

# Faverdale 58, Darlington

Promotional Report on  
behalf of

St Modwen Properties Plc

January 2011

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# Contents

## Part 1

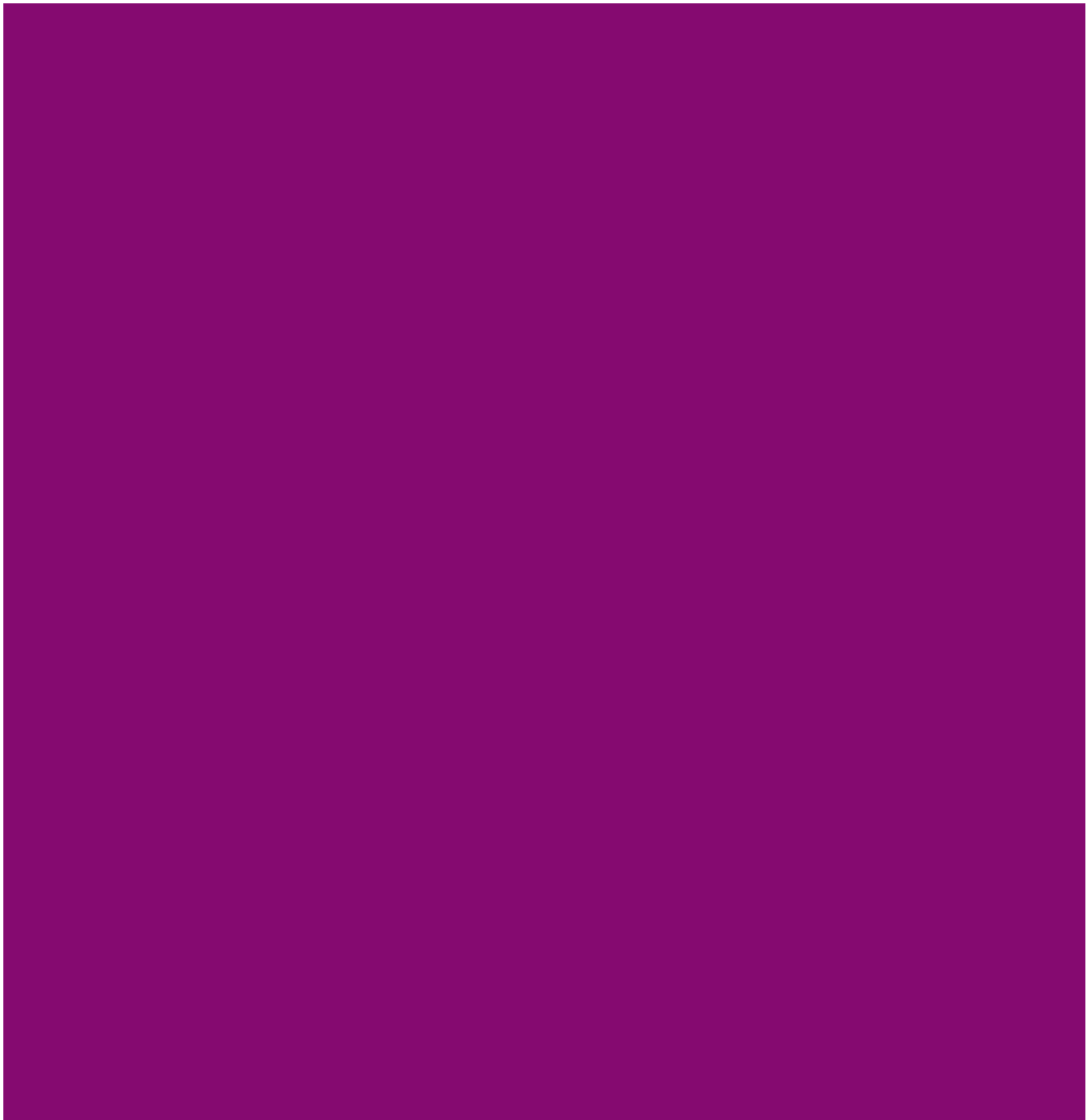
1.0	Introduction	
	Background	
	Current Position	
	Purpose and Format of Report	
2.0	Planning Policy	
	National Policy	
	Current position on RSS	
	Darlington Local Plan and LDF summary	
3.0	Review of Employment Land	
4.0	Review of Housing Land in Darlington	
	Calculation of the Housing Requirement	
	Review of Identified Housing Supply	
	Does Darlington have a five-year land supply?	
5.0	Interim Conclusions	

## Part 2

6.0	Marketing Information	
	Marketing History	
	Future Prospects	
7.0	The Site	
	Location	
	Context	
	Site Description	
	Constraints and Opportunities	
8.0	Potential for Alternative Development	
	Illustrative Layout	
	Sustainability Appraisal	
	Deliverability Appraisal	
9.0	Conclusions	

## Appendices

Appendix 1	Faverdale Industrial Committee Report December 2008	
Appendix 2	Assessment of Housing Sites	
Appendix 3	DTZ Marketing Information	



# Part 1

# 1. Introduction

## Background

1.1 We act on behalf of St Modwen Properties Plc (the 'Client') in respect of their land at Faverdale 58, Darlington. St Modwen is a regeneration specialist operating through a network of regional offices in all sectors of the property industry, which enables the company to understand local needs. Our Client is also the UK's leading expert in the large-scale renewal of brownfield land. The company has huge experience in the remediation, remodelling, infrastructure provision and redevelopment of such sites, having reclaimed hundreds of acres of brownfield land for both residential and commercial use.

1.2 St Modwen is heavily involved within the Darlington area, having achieved planning permission in June 2010 for the residential development of the former Corus site on Whessoe Road, Darlington. Site preparation works have already commenced in order to ready the site for development.

1.3 St Modwen received a resolution to grant outline planning permission subject to a Section 106 Agreement for B1(c), B2 and B8 uses at Faverdale 58 (Application Reference 08/00778/OUT) at planning committee in December 2008 (committee report attached at Appendix 1).

## Current Position

1.4 St Modwen has been actively marketing the site for the uses to be permitted for approximately 4 years with no success. Further information in this respect can be found in Section 6.0 of this Report.

1.5 Furthermore, it is understood that there is a substantial oversupply of employment land within Darlington and across the Tees Valley as a whole with over 300 hectares allocated and only about 3 hectares taken up per annum. The employment land supply is assessed within Section 3.0 of this Report.

1.6 Taking the above into consideration alongside an apparent undersupply of housing (see Section 4.0 of this Report for full details), our Client has been re-evaluating their options in relation to their site at Faverdale 58. On this basis, it is believed that this site would be eminently more suited to a sustainable mixed-use development comprising residential and employment uses.



## Purpose and Format of Report

1.7 The purpose of this Report is to demonstrate the merits of bringing forward the Faverdale 58 site for a mixed-use development, incorporating both residential and employment uses.

1.8 The report is structured into two parts. Part 1 critically reviews employment and housing land provision by means of the following sections:

- Section 2.0 sets out the relevant planning policy framework in respect of housing and employment land;
- Section 3.0 provides a review of the employment land provision in Darlington;
- Section 4.0 assesses the level of housing land provision in Darlington; and
- Section 5.0 draws together interim conclusions based on the preceding sections and concludes more housing land and less employment land is actually needed

1.9 On the basis of the conclusions in Part 1, Part 2 of the report provides greater details in respect of how a mixed-use development scheme may be accommodated on the site to meet the overall needs of Darlington:

- Section 6.0 details the marketing efforts made in relation to the site;
- Section 7.0 provides a brief description of the site and an indication of how the development might be laid out;
- Section 8.0 assesses the site in terms of its deliverability for housing (i.e. whether it is suitable, available and achievable) and its sustainability; and
- Section 9.0 summarises the report and draws final conclusions.





# 2.Planning Policy

2.1 This section of the report briefly summarises the relevant planning policy context for the site, its existing and potential uses. It considers national policy guidance and the statutory development plan for the site. For reference, the following documents are reviewed:

- Planning Policy Statement 1: Delivering Sustainable Development;
- Planning Policy Statement 3: Housing;
- Planning Policy Statement 4: Planning for Sustainable Economic Growth;
- The North East of England Plan: Regional Spatial Strategy to 2021;
- The Borough of Darlington Local Plan; and
- Darlington Local Development Framework.

## National Planning Guidance

### Planning Policy Statement 1 (PPS1): Delivering Sustainable Development

2.2 PPS1 emphasises that sustainable development is the core principle underpinning the planning system. Paragraph 4 outlines the four aims of sustainable development as follows:

- Social progress which recognises the needs of everyone;
- Effective protection of the environment;
- The prudent use of natural resources; and
- The maintenance of high and stable levels of economic growth and employment.

2.3 PPS1 outlines that the planning system has a key role to play in the creation of sustainable communities, delivered through a wider spatial approach by proactively managing development and engaging in early stakeholder involvement. Paragraph 12 further stresses the importance of pre-application discussions and states that:

*“Pre-application discussions are critically important and benefit both developers and local planning authorities in ensuring a better mutual understanding of objectives and the constraints that exist.”*

2.4 Paragraph 23 of PPS1 provides a list of ten aims for local planning authorities in relation to sustainable economic development and the following aims are of particular relevance here. These aims state that planning authorities should:

- “(v) Recognise that all local economies are subject to change; planning authorities should be sensitive to these changes and the implications for development and growth;
- (vi) Actively promote and facilitate good quality development, which is sustainable and consistent with their plans;
- (vii) Ensure the provision of sufficient, good quality, new homes... in suitable locations.... The aim should be to ensure that everyone has the opportunity of a decent home, in locations that reduce the need to travel.”



**Planning Policy Statement 3 (PPS3):  
Housing**

2.5 PPS3 includes the strategic policy objective of ensuring “that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live”. It is proposed to achieve this objective by seeing:

- A wide choice of high quality homes, both affordable and market housing;
- Opportunities for home ownership and ensuring high quality housing for those who cannot afford market housing;



- Affordability across the housing market, including by increasing the supply of housing; and

- Sustainable, inclusive, mixed communities in all areas, both urban and rural.

2.6 Paragraph 53 of PPS3 requires local planning authorities to identify “broad locations and specific sites that will enable continuous delivery of housing for at least 15 years from the date of adoption”. Paragraphs 54 and 55 further identify that authorities should:

- Identify sufficient specific deliverable sites to deliver housing in the first five years of the plan;
- Identify a further supply of specific developable sites for years six to ten; and
- Identify a supply of specific developable sites for years eleven to fifteen but where this is not possible; indicate broad locations for future growth.

2.7 For sites to be assessed as ‘deliverable’, paragraph 54 of PPS3 states that at the point of adoption of the relevant Development Plan Document, sites should be suitable, available and achievable. These terms are defined in PPS3 as follows:

Suitable -

The site offers a suitable location for development now and would contribute to the creation of sustainable, mixed communities.

Available -

The site is available now.

Achievable -

There is a reasonable prospect that housing will be delivered on the site within five years.

2.8 Paragraph 56 of PPS3 defines ‘developable’ sites as those that are “in a suitable location for housing development and there should be a reasonable prospect that the site is available for, and could be developed at the point envisaged”.

2.9 Paragraphs 58 and 59 of PPS3 respectively state that:

- Sites with planning permission should not be included in the identified supply of land for housing unless there is robust evidence that the sites are developable and are likely to contribute to the delivery of housing at the envisaged time; and
- An allowance for windfall sites should not be included in the first ten years of supply unless the LPA can provide robust evidence of genuine local circumstances that prevent the identification of specific sites.

2.10 Paragraph 71 of PPS3 notes that where authorities “cannot demonstrate an up-to-date five year supply of deliverable sites... they should consider favourably applications for housing” with regard to other policies in PPS3, including paragraph 69, which states that in determining planning applications, local authorities should have regard to:

*“Achieving high quality housing.*

*Ensuring developments achieve a good mix of housing reflecting the accommodation requirements of specific groups, in particular, families and older people.*

*The suitability of a site for housing, including its environmental sustainability.*

*Using land effectively and efficiently.*

*Ensuring the proposed development is in line with planning for housing objectives, reflecting the need and demand for housing on, and the spatial vision for, the area and does not undermine wider policy objectives e.g. addressing housing market renewal issues.”*

### Strategic Housing Land Availability Assessments Practice Guidance

2.11 The SHLAA Practice Guidance was published by CLG in July 2007 to provide guidance on carrying out SHLAAs and assessing the deliverability and developability of sites. Paragraph 6 of the Practice Guidance notes that the primary role of the SHLAA is to:

- Identify sites with potential for housing;
- Assess their housing potential; and
- Assess when they are likely to be developed.

2.12 The minimum core outputs of a SHLAA are set out at Figure 1 of the Practice Guidance and are summarised as follows:

- A list of sites, cross-referenced to maps showing locations and boundaries of specific sites;
- Assessment of the deliverability/developability of each site to determine when it could be realistically developed;
- Potential quantity of housing that could be delivered on each site; and
- Recommendations on overcoming constraints including timescales.

2.13 The core outputs of the SHLAA process therefore require local planning authorities to ensure a robust and up-to-date assessment of deliverability and developability to ensure that the SHLAA is realistic. In the case of Darlington, evidence of the underpinning individual site assessments is not available. This raises important questions in relation to whether the identified supply of housing land in the SHLAA is actually deliverable. We expand on our assessment of those sites in Section 5.0 of this report.

Advice produced by Communities and Local Government:  
**Demonstrating a Five Year Supply of Deliverable Sites**

2.14 This Advice Note was originally issued in 2007 and was updated in March 2010. It set out advice to Government Offices and the Planning Inspectorate in considering whether local planning authorities are able to demonstrate a five-year supply of deliverable sites. Whilst we note that the Advice Note was deleted from the CLG and Planning Inspectorate websites following the revocation of Regional Spatial Strategies (RSS) in July 2010, it is considered that as RSS has now been reinstated as a result of the successful High Court Challenge by Cala Homes, the Advice Note remains relevant and useful. Further information relating to the status of RSS can be found at paragraph 2.23 (below).

2.15 Paragraph 6 of the Advice Note provides specific advice on assessing the deliverability of potential sites and includes a useful table, which we replicate below at Figure 2.1.

Figure 2.1: CLG Advice Note Table – Assessing Deliverability

Deliverability Criteria	Assessing Deliverability
Available	Does the information that supports either the allocation of a site in an up-to-date plan (subject to planning permission), or the granting of a planning permission, clearly indicate that the site is available now?  If existing information is not sufficient, it may be necessary for the Local Planning Authority to gather further, up-to-date evidence by discussing availability of the site with relevant developers/landowners.
Suitable	Can sites that are allocated or have planning permission be regarded as being suitable?  This will usually be a reasonable assumption, but it may be necessary to assess whether circumstances have changed (e.g. since a site was allocated) that would alter the suitability of the site for housing.
Achievable	Does the information supporting the site allocation or planning permission clearly demonstrate that there is a reasonable prospect of housing being delivered within 5 years? It may be necessary to discuss with relevant developers/landowners and/or analyse current housing market conditions in order to make an informed judgement about this.

2.16 Paragraph 7 of the Advice Note states that:

*“Unallocated sites may be included in the 5 year supply of deliverable sites, but only where the Local Planning Authority is satisfied, having considered the particular circumstances of the specific site, that the site will meet all the tests of deliverability in paragraph 54 of PPS3 and will make a significant contribution to the delivery of housing during the relevant five year period. As indicated above, such unallocated sites would normally have made sufficient progress through the planning process to be able to be considered deliverable in terms of paragraph 54 of PPS3.” [our emphasis]*

2.17 By extension, paragraph 8 of the Advice Note states that where unallocated sites are not likely to make a significant contribution to the delivery of housing during the five year period, they “should not be taken into account in an assessment of the 5-year supply until a planning permission has been granted and the land supply is being reviewed.” [our emphasis]

2.18 It is clear from the above guidance that the focus on the 5 year supply is that of providing certainty of delivery. Council’s are required to maintain an accurate and up-to-date record of which sites constitute the ‘5 year land supply sites’, which must be annually re-appraised.

2.19 CLG specifically note that sites identified within the first five years must make a ‘significant contribution’ and be deliverable. We have therefore assessed the Darlington 5 year sites against these headline criteria, using a threshold of 50 or more dwellings per site to comprise the ‘significant contribution’.

#### Planning Policy Statement 4 (PPS4): Planning for Sustainable Economic Growth

2.20 Paragraph 9 of PPS4 states that the Government’s overarching objective is “sustainable economic growth”.

2.21 Policy EC1 of PPS4 stresses the importance of using evidence to plan positively. EC1.3(d) notes that evidence gathered at the local level should “assess the existing and future supply of land available for economic development, ensuring that site allocations for economic development are reassessed against the policies in this PPS”.



2.22 Policy EC2 deals with ‘Planning for Sustainable Economic Growth’ and part (h) of EC2.1 states that the development plan:

*“at the local level, where necessary to safeguard land from other uses, identifies a range of sites, to facilitate a broad range of economic development, including mixed use. Existing site allocations should not be carried forward from one version of the development plan to the next without evidence of the need and reasonable prospect of their take up during the plan period. If there is no reasonable prospect of a site being used for the allocated economic use, the allocation should not be retained, and wider economic uses or alternative uses should be considered.” [our emphasis]*

## Development Plan Policy

### The North East of England Plan: Regional Spatial Strategy to 2021 (RSS)

2.23 The Secretary of State attempted to revoke the RSS on 6th July 2010 following a letter to Chief Planning Officers on 27th May 2010 indicating his intention to do so. A subsequent High Court challenge by Cala Homes was successful and the SoS was found to have been unlawful in revoking the RSS. As a result, RSSs remain a statutory part of the development plan. Whilst further advice has been issued by the Planning Inspectorate that the SoS's letter of 27th May remains a material consideration in the determination of planning applications, this too has been legally challenged and will be heard in January 2011. We consider that it is unlikely for the RSS to be formally abolished for at least another year. Hence the policies of the RSS remain relevant in this case.

2.24 RSS Policy 4 sets out the Sequential Approach to Development and echoes PPS3, giving priority to development on previously developed land in the most sustainable locations, followed by other suitable locations within urban areas.

2.25 Policy 10 of the RSS deals with the Tees Valley City Region. It supports the development of Darlington as an employment location to take advantage of its location close to the A1, A66 and East Coast Main Line. Furthermore, the development of housing to support economic growth is supported within sustainable locations and mainly on previously developed land.

2.26 The Employment Land Portfolio for the North East is set out at Policy 18 of the RSS. From this policy, Darlington is to provide for up to a total of 360ha of employment land (235ha for general employment allocations and a further 125 at Key Employment Locations.

2.27 Policy 20 deals specifically with the Key Employment Locations and Faverdale is included as one such location where approximately 120ha of employment land with potential for distribution and logistics is to be supported.

2.28 In relation to the provision of housing, Policy 28 sets the annual average net dwelling provision for Darlington as shown in Figure 2.1 (below).

Figure 2.1: Average Annual Net Dwelling Provision

2004-11	2011-16	2016-21	2004-21
525	340	265	395

2.29 For the period post 2021, Policy 28 states that “Local Development Documents should make the assumption that the annual average rate of provision during the early years after 2021 will be the same as the average for 2004 to 2021”. Therefore for Darlington, this would be 395 net dwellings per annum.

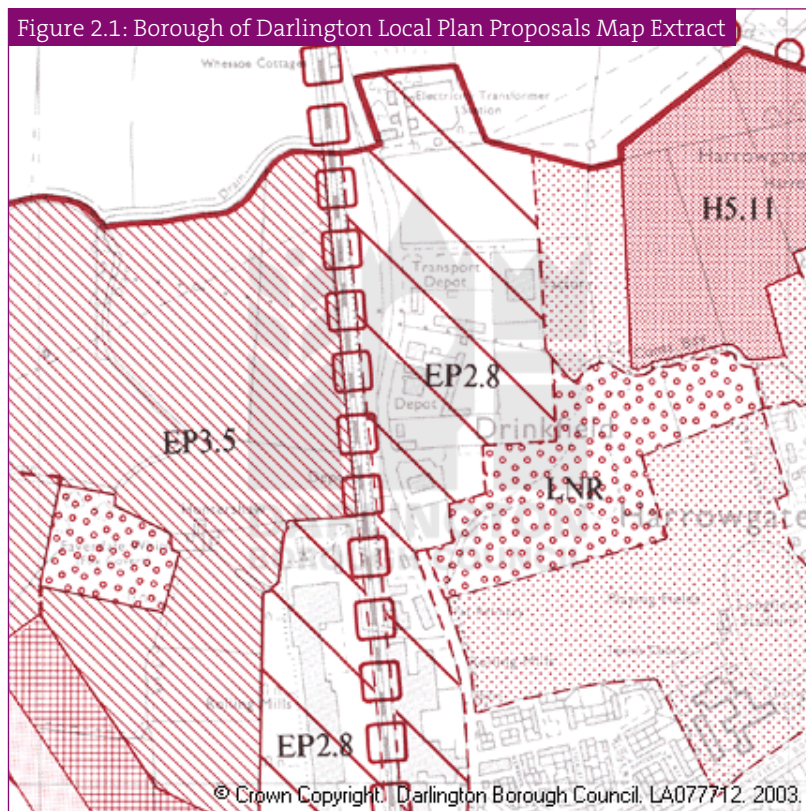
#### The Borough of Darlington Local Plan

2.30 The Borough of Darlington Local Plan was adopted in November 1997 and incorporating the alteration from 2001, identifies the Faverdale East site as both an existing Employment Area under Policy EP2.8 and as a New Employment Area under Policy EP3.5. The site also includes land safeguarded for major road schemes (Policy T6) and a road/rail freight depot (Policy T47). It is also noted that our Client’s land lies entirely within the existing development limits of Darlington.

2.31 Policy EP2 permits B1, B2 and B8 uses within the existing Employment Areas listed, including Whessoe Road (EP2.7). The extent of land at our Client’s site under Policy EP2.7 comprises the now demolished former rolling mills at Rise Carr.

2.32 The same uses are to be supported at six New Employment Areas, including Faverdale (EP3.5). It is noted at paragraph 6.21 that Faverdale is an extension to the existing industrial area, has drainage infrastructure and good road access to the Cross Town Route and A1(M) motorway with potential for rail access. Faverdale is also identified as a Prestige Employment Site under Policy EP6.2 where B1, B2 and exceptionally B8 uses will be considered. Such sites are also expected to incorporate a high standard of design and landscaping.

2.33 Figure 2.1 is an extract from the Local Plan Proposals Map that shows the extent of the Faverdale 58 site and the policy allocations that apply to it.







### Local Development Framework for Darlington (LDF)

2.34 Darlington is now in the process of preparing its LDF and to date, good progress has been made in relation to the Core Strategy, which has now been submitted to the Secretary of State for examination following recent consultation on the Publication Draft (August 2010). The Examination in Public in relation to the Core Strategy is set to take place in January 2011.

2.35 The Core Strategy Key Diagram shows the Faverdale 58 site as within the North West Urban Fringe (Key Diagram included at Figure 2.2 below). Policy CS1 states that new housing and employment development within the North West Urban Fringe will be in accordance with Policies CS5 and CS10.

2.36 Policy CS5 requires the provision of a total of 360ha of employment land in Darlington over the plan period, including at Faverdale. Section 3 of this Report examines the need and demand for employment land in detail below. Policy CS10 requires the provision of housing in Darlington over the plan period in accordance with the RSS requirement.

2.37 The Council has now also released the Issues and Options stage of its 'Accommodating Growth' Development Plan Document, which will set out allocations for housing, employment and mixed-use areas. Consultation is currently in progress on this document with a closing date of 14th January 2011.

### KEY DIAGRAM (Policy number in brackets)

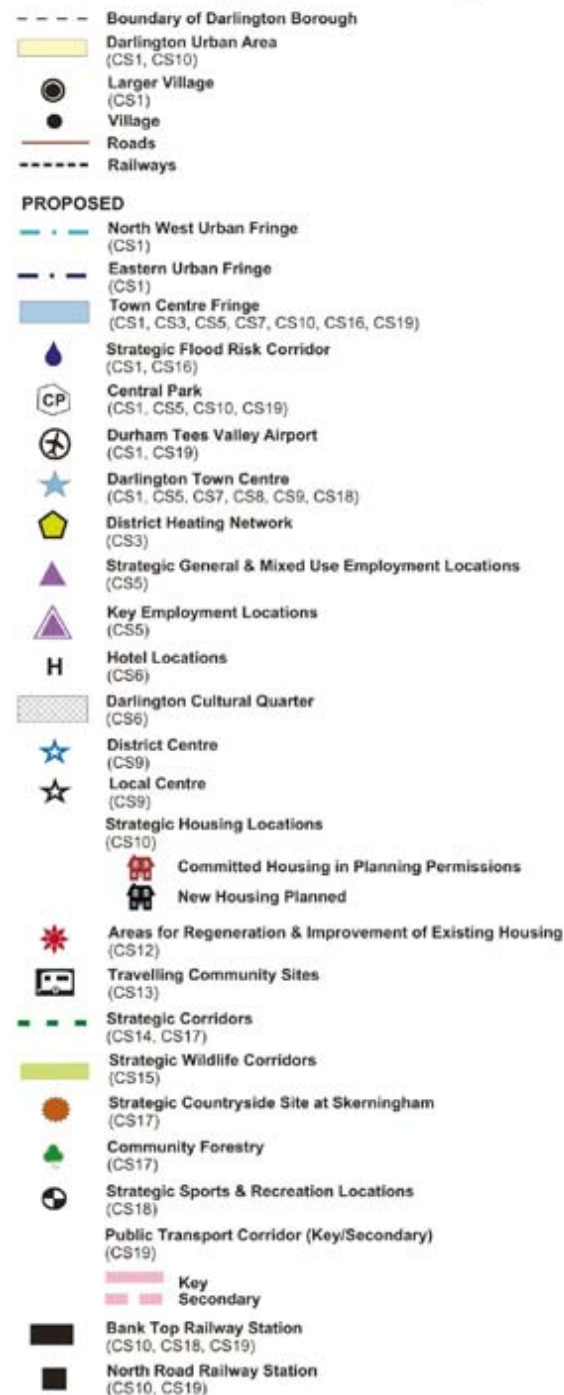
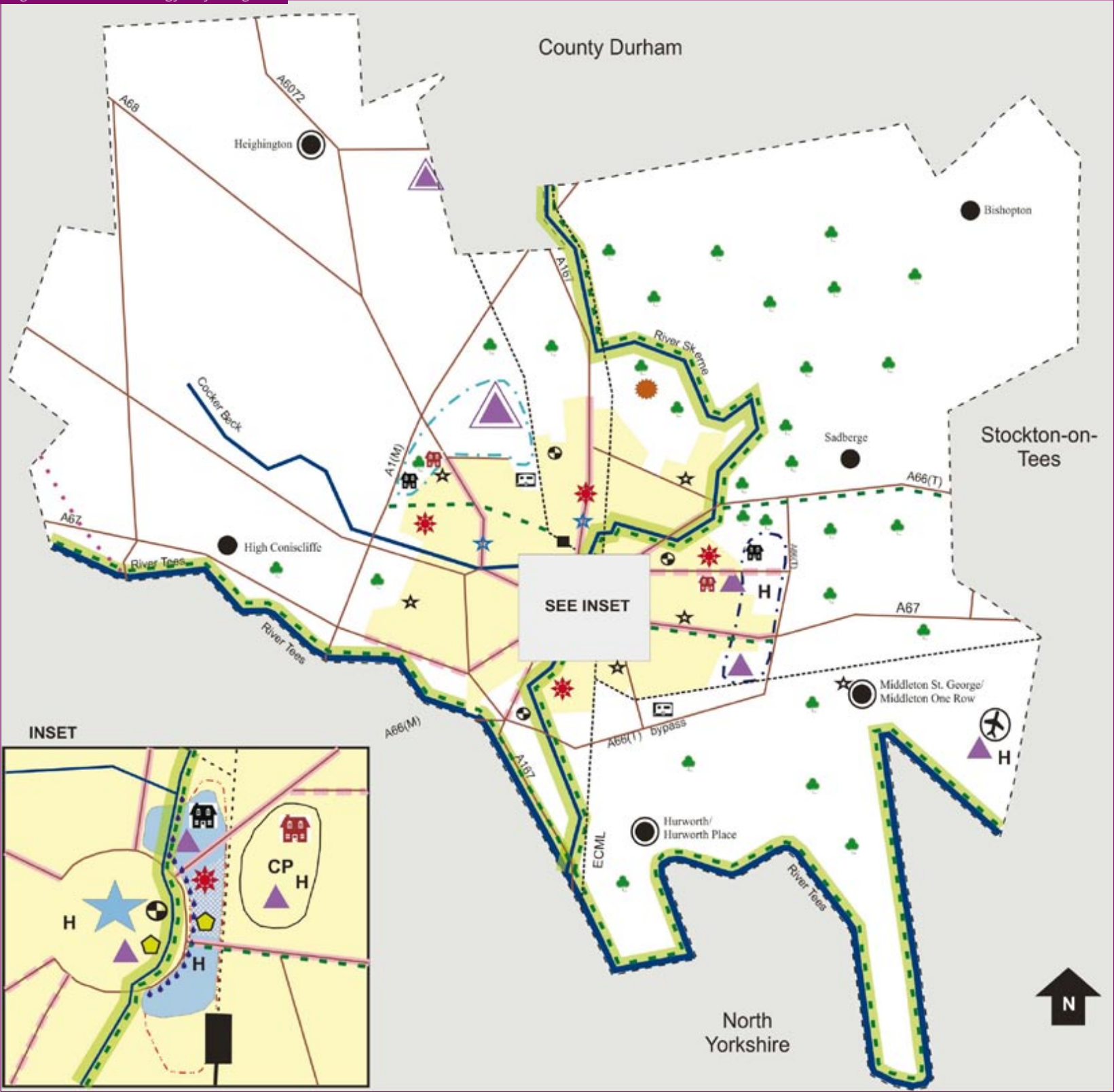


Figure 2.2: Core Strategy Key Diagram



# 3. Review of Employment Land

## Preamble

3.1 The North East region and Tees Valley sub-region has historically overprovided employment land in order to maximise the offer to the market and ensure a range of site sizes and locations are available. This reflects a strong desire to maximise job creation but may not have maximised inward investment in a focussed manner.

## RSS Debate

3.2 This was debated extensively at the examination of the North East RSS during 2006 and the Panel reluctantly retained a number of larger employment sites, including 'Prestige Sites' at Wynyard, Netpark, Faverdale Industrial Area and West Hartford further north. This was primarily because they benefitted from a range of planning permissions. These were renamed 'Key Employment Locations' and an attempt was made to further distinguish between them. Other 'reserve sites' were also debated and the need questioned.

3.3 Faverdale was included as an extended distribution and general employment location and debated alongside Lingfield Point and land adjacent to Teesport. It was agreed that further consideration of logistics, transport routes/interchanges and infrastructure was required but the good location in relation to truck routes was acknowledged. Teesport remained committed to rail freight and gauge enhancements to reduce the movement of goods by road. Darlington Council's optimism around the Faverdale site related to the Argos and Aldi interest.

3.4 The adopted Policy 18 in the RSS sets out the employment land portfolio and allocated 235 hectares of general employment land and 125 hectares of key employment land to Darlington (120 hectares of which to be at Faverdale). This compares to 1,385 hectares of unrestricted employment land in the whole Tees Valley (excluding the steel, chemical and port land). It also adds that local authorities should undertake employment land assessments based on a 25 year level of supply in recognition that it may not all be needed in reality.



## Local Plan Legacy

3.5 The saved policies of the Borough of Darlington Local Plan (1997) (Alterations 2001) remain relevant but have been overtaken by the RSS for a period of time, probably until the end of 2011. Policy EP1 (Land Supply for Employment) provides for a continuous supply of land. EP2 relates to existing employment areas and includes Faverdale Industrial Area. EP3 relates to new areas and includes Faverdale Industrial Area (49 ha). Policy EP6 relates to Prestige Employment sites including Faverdale Industrial Area, whilst Policy EP8 identifies land to the north of Faverdale closer to the A1(M) – A68 junction as reserved for development by up to two large industrial users.

3.6 Of note is that a total of 131 hectares was proposed on new sites back in 2001 and Faverdale represented 49 hectares.

## LDF / Employment Land Review

3.7 The Darlington Employment Land Review (ELR) was published in December 2009 and built upon an earlier study from 2006 prepared by King Sturge, BDP and Regeneris.

3.8 Stage 1 of the review related to a 'fitness for purpose' assessment of the portfolio. A total of 46 sites were assessed many being existing commitments or in use for employment. The individual site assessments found that the most sustainable sites for employment and a mix of employment or other uses are:

- Whessoe Road;
- South East Town Centre Fringe;
- Central Park;
- Valley Street

3.9 Interestingly Faverdale East Business Park scored poorly on the sustainability test relative to other sites, but high on marketability, something we will explore in Section 4.0 of this document. Other marketable sites were felt to be Yarm Road South, South East Town Centre Fringe, Morton Park and Morton Palms. Five criteria were used to assess the marketability of the employment sites as follows:

1. Accessibility
2. Economic Image
3. Buildings
4. Future Need
5. Neighbours

## Enquiries/Take up

3.10 The ELR reveals that the historic take up of employment land in the whole Tees Valley is 64 hectares per annum and in Darlington it is just over 3 hectares per annum (on allocated sites).

3.11 Business enquiries for B2 factory and B8 distribution in the Tees Valley had been fairly static from 2001-2004; spiked in 2005 at 168 and 112 respectively, then fell away dramatically to 64 and 27 in 2006.

3.12 Notable occupiers such as BAT, SCA packaging and Torrington have all closed facilities within Darlington (at Faverdale and Yarm Road). Lingfield Warehousing has occupied much of the space vacated by BAT at Lingfield Point. There is also a significant supply of older 'second hand' industrial stock associated with the history of the town (railway etc).

## Future Needs

3.13 Likely future need and take up of land was reviewed using a range of forecasting techniques at Stage 2 of the ELR. The assessment concludes that there is low demand for office with rents being low. It adds that industrial sites are plentiful across the region, but Tees Valley compares favourably, particularly in cost terms.

3.14 The ELR refers to evidence of recent activity in the logistical/warehouse market and increased demand but does not present hard evidence of this. It also goes on to express caution and say that actual demand will not be known until premises/sites are marketed.

3.15 Using Experian forecasts King Sturge have estimated future employment change by sector. They expect an increase in jobs in sectors such as health, business services, metals and wholesaling. Falls are expected in paper, printing and publishing, other services, public admin and retailing. Net growth in transport and logistics floor space is not forecast to become positive until 2019.

3.16 Significantly the ELR concludes that based on the employment forecast model land requirements are:

- Offices 17.4 ha
- General Industrial 62.3 ha
- Distribution 21.6 ha

3.17 The net total of 101 ha of land identified in the ELR is substantially lower than the RSS target but far more realistic. When the annual take up rate of just over 3 hectares is taken into account then it is still beyond that likely to actually be needed in the next 15 years. It is clear that there is an oversupply of land and a thorough review of the mix, location and size of sites is required. The ELR attempted this in Stage 3 (section 7 of the report).



## Key Sites

3.18 The ELR looks at the whole range of sites in Darlington and makes an assessment. The overall results are contained in Table 40. The sites that scored highest in the aggregate table are those in a sustainable location also considered marketable for existing and future employment development.

3.19 Of note the top 15 sites (above Faverdale East Business Park with 50%) can deliver a net total of 77.8 hectares of employment land which is actually far more than the average take up rate projected over 15 years. Also Morton Palms, immediately below in the rankings (with 45%), offers a further 11 hectares of developable land.

3.20 The ELR adds that the sites that scored poorly (20% or less) mainly consist of sites that are required to be included in the portfolio carried down from the RSS. They single out Faverdale Reserve and Heighington Lane as being unsustainable and not currently marketable. The latter is recommended for deletion.

3.21 The ELR concludes that there is a robust portfolio of sites. In terms of sites offering the potential for B1, B2 and B8 uses these are plentiful. For example the Council is currently championing the Gateway mixed use sites many of which deliver B1. In terms of B2/B8 a number of sites including Drinkfield, Lingfield Point, Yarm Road (plus extension) and Airport extension offer alternatives.

## Summary

3.22 It is clear from the above documents that there is ample, indeed too much, employment land in the Tees Valley and Darlington. Even the most optimistic projections and economic scenarios do not equate to the large amount of employment land currently available. Likewise the projected need for the various uses is uncertain and in some cases unsubstantiated. Faverdale East Business Park can continue to contribute to the overall employment provision, but the full site area is clearly not required for employment purposes. The site would be better if developed for a mix of uses and its sustainability score could be significantly enhanced by bringing forward a sustainable integrated and phased mixed use development.

# 4. Review of Housing Land in Darlington

## The Housing Requirement

4.1 This section of the report considers the housing land requirements for Darlington. The base date of this assessment is 1st April 2010. In relation to demonstrating a five-year supply of housing, the relevant period therefore runs until 31st March 2015. It is also important for the council to identify housing land or locations for the following ten year period.

## Regional Spatial Strategy

4.2 The RSS for the North East sets the housing land requirement for Darlington over the plan period (2004 – 2021). The net annual rate of housing provision for Darlington is shown at Table 2.1 (above). This equates to 1,885 dwellings over the plan period (340 per annum except in 2010-2011, which is 525). The total number of dwellings prescribed for Darlington over the RSS plan period is 6,700 net additional dwellings.

## Current Political Situation

4.3 Whilst the RSS was temporarily revoked by the new Coalition Government, it has now been re-instated following a successful legal challenge, such that it continues to form part of the Development Plan. Given that it is unlikely that RSS or any transitional arrangements will come fully into effect for at least a year, we consider that it is appropriate and proper to use the RSS figures as a starting point for housing provision in Darlington.

## Housing Growth Point Uplift

4.4 Furthermore Darlington is a Growth Point and is subject to a 20% uplift on its housing provision above the draft RSS figures between 2004 and 2016. The HGP uplift therefore equates to 2,088 dwellings over the five-year period, comprising 576 dwellings for year one and 378 dwellings per annum thereafter.

## Housing Requirement 2010-2015

4.5 Whilst it should be noted that the planning system is in a state of flux and is likely to change in the coming years under new Government, we also note that the population and number of households in the country as a whole continues to grow, such that the calculation we present here is a conservative estimate of the dwellings that need to be provided over the five-year period.

4.6 On the basis of the above, we will be utilising the HGP uplift figure of 2,088 dwellings as the basis for our calculation of the residual housing requirement for Darlington. In addition to this, allowance also needs to be made for clearances and any under provision of housing in the period from 2004 to 2010.

## The Clearance Allowance

4.7 The 2009 SHLAA Update for Darlington sets out the number of demolitions in the Borough year on year in Table 7.1, which amounted to 68 demolitions in the period 2004 to 2011. Whilst the demolitions were low in the 2004 to 2007 period, the figure rose in the period 2007 to 2009. In the absence of any other information as to the likely level of future demolitions, it is considered appropriate to utilise an average of 17 demolitions per annum for the purposes of this report.

## Allowance for Under-Provision

4.8 Paragraph 5(ii) of the CLG Advice Note on Demonstrating a 5 Year Supply of Deliverable Sites states that housing provision figures should be “adjusted to reflect the level of housing that has already been delivered”. Therefore, any under or over-provision of housing during the preceding years of the plan period should be specifically taken into account in the five year housing requirement.



4.9 Table 7.1 of the SHLAA provides figures for past additions to the housing stock from 2004 to 2011. From this table, we calculate that based on the HGP uplift figures set out at Table 5.3 of the SHLAA, Darlington has an historical under-supply of housing of 901 dwellings.

#### Calculation of the Residual Requirement

4.10 On the basis of the above, our calculation of the five year housing supply requirement for Darlington is as follows:

A	Net housing requirement 2010-2015 (inc HGP Uplift)	2,088
B	Estimated clearance replacement 2010-2015 (17 x 5)	85
C	Allowance for under-provision 2004-2010	901
D	Gross requirement 2010-2015 (A + B + C)	3,074

4.11 Therefore, Darlington must be able to identify sites capable of delivering at least 3,074 dwellings gross between 2010 and 2015 in order to demonstrate a five year housing supply under the terms of paragraph 54 of PPS3, which works out to approximately 615 dwellings per year. There also needs to be a clear idea of where the supply will come from for the following ten years.

#### The Council’s Identified Housing Supply

4.12 The Council’s SHLAA Update of Autumn 2009 identifies a five year supply of 2,351 dwellings at 1st April 2010, which is made up of 1,740 dwellings within the planning process (all planning permissions, no allocations remaining to be developed) and 611 dwellings on sites currently outside the planning process (sites identified within the SHLAA as being deliverable in the five year period). In comparison with the RSS provision, it would appear in the first instance that Darlington has an oversupply of 263 dwellings in the

five year period. However, taking into account the estimated clearance replacement rate and allowance for historical under provision, it appears that Darlington cannot demonstrate a five year supply of housing by some 723 dwellings. This equates to approximately 3.8 years worth of supply, using the 615 annual average calculated at paragraph 5.11 above.

4.13 We have examined the deliverability of all sites over 50 dwellings both within and outside of the planning process. For sites under this threshold it has been assumed that they will deliver housing as anticipated, such that our assessment of the housing supply represents a realistic but generous position on housing delivery in the first five years.

#### Sites within the Planning Process

4.14 Appendix 4 of the SHLAA Update Autumn 2009 sets out the likely delivery timings of sites with planning permission. It contains 9 large sites which constitute the bulk of the stated deliverable supply of housing (1,206 dwellings from a total of 1,740). Therefore it is assumed

that the smaller sites, which comprise some 534 dwellings, are likely to be delivered in the five-year period.

4.15 Our assessment of the 9 large sites can be found in Appendix 2 of this Report. It finds that only 657 dwellings from the 9 large sites in the supply are realistically likely to be delivered in the five year period. This is due to a number of factors as follows:

- Insufficient progress through the planning progress;
- Lead-in times (in obtaining permission, discharging conditions, readying the site and building); and
- Over-optimistic delivery rates, particularly at West Park and Central Park.

4.16 Taking into account our assessment of the deliverability of the larger sites (657 dwellings) and the assumed delivery of the smaller sites in the five-year period (534 dwellings), we believe that the contribution of existing sites to the five year supply of housing in Darlington is just 1,191 dwellings.

#### Sites outside the Planning Process

4.17 Appendix 2 of the SHLAA Update sets out the likely delivery timings of the potential housing sites within the SHLAA. Of the total of 774 dwellings listed as deliverable between 2011/12 and 2015/16 (slightly different five year period to our defined assessment period), 680 dwellings are from 7 large sites. Table 7.2 of the SHLAA notes that 611 of these dwellings are deliverable in our defined assessment period of 2010/11 to 2014/15.

4.18 Once again, our assessment of these 7 large sites is contained in Appendix B of this Report. It concludes that only 265 dwellings from these sites are likely to be delivered in the five-year period, due to the following factors:

- Availability issues;
- The need to relocate businesses;
- Potential access issues;
- Lead-in times; and
- Requirement to amend planning policy.

4.19 Adding the 94 dwellings from the smaller sites back onto our assessed total of 265 dwellings, we believe that realistically, only 359 dwellings from the SHLAA sites are likely to be delivered in the five year period.

4.20 Whilst Site 41 (Whessoe Road) now has planning permission and should by rights be in Appendix 4 rather than Appendix 2 of the SHLAA Update, we have left it where it is for the purposes of the calculation as it makes a contribution to the five year supply no matter where it is listed.



**Does Darlington have a Five-Year Land Supply?**

4.21 As identified at paragraph 4.10 (above), Darlington has a gross residual housing requirement between 2010 and 2015 of 3,074 dwellings (or 615 dwellings per annum).

4.22 On the basis of Appendix 2 and paragraph 4.16 (above), it is considered that the known supply of housing sites (i.e. those with planning permission) is, at best, 1,191 dwellings.

4.23 There is no supply from remaining housing allocations.

4.24 From paragraph 4.19 (above), it is considered that the supply from the SHLAA sites is, at best, 359 dwellings.

4.25 Therefore the balance of the five year requirement against the supply can be worked out as follows:

E	Gross requirement 2010-2015	3,074
F	Dwellings from sites within the planning process	1,191
G	Dwellings from sites outside the planning process	359
H	Balance (E – F – G)	1,524

4.26 Therefore, given the best case scenario, Darlington Council has an undersupply of 1,524 dwellings against the residual requirement. The remainder of 1,550 dwellings represents the current supply, which equates to just 2.5 years supply of housing land (based on a requirement of approximately 615 dwellings per annum).

4.27 On this basis we consider that, Darlington Council does not have a five-year land supply and therefore needs to identify further sufficient, specific, deliverable sites that will enable a rolling five year supply of land for housing and/or grant permissions for housing in accordance with paragraph 71 of PPS3.



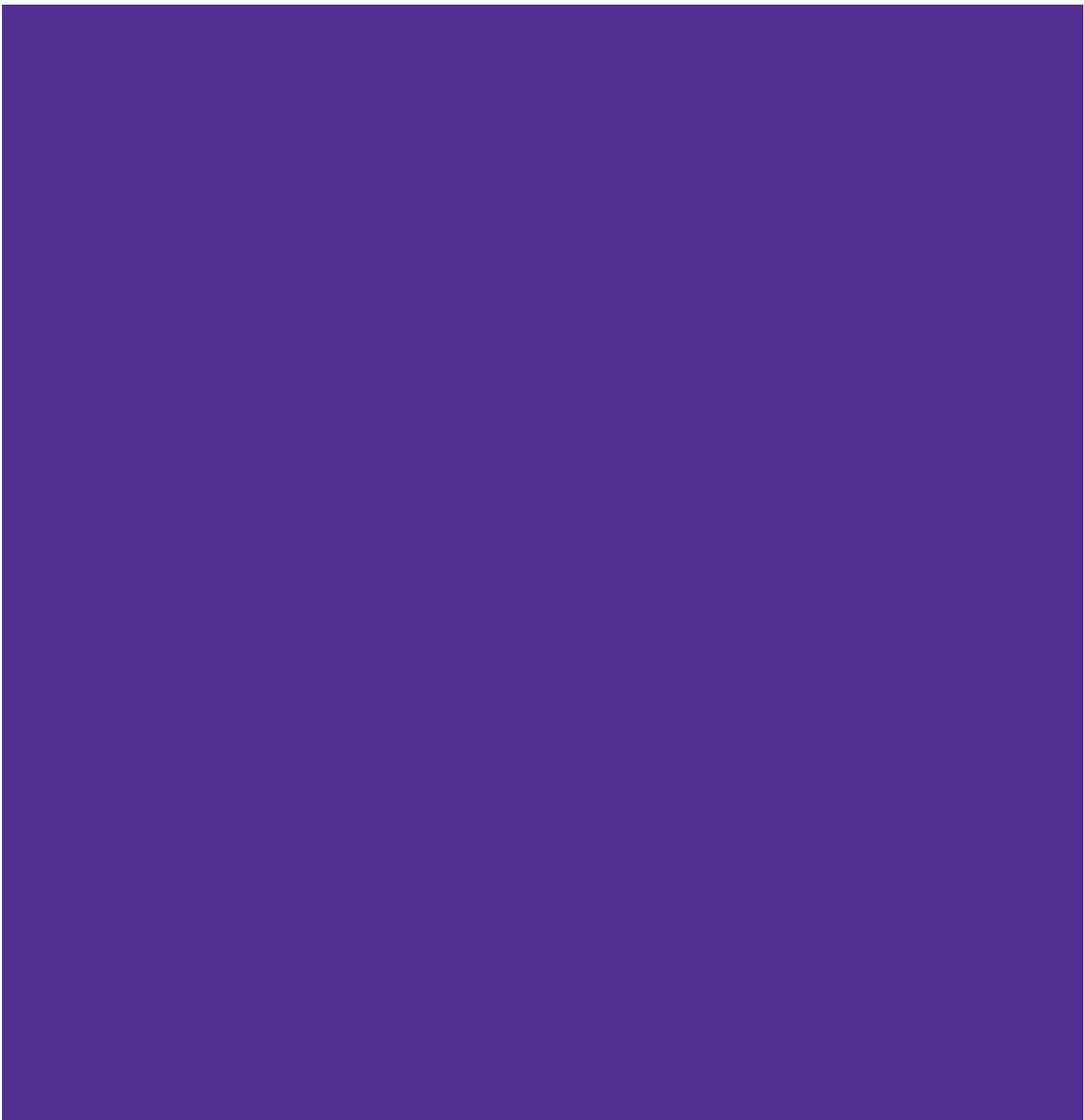
# 5. Interim Conclusions

5.1 It is clear that there is ample, indeed too much, employment land in the Tees Valley and Darlington. Even the most optimistic projections and economic scenarios do not equate to the large amount of employment land currently available. Likewise the projected need for the various uses is uncertain and in some cases unsubstantiated. Faverdale East Business Park can continue to contribute to the overall employment provision, but the full site area is clearly not required for employment purposes. The site would be better if developed for a mix of uses and its sustainability score could be significantly enhanced by bringing forward a sustainable integrated and phased mixed use development.

5.2 It is equally clear that Darlington does not currently have a deliverable and realistic 5 year housing land supply. Our initial calculations suggest only a 2.5 year supply in reality.

5.3 We therefore explore below the specific details of the site at Faverdale East, its relative marketability and the potential for alternative sustainable mixed-use development, incorporating housing.





# Part 2

# 6. Marketing Information

## Marketing History

6.1 As noted at paragraph 1.4 (above), Faverdale 58 has been actively marketed for warehousing/distribution and industrial uses for approximately 4 years. Full details of the comprehensive marketing activity at Faverdale 58 can be found at Appendix 3. Marketing information of this report, which contains a letter from the site agents, DTZ.

6.2 By way of a brief summary however, we note that a brochure for the site has been extensively circulated to circa 250 agents on the Industrial Agents Society Database as well as via a mail shot to the top 750 warehouse distribution companies in the UK.

6.3 The site has also been promoted on the websites of St Modwen, DTZ and Darlington Borough Council in addition to various property marketing websites.

6.4 Faverdale 58 has also been promoted by its inclusion in the annual Estates Gazette Distribution Parks Directory for the last 3 years and has also received coverage in local and national press and property magazines (Estates Gazette, Property Week, etc.). In addition the site has been separately marketed nationally by other agents (Knight Frank) as part of a portfolio.

## Future Prospects

6.5 The letter at Appendix 3 notes that current trends suggest that future demand is likely to take the form of smaller business units of circa 3,000 – 10,000 sq ft with occasional demand for a unit of up to 30,000sqft. Such a mix is highly unlikely to equate to more than 200,000 sq ft over the plan period.

6.6 The evidence contained in Section 3 (above) and the letter at Appendix 3. Marketing information demonstrates that there is likely to be demand for perhaps a quarter of the existing land area for employment uses. This allows ample space for a range of units sizes and end users. Therefore at Faverdale 58, it is recommended that up to 6ha is retained for employment purposes, taking the form of smaller business units, with the residual land area to be used for residential and community uses in a landscaped setting. This is explored in further detail in Section 7 below.





# 7. The Site

## Location

7.1 The site lies within the heart of the built up area, approximately 1.5 miles north of Darlington Town Centre as illustrated by Figure 7.1 (opposite). It is well located in relation to a range of other uses including employment, retail, leisure and community facilities.

## Context

7.2 The site is immediately bounded by open fields to the north, the Darlington to Bishop Auckland railway line to the east, open land and a traveller site to the south and the Argos distribution centre and further currently open land to the west.

7.3 The local area is characterised by a mix of employment and residential uses. Beyond the railway line to the east lies the former Corus works on Whessoe Road, at which site clearance

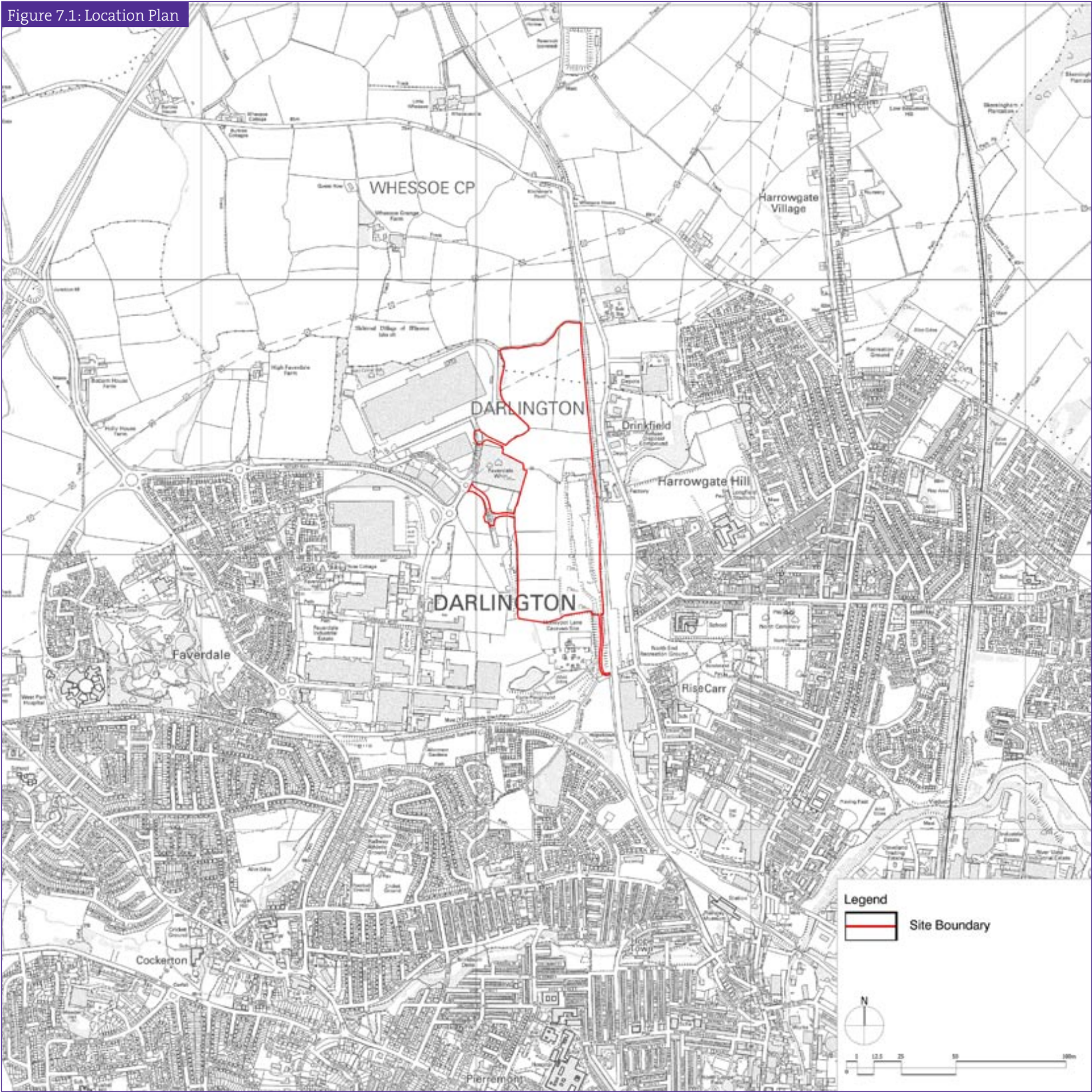
works are currently taking place in order to ready that site for residential development (see paragraph 1.2 above). Further residential areas lie beyond Whessoe Road to the east. The wider Faverdale employment area lies to the west of the site with new housing development at West Park beyond.

## Site Description

7.4 The Faverdale 58 site itself comprises 28 hectares (70 acres) of land, the eastern part of which is brownfield land that was occupied by the former Rise Carr rolling mills (now demolished). The remainder of the site comprises low grade agricultural land separated into a number of fields bounded by hedgerows and trees. A pond is located in the northern part of the site. Access to the site can be taken from Samian Way, off Legion Avenue to the west.



Figure 7.1: Location Plan





## Local Facilities

7.5 The site is uniquely placed to bring forward an integrated sustainable mixed-use scheme with housing, jobs and community facilities alongside one another. It abuts employment areas but also enjoys good access through to key facilities, residential areas and the town centre. Figure 7.2 opposite illustrates the key facilities that lie within walking and cycling distance from the site.

7.6 The local area is served by a variety of shops and local facilities along North Road, particularly at its junctions with Thompson Street, Zetland Street and Whessoe Road. These groupings of shops are illustrated on Figure 7.2 and are listed below:

### Area A

- Barbers Shop
- Savage Sandwich
- Premier Supermarket
- St Marks CE Church
- The Quest – Antiques
- Headlines Hairdresser
- Tanning Salon
- Poppets Childrenswear
- Co-op

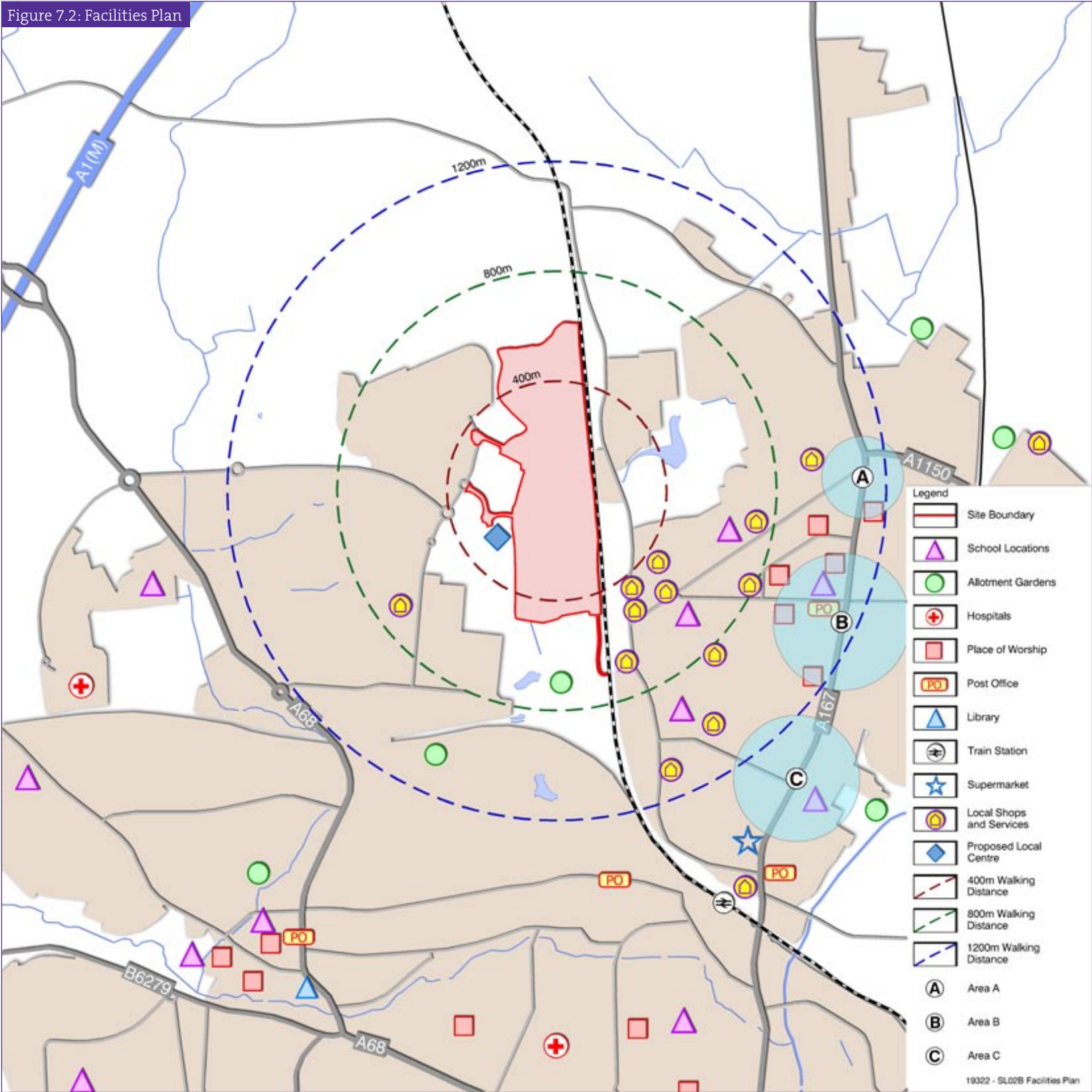
### Area B

- Paul Thompson Flooring
- Simone Hairdresser
- The Play Hut Nursery
- Darlington Angling Centre
- Sizou Hairdresser
- Harrowgate Hill Dental Practice
- Thompsons Stores Newsagent
- Jazz's Fish Bar
- Motormania
- Army Surplus Store
- LJM Bespoke Kitchens
- Harrowgate Hill Post Office
- Hamiltons Newsagent
- Cartridge World
- Taylor Made Wardrobes
- Rowlands Pharmacy
- 1st Stop Party Shop
- Cosy Café
- 301 Barbers
- Lord Hire Centre

### Area C

- Sharmas Stores Off-License
- St Thomas Aquinas RC Church
- Northern Belle Beauty Salon
- Lifestyle Express Supermarket
- Top Ten Bingo
- Annie's Fish Bar
- Blockbuster Video
- Romas Barbers
- St Paul's Motor Company
- North Road Motor Company
- Rowlands Pharmacy
- Denmark Street Surgery
- Morrisons Supermarket

Figure 7.2: Facilities Plan

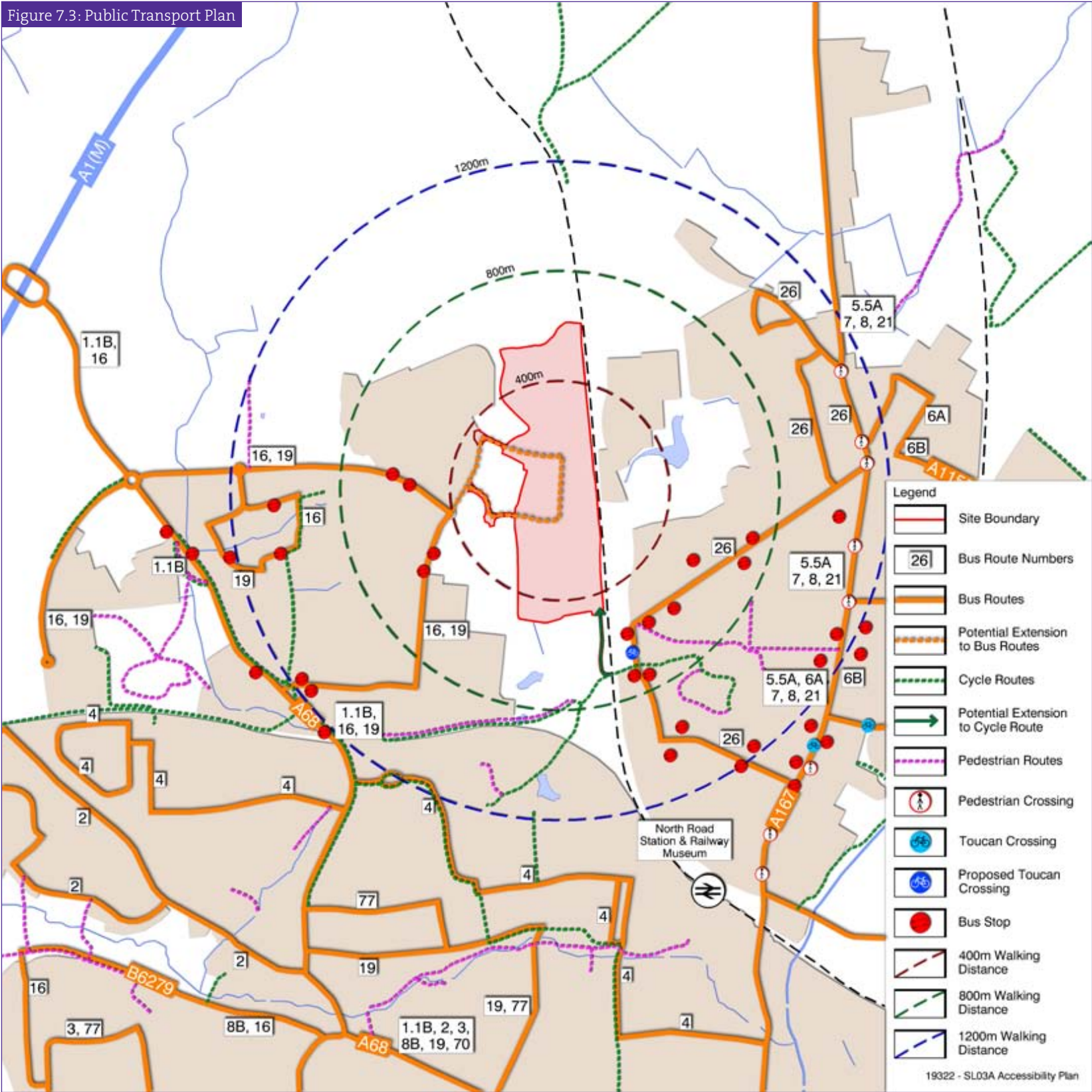




7.7 The site relates well to the public transport network with three regular bus services running in close proximity to the site serving Darlington Town Centre (Route 26) with its good national rail links. The nearest bus stops are within 5 minutes walk of much of the site and are located on Faverdale North and Whessoe Road to the west and east of the site respectively. Therefore the site is very well positioned in terms of accessibility to public transport. Figure 7.3 (opposite) illustrates the bus routes in the vicinity of the site.



Figure 7.3: Public Transport Plan



# 8. Potential for Alternative Development

8.1 Following on from the analysis of the site, an indicative layout has been produced, which illustrates how housing and employment development might be accommodated, alongside open space and community facilities. This is shown at Figure 8.1.

8.2 The aspiration is to create a sustainable neighbourhood that integrates housing with employment land. This would comprise 4 separate cells of development and informed by our market information, 2 cells would be residential and the other 2 primarily employment. The total net developable area is approximately 18 hectares (45 acres). The size of the 2 employment cells are estimated to be 7.5 acres each and the residential cells are estimated to be being 15 acres each. The latter could therefore deliver up to 400 units in a phased manner and relates well to the previously developed part of the site.

8.3 The employment area can accommodate a range of unit sizes and formats and straddles the pipeline easement, which would form a green corridor and communal open space. In addition, an area for community facilities within a local centre is proposed within the residential area. All of the uses are to be set within extensive landscaped belts and there is a substantial buffer to existing employment uses at Faverdale. The Faverdale Whin wooded area would be retained and enhanced where appropriate.



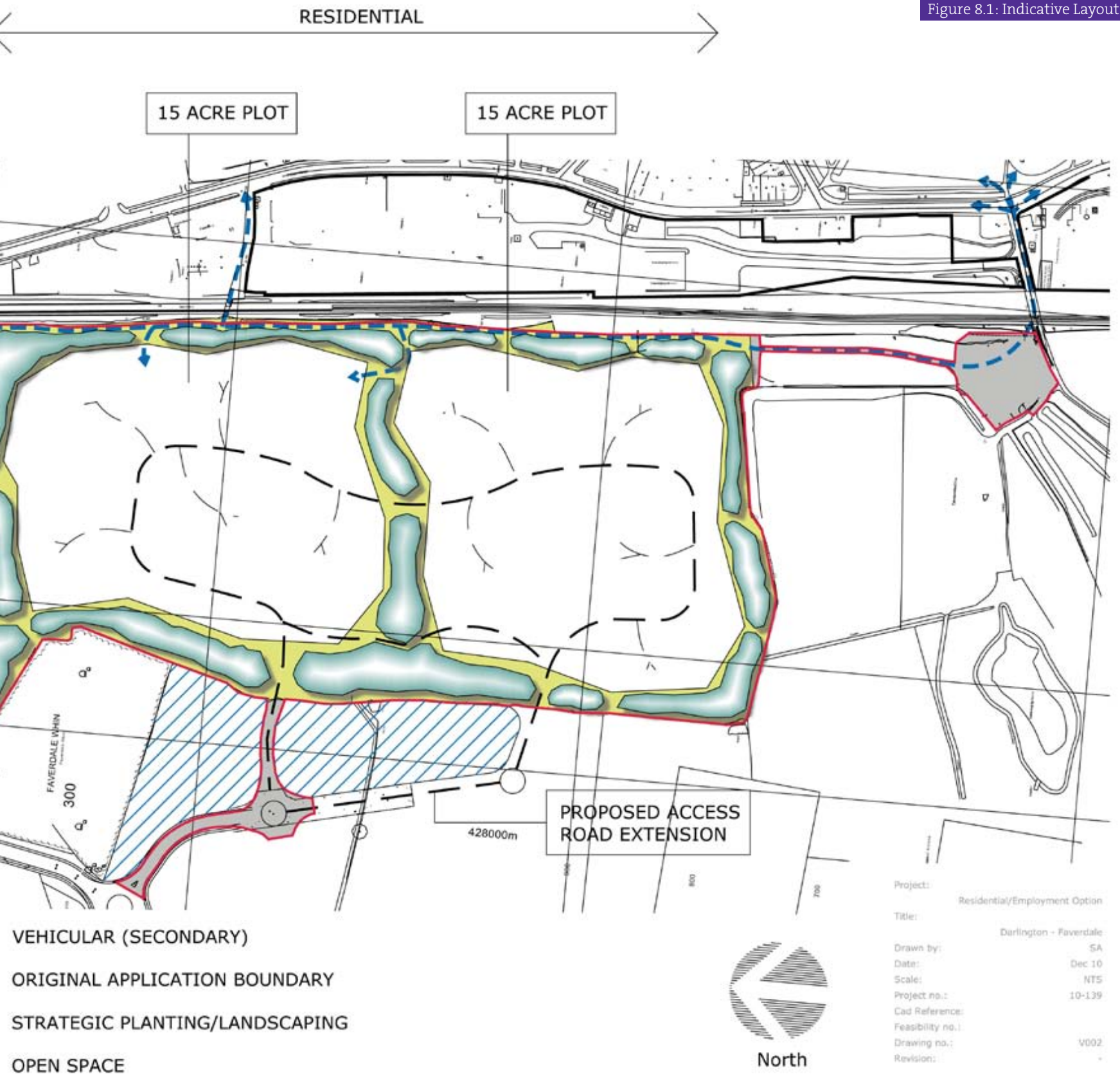


8.4 In terms of access, two main access points into the site were proposed as part of the previously agreed planning application. These would be retained and supplemented by a third access point at the southern end into one of the residential cells. All three would be linked via a series of roundabouts designed in consultation with the Highway Authority. In addition, close liaison with the bus operators from the outset would ensure good bus penetration into the site and regular safe stopping points.

8.5 The residential cells relate well to both the proposed new community facilities but also other existing local services and amenities. Furthermore, by focussing the residential element to the south, access to the town centre by sustainable transport modes is maximised.



Figure 8.1: Indicative Layout



## Sustainability Appraisal

8.6 The Faverdale 58 site is within the Development Limits of Darlington and is in a sustainable location with a variety of shops and services accessible by foot, cycle and public transport as demonstrated in Section 7.0 above. Figures 7.3 and 7.4 (above) are a Facilities Plan and Public Transport plan, which show all facilities and public transport connections within 400m, 800m and 1,200m of the site.

8.7 The town centre of Darlington is also in close proximity to the site offering a full range of shops and services and is easily accessible by public transport. Furthermore, as a potential housing site, the sustainability of the site is increased by its proximity to the existing employment site at Faverdale, thereby offering the potential for jobs in the immediate vicinity, reducing the need to travel.

8.8 It is also possible to consider the provision of further local services and amenities on site in consultation with the local community and key stakeholders.

8.9 In addition, the housing element of the site will increase the viability of the whole site, enabling employment development to come forward alongside it, such that the development of the site will enable the creation of a mixed and sustainable community in the north-west of Darlington.

8.10 It is therefore considered that by developing the site, a sustainable mixed-use community can be created with good access to facilities and public transport.

## Deliverability Appraisal

8.11 PPS3 and the SHLAA Practice Guidance state that for a site to be considered 'deliverable', it must be suitable, available and achievable at the time of the assessment. Table 8.1 (below) assesses the Faverdale site against these three criteria.

Table 8.1: Site Deliverability

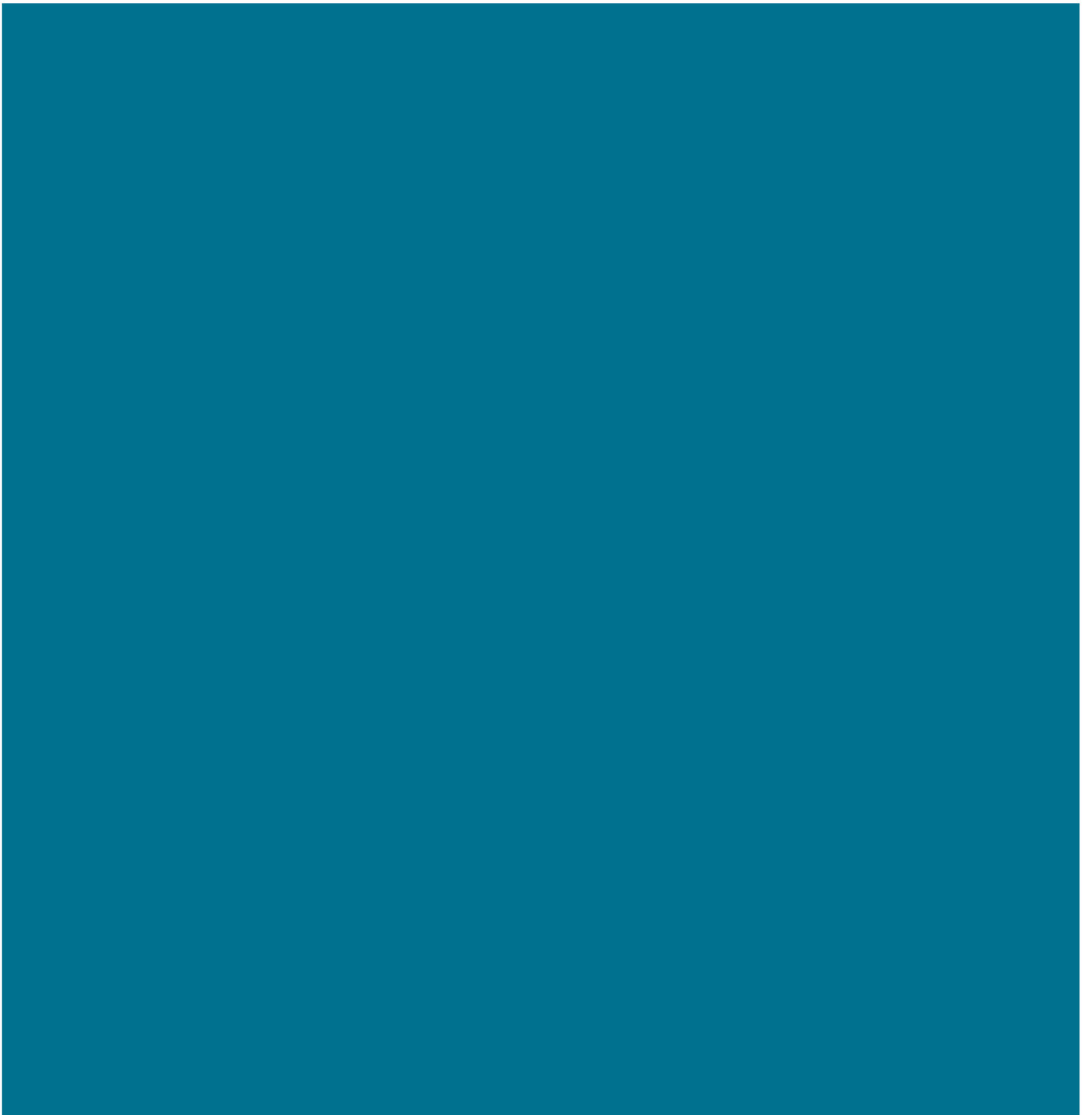
Criterion	Guidance	Assessment
Suitable	<p>A site is considered to be suitable for housing development if it offers a suitable location for development and would contribute to the creation of sustainable, mixed communities.</p> <p>The following factors should be considered in the assessment of the site's suitability for housing development:</p> <ul style="list-style-type: none"> <li>• Policy restrictions;</li> <li>• Physical problems/limitations;</li> <li>• Potential impacts; and</li> <li>• The environmental conditions that would be experienced by residents.</li> </ul>	<p>It is considered that the Faverdale site presents a suitable location for housing as it:</p> <ul style="list-style-type: none"> <li>• It is within the development limits of Darlington and is part brownfield;</li> <li>• Is in close proximity to existing services and offers the potential to include new services within the site;</li> <li>• Has proved be unsuitable and unmarketable for the employment uses permitted on the site;</li> <li>• Is not at risk of flooding and has no other physical problems that cannot be resolved or mitigated against, as evidenced by the resolution to grant permission for employment uses;</li> <li>• Would not have any adverse impact upon landscape or historic features as there are no such important features in the immediate area;</li> <li>• Would not have any adverse ecological impacts as previous studies for Faverdale suggest that additional habitat can be created to mitigate for any loss; and</li> <li>• Would not present any adverse environmental conditions for prospective residents as appropriate mitigation for noise from traffic associated with the existing employment site can be provided.</li> </ul>
Available	<p>A site is considered to be available for development when there is confidence that there are no legal or ownership problems (multiple ownerships, ransom strips, tenancies or operational requirements). This means that the site is controlled by a housing developer who has expressed an intention to develop or the land owner has expressed an intention to sell the site.</p>	<p>It is considered that the Faverdale site is available for residential development as there are no legal or ownership problems given that the site is fully in control of our Client.</p>
Achievable	<p>A site is considered to be achievable where there is a reasonable prospect that housing will be developed on the site at a particular point in time.</p> <p>This is essentially a judgement about the economic viability of a site, which is affected by the following factors:</p> <ul style="list-style-type: none"> <li>• Market factors (economic viability, attractiveness, market demand etc);</li> <li>• Cost factors (site preparation costs etc); and</li> <li>• Delivery factors (phasing, build-out rates, number of developers etc).</li> </ul>	<p>It is considered that the Faverdale site is achievable as there is a reasonable prospect that housing will be delivered on the site during the plan period, taking account of the following:</p> <ul style="list-style-type: none"> <li>• Housing will increase the viability of the site, enabling a mixed-use, sustainable development to take place;</li> <li>• There is a need for additional housing in Darlington;</li> <li>• Our Client will have taken development costs into account in the purchase of the site. The increase in viability as a result of the housing element will absorb some of these costs;</li> <li>• Due to the size of the site, it is likely that at least two developers would be able to deliver housing on the site concurrently.</li> </ul>

# 9. Conclusions

9.1 Overall, it is therefore considered that Faverdale 58 represents a deliverable site for integrated housing, employment and community use, which will assist the Council in reducing its oversupply of redundant employment land and increase its delivery of housing to meet proven demand.

9.2 It is considered that the site can contribute to the Council's short, medium and long term housing requirements in order to ensure there is a continuous supply of deliverable housing land throughout the plan period. This would be complemented by a range of employment opportunities in a sustainable and deliverable scheme.







# Appendices

# Appendix 1. Faverdale Industrial Committee Report December 2008

**DARLINGTON BOROUGH COUNCIL****PLANNING APPLICATIONS COMMITTEE****COMMITTEE DATE:****Page**


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<b>APPLICATION REF. NO:</b>	<b>08/00778/OUT</b>
<b>STATUTORY DECISION DATE:</b>	<b>22 December 2008</b>
<b>WARD/PARISH:</b>	<b>FAVERDALE</b>
<b>LOCATION:</b>	<b>Proposed Faverdale Business Park, Samian Way, Darlington</b>
<b>DESCRIPTION:</b>	<b>Outline application for B1 ( c ), B2 and B8 development including 2 No. access roads</b>
<b>APPLICANT:</b>	<b>St Modwen Development Limited</b>

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**APPLICATION AND SITE DESCRIPTION**

The application site forms part of the Faverdale Business Park, which is situated to the north of Darlington. Access to the Business Park is from Rotary Way linking to the A68, which in turn links directly to the A1 (M). The site lies to the east of the Business Park, bounded on the east by the Darlington to Bishop Auckland rail line. The site measures 30.12 hectares and consists of two distinct areas. The first area in the east of the site is a former industrial development, consisting of a large area covered with concrete. The building on this part of the site was recently demolished. The second area located to the west and north is undeveloped poor quality agricultural land.

The proposal is an outline application and involves the creation of a speculative business park consisting of B1( c ) (Light industry); B2 (General Industry) and B8 (Storage or Distribution) uses. The business park would operate 24 hours a day. The breakdown of potential uses is as follows:

- B8 – 639,000 sq ft
- B2 – 411,000 sq ft
- B1 ( c ) – 150,000 sq ft

The scheme would also include new access, associated car parking and landscaping. A maximum of 850 parking spaces would be provided on the site. In addition to this approximately 5.3 acres of Greenfield land to the north west of the development site is reserved for a possible future rail link from the East Coast Mainline.

Vehicular access would be via two new roundabouts located on the west of the site linking to a series of internal roads within the site. Pedestrian access would be adjacent to vehicular access

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

points with footpaths providing access to and around the units. A new pedestrian link would be provided to the south of the site via Elmtree Street, off Whessoe Road.

A 25m wildlife corridor is provided along the western boundary of the site, linking to Faverdale adjacent to the site. The corridor will include a swale as part of the SuDs strategy, which will have a dual ecological purpose. Two easements are present on the site, one on the northern boundary (a rail link) and one running east west (Northumbrian Water Easement) through the site. These areas would not be subject to any development.

Within the Town and Country Planning (Environmental Impact Assessment) (England and Wales) Regulations 1999, this outline application is one that falls within the definition of a Schedule 2 development, under Section 10 (b) Urban Development Projects. A Schedule 2 project is one that is “likely to have significant effects on the environment by virtue of factors, such as its nature, size or location” and in such circumstances the application must be submitted along with an Environmental Statement (ES). An ES has been undertaken and it considers the likely environmental effects considered relevant to both the construction and operational phases of the proposed development. The environmental issues and topics addressed by the Es include:

- Planning Policy Context
- Socio Economic Issues
- Landscape and Visual Issues
- Ecology
- Archaeology
- Transport
- Noise
- Air Quality
- Hydrology, Drainage and Flood Risk
- Ground Conditions and Geotechnical Issues

These matters, together with other relevant issues, will be considered in the main body of this report.

## **PLANNING HISTORY**

08/00306/OUT - An outline application for B1 ( c), B2 and B8 development including 2 No. access roads was WITHDRAWN in June 2008

## **PLANNING POLICY BACKGROUND**

The following sources of policy need to be taken into primary consideration when determining the application:

### ***Regional Planning Policy***

The following policies are applicable from the North East of England Plan Regional Spatial Strategy to 2021:

- Policy 4      The Sequential Approach to Development
- Policy 6      Locational Strategy
- Policy 8      Protecting and Enhancing the Environment

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

- Policy E20 Key Employment Locations
- Policy 24 Delivering Sustainable Communities
- Policy 32 Historic Environment
- Policy 33 Biodiversity and Geodiversity
- Policy 34 The Aquatic & Marine Environment
- Policy 37 Air Quality
- Policy 38 Sustainable Construction
- Policy 54 Parking and Travel Plan

### ***Local Planning Policy***

The following policies are applicable from the Borough of Darlington Local Plan:

- E2 Development Limits
- E7 Landscape Conservation
- E14 Landscaping of Development
- E16 Appearance From Main Travel Routes
- E20 Sites of Nature Conservation Importance
- E23 Nature and Development
- E29 Setting of New Development
- T2 Highway and Transport Management
- T12 New Development – Road Capacity
- T24 Parking and Servicing Requirements for New Development
- T40 New Development and Lorries
- T47 Road/Rail Freight Depot
- T48 Rail Served Industrial Land
- EP2 Employment Areas
- EP3 New Employment Areas
- EP6 Prestige Employment

### **RESULTS OF CONSULTATION AND PUBLICITY**

The Council has received two letters of objection following an extensive consultation and publicity exercise. The concerns can be summarised as follows:

- *At the moment we have a problem with HGV wagons when they are due to tip their loads or just finish parking on Rotary Way, causing noise and litter at all times of the day and night. The entire bush alongside Gilderdale Close is being used as a toilet. This will mean even more such problems and more HGVs parked on Rotary Way*
- *Since the construction of Argos distribution Centre, the amount of heavy traffic along Rotary Way has increased to such a level that it has had a significantly detrimental impact on the quality of my family life due to noise and air pollution. The proposal would further increase traffic levels and would consequently increase the disturbance we suffer to a totally unacceptable level;*
- *Lorries and school buses park along Rotary Way all day, effectively reducing the carriageway to single lane traffic. There have been several near misses, again more traffic will lead to serious accidents;*
- *Since the construction of the Argos centre and the housing estate, traffic between Junction 58 of the A1 and Cockerton Village is very busy and gridlocked in the morning*

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

*and early evening. The existing road network seems unable to cope with the existing traffic levels in the area, without the additional volume that would be generated by the proposed development.*

- *In close proximity to the Argos site, there are several industrial units (suitable for the proposed uses) that have yet to find any occupiers several years after their construction. It would appear that there is an over supply of such units in the area and therefore permission should not be granted for yet more.*

### **Northern Gas Networks**

Northern Gas Networks have raised no objections to the proposals

### **Northumbrian Water**

Northumbrian Water has raised no objections provided that the easement corridor fenced off; not used for storage purposes to allow NWL unrestricted access.

### **C E Electric UK**

CE Electric UK raise no objections

### **North East Assembly**

The NEA conclude in their response that “the principle of development on this site, a key employment location for north east England region, served by good public transport links, is broadly consistent with RSS policy objectives. However, the Council needs to be satisfied the appropriate mitigation measures are in place to counteract any adverse environmental effects. In addition, the applicant needs to incorporate energy efficiency, and renewable energy measures into the proposal, and provide a masterplan as per the requirements of RSS Policy 20, to ensure that the development is fully consistent with RSS policy”

### **One North East**

One North East is supportive of the proposals. The Regional Economic Strategy promotes the need for quality of place within existing and proposed development With this in mind, the Agency have requested the Local Planning Authority to encourage the developer to pursue the highest standards of quality in the development of the site e.g BREEAM, Building for Life and Secured by Design

### **Tees Valley Joint Strategy Unit**

The TVJSU have raised some questions over the submitted Traffic Impact Assessment and they conclude that the Council should take the following issues into consideration:

- Whether the provision of car parking on the site proposed by the development is appropriate and contributes positively to maximising the use of public transport
- Whether the threshold employed in the TRICS dataset is based on a representative sample;
- Whether the proposed design standard will contribute positively to the development of prestige employment sites in the Borough

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

**Environment Agency**

No objection subject to conditions

**Natural England**

Verbally no objections

**PLANNING ISSUES****Planning Policy Background****Regional Planning Policy**

The North East of England Plan Regional Spatial Strategy to 2021 establishes strategic policies by which planning applications are determined. The development is broadly consistent with the various policies within the Strategy. The North East Assembly have highlighted the need to incorporate energy efficiency, and renewable energy measures into the proposal, and provide a masterplan as per the requirements of RSS Policy 20, to ensure that the development is fully consistent with RSS policy

**Local Planning Policy**

The Borough of Darlington Local Plan sets out the local planning policies by which planning applications are determined. The following policies apply to the application:

**E2 Development Limits**

The site lies within the main urban area of Darlington and is within the existing development limits therefore it is in accordance with the policy.

**EP2 Employment Areas**

The development site exclusively covers aspects of the EP2.8 Whessoe Road site and also EP3.5 Faverdale Industrial Area. The EP2 policy states that permission will be granted for B1 within the area and B2 and B8 uses providing they do not harm the amenity of the area or nearby residential areas.

**EP3 New Employment Areas**

The policy states that land will be provided for new employment development at Faverdale Industrial Area for use as B1, B2 or B8. The development site exclusively covers aspects of the EP2.8 Whessoe Road site and also EP3.5 Faverdale Industrial Area. The proposals are in accordance with the uses advocated in policy EP3 as they are exclusively for B1, B2 and B8 uses.

**EP6 Prestige Employment**

The development site exclusively covers aspects of the EP2.8 Whessoe Road site and the EP3.5 Faverdale Industrial Area, which is also subject to the EP6 policy criteria. The EP6 policy states

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

that B1, B2 and B8 development will be required to achieve a high standard of design and landscaping.

The principle of the proposed development is considered acceptable within the context of the planning policy framework. The proposal does however; give rise to a number of planning issues, which are considered in greater detail under the following headings:

- Socio Economic Issues
- Landscape and Visual Issues
- Ecology
- Archaeology
- Transport
- Noise
- Air Quality
- Hydrology, Drainage and Flood Risk
- Ground Conditions and Geotechnical Issues
- Section 106 Agreement

### **Socio Economic Issues**

The ES states that the proposed development would create approximately 2745 jobs, along with many construction work opportunities. The ES concludes that the proposals represent a development that will continue to encourage the strategic role of Faverdale Business Park in delivering employment and warehousing development.

### **Landscape and Visual Issues**

The application site is not covered by any national or local statutory designations in terms of landscape character or quality. A Landscape Assessment submitted with the application reveals a simple agricultural landscape with some features of local value and interest including boundary hedgerows and hedgerow trees. Part of the site also contains a significant area of derelict land where a large building has been demolished.

The application is in outline but it has been accompanied by a Design and Access Statement. It is anticipated the proposed units would range from small starter units with a height of between 5 – 7m to large distribution facilities with heights up to 18m plus. External building materials would be consistent with other buildings in the surrounding area, for example, colour coated walls and roof cladding, brickwork and colour coated windows, doors and canopies.

The ES states that the magnitude of landscape change would be low adverse, balancing the loss of some landscape features with the clearance of the dereliction. Overall the change to the landscape character of the wider area is not considered to be significant. The crown of higher land to the north of the site provides a degree of separation between the site and the area of more rural countryside north of Burtree Lane. The ES considers that this will help to minimise landscape impact, by reducing the change to the wider landscape character.

A comprehensive visual appraisal of the proposed development has been undertaken to assess the potential effects upon surrounding receptors with views across the site. The most significant visual impacts would arise for the small number of isolated farms and properties to the north of



APPLICATION REFERENCE NO 08/00778/OUT

PAGE

the site. These properties already have views of the Argos building and other buildings in the Faverdale Business Park.

Proposals to mitigate any visual impacts of the development include the planting of woodland blocks, hedgerows and hedgerow trees. New areas of grassland would be established, along with wetland areas and scrub areas. These mitigation measures would be secured by imposing appropriate conditions relating to the landscaping of the site.

### **Ecology**

The findings of the assessments, which were completed as part of the submitted ES, state that habitats within the site were typically of restricted value due to the past industrial and agricultural use and associated disturbance. There are some features of nature conservation interest such as field boundary features, hedgerows, ditches, mature trees and wetland features ranging in value. Several UK Biodiversity Action Plan (UKBAP) habitats are present within the site including hedgerows and ponds, and also UKBAP priority species such as great crested newts, bat species and song thrush. It is important that biodiversity is retained and enhanced and that UKBAP priority species and habitats are accounted for. Any loss of habitat due to the proposed development would be mitigated for by habitat creation proposals, which include the creation of new UKBAP habitats such as hedgerows, tree planting, new pond areas, swales, scrapes and wet tussocky and wildflower hay mix grassland.

Alternative great crested newt terrestrial habitat is to be provided in compensation for the loss of mainly sub optimal habitat, in addition to wetland habitat including ponds, swales and scrapes, that will reduce the isolation of existing breeding ponds and enhance the overall breeding habitat of the locality. Potential terrestrial habitat for great crested newts is likely to be affected during works. Additional habitat, in the form of hibernacula, grassland, scrub, woodland, tree and hedgerow habitats are included and they would be managed sympathetically for bats to ensure that foraging and commuting habitat is available locally. The ES considers that residual impacts would be insignificant. Additional habitats would be created to ensure that there is a continued food source is available for the identified farmland bird species.

The findings of the ES have been considered by both the Council's Countryside Team and Natural England. The Countryside Team has some concerns over the measures being proposed to enhance the biodiversity of the site. It is therefore considered appropriate to attach a planning condition requesting the submission of an Environmental Masterplan prior to the commencement of the development.

Natural England has been in discussions with the applicant with regard to the protection and enhancement of habitats for great crested newts. NE have informed Officers verbally that they have no objections to the proposal and that their formal response will be submitted, with any appropriate conditions, prior to the planning committee.

### **Archaeology**

An assessment of the archaeological potential for the site through desk based research and geophysical survey has been undertaken and forms part of the ES. The geophysical survey revealed anomalies in the southwest field of the site, which appear to represent ring ditches and a ditched enclosure system with associated pits. The desk based research and site visits identified the remains of a former farm complex, Huntershaw, to survive below current ground levels in the

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

central area of the site, and areas with potential for evidence of such features to survive below current ground levels in four other fields of the site. The ES states that the residual impact of the development upon the ridge and furrow earthworks is anticipated to be moderate, the effects of which will be slight adverse for the extant earthworks and neutral for any below ground remains present elsewhere within the site. The residual impacts on any surviving evidence of post medieval cultivation, drainage and boundary features in the western areas of the site would be minor, the effects of which would be of neutral significance.

The Durham County Council Archaeology Unit requested the applicant to take the geophysical survey and they have commented that “ *the report shows that the majority of the site is covered by medieval and later agricultural remains known as ridge and furrow. However, the south west field of the development area was found to contain archaeological remains in the form of a rectilinear enclosure with probable round houses and associated field system. Although currently unexcavated, the from suggests that the features are Iron Age – of a similar date to the remains found by Darlington Borough Council prior to the construction of the Argos depot site in 2004.*”

### **Transport**

The Illustrative Masterplan shows that the development site will have two access points, one via Samian Way and a new access road linked to the existing Argos Secondary Access Road, Legion Avenue. There would be an internal pedestrian and cycleway network within the site with an additional cycle/pedestrian access linking the southern end of the site to Whessoe Road via a railway underpass to Elmtree Street. The development would provide a total of 850 car parking spaces split between the various units in accordance with proposed floor space.

A Transport Assessment for the proposed development has been prepared and submitted with the application. The TA has assessed the impact of the development on the surrounding transport network.

The TA shows that the impact of the construction traffic on the highway network as negligible with no significant transport related environmental impacts. The increased traffic flows generated by the proposed development will have an impact on the A68 to the south of the development. However, the Council are investigating schemes to improve the operation of this part of the A68, which is anticipated to reduce congestion and subsequently reduce driver delay. The funding for these works is not guaranteed, a contribution to the cost of the works will therefore be required.

The Council’s Traffic Manager has inspected the application and considers the access arrangements to be acceptable, however he has requested the imposition of a number of planning conditions.

The application is in outline and there is a concern that the number of parking spaces within the site (the Illustrative Masterplan shows a total of 850), may increase depending on the eventual end users of the units and therefore it is considered appropriate to attach a condition ensuring that the number of spaces do not exceed the standards outlined in the Planning Policy Guidance 13 – Transport and the Borough of Darlington Local Plan.

Both Samian Way and Legion Avenue will need to be improved. These roads have not been constructed to carry the anticipated numbers of HGVs generated by the development and works

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

will be required to the structure of these roads. It is anticipated that the traffic movement of HGVs would be similar to that from the Argos development and therefore a construction depth similar to that of the access to that development would be required.

The Traffic Manager also considers that the proposed development should provide toilet/washrooms/showering facilities for HGV drivers and secure cycle parking areas with associated showering and changing facilities. It is also considered that overnight parking should be available within the site.

The Transport Assessment identifies capacity problems at both the A68/Woodlands Road roundabout and A68 Cockerton Green roundabout in 2015 and 2018 that will be exacerbated by the development traffic. A draft scheme has been produced that would improve the capacity of these junctions and funding is being sought for this scheme. The success of the bid is not guaranteed. It is therefore considered that this development should make a part contribution to the cost of the works. A financial contribution from applicant would therefore be sought via a Section 106 Agreement. There will also be a requirement for a Section 38/278 Agreement for works to Samian Way and Legion Avenue (including new roundabouts and access roads over Council owned land) and at roundabouts at Cockerton.

There are some concerns over the internal pedestrian and cycle network, shown on the illustrative Masterplan, and its linkages with the existing networks. This is an issue that can be resolved by the imposition of a planning condition.

There are some concerns over the suitability and level of prominence given to the internal pedestrian and cycle network, shown on the illustrative Masterplan, and its linkages with the existing networks. This is an issue that can be resolved by the imposition of a planning condition.

A Travel Plan accompanied the application and discussions have subsequently taken place between Council Officers, the Highways Agency and Halcrow (on behalf of the applicant). The Council's Transport Policy Officer has indicated that the bus services mentioned in the Plan are out of date. The existing bus services (Nos 16 & 19) are fully financially supported by Darlington Borough Council, because they are not commercially viable for Arriva. However, despite this provision, the services are infrequent and service 16 has a circuitous route to the town centre. Because of these limitations and the distance to the bus stops from the site, bus patronage is likely to be less attractive and will not provide sufficient incentive for such Travel Plan measures as the salary sacrifice scheme for bus pass purchase to be successful. Therefore, the applicant has been requested to provide financial support for the existing and future bus services, which would be secured within the Section 106 Agreement. Discussions between the applicant and Council officers are continuing over the issue of securing a contribution for the bus services and Members will be updated at the Planning Committee.

With regard to bus stops, the nearest stop is some 510 meters away from the main entrance to the site and this is an 'in bound' bus stop on Faverdale North. As a result, the developer has been asked to contribute to the upgrading of the two stops in Faverdale North to provide shelters and raised kerbs, given that they are in fact the nearest bus stops. Again, this would feature within the Section 106 Agreement.

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

The Highways Agency have commented on the application and have raised no objections to the proposed development subject to the imposition of planning conditions relating to cycle and pedestrian links and the submission of a Travel Plan,

### **Noise**

There are a number of noise sensitive receptors surrounding the site which are the residential dwellings in the High Grange development to the south of Rotary Way; Whessoe Cottages approximately 100m from the northern boundary of the site; residential dwellings on Ridgeway, Longfield Road approximately 125m from the eastern boundary of the site; Honeypot Lane caravan park approximately 140m to the south of the application site and dwellings on Farnham Drive approximately 470m to the south of the site. An assessment of the noise levels associated with the construction and operation of the proposed development including traffic movements has been carried out as part of the ES, which concludes that the construction of the development is unlikely to give rise to noise impacts and as the layout plan is purely indicative and the future uses of the units has yet to be determined the potential noise impacts of the completed development would be reviewed at the detailed design stage of the proposals. The final design will seek to ensure that noise levels achieve an acceptable standard at any existing and future surrounding dwellings.

The Council's Environmental Health Officer agrees with the findings of the ES and has requested the imposition of conditions relating to noise levels, noise assessments etc.

### **Air Quality**

The ES states that existing conditions within the study area show acceptable air quality, with concentrations all well below the air quality objectives. The operational impacts are principally those associated with road traffic emissions and the ES concludes that such emission will not provide any constraints on the development.

The construction works have the potential to cause dust and it will be necessary to apply a package of mitigation measures to minimise dust emissions. Even with measures in place, there may still be degrees of dust but the effects will be temporary and relatively short-lived. The ES concludes that the overall impacts during construction are judged to be minor adverse.

The Council's Environmental Officer agrees with the findings of the ES and has requested the imposition of a planning condition relating to a Dust Action Plan.

### **Hydrology, Drainage and Flood Risk**

The application site lies within the catchment of the River Skerne, which flows to the east of the site within approximately 1km. In addition there is a ditch running parallel with the north and north west boundary of the site.

The Environment Agency are known to monitor the water quality of the River Skerne at stations approximately 2.5km upstream and 2.5km downstream of the site. The EA's General Quality Assessment of the River Skerne is Good and the River Ecosystem classification is RE3 (Fair Quality suitable for high class coarse fish populations). There is one surface water abstraction within approximately 1947m of the centre of the site, for general use by Darlington Memorial Hospital. There is one surface water discharge license for site drainage within approximately

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

600m of the site. The principal underlying geology of the site is a non aquifer of negligible permeability overlying a major aquifer. There are also no known discharges to groundwater within 2km of the site, and there are no Source Protection Zones.

The ES confirms the flood risk has been assessed and the site lies entirely within Flood Zone 1. As such the site has a less than 1 in 1000 annual probability of being affected by river or sea flooding in any year. The proposed development would not encroach upon the local floodplains and there would be no increased flood risk as a result of loss of flood plain storage.

SUDS techniques, including a series of ponds and swales, would be used to convey, treat and attenuate storm water run off and off site. Discharge to the ditch to the north of the site would be limited to the existing Greenfield run off rate. The site is therefore not at risk from flooding from surface water and would not increase the risk of flooding elsewhere.

The Environment Agency has raised no objections to the proposed development subject to the imposition of planning conditions and informatives.

### **Ground Conditions and Geotechnical Issues**

A Phase 1 Desk Study has been undertaken together with a brief preliminary intrusive investigation for the site. The study concluded a low risk of contamination within the Greenfield part of the site, and a moderate risk within the Brownfield portion. The Council's Environmental Health Officer has requested the imposition of a planning condition relating to further ground investigations.

The ES states that the development would have no long-term adverse effects on the environment resulting from the proposed development in relation to ground conditions. Any short-term effects on the environment associated with any earthworks required can be mitigated using control measures.

The Council's Environmental Health Officer agrees with the findings of the ES subject to the imposition of conditions relating to piling and the submission of a Construction Environmental Management Plan.

### **Section 106 Agreement**

Discussions between the applicant and Council officers are continuing over the issue of securing a contribution for the bus services and Members will be updated at the Planning Committee. However, the Section 106 Agreement would be required in relation to securing financial contributions towards:

- Upgrading two bus stops located in Faverdale North to upgrade with raised kerbs and shelters;
- Providing financial support for existing and future bus services (current Service Nos 16 and 19)
- Providing a financial contribution towards highway improvements at the A68/Woodlands Road roundabout and A68 Cockerton Green roundabout.

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

The Travel Plan, which includes financial commitments on behalf of the developer such as an annual budget to be spent by the Travel Plan Coordinator, would also be secured by this Agreement.

### **SECTION 17 OF THE CRIME AND DISORDER ACT 1998**

The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area. It is not considered that the contents of this report have any such effect.

### **CONCLUSION**

This outline planning application involves a development of speculative employment and warehousing facilities in use classes B1 ( c ), B2 and B8 on land within the existing Faverdale Business Park. There would be two vehicular accesses via two new roundabouts linking to the remainder of the internal road network in the surrounding area. A maximum of 850 car parking spaces would be provided within the site. There would be an extensive landscaping scheme and biodiversity enhancements.

The application was accompanied an Environmental Statement and a Transport Statement, which have been taken into consideration when determining the planning application.

It is considered that, subject to the imposition of suitable planning conditions, the proposed development is acceptable in this location and it accords with national guidance and the development strategy established in the Regional Spatial Strategy, and the objectives of the Borough of Darlington Local Plan. The relevant policies have been taken into consideration:

#### **North East of England Plan Regional Spatial Strategy to 2021:**

- Policy 4 The Sequential Approach to Development
- Policy 6 Locational Strategy
- Policy 8 Protecting and Enhancing the Environment
- Policy E20 Key Employment Locations
- Policy 24 Delivering Sustainable Communities
- Policy 32 Historic Environment
- Policy 33 Biodiversity and Geodiversity
- Policy 34 The Aquatic & Marine Environment
- Policy 37 Air Quality
- Policy 38 Sustainable Construction
- Policy 54 Parking and Travel Plan

#### **Borough of Darlington Local Plan 1997:**

- E2 Development Limits
- E7 Landscape Conservation
- E14 Landscaping of Development
- E16 Appearance From Main Travel Routes
- E20 Sites of Nature Conservation Importance

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

- E23 Nature and Development
- E29 Setting of New Development
- T2 Highway and Transport Management
- T12 New Development – Road Capacity
- T24 Parking and Servicing Requirements for New Development
- T40 New Development and Lorries
- T47 Road/Rail Freight Depot
- T48 Rail Served Industrial Land
- EP2 Employment Areas
- EP3 New Employment Areas
- EP6 Prestige Employment

### **RECOMMENDATION**

THAT THE ASSISTANT CHIEF EXECUTIVE (REGENERATION) BE AUTHORISED TO NEGOTIATE AN AGREEMENT UNDER SECTION 106 OF THE TOWN AND COUNTRY PLANNING ACT 1990 TO SECURE THE FOLLOWING:

- A FINANCIAL CONTRIBUTION TO THE UPGRADING OF TWO BUS STOPS IN FAVERDALE NORTH
- FINANCIAL SUPPORT FOR EXISTING AND FUTURE BUS SERVICES
- HIGHWAY IMPROVEMENTS AT THE A68/WOODLAND ROAD ROUNDABOUT AND A68 COCKERTON GREEN ROUNDABOUT
- A TRAVEL PLAN
- AND SUBJECT TO THE SATISFACTORY COMPLETION OF A 106 AGREEMENT

PLANNING PERMISSION BE GRANTED SUBJECT TO THE FOLLOWING CONDITIONS:

1. Approval of the following details (“the reserved matters”) in respect of each building or phase of development shall be obtained from the Local Planning Authority, in writing, before the commencement of that building or phase of development:
  - Appearance
  - Landscaping
  - Layout
  - Scale
2. The development shall not be carried out otherwise than in accordance with the approved plans. Application(s) for approval of reserved matters shall be made to the Local Planning Authority before the expiration of three years from the date of this permission.

REASON: - To accord with the provisions of Section 92(1) of the Town and Country Planning Act 1990 (as amended).

3. The development shall be begun two years from the final approval of the reserved matters referred to in condition (1) or, in the case of approval on different dates the final approval of the last such matter to be approved.

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

REASON - To accord with the provisions of Section 92(1) of the Town and Country Planning Act 1990

4. Prior to submission of the reserved matters/full planning application within or involving part of the areas labelled as areas 19 and 66.1 upon the plan entitled "Recorded Archaeological Sites Figure 7.1; Drawing No R.0180\_13-1a" the developer must secure the implementation of and undertake an agreed programme of archaeological works in accordance with a written scheme of investigation which has been submitted by the applicant and approved by the planning authority. A copy of any analysis, reporting, publication or archiving required as part of the mitigation strategy shall be deposited at the County Durham Historic Environment Record within one year of the date of completion of the scheme hereby approved by this permission or such other period as may be agreed in writing by the local planning authority.

REASON: The site is in an area of high archaeological potential as shown by the submitted geophysical survey report. The results of the evaluation will be needed to help determine the future reserved matters/full planning application.

5. Development shall not begin until a surface water drainage scheme for the site, based on sustainable drainage principles and an assessment of the hydrological and hydrogeological context of the development, has been submitted to and approved in writing by the local planning authority. The scheme shall subsequently be implemented in accordance with the approved details before the development is completed. The scheme shall also include details of how the scheme will be maintained and managed after completion.

REASON: To prevent the increased risk of flooding, to improve and protect water quality, improve habitat and amenity, and ensure future maintenance of the surface water drainage system.

6. Prior to being discharged into any watercourse, surface water sewer or soakaway system, all surface water drainage from parking areas and hardstandings shall be passed through an oil interceptor installed in accordance with a scheme previously submitted to and approved in writing by the LPA. Roof water shall not pass through the interceptor.

REASON: To prevent pollution of the water environment.

7. The development hereby permitted shall not be commenced until such time as a scheme to dispose of foul and surface water has been submitted to, and approved in writing by, the local planning authority. The scheme shall be implemented as approved.

REASON: To prevent pollution of the water environment.

8. Prior to commencement of development or occupation of any part of the permitted development, a verification report demonstrating completion of the works set out in the approved remediation strategy and the effectiveness of the remediation shall be submitted to and approved, in writing, by the local planning authority. The report shall include results of sampling and monitoring carried out in accordance with the approved verification plan to demonstrate that the site remediation criteria have been met. It shall also include any plan (a long-term monitoring and maintenance plan) for longer-term monitoring of pollutant linkages, maintenance and arrangements for contingency action, as identified in the



APPLICATION REFERENCE NO 08/00778/OUT

PAGE

verification plan, and for the reporting of this to the local planning authority.

**REASON:** This is to confirm that the risks to controlled waters are appropriately addressed.

9. Prior to the commencement of development approved by this planning permission (or such other date or stage in development as may be agreed in writing with the Local Planning Authority), the following components of a scheme to deal with the risks associated with contamination of the site shall each be submitted to and approved, in writing, by the local planning authority:

A preliminary risk assessment which has identified:

- all previous uses
- potential contaminants associated with those uses
- a conceptual model of the site indicating sources, pathways and receptors potentially unacceptable risks arising from contamination at the site.

A site investigation scheme, based on (1) to provide information for a detailed assessment of the risk to all receptors that may be affected, including those off site.

The site investigation results and the detailed risk assessment (2) and, based on these, an options appraisal and remediation strategy giving full details of the remediation measures required and how they are to be undertaken.

A verification plan providing details of the data that will be collected in order to demonstrate that the works set out in (3) are complete and identifying any requirements for longer-term monitoring of pollutant linkages, maintenance and arrangements for contingency action.

Any changes to these components require the express consent of the local planning authority. The scheme shall be implemented as approved.

**REASON:** The information provided with the planning application indicates that the site has been subject to a potentially contaminative land-use [i.e. former fuel tanks on site and a former waste transfer station on site]. The environmental setting of the site is sensitive as it lies on the Magnesium Limestone major aquifer. This condition will ensure that the risks posed by the site to controlled waters are assessed and addressed as part of the redevelopment.

10. The development hereby permitted shall not commence until a scheme to deal with contamination of land and/or groundwater, including soil contamination, ground/surface water contamination, landfill gas, leachates and stability as appropriate, has been submitted and approved by the Local Planning Authority and until the measures approved in that scheme have been fully implemented. The scheme shall include all of the following measures unless the Local Planning Authority dispenses with any such requirement specifically and in writing:-

- (a) A desk top study, carried out by a suitably qualified person, to identify and evaluate all potential sources and impacts on land and/or groundwater contamination relevant to the site. The scope of the study shall be agreed with the Local Planning Authority before it is

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

commenced and the report shall conform to any such agreed requirements. Two copies of the desktop study and non-technical summary shall be submitted to the Local Planning Authority upon completion of the development.

- (b) A site investigation shall be carried out by a competent person to fully and effectively characterise the nature and extent of any land and/or groundwater contamination and its implications. The site investigation shall not be commenced until:
- (i) A desk top study has been completed satisfying the requirements of paragraph (a) above.
  - (ii) The requirements of the Local Planning Authority for site investigations have been fully established; and
  - (iii) The extent and methodology have been agreed in writing with the Local Planning Authority.

Two copies of the report on the completed site investigation shall be submitted to the Local Planning Authority on the completion of the development.

- (c) A written method statement for the remediation of land and/or groundwater contamination affecting the site shall be determined through risk assessment and agreed in writing with the Local Planning Authority prior to the commencement of the development. The works specified in the Reclamation Method Statement shall be implemented and completed in accordance with the agreed method statement by a competent person, no alterations to the method statement or associated remediation works shall be carried out without the written agreement of the Local Planning Authority.
- (d) Two copies of a completion report ( the 'Validation Report') confirming the objectives, methods, results and conclusions of all remediation works shall be submitted to the Local Planning Authority within 2 months of completion of the development.
- (e) Any contamination not considered in the Reclamation Method Statement but identified during the reclamation works should be subject to further risk assessment and remediation proposals agreed with the Local Planning Authority and the development completed in accordance with any further agreed amended specification of works.

REASON - The site may be contaminated as a result of past or current uses and/or is within 250 metres of a site which has been landfilled and the Local Planning Authority wishes to ensure that the proposed development can be implemented and occupied with adequate regard to environmental and public protection

11. No development pursuant to this outline consent shall take place until an investigative report assessing the viability of on site renewable energy sources for this particular development including its ability to reduce the CO2 emissions through their use by 10% has been submitted to and approved in writing by the Local Planning Authority. Should it be shown that the use of such initiatives are viable, before the development is occupied the approved renewable energy equipment shall have been installed and the Local Planning Authority shall be satisfied that their day to day operation will provide energy and efficiency for the development for as long as the development remains in existence.

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

12. REASON - To limit the energy requirements of the development in accordance with the Regional Spatial Strategy; PPS1 – Delivering Sustainable Development; PPS22 – Renewable Energy and emerging government guidance on climate control.”
13. Notwithstanding the details shown on the Illustrative Masterplan submitted with the approved application, an Environmental Masterplan, to include precise details of conservation management plans, landscaping, habitats, ponds, wetland areas, wildlife corridor, drainage systems shall be submitted to and approved, in writing, by the Local Planning Authority prior to the commencement of the development. The development shall not be carried out otherwise than in complete accordance with the approved details.

REASON: To demonstrate how the development will achieve the enhancement of the biodiversity of the area and to accord with the Regional Spatial Strategy.

14. A Noise Impact Assessment in respect of each building or phase of development shall be submitted to and approved, in writing, by the Local Planning Authority, before the commencement of that building or phase of development. The Assessment should include measurement of the existing background noise levels at the identified noise sensitive properties (to be agreed with the Local Planning Authority). The noise impact assessment shall clearly demonstrate that an acceptable noise climate shall be achieved at the agreed noise sensitive receptors. The details of any noise mitigation measures shown to be necessary shall be submitted to and agreed with the Local Planning Authority and the development shall not be carried out otherwise than in complete accordance with the approved details

REASON: To ensure that nearby properties and future developments are not adversely affected by noise.

15. The hours of operation of construction activities should be restricted to 08:00-18:00 hours Mon to Fri, 08:00-1300 hours Saturdays and no working on Sundays or Bank Holidays, unless previously agreed with the Local Planning Authority.

REASON: To ensure that nearby properties and future developments are not adversely affected by noise.

16. Noise from the development should not exceed a Rating Level (LAeq, 1 hour) of more than 3 dB (A) above the background noise level during the daytime (07:00-23:00 hours), and a Rating Level (LAeq, 5 minutes) of 2 dB (A) below the background noise level at night (23:00-07:00 hours). The background noise levels shall be measured and agreed with the Local Planning Authority.

REASON: To ensure that nearby properties and future developments are not adversely affected by noise.

17. Notwithstanding the details of the proposed development, a Noise Impact Assessment for all external plant and machinery shall be submitted to and approved, in writing by the Local Planning Authority prior to the commencement of the development. The development shall not be carried out otherwise than in complete accordance with the approved details.

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

REASON: To ensure that nearby properties and future developments are not adversely affected by noise.

18. Noise levels due to construction activities shall not exceed 70 dB(A) LAeq, 1 hour, and 80 dB(A) LA Max, at the identified noise sensitive receptors (to be agreed with the Local Planning Authority). Noise levels shall be monitored at a frequency to be agreed with the Local Planning Authority. (Noise monitoring points to be agreed with the Local Planning Authority).

REASON: To ensure that nearby properties and future developments are not adversely affected by noise.

19. Prior to commencement of development, a Dust Action Plan shall be submitted to and agreed by the Local Planning Authority, thereafter the development shall be carried out in accordance with the agreed plan.

REASON - To ensure that nearby residential properties are not adversely affected by dust.

20. Prior to the commencement of any on site works (including demolition and site clearance), details of a wheel washing facility for construction traffic shall be submitted to, and approved in writing by, the Local Planning Authority. Such a facility shall be provided, used and maintained on-site until the development is completed.

REASON - To ensure that adequate measures are available to prevent the depositing of soils and debris on the adjoining position of the highway and in the interests of road safety.

21. Notwithstanding the details shown on the approved plans, a Lighting Assessment including the details of the location, design and height of any external lighting, shall be submitted to and approved, in writing with the Local Planning Authority prior to the commencement of the development. The approved details shall include the lighting specification, luminance and field of illumination of all external lights. The development and any shall not be carried out otherwise than in complete accordance with the approved details and any mitigation measures.

REASON: In the interest of both the visual amenity of the area and the amenity of the nearby properties.

22. Notwithstanding the details shown on the approved plans, an Odour Assessment for any uses which may create odours shall be submitted to and approved, in writing with the Local Planning Authority prior to the commencement of each phase of the development. The development shall not be carried out otherwise than in complete accordance with the approved details and any mitigation measures.

REASON: In the interest of amenity of the nearby properties.

23. No works shall commence on site until protective fencing, in accordance with BS5837 2005 has been erected around the trees to be retained in and adjacent to the application site. The fencing should be at least 2.3m high and consist of a scaffolding frame, braced to resist impacts, supported by a weldmesh wired to the uprights and horizontals to dissuade encroachment. The extent of the protection should be inspected by a Council Officer prior to

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

the commencement of the development.

REASON: To ensure the retention of the trees and their protection from damage, in the interests of visual amenity.

24. Notwithstanding the details shown on the Illustrative Masterplan submitted with the approved application, precise details of all pedestrian footways and cycle ways shall be submitted to and approved, in writing, by the Local Planning Authority prior to the commencement of the development. The development shall not be carried out otherwise than in complete accordance with the approved details.

REASON: In order ensure that the development provides safe and convenient access arrangements for pedestrians and cyclists.

25. Notwithstanding the details submitted with the approved application, a Travel Plan, based on the findings and measures contained within the “Faverdale Business Travel Plan Rev C” dated November 2008 and prepared by Halcrow, shall be submitted to and approved in writing by the Local Planning Authority prior to the commencement of the development. The development shall not be carried out otherwise than in complete accordance with the approved details.

REASON: To encourage sustainable means of travel.

26. Notwithstanding the details shown in the approved application the proposed development shall provide 24-hour toilet/washrooms/showering facilities for HGV drivers and secure cycle parking areas with associated showering and changing facilities. Details of which must be submitted to and approved, in writing, prior to the commencement of the development. The development shall not be carried out otherwise than in complete accordance with the approved details.

REASON: In order to achieve a satisfactory form of development

27. Notwithstanding the details shown in the approved application the proposed development shall provide secure cycle parking areas with associated showering and changing facilities. Details of which must be submitted to and approved, in writing, prior to the commencement of the development. The development shall not be carried out otherwise than in complete accordance with the approved details.

REASON: In order to achieve a satisfactory form of development

28. The proposed development shall be carried out in all respects in accordance with the proposals contained in the application and the plans submitted therewith and approved by the Local Planning Authority, or as shall have been otherwise agreed in writing by the Local Planning Authority.

REASON - To ensure the development is carried out in accordance with the planning permission.

29. Prior to the commencement of the development, details of the highway improvement works for Samson Way and Legion Avenue shall be submitted to and approved by the Local

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

Planning Authority. The development shall not be carried out otherwise in complete accordance with the approved details.

REASON – In the interest of highway safety

### **SUGGESTED SUMMARY OF REASONS FOR GRANTING PLANNING PERMISSION**

This outline planning application involves a development of speculative employment and warehousing facilities in use classes B1 ( c ), B2 and B8 on land within the existing Faverdale Business Park. There would be two vehicular accesses via two new roundabouts linking to the remainder of the internal road network in the surrounding area. A maximum of 850 car parking spaces would be provided within the site. There would be an extensive landscaping scheme and biodiversity enhancements.

The application was accompanied an Environmental Statement and a Transport Statement, which have been taken into consideration when determining the planning application.

It is considered that, subject to the imposition of suitable planning conditions, the proposed development is acceptable in this location and it accords with national guidance and the development strategy established in the Regional Spatial Strategy, and the objectives of the Borough of Darlington Local Plan. The relevant policies have been taken into consideration:

#### **North East of England Plan Regional Spatial Strategy to 2021:**

- Policy 4 The Sequential Approach to Development
- Policy 6 Locational Strategy
- Policy 8 Protecting and Enhancing the Environment
- Policy E20 Key Employment Locations
- Policy 24 Delivering Sustainable Communities
- Policy 32 Historic Environment
- Policy 33 Biodiversity and Geodiversity
- Policy 34 The Aquatic & Marine Environment
- Policy 37 Air Quality
- Policy 38 Sustainable Construction
- Policy 54 Parking and Travel Plan

#### **Borough of Darlington Local Plan 1997:**

- E2 Development Limits
- E7 Landscape Conservation
- E14 Landscaping of Development
- E16 Appearance From Main Travel Routes
- E20 Sites of Nature Conservation Importance
- E23 Nature and Development
- E29 Setting of New Development
- T2 Highway and Transport Management
- T12 New Development – Road Capacity
- T24 Parking and Servicing Requirements for New Development
- T40 New Development and Lorries

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

- T47 Road/Rail Freight Depot
- T48 Rail Served Industrial Land
- EP2 Employment Areas
- EP3 New Employment Areas
- EP6 Prestige Employment

**INFORMATIVE TO BE INCLUDED SHOULD PLANNING PERMISSION BE GRANTED:**

With regards to foul drainage, the Sewerage Undertaker should be consulted by the Local Planning Authority and be requested to demonstrate that the sewerage and sewage disposal systems serving the development have sufficient capacity to accommodate the additional flows, generated as a result of the development, without causing pollution.

The Environment Agency recommends that developers should:

1. Follow the risk management framework provided in CLR11, Model Procedures for the Management of Land Contamination, when dealing with land affected by contamination.
2. Refer to the Environment Agency Guidance on Requirements for Land Contamination Reports for the type of information that we require in order to assess risks to controlled waters from the site. The Local Authority can advise on risk to other receptors, e.g. human health.
3. Refer to our website at [www.environment-agency.gov.uk](http://www.environment-agency.gov.uk) for more information.

The recovery, treatment and disposal of contaminated soils and groundwater is regulated by waste legislation and requires a Waste Management Licence or Pollution Prevention and Control permit.

Treatment of contaminated soil by mobile plant requires a mobile treatment licence. Soil may be re-used on-site as part of a soil recovery operation by registering a waste management licence exemption with the Environment Agency or by obtaining a Waste Management Licence.

Developers should ensure that all contaminated materials are adequately characterised both chemically and physically, and that the permitting status of any proposed on site operations are clear. If in doubt, the Environment Agency should be contacted for advice at an early stage to avoid any delays.

It is recommended that developers should refer to the Environment Agency's:

- remediation position statements outlining its regulatory position on remediation processes
- guidance on the Definition of Waste: developing Greenfield and Brownfield sites for assisting those involved with construction work in deciding whether or not they are handling waste.
- website at [www.environment-agency.gov.uk](http://www.environment-agency.gov.uk) for further guidance.

APPLICATION REFERENCE NO 08/00778/OUT

PAGE

Contaminated soil that is excavated, recovered or disposed of, is controlled waste. Therefore, its handling, transport, treatment and disposal is subject to waste management legislation, which includes:

- i.) Duty of Care Regulations 1991
- ii.) Hazardous Waste (England and Wales) Regulations 2005
- iii.) Waste Management Licensing Regulations 1994 (as amended)
- iv.) Pollution Prevention and Control Regulations (England and Wales) 2000
- v.) Landfill (England and Wales) Regulations 2002

Developers should ensure that all contaminated materials are adequately characterised both chemically and physically, and that the permitting status of any proposed off site operations is clear. If in doubt, the Environment Agency should be contacted for advice at an early stage to avoid any delays.

The applicant is advised that works will be required that will need to be the subject of a highway agreement and contact must be made with the Assistant Director: Highways and Engineering (contact Mr.S.Brannan 01325 388755) to discuss this matter.

The applicant is advised that contact must be made with the Assistant Director: Highways and Engineering (contact Ms.P.Goodwill 01325 388760) to discuss naming and numbering of the development.



# Appendix 2.

## Assessment of Housing Sites

### SITES WITH PLANNING PERMISSION OVER 50 DWELLINGS

Ref	Site	Total Capacity	Completed	5-year Capacity	Comments	BW 5-year Capacity
DC002	Snipe House Farm	149	20	97	As construction has already begun, no reason to believe dwellings will not be completed as anticipated.	97
DU17	West Park (Combined Sites)	834	393	317	Under construction but unlikely to build at this high a rate. More likely to be approximately 30 dwellings per year.	150
DCU217	22 Yiewsley Drive	67	0	67	Current site of Darlington Mowden Park RFC. Extension of time application (10/00208/FUL) withdrawn in June 2010. Current application to vary Condition 3 of the original permission 01/00560/FUL (10/00715/FUL) pending a decision. Taking into account the uncertain planning situation, the need to find alternative relocation site and time needed to relocate and prepare the site for development, it is considered that it is unlikely that this site will deliver dwellings in the five-year period. Estate agents (Charltons) say the site is 'on hold' with no further information to release at the moment. Rugby club is still in situ.	0
DU229	Darlington Technology College	114	21	78	Currently in progress and no reason to believe dwellings will not be completed as anticipated.	78
DU239	Alderman Leach School Site	75	0	75	School has relocated to West Park. No reason to believe dwellings will not be completed as anticipated.	75
DU286	Central Park (Combined)	600	0	275	Construction not yet begun. Rates of delivery appear too high, particularly in context of current economy. More likely to proceed from 2011/2012 at 30 dwellings per year.	120
DU319	Former Beaumont Hill Senior School	56	0	56	School has been demolished, therefore no reason to believe dwellings will not be completed as anticipated.	56
DU324	Hopetown House	96	0	81	Construction appears to have commenced. No reason to believe dwellings will not be completed as anticipated.	81
DU329	Neasham Road	160	0	160	Outline planning permission (08/01004/OUT) granted in July 2009. No current reserved matters application with the Council and not anticipated to commence until 2011/2012. Taking into account the time need to prepare, submit a reserved matters application and for permission to be granted in addition to site preparation works and the time taken before even one dwelling is completed, it is considered that it is unlikely that this site will contribute to the five-year supply.	0
Total				1206		657

## SHLAA SITES OVER 50 DWELLINGS

Ref	Site	5-year Capacity	Comments	Revised 5-year Capacity
8	Harrowgate Hill	50	There is no information in the SHLAA of March 2009 relating to the availability of this site. As the site is outside the development limits of Darlington, amendments to planning policy will be required. Given that site allocations document unlikely to be adopted before 2012 and taking into account lead-in times in obtaining planning permission and so on, it is considered that this site cannot contribute to the 5-year supply of housing land.	0
12	Ward Bros	88	The March 2009 SHLAA notes that the business on site is due to relocate in the next two years. On this basis, it is unlikely that the site will be available until 2011. Taking into consideration the time needed to obtain planning permission and lead-in times associated with site preparation (there is a high risk of contamination on the site), it is only likely that the site could deliver in the final year of the 5-year supply at best.	30
13	Mowden Hall	60	This site is only available from 2012 (as noted in the March 2009 SHLAA. As such, it is unlikely to contribute to the 5-year housing land supply given time taken in achieving planning permission and lead-in times.	0
41	Whessoe Road	175	Outline Planning Permission granted for 250 dwellings in June 2010. Site preparation works in progress.	175
44	Amec	150	Planning application timescales and lead-in times, particularly associated with contamination suggest delivery in the latter years of the 5-year period at best.	60
49	Harrowgate Village	97	Site outside development limits, requiring an amendment to planning policy. Deliverability may be subject to the construction of a northern by-pass between the A167 and A66(T) or A1150). Such infrastructure is costly and likely to delay development at least in the short term. Therefore it is considered that the site is not achievable in the 5-year housing supply period.	0
65	Eastbourne School	60	Potential access issues if access needs to be taken through Site 66 as this is currently open space with no Council resolution to dispose. Therefore, unlikely to deliver housing in the 5-year period.	0
<b>Total</b>		<b>680</b>		<b>265</b>



# Appendix 3.

# DTZ Marketing Information



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St Modwen Properties  
Ground Floor  
Unit 2 Landmark Court  
Leeds  
LS11 8JT

**Email:** nick.atkinson@dtz.com  
**Direct tel:** 0191 223 5714  
**Direct fax:** 0191 223 5799

**Your ref:**  
**Our ref:** NA/SC

05 January 2011

Dear Steve

**Faverdale 58, Darlington**

As requested, I have set out below a brief history of activity to date and competing sites as a base for a meeting with Mike in a few weeks time in Leeds.

**Background**

DTZ were instructed in October 2006, at which time we reported on competing schemes in terms of existing buildings and competing development sites in the Region.

Speculative development of large warehouse buildings over 100,000sqft has been limited in the Northeast. Only 4 such units have been delivered outside the tax driven Enterprise Zones and their performance has been weak. Brief commentary as follows:

- Wynyard 360, Wynyard Park – 300,000sqft completed September 2006. Sold January 2009 to EDS for conversion to a data centre.
- Drum 3, Chester le Street – 263,000sqft completed January 2008 and still available.
- Faverdale East, Darlington – 100,000sqft completed February 2007. Let June 2009 to Coldstore Logistics on very competitive terms
- Cherry Blossom Way, Washington – 100,000sqft completed Nov 2006 and still available.

The closest development to your site is the Faverdale East which comprised 4 units from 20,000 – 100,000sqft. Two of the four units are still available more than 4 years after they started on site.

There have been various expressions of interest on the Drum building, which is now 3 years post completion.

BAE systems considered converting the building but opted for a 350,000 sq ft design and build solution with Highbridge on the old Dunlop Goodyear site in Washington. This requirement was very

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location sensitive, the key driver being retention of the workforce in Birtley. Highbridge has subsequently agreed a land sale of 16 acres to Rolls Royce, but completion of this transaction is pending agreement between Rolls Royce and the unions.

Optare Buses considered relocating from Yorkshire and Lancashire. While there still remains a desire to consolidate in the North East on the back of the electric vehicle expertise, Optare are not selling enough buses to finance such an investment.

DHL/Nissan looked at just about every building within a 15 minute drive time of the Nissan plant throughout 2009 to store imported parts for the new Juke model. They eventually settled at the Port of Tyne in a strategic move which gave them very cheap and flexible warehousing on the back of their wider Port of Tyne relationship.

The fact is that all of these enquiries with the exception of EDS had specific reasons to be in the Washington area and would not have considered locations further south.

There has been only one transaction of new build stock in excess of 100,000 sq ft in the region this year, this being the 140,000 sq ft Foxcover Flex building in the Dawdon Enterprise Zone near Seaham. The building was purchased by Metromail to expand and relocate from Peterlee. Once again this was location sensitive, but also cost sensitive as they acquired for less than £25 per sq ft capital value.

Two further lettings were achieved at Dawdon extending to 125,000 and 130,000sqft. Cumbrian Seafoods took both units with extremely attractive incentive packages generated by the tax efficient EZ funding.

The two requirements most likely to have considered Faverdale 58 are those which we discussed last week in some detail.

- The Hitachi Rail 400,000sqft requirement was pursued aggressively by St Modwen. Despite the specific physical constraints of this requirement Hitachi still had a number of viable options in this region and beyond. In fact the recent announcement of a delay in the decision might enable other rail connected sites such as Durham Green to enter the competition.
- The DTS Clipper/Asda 350,000sqft warehousing requirement is still reported to be considering Amazon at Newton Aycliffe, Link 66 in Darlington and Teeslink at Wynyard. This demonstrates very clearly the extent of direct competition in Tees Valley.

Another sub-sector that was particularly active throughout 2009 was Waste to Energy and we received numerous nationwide searches for land suitable for this use. The only potential deals I am aware of in the North East region are at the Port of Tyne and Teesport. Teesside in particular has abundant land set aside for the petro-chemical industry, such as the 2,000 acre Wilton Estate, which is close to the port and extremely well serviced in terms of utilities, therefore ideal for this kind of use.



## Competition

I have prepared a schedule of relevant sites and buildings with commentary on each and we can use this as a reference for our meeting. To put your Faverdale site into perspective, One Northeast report a total of 3,703 Ha (9,150 acres) of available employment land in the region, of which approximately 1,736 Ha (4,290 acres) are available in the Tees Valley region alone. Source: North East Business Accommodation Project Baseline Report (April 2009) prepared for One North East by GHK Consulting, Bryan Latty Consulting, CURDS and Bradley Research and Consulting. All data generated from North East Business Space ([www.northeastbusinessspace.com](http://www.northeastbusinessspace.com))

The total take up of brand new space over the last 5 years is highlighted in the table below which includes all unit sizes throughout Northumberland, Tyne & Wear, Co. Durham and Teesside. These figures have been compiled internally by DTZ over the period. Excluded from these figures are the larger self build projects by the supermarkets/retailers including Asda, Argos, Tesco and Lidl, but they were never in the market for developer led projects.

New Speculative Units					
Availability		Take-up		Take-up	
	Sq m	Sq ft	Sq m	Sq ft	Number of Units
2003	84,369	908,140	61,593	662,983	44
2004	80,775	869,455	38,218	411,379	28
2005	81,494	877,197	36,975	397,999	49
2006	84,673	911,412	39,782	428,208	51
2007	247,583	2,664,965	85,739	922,893	69
2008	179,363	1,930,656	90,244	971,378	68
2009	144,784	1,558,489	43,429	467,477	37

To put the Tees Valley market share into perspective, it accounts for just 14% of the existing new stock and 46.8% of the available land.

## Marketing History

In terms of marketing we have extensively circulated the Faverdale 58 brochure to all local and regional / national agents on the Industrial Agents Society database (250 agents) and to a mailing list of the top 750 warehouse distribution companies in the UK.

The site has been promoted on numerous web sites including DTZ, St Modwen, Darlington Borough Council and various property marketing sites such as EG Property Link, Focus and Novaloca, for a period of circa 3 years.



The brochure was produced in conjunction with Richard Hunter at Tees Valley Regeneration (now Tees Valley Unlimited) who promotes sites within the region and to inward investors via One Northeast. TVR's details are included on the brochure.

The site has also been included in the annual Estates Gazette Distribution Parks Directory for the last 3 years, which is the definitive industry register of distribution sites throughout the UK. Details are also included on Logistics Manager LM-Sheds.com Directory.

The proposed Faverdale 58 development periodically received coverage in the local press and property magazines including Estates Gazette, Property Week and Property Magazine International.

In summary the site has been very widely marketed for a period of 4 years by 2 DTZ offices in Newcastle and Leeds. DTZ are arguably the most active agents in the big shed distribution market in the Northeast and have actively promoted Faverdale 58 to all appropriate enquires. In addition St Modwen have a relationship with Knight Frank on a national basis whereby Faverdale 58 is also promoted.

#### **Future Prospects**

It's impossible to forecast demand but trends over the past year suggest that smaller business units of circa 3,000 – 30,000sqft are most popular. Genuine enquires for larger buildings such as Cherry Blossom Way (100,000sqft) and Drum Park (263,000sqft) have been thin this year with no meaningful negotiations on terms since the DHL/Nissan enquiry of 2009, which settled at Port of Tyne.

The Northeast region has never featured highly as a B8 distribution hub for obvious geographic reasons and proximity to the major centres of population, compared with the Midlands, South East and even Yorkshire. The proposed Northern Gateway investment at Teesport could potentially improve demand by increasing container volumes but this project is currently on hold. DTZ are aware of just one live warehousing requirement of more than 250,000sqft for Teesside over the past 2 years, this being Clipper Logistics/Asda mentioned above. We know that Clipper originally wanted to be on Teesport alongside Asda and Tesco but PD Ports could not accommodate them. Port related sites are more likely to gravitate to the A19 corridor than the A1 to save costs on the return leg of the empty container back to the Port.

B1(C) and B2 Engineering requirements similar to BAE Systems and Rolls Royce generally come about as a result of relocation of an existing skilled workforce from obsolete buildings. In such circumstances our region faces competition from cheaper cost centres such as Central Europe and the Far East. Black and Decker Electrolux have both relocated from Spennymoor in the last 3 or 4 years while Thorn Lighting chose to relocate in Spennymoor having been granted planning consent for residential development on their old site. It is therefore unlikely that any large engineering company not currently represented in Darlington would choose to invest in large scale manufacturing at Faverdale.





Larger scale inward investment projects such as Nissan or the semi conductor plants built by Fujitsu and Siemens are subject to substantial grant funding which is not on the current political agenda. In summary, large scale developments along the lines of Argos are increasingly rare and Tees Valley has an over-supply of competing industrial sites.

We cannot predict take up rates at Faverdale specifically but the Easter development at Faverdale extending to 190,000sqft has been available almost 4 years from completion and 2 of the 4 units remain vacant. On this evidence an employment site of up to 6 hectares would seem appropriate to satisfy a 15 year development pipeline, bearing in mind development is unlikely to commence immediately.

I trust this brief update is useful and I look forward to seeing you soon.

Kind regards

Yours sincerely

A handwritten signature in black ink, appearing to read 'N. Atkinson'.

**Nick Atkinson**  
**Director**  
**National Industrial and Logistics Team**

cc Richard Bannister – St Modwen  
Mike Baugh – DTZ Leeds

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