cultural, leisure, retail and housing offer within the Borough to support economic growth |
| The right people | Action 1 | Improve the skills of the labour force (current and future) to ensure that they match the needs of existing and potential employers |
| | Action 2 | Retain talent in the local labour market |
| The right infrastructure | Action 1 | Fix immediate issues that prevent economic growth |
| | Action 2 | Influence investment decisions to support the economic development of Darlington |
| The right business conditions | Action 1 | Support the development of supply chain opportunities to both the public and private sector |
| | Action 2 | Develop sector action plans to maximise existing and future economic opportunities |
| | Action 3 | Work to develop a strong business support offer in Darlington that caters for the needs of all businesses (existing, newly formed and prospective start ups) – identifying gaps in provision and work with others to fill them |
| | Action 4 | Have an appropriate range of new start and grow-on property available throughout Darlington |