



**APPLICATION COM/232618 FOR
DEREGISTRATION OF PART OF COMMON
LAND AT THE SANDS, DURHAM**

**THE DEREGISTRATION AND EXCHANGE
OF COMMON LAND AND GREENS
(PROCEDURE) (ENGLAND) REGULATIONS
2007**

**SOCIO-ECONOMIC IMPACT
PROOF OF EVIDENCE
STUART TIMMISS ON BEHALF OF
DURHAM COUNTY COUNCIL**

27 November 2020

- 1 INTRODUCTION AND SCOPE OF EVIDENCE**
- 2 BACKGROUND TO NEW HQ**
- 3 BENEFITS OF NEW HQ**
- 4 BENEFITS OF A NEW BUSINESS PARK AT AYKLEY HEADS**
- 5 SOCIO-ECONOMIC IMPACTS OF REFUSAL OF APPLICATION**
- 6 SUMMARY AND CONCLUSIONS**

1 INTRODUCTION AND SCOPE OF EVIDENCE

- 1.1 My name is Stuart Timmiss and I am the Head Of Development And Housing at Durham County Council. I have been employed by the Council in this position since 2009.
- 1.2 I have a Diploma in Urban Regional Planning and a Masters in Urban Design. I have worked as a Planner since 1997 and in Local Government since 1982. I have experience in all areas of Town and Country Planning Policy and Regeneration.
- 1.3 I understand my duty as an expert witness to the Inquiry and I have complied with and continue to comply with that duty. The evidence which I have prepared and provide for this inquiry is true. I confirm that the opinions expressed are my true professional opinions.
- 1.4 My evidence covers the background to the new Council HQ move to the Sands which would involve the siting of a Members' car park and water storage tank on the Release Land, the socio-economic benefits of the new HQ, the socio-economic benefits of the redevelopment of the Aykley Heads site, on which the current Council's HQ building is located and the socio-economic impacts if this application before the Inspector is refused and the Members' car park and the water tank have to be accommodated elsewhere than on the Release Land.

2 BACKGROUND TO NEW HQ

- 2.1 The recently adopted County Durham Plan, the local plan for County Durham, recognises that Durham City needs a critical mass of employment, a growing population and more visitors to build on its strengths and become a city of greater regional, national and international significance.
- 2.2 For many years, the consensus view has been that Durham City has been punching below its weight. Unlike its nearest city neighbours along the East Coast Main Line (Newcastle and York) it has failed to attract significant private sector employers. More recently, Durham City's overreliance on public sector jobs (not least at the Passport Office, National Savings & Investments, Durham Police, Durham University, University Hospital Durham and New

College Durham) and its associated vulnerability has been exposed by public sector funding cuts and reorganisation.

- 2.3 Durham City is the main driver for economic growth for the wider county with 29% of County Durham GVA and employment generated in the city¹. As home to the Cathedral, Castle and University, Durham is a city of key historical and cultural importance. In addition, strong national transport links (for example, the East Coast Mainline and A1(M), and visitor economy further demonstrate the vital importance of the city to the county.
- 2.4 The relocation of the Council's HQ into the heart of Durham City (in part on the Release Land) will provide a boost for existing businesses and may well attract new ones responding to a new market opportunity. In turn freeing up the Aykley Heads site to accommodate high quality jobs will provide a major boost to the economy of Durham City and County Durham as a whole.

3 BENEFITS OF NEW HQ

- 3.1 Being based in the City Centre may encourage County Council staff to shop more during lunchtimes and after work, as well as patronise sandwich shops, cafés, bars and restaurants and use cultural facilities to a greater extent.
- 3.2 To provide an evidence base, a survey was undertaken in May 2016 of Council staff by workplace location, seeking to understand where employees made purchases during the working day and how much they spent. The key findings of the survey were:
- £4,700 per week spent by staff in the City Centre or close to the office, during the working day;
 - £3,000 per week spent by staff near work, at the end of the working day;
 - £4,000 per week spent on other retail by County Hall staff near to the workplace during or immediately after work; and
 - A total annual spend in the city centre of £528,000.
- 3.3 Although the new HQ will have almost half as many staff as the current County Hall building, it will create alternative working day and after-work opportunities for County Council staff. Employees are much more likely to use the city

¹ County Durham Employment Land Review 2018

centre for lunchtime purchases of food/drink and also after work entertainment; and for other retail activity. Therefore, despite a reduction in the number of staff located in the new HQ, the development of the new HQ in the city centre will result in an estimated 4% increase in spend in the city centre. Furthermore, the extra footfall in the city centre will create a more vibrant environment which will be attractive to visitors and other investors. It might well be the case that by relocating from Aykley Heads into Durham City that the County Council makes the city centre more attractive which in turn makes Aykley Heads a more investable proposition for private sector occupiers.

- 3.4 In addition, the staff who are relocated to other council offices from the HQ will increase spend in the associated town and village centres giving an overall benefit to the county's economy.

4. BENEFITS OF A NEW BUSINESS PARK AT AYKLEY HEADS

- 4.1 The proposed redevelopment of Aykley Heads is made possible by the Council vacating the site through the provision of a new HQ at the Sands. This will enable the delivery of high-quality office space in a unique landscaped setting situated at the gateway to Durham City, allowing Aykley Heads to become a key employment site for the city and region. The development will also enable the beneficial re-use of the site once Durham County Council relocates to its new headquarters. This will provide the opportunity to attract new businesses and investment to the city which will generate new employment opportunities in the area.

- 4.2 Aykley Heads offers a unique parkland setting which is not typical of other business parks. The trees act as a natural visual barrier, making the site feel less like a typical office park development. This also provides benefits to staff wellbeing and happiness. The Forestry Commission published a paper entitled ' Greenspace design for health and wellbeing ' in 2012² which links health and wellbeing to the proximity of plants and greenery stating that outdoor spaces help reduce stress and encourage healthy behaviours, which can improve mental health and well-being to help recharge physical, mental

² Greenspace design for health and well-being by Forest Research, 2012.

and social capacities. Research published in a government white paper in 2011³ also showed that when employees took part in wellness initiatives, absenteeism reduced by 20%. The site is, therefore, an attractive location for businesses to locate and for residents to work in terms of its benefits to human health and staff welfare.

4.3 It should also be noted that many competing office parks are located away from city centres, such as Morton Palms, Doxford Park and Rainton Bridge but Aykley Heads provides a different offering. There has been a shift in the type of office space occupiers wish to occupy, and development has begun to reflect this with the development of the Stephenson Quarter in Newcastle and the Vaux Brewery in Sunderland. There is a greater emphasis on staff wellbeing and happiness, as noted above, which partially comes from being located close to amenities in order to provide sustenance to office occupiers, but also to enable after work recreational activities as well as facilitating informal meetings away from the office environment.

4.4 The site is in an accessible location; in terms of road connections, there is direct access to the A1(M) via junction 61 or 62 providing access to Newcastle and beyond to the north and Darlington and beyond to the south. The Site is also within walking distance to Durham Train Station which is on the East Coast Mainline providing frequent direct rail links to Newcastle, Edinburgh and London. Durham Tees Valley Airport is 23 miles south of the City and Newcastle Airport is 25 miles north which offers connectivity to a range of national and international destinations. The site is also easily accessible from the city centre and by public transport making it easy for future occupiers to access the site. In addition, the scheme will involve improvements to pedestrian linkages through the site as well as lighting to ensure safe access.

Economic benefits

4.5 Economically, the Proposed Development is expected to create circa 4,000 high-quality private sector jobs. This will enable Durham to become an employment centre within the North East and help to unlock the private sector

³ HM Government: No health without mental health, 2011

investment that brings cutting edge companies and high-quality jobs to the area.

4.6 The flexible office space developed will meet operator requirements and businesses of all sizes from a single tenant to multiple occupiers, including SMWs. This also presents opportunities to retain talented young people from local colleges and the university.

4.7 There is a demand for office space in Durham which is currently unsatisfied due to a lack of good quality office stock⁴. Furthermore, research by JLL⁵ shows that market conditions mean that developers are often unwilling to speculatively develop any good quality office stock meaning that there is not a surplus of good quality stock to react to requirements as they enter the market. However, bringing forward the redevelopment of the Aykley Heads site will create additional, flexible office space which represents a positive economic interest in Durham and helps to demonstrate confidence in the economic market. This can help encourage further investment in the city and the wider region.

4.8 The redevelopment of the Aykley Heads site is considered to result in the following economic benefits:

Construction Phase

- The creation of approximately 57FTE direct temporary construction jobs across the estimated 20-year construction phase;
- The creation of approximately 87FTE indirect temporary jobs across the estimated 20-year construction phase; and
- The generation of circa £36m (£1.8m per annum) in wage value as a result of the 57FTE direct temporary jobs during the construction phase.

Operational Phase

- The creation of up to 4,318 FTE jobs once operational;

⁴ County Durham Employment Land Review 2018

⁵ Aykley Heads Update Market Report 2019

- The generation of circa £144.5m per annum in employee salaries from the 4,320FTE jobs created, some of which will be spent within the local economy; and
- The creation of new commercial floorspace with a rateable value of approximately £3.8m, which results in the generation of circa £1.9m in payable business rates per annum.

5 SOCIO-ECONOMIC IMPACTS OF REFUSAL OF APPLICATION

- 5.1 Should the Council's Section 16 application, subject of this Inquiry, be refused, then the Council may be unable to use the Release Land for the provision of Members' car parking and also to site the water storage tank necessary for the sprinkler system in the new HQ building.
- 5.2 The water storage tank would have to be re-sited outside of the Release Land but still on the HQ site, further to the North and closer to the river. Car parking for Members would have to be provided in the adjacent new multi storey car park.
- 5.3 There would be a significant financial cost associated with resiting of the water storage tank as the new location would require ground investigations, tree felling and a Section 73 planning application before it could proceed. The estimated additional cost would be in the region of £60,000. There would also likely be very substantial financial compensation payable to the Council's contractor (Kier) as a result of any delays in the scheme occasioned by this work.
- 5.4 Making alternative provision for Members' car parking in the multi-storey car park would have both a financial and social cost. The multi storey car park is designed to accommodate 140 spaces for Council staff. 42 of these spaces would therefore have to be repurposed for Members, thereby reducing car parking spaces available for staff to 98. As Council staff would be charged for a parking place, this would result in a direct loss of revenue to the Council (minimum of £50 per space per month, although no final decision has yet been taken on pricing). Although the public would still be able to use all of

the 140 spaces (98 employee and 42 members) on evenings and weekends, there would be an overall reduction in spaces available for this purpose as the additional 42 spaces for this use which would otherwise have been provided on the Release Land will be lost. There would also be a social impact upon employees of the Council as there would be less spaces for them to use during office hours resulting in inconvenience to them. There would also be a negative impact in terms of connectivity/accessibility of the new HQ building which is likely to be felt greatest by disabled users who would otherwise have parked on the Release Land. Furthermore, market traders would be unable to use the multi-storey car park as their vehicles are too large to physically access it. Accordingly, they would be displaced in terms of parking on market days as they would have been able to use the Release Land for such purposes.

6. SUMMARY AND CONCLUSIONS

Benefits of the New HQ in Durham City

- 6.1 The relocation of the Council HQ to the Sands will bring significant financial benefits in terms of additional spend in the City Centre (estimated to be a 4% increase) and also in terms of vibrancy of the City Centre.

Benefits of redevelopment of Aykley Heads site

- 6.2 The redevelopment of the existing County Hall and wider Aykley Heads site will bring substantial benefits both economically (estimated creation of 4000 new jobs and £3.7m spend in the economy during both the construction and operational phases. The improved working environment both in terms of high quality office space and unique setting would also have social benefits for employees and visitors.

Socio-economic impacts of refusal of application

- 6.3 The refusal of the Section 16 application would potentially necessitate the resiting of the water storage tank and alternative provision for members' car parking in the adjacent multi-storey car park. That would have very significant financial impacts in terms of increased costs for the Council as well as social impacts in terms of less parking available for the public outside of office hours and a reduction in accessibility, particularly for disabled drivers.