Middlesbrough Town Centres and Retail/Leisure Study

Stage Two: Middlesbrough Town Centre

Middlesbrough Borough Council

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1.0 Introduction

Scope of Report

1.1 This report has been prepared by Lichfields on behalf of Middlesbrough Borough Council. It forms part of a suite of three documents which, together, comprise the Middlesbrough Retail and Town Centre Uses Study. The purpose of the study is to:

- to support and inform the development of local planning policy;
- to support the Council in the determination of individual planning applications and, where necessary, planning appeals; and
- to inform the development of other strategies within the Council, including those relating to transport/infrastructure, the university and other investment within Middlesbrough Town Centre.

1.2 This element of the study comprises an assessment of the vitality and viability of Middlesbrough Town Centre. This has regard to the various indicators set out in the Planning Practice Guidance (PPG), the results of an on-street shopper survey undertaken by NEMS Market Research, input from commercial agents Connect Property North East (CPNE), and consultation with key stakeholders. It includes a review of the potential of sites within/on the edge of the town centre to meet identified needs for new retail and other town centre uses (as set out in the corresponding Need Assessment report). It also includes recommendations on future planning policy, including a review of the centre boundary and any primary shopping area, the threshold requiring developers to submit a retail impact assessment and policy on hot food takeaways.

1.3 Along with the other two volumes mentioned above, this report was commissioned by Middlesbrough Borough Council in July 2019. As such, notwithstanding the date of publication, the research which underpins the various recommendations set out therein was undertaken prior to the COVID-19 pandemic as well as recent changes to the Use Classes Order.

Structure of Report

1.4 The report is structured as follows:

- Section 2.0 includes a summary of national and local planning policy relevant to this element of the study;
- Section 3.0 provides an assessment of the vitality and viability of Middlesbrough Town Centre, having regard to the indicators set out in the PPG;
- Section 4.0 provides a summary of the on-street shopper surveys undertaken by NEMS Market Research;
- Section 5.0 provides a summary of identified needs for main town centre uses, based on Stage One of this study;
- Section 6.0 provides an overview of the consultation undertaken with key stakeholders;
- Section 7.0 summarises key issues and challenges facing Middlesbrough Town Centre, as well as setting out a proposed planning strategy for addressing these issues;
- Section 8.0 reviews potential development and re-occupation opportunities within/on the edge of Middlesbrough Town Centre, including currently vacant office buildings; and
- Section 9.0 outlines planning policy recommendations arising from all of the above.

2.0 Planning Policy Context

National Planning Policy Framework

2.1 A revised version of the National Planning Policy Framework (NPPF) was published in July 2018, with updates in February 2019, and replaces the previous version, which was published in March 2012. The document sets out the Government's economic, environmental and social planning policies for England.

2.2 At the heart of the Framework is a presumption in favour of sustainable development. The revised NPPF confirms that significant weight should be placed on the need to support economic growth and productivity, taking into account both local needs and wider opportunities for development (paragraph 80).

2.3 Paragraph 85 of the NPPF states the following:

"Planning policies and decisions should support the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation. Planning policies should:

a) define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;

b) define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;

c) retain and enhance existing markets and, where appropriate, re-introduce or create new ones;

d) allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary;

e) where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and

f) recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites."

2.4 Paragraph 86 states that planning applications for main town centre uses which are not in a defined centre and don't accord with an up-to-date development plan should be subject to a sequential test. Such uses should be located in town centres, followed by edge-of-centre locations and, only if suitable sites are not available (or expected to become available within a reasonable period), should out-of-centre sites be considered. Proposals for new retail and leisure development in such locations should be subject to an impact assessment if above 2,500 sqm (where no locally set threshold exists).

2.5 When considering edge of centre and out of centre proposals, preference should be given to accessible sites which are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale, so that opportunities to utilise suitable town centre or edge of centre sites are fully explored (paragraph 87).

2.6 Proposals for retail and leisure development outside of town centres, which are not in accordance with the Local Plan, should be subject to an impact assessment where the development is over a proportionate, locally set floorspace threshold (or over 2,500 sqm, where there is no such threshold) (paragraph 89). The impact assessment should consider:

- the impact of the proposal on existing, committed and planned public and private investment in centres in the catchment area of the proposal; and
- the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider retail catchment (as applicable to the scale and nature of the scheme).

Planning Practice Guidance

2.7 The Planning Practice Guidance (PPG) supports the NPPF and provides guidance on a range of issues including, inter alia, how to ensure the vitality of town centres.

2.8 The PPG states that town centres, as defined in the NPPF, comprise a range of locations where main town uses are concentrated, including city and town centres, district and local centres. It confirms that local planning authorities can take a leading role in bringing together stakeholders, supporting sustainable economic and employment growth. It also notes that authorities need to consider structural changes in the economy, in particular changes in shopping and leisure patterns and formats, the impact these are likely to have on individual centres, and how planning can support adaptation and change.

2.9 The PPG sets out a wide range of complementary uses that can, if suitably located, support the vitality of town centres. These uses include residential, employment, commercial, office, leisure/entertainment, healthcare and educational development. It also notes that the key way to set out a vision and strategy for town centres is through the development plan and (if needed) Supplementary Planning Documents (SPDs). Planning policies are expected to define the extent of primary shopping areas and may, where appropriate, also define primary and secondary retail frontages, where their use can support the vitality and viability of particular centres. In addition, a range of other planning tools can help to support town centres to adapt and thrive and promoting a positive vision for the range of locations – including Local Development Orders (LDOs), Neighbourhood Development Orders (NDOs), brownfield registers and compulsory purchase powers.

2.10 The PPG notes that it may not be possible for future development needs to be accommodated in the town centre, and that there may be physical or other constraints which make it inappropriate. In such circumstances, planning authorities should plan positively to identify the most appropriate alternative strategy for meeting the identified need for these main town centre uses, having regard to the sequential and impact tests. This should ensure that any proposed main town centre uses are in the best locations to support the vitality and vibrancy of town centres, and that no likely significant adverse impacts on existing town centres arise.

2.11 In relation to the sequential approach, the PPG requires local authorities to consider whether the identified need for main town centre uses can be accommodated on town centre sites, taking into account their suitability, availability and viability, as well as the nature of the need that is to be addressed. It also states that the use of the sequential test should recognise that certain main town centre uses have particular market and locational requirements, which mean that they may only be accommodated in specific locations. It also recognises that, as promoting new development in town centre locations can be more expensive and complicated than elsewhere, local planning authorities need to be realistic and flexible in terms of their expectations.

2.12 In relation to the application of the impact test, the PPG sets out a number of steps which should be taken. Where wider town centre developments or investments are in progress, the PPG recognises that it will be appropriate to assess the impact of applications on that investment. The NPPG also states that, if setting a locally appropriate threshold, it is important to consider:

- the scale of proposals relative to town centres;
- the existing viability and vitality of town centres;
- cumulative effects of recent developments;
- whether local town centres are vulnerable;
- likely effects of development on any town centre strategy; and
- the impact on any other planned investment.

Adopted Development Plan

Middlesbrough Local Plan

2.13 The development plan for Middlesbrough comprises the Core Strategy (adopted 2008), the Regeneration DPD (adopted 2009) and the Housing Local Plan (adopted 2014), saved policies within the Middlesbrough Local Plan (1999) and the Tees Valley Joint Minerals and Waste DPDs (2011). Relevant policies within the first two of these documents are summarised below.

Core Strategy DPD (2008)

2.14 The Middlesbrough Core Strategy was adopted in February 2008 and sets out the principal elements of the planning framework for Middlesbrough. Policy CS13 seeks to protect and enhance the hierarchy of vital and viable town, district, local and neighbourhood centres in Middlesbrough. The various centres included as part of this policy, in addition to Middlesbrough Town Centre, are illustrated in Table 2.1.

Table 2.1 District and Local Centres

District Centre	Medium-Scale Local Centre	Small-Scale Local Centre	Neighbourhood Centre
Berwick Hills	Acklam Road/Cambridge Road	Beresford Buildings, Thorntree	Cargo Fleet Lane/Fulbeck Road
Coulby Newham	Acklam Road/Mandale Road	Broughton Avenue, Easterside	Hall Drive
	Belle Vue, Marton Road	Marshall Avenue, Brambles Farm	Hollowfield, Coulby Newham
	Eastbourne Road	Ormesby High Street	Vaughan Centre
	Lealholme Crescent	Penrith Road	Westerdale Road
	Linthorpe Village	Roman Road	Whitfield Buildings
	Longlands/Marton Road	Saltersgill Avenue	
	Marton Road/Gypsy Lane	Shelton Court, Thorntree	
	North Ormesby	The Avenue, Nunthorpe	
	Parliament Road	Trimdon Avenue	
	Viewley Centre, Hemlington		

2.15 Policy CS13 also sets out a range of means by which the above will be protected and enhanced. These include developing and expanding the town centre, encouraging retail, commercial, leisure and cultural development, safeguarding the retail character and function of centres, encouraging convenient and accessible, district, local and neighbourhood shopping facilities and, where appropriate, consolidating retail and other uses into a more sustainable, compact and viable centre core.

2.16 Policy CS14 explains that the Council will work with partner organisations to ensure the provision of a wide and accessible choice of leisure facilities for the community and which reinforce Middlesbrough's role at the heart of the Tees Valley city region. This will be achieved by the promotion of the town centre as a sub-regional leisure destination, promotion of the Green Blue Heart, Middlehaven and Prissick Base for major sport and/or leisure development, and promotion of leisure development within district centres.

2.17 Policy CS15 states that the Council will work to attract a large casino and associated uses within Middlesbrough to reinforce the role of the town within the Tees Valley city region, and to facilitate wider regeneration. The policy states that suitable locations for such development would be within the town centre and Greater Middlehaven and sets out several criteria for such development, including design, linkages and regeneration benefits.

Regeneration DPD (2009)

2.18 The Regeneration DPD was adopted in February 2009 and forms part of the Middlesbrough Local Development Framework. It contains a number of policies specifically in relation to Middlesbrough Town Centre (and different areas contained therein), as well as other defined centres in the Borough.

2.19 Policy REG20 identifies a number of Principal Use Sectors within the town centre, to which appropriate uses will be directed, as follows:

- Retail Sector: primary retail area, including an opportunity for a new convenience superstore, contains the primary shopping frontage;
- Cannon Park Sector: town centre growth area for retail warehousing and employment uses;
- Central Sector: location for leisure, culture and the evening economy, and also a location for offices;
- Middlehaven Sector: town centre growth area for the digital economy, strategic leisure, office, and residential;
- Southern Sector: (University of Teesside and Linthorpe Road) town centre growth area for retail and university uses (complementary to those in the retail sector, particularly specialist retail uses); and
- East Sector: mixed residential and business uses.

2.20 Policy REG21 identifies the Primary Shopping Frontage (PSF) within Middlesbrough Town Centre, within which retail uses will be appropriate. It sets criteria against which proposals for other uses may be acceptable, including those which relate to the function and character of the shopping area and the vitality and viability of the town centre. It also states that the proportion of non-A1 uses within the PSF should not exceed 15% and that concentrations of non-A1 uses within particular blocks should also be avoided.

2.21 Policies REG22, REG23, REG24, REG25, REG26 and REG27 set out the uses considered appropriate as part of new development within the Cannon Park Sector, Middlehaven Sector, Southern Sector, Centre Square, Centre Square East, the Gurney Street Triangle and Middlesbrough Leisure Park. In addition, Policies REG28-30 address district, local and neighbourhood centres, as follows:

- Policy REG28 explains that, at Berwick Hills and Coulby Newham, the predominant use will be retail of an appropriate scale, with other complementary uses being permitted, provided that they add to the vitality and viability of the centre, do not harm the shopping function and do not have a detrimental impact on the character and amenity of the surrounding area;
- Policy REG29 explains that planning permission will be granted for Class A1 uses within Local Centres, provided that they satisfy various criteria – including those relating to scale and catchment area, design and materials, and the vitality and viability of the town or district centres. Other complementary uses will be permitted, subject criteria relating to the vitality and viability of the centre and the character and amenity of the surrounding area; and
- Policy REG30 states that, within Neighbourhood Centres, permission will be granted for small scale retail and service uses, community uses, and employment uses within Class B1 (where they support the vitality and viability of the centre or contribute to the successful regeneration of the local area).

2.22 Finally, Policy REG31 identifies an area at Prissick Base for a range of sport and leisure uses, including a skate park/plaza, changing facilities/pavilion, velodrome and multi-use games area. Policy REG31 sets out several criteria that need to be satisfied by any proposed development including those relating to pedestrian and cycle links, car parking, design and amenity.

Other Strategies

The Middlesbrough City Centre Strategy 2019-2023

2.23 The Middlesbrough City Centre Strategy 2019-2023 sets out the strategic framework for Middlesbrough's ambition to fulfil its potential as the City Centre of Tees Valley. The strategy identifies priorities to help deliver city-scale ambitions, including two key elements, which comprise building business confidence, and attracting additional users and visitors. The following priorities and their objectives are outlined in the strategy:

Priority 1: A Quality Place

- Getting the basics right – including maintaining a clean and attractive environment, and improving the appearance and longevity of city assets;
- Ensuring that the visitor experience on key routes from transport hubs, car parks and high footfall areas, feel safe and secure at any time of day;
- Continuing to set the highest standards in the built environment;
- Making it easy to navigate in and around Middlesbrough city centre and between key areas; and
- Keeping public spaces light, bright and de-cluttered.

Priority 2: Attract and Enhance

- Driving additional footfall into the city centre, by improving the daytime and evening offer;
- Increasing spend per visit, by having a broader appeal to our catchment;
- Changing how people use the city centre, by engaging with missing high street brands which people expect within a vibrant city;

- Communicating positive messages and marketing with a broad reach, through Middlesbrough's place brand; and
- Increasing the number of people living and working in the city centre.

Priority 3: Animate and Inspire

- Better exploiting public spaces and city centres assets to host cultural, and family-friendly events;
- Encouraging everyone using the city centre to have multiple interactions – maximising the impact of the 'Middlesbrough Pound';
- Making Middlesbrough a place where people 'want' to be as well as 'need' to be through enhanced experiences;
- Ensuring that the city centre can capitalise on visitor numbers generated by cultural attractions; and
- Giving people more reasons to visit Middlesbrough.

Priority 4: Opportunity and Investment

- Providing a supportive environment for new retail, leisure, commercial and residential investment;
- Providing new and additional employment opportunities, creating the circumstances for extra employees to live and work within the city centre;
- Improving the quality and breadth of leisure;
- Stimulating city centre living and building conversion; and
- Increasing the availability of culture and leisure attractions to diversify visitor experience.

Priority 5: Connect

- Improving connectivity, to allow seamless travel and integration between various transport modes;
- Enhancing the railway station;
- Enhancing bus facilities (interchanges and operational fleet), including prioritisation and reverse patronage decline;
- Providing city centre Wi-Fi, to increase convenience for workers and visitors;
- Improving pedestrian links across the city centre, as well as investing in public spaces to enhance the arrival in Middlesbrough; and
- Improving security and road safety for all road users, in particular pedestrians.

Middlesbrough Town Centre Economic Assessment

2.24 The Middlesbrough Town Centre Economic Assessment was published in December 2018, having been prepared by CMS on behalf of the Council. It provided a review of the economic vitality of the town centre and set out recommendations and an action plan for the local authority and key stakeholders.

2.25 These recommendations included creating a shared vision, increasing business engagement, developing a strong place brand, agreeing upon places of special interest and developing a marketing and communications plan. They also included more specific objectives, such as re-evaluating the leisure offer, establishing a unique offer for the four shopping centres, reducing crime/anti-social behaviour, encouraging use of public transport, reducing the number of vacant shops and generating alternative uses for retail space, and developing a signage strategy. In relation to the catchment of the centre, they sought to target a younger audience, better penetrate the secondary catchment, and tap into future potential with the University.

City Centre Living in Middlesbrough

2.26 This report, which was prepared to underpin a future strategy to help diversify the housing offer within the centre of Middlesbrough and identify the components which could help support this. It notes the importance of significant commercial investment in the centre and wider infrastructure improvements. The report also identifies the potential to use the university as a driver for student accommodation and provide new residential development around the railway station area.

2.27 Whilst it notes the lack of development sites within the centre which could accommodate a step-change and demonstrate the advantages of city centre living, it notes that this could change with the contraction of the retail industry and refers to the scope to convert suitable office buildings for residential use. It also suggests that smaller sites could be identified for residential development and also the potential for an area for accommodation which meets the needs of older age groups.

Other Documents

2.28 A number of other recent strategies relevant to the future of Middlesbrough Town Centre, and development therein, have been produced. These include the following:

- the **Albert Road Vision Brochure**, which encourages investment in Albert Road, focusing on the growing development of the digital cluster of the Boho Zone, benefiting from well-connected public transport network and road links;
- the **Middlesbrough Integrate Transport Strategy 2018-2028**, which states that the town requires a well-planned, efficient, attractive and fully integrated transport network, and aims to achieve active travel through walking and cycling, and increase the use of public transport (improving service reliability and frequency);
- the **Middlesbrough Station Action Plan**, published in December 2017, which sets out a vision for the station to be a Sub-Regional Hub, a Distinctive Gateway, a Destination Station, and a Connected Place;
- the **Middlesbrough Car Parking Strategy**, produced in April 2018, seeks to address the future demands of the town centre, confirming that there is no obvious need for additional off-street provision in the short to medium term, but also suggesting that the Council consider more off-street long stay parking in the south east quadrant, introduces technology and a reviews tariffs across the centre;
- the **Albert Road and Snow Centre Approach Design Guide** details the principles for public realm development within these areas. For Albert Road the principles are for pedestrian priority, creating a united corridor, utilising and celebrating the views and the treatment of future buildings, and for Snow Centre Approach, they relate to creating a definitive spine, enhancing views, prioritising pedestrians and creating a safe environment; and
- the vision of the **Cultural Strategy for Middlesbrough** is to make the town internationally renowned for a citizen-centred approach to culture, where creative practitioners and communities are agents of change. The vision is underpinned by

innovation, infrastructure and inclusion, and it is envisaged that this will be established by securing investment and funding.

Summary

2.29 Local planning authorities are required to assess the need for new retail and other main town centre uses over the plan period. When planning for growth in their town centres, local planning authorities should allocate a range of suitable sites to meet the scale and type of retail development needed. It is important that the needs for retail and other main town centre uses are met in full and not compromised by limited site availability.

2.30 The overarching objectives are supported by adopted and emerging planning policy which emphasises the need to adopt a sequential approach in line with the requirements set out in the National Planning Policy Framework. In addition to the town centre, the adopted Local Plan defines a hierarchy of district, local and neighbourhood centres across Middlesbrough. It also defines Primary Shopping Frontages, and the uses considered appropriate within a number of different areas in the town centre, including the Canon Park Sector, Middlehaven Sector, The Southern Sector, Centre Square East, Gurney Street Triangle and Middlesbrough Leisure Park. The Publication draft replacement plan proposed a similar hierarchy of centres in the Borough, although with the addition of a large local centre tier, and the removal of the neighbourhood centres.

2.31 There are also a number of other strategies which have been produced which are relevant to Middlesbrough Town Centre and retail/leisure development more generally in the Borough. Amongst these are the Middlesbrough City Centre Strategy, which sets out the ambition to fulfil its potential as the city centre of the Tees Valley. They also include the Middlesbrough Town Centre Economic Assessment and the City Centre Living in Middlesbrough report, as well as a number of documents which relate to specific elements of the centre – including the area along Albert Road, the railway station, car parking, transport more generally, and a cultural strategy.

3.0 Assessment of Vitality and Viability

Overview

3.1 Middlesbrough Town Centre is the largest defined centre in the Borough and contains the largest number and broadest range of commercial uses of any centre in the Borough. The centre meets the retail and service needs of residents of Middlesbrough, also attracting visitors from surrounding local authority areas, such as Stockton on Tees, Redcar and Cleveland and Hambleton.

3.2 By way of context, the Venuescore Rankings prepared by Javelin provides an indication as to the relative position of centres in the north-east. These rankings are based on the number, type and size of retailers located within different centres, with higher scores being more likely where more national multiples are present.

Table 3.1 Javelin Venuescore Rankings for Selected North East Centres

Centre	UK Rank (2016)	Venuescore	Location Grade
Newcastle Upon Tyne Centre	11	450	Major City
Metrocentre	49	247	Major Regional
Darlington	58	228	Major Regional
Middlesbrough	61	225	Major Regional
Sunderland	86	195	Regional
Durham	154	146	Regional
Stockton–on-Tees	188	128	Sub-Regional
South Shields	215	114	Sub-Regional
Bishop Auckland	232	107	Sub-Regional
Washington	232	107	Sub-Regional
Redcar	236	106	Sub-Regional
Hartlepool	250	101	Sub-Regional
Teesside Park	261	99	Sub-Regional
Cramlington	286	93	Sub-Regional
Morpeth	341	81	Sub-Regional
Ashington	355	78	Sub-Regional

Source: Javelin Venuescore Rankings 2016/2017

3.3 The above table illustrates that, whilst ahead of all other centres in the north-east region other than Newcastle and Metrocentre, Middlesbrough (61st in the United Kingdom) is ranked slightly below Darlington (58th) by Venuescore. Notwithstanding this, however, based on the size of the centre, and range of commercial and community facilities it contains, it functions, in practice, as the main sub-regional centre serving the Tees Valley area. It is also significantly above the next highest-ranked centre in the Tees Valley, which is Stockton-on-Tees (188th).

Figure 3.1 Corporation Road/Linthorpe Road

3.4 The core of Middlesbrough Town Centre is focused around Corporation Road/Newport Road and Linthorpe Road, which act as the main east/west and north/south axes through the town centre respectively. However, there are also four purpose-built shopping centres, including the Cleveland Centre, Hillstreet Shopping Centre, Captain Cook Square and Dundas Shopping Mall, to either side of these roads. Along with the pedestrianised part of Linthorpe Road between Grange Road and Bolckow Street, and the more central parts of Corporation Road/Newport Road, the first three of these shopping centres comprise the Primary Shopping Frontage (PSF) as defined in the adopted Local Plan.

3.5 Although not part of the PSF, there is a Sainsbury's superstore at Wilson Street, to the west of the Hill Street centre, and Aldi at Newport Road, to the south of Sainsbury's, both within the town centre boundary. Whilst the PSF contains a wide range of national multiple retailers, there are also a number of other streets within the centre which contain predominantly independent operators, including on Baker Street, Baker Street, Newport Road and Borough Road. The southern part of Linthorpe Road within the town centre, past Borough Road (classed as 'Linthorpe Road South' in the Local Plan) is open to vehicular traffic and functions as a secondary area, which contains a range of predominantly independent uses which meet the needs of both students and residents of the residential areas to the west.

3.6 The adopted Local Plan also defines a number of other zones, out with the PSF, which form part of the wider defined town centre. These zones include Middlehaven (which lies to the north of the A66 dual carriageway), Cannon Park (a predominantly industrial area to the west of the PSF and north of Newport Road), University (to the east of the southern part of Linthorpe Road), as well as Central (immediately to the east of the PSF and containing a range of leisure, arts, cultural and community uses) and Eastern (predominantly residential). Whilst these zones do not include as many active commercial uses, they all contribute to the vitality and viability of the wider town centre to varying degrees.

Mix of Uses

3.7 The current mix of ground floor commercial uses within Middlesbrough Town Centre, based on a recent survey undertaken by Lichfields in August 2019, is summarised in Table 3.2.

Table 3.2 Use Summary Table – Middlesbrough Town Centre

Use Type	Number of Units 2019	Percentage of Units 2019	Percentage of Units National Average
Convenience Retail	35	5.8%	9.2%
Comparison Retail	201	33.3%	32.0%
A1 Service	77	12.7%	14.2%
A2 Service	49	8.1%	11.5%
A3/A5 Cafes/Restaurant/Takeaway	98	16.2%	16.0%
A4 Pubs/Bars	28	4.6%	4.8%
Vacant	116	19.2%	12.4%
Total	**604**	**100.0%**	**100%**

3.8 The percentage of convenience retail uses in the centre is around 6%, which is slightly below the Experian Goad national average for all centres (9%). Such uses include the c. 3,500 sqm net Sainsburys superstore and Aldi supermarket of around 1,100 sqm net, located to the west of the PSF, as well as smaller Iceland and Heron frozen food stores. There are also a range of smaller specialist uses, such as newsagents, bakeries, butchers and greengrocers, as well as convenience stores, which include Tesco Express facilities on Corporation Road and Linthorpe Road South, and a Sainsbury's Local, also on Linthorpe Road South.

3.9 The Aldi store at Newport Road, which lies around 300m walking distance from PSF (to the store entrance) is trading well, based on recent visits. However, the Sainsbury's store at Wilson Street – which lies just 150m from the PSF/Hillstreet Centre - is achieving a convenience goods turnover which is significantly below (by around £17.5m/66%) the company average, based on the household telephone surveys undertaken as part of the accompanying quantitative capacity assessment. This is likely to reflect a range of factors, including the extent to which the latter store has lost trade to discount supermarkets, such as the above Aldi and Lidl stores on Newport Road.

3.10 The proportion of comparison goods retail uses in the centre, at around 33% is similar to (and indeed slightly above) the national average (around 32%). As illustrated by Table 3.3 which shows a breakdown of the different goods categories identified by Goad, the centre contains a wide range of such uses.

Table 3.3 Middlesbrough Town Centre: Breakdown of Comparison Shop Units

Type of Use	Number of Comparison Goods Retail Uses Middlesbrough Town Centre 2019	Percentage of Comparison Goods Retail Uses in Middlesbrough Town Centre	UK average
Clothing and footwear	57	28.4%	23.0%
Furniture, carpets and textiles	10	5.0%	7.5%

Type of Use	Number of Comparison Goods Retail Uses Middlesbrough Town Centre 2019	Percentage of Comparison Goods Retail Uses in Middlesbrough Town Centre	UK average
Booksellers, arts, crafts and stationers	20	10.0%	7.6%
Electrical, gas, music and photography	28	13.9%	9.4%
DIY, hardware & homewares	5	2.5%	6.4%
China, glass, gifts and fancy goods	1	0.5%	5.2%
Vehicle accessories	2	1.0%	1.3%
Chemists, drug stores & opticians	9	4.5%	11.3%
Variety, department & catalogue	16	8.0%	1.9%
Florists, nurserymen & seedmen	3	1.5%	2.2%
Toys, hobby, cycle & sporty	4	2.0%	5.2%
Jewellers	17	8.5%	5.0%
Charity/second-hand	9	4.5%	9.7%
Other Comparison retailers	20	10.0%	4.5%
Total	**201**	**100%**	**100%**

3.11 The above tables indicates that the proportions of clothing/footwear, booksellers/arts and crafts stores, electrical/gas/music/photography shops, variety/department stores and jewellers in Middlesbrough Town Centre are significantly higher than the national average. However, furniture/carpets/textiles, DIY/hardware/homewares, china/glass/gifts/fancy goods and chemists/drug stores/opticians appear to be under-represented in the centre in comparison to the national average.

3.12 Most of the main national multiple retail operators are located in the town centre, primarily located within the pedestrianised section of Linthorpe Road, as well as the Cleveland, Hillstreet and Captain Cook Square shopping centres. National multiples present include:

- Marks and Spencer;
- Debenhams;
- House of Fraser;
- Next;
- Topshop;

- H&M;
- Flannels;
- New Look;
- River Island;
- Primark;
- TK Maxx;
- The Body Shop;
- Jack Jones;
- Boots;
- Swarovski;
- Pandora;
- Monsoon;
- Superdrug;
- WH Smith;
- H Samuel;
- Lush;
- Optical Express;
- Wilko;
- Disney Store;
- HMV;
- Home Bargains;
- Poundland; and
- Shoe Zone.

3.13 Although the number of national multiples represented in Middlesbrough Town Centre is extensive, and it is understood that Next have renewed their lease for a further nine years, the future of some of the most department stores, and Debenhams and House of Fraser in particular (both of which lie at the junction of Linthorpe Road with Corporation Road), is currently unclear, following their periods in administration. Connect Property North East (CPNE) have confirmed that Debenhams have renewed their lease on a rolling annual basis, whilst House of Fraser are occupying rent free with an uncertain future. Should either of these stores close, then they would result in a large void at the heart of the centre, as well as significant reduction in the total quantum of comparison retail floorspace provided and potentially also lower levels of footfall.

3.14 Table 3.4, below, illustrates the range of service uses provided in Middlesbrough Town Centre, and the proportion of uses in each of the different Goad categories as compared with the national average.

Table 3.4 Middlesbrough Town Centre: Analysis of Selected Service Uses

Type of Use	Number of Units in Middlesbrough Town Centre 2019	Proportion of Selected Service Uses in Middlesbrough Town Centre 2019	UK Average
Restaurant / Cafes	64	29.2%	24.1%
Hairdressers / Beauty	47	21.5%	24.3%
Fast Food / Takeaway	33	15.1%	14.7%
Banks / other financial services	21	9.6%	9.5%
Pubs / Bars	28	12.8%	11.5%
Estate Agents	9	4.1%	8.7%
Betting Shops	9	4.1%	3.4%
Travel Agents	7	3.2%	2.0%
Laundries / Dry Cleaners	1	0.5%	1.8%
Sub-total	**219**	**100.0%**	**100.0%**
Other	36	n/a	n/a
Total	**255**	**n/a**	**n/a**

3.15 The above table demonstrates that the centre contains good range of service uses, with nearly all categories well represented. The proportions of restaurant/cafes in Middlesbrough Town Centre are significantly above than the national average. Although there are some national food and beverage chains located within the PSF, including McDonalds and Burger King, there are also a range of primarily independent eating and drinking facilities on Albert Road, Zetland Road, Linthorpe Road South and Baker/Bedford Streets. Other national chains include Nando's, Pizza Hut, JD Wetherspoons, Subway, Turtle Bay, Café Nero and Costa.

3.16 The centre has low proportion of estate agents (around 4%), with the proportion of banks/building societies is around the average. Most of the main high street banks/building societies are represented within Middlesbrough Town Centre including Lloyds, NatWest, Virgin Money, Barclays, Halifax, Santander and Nationwide. Other service uses include various hair and beauty salons, travel agents, hot food takeaways, bookmakers and estate agents.

3.17 In addition to the above, there are a range of other leisure, arts, cultural and community uses within the centre, which contribute towards its vitality and viability. Such uses include the centre include Middlesbrough Institute of Modern Art (MIMA), the Empire Theatre, Middlesbrough Town Hall, and a range of buildings associated with Teesside University and Middlesbrough College. They also include a number of office buildings dispersed throughout the centre, including the recently constructed Centre Square development, along with Middlesbrough Leisure Park, at Marton Road, which includes a Cineworld and gym.

Figure 3.2 Office Building, Centre Square

3.18 Based on the August 2019 survey, the unit vacancy rate in the centre is currently 19.2% (or 116 units). This is significantly above the national average of 12.2%. There are some notable clusters of empty units towards the northern ends of Linthorpe Road (on the eastern side) and Albert Road (both sides), although a number of the vacant units are located either within the Dundas mall or on Dundas Street itself. This reflects a number of factors, including the quality of both the shopping environment and the existing offer in the Dundas Shopping Mall, which is orientated towards the discount end of the market (although this centre appeared to be generally busy during the course of site visits).

3.19 The other vacant units are generally dispersed throughout the centre, including within the Cleveland Centre and Captain Cook Square shopping centres, and along Linthorpe Road South, although the Hillstreet centre is relatively well let. Aside from traditional retail properties, there are also a number of vacant office buildings, including the former Corporation House (now known as Centre North East) on Albert Road, Gurney House on Corporation Road, Melrose House at Melrose Street and Church House on Grange Road. Other prominent vacant buildings within the wider centre include the former Crown Public House on Linthorpe Road.

Figure 3.3 Vacant Units, Linthorpe Road

Environmental Quality

3.20 The quality of the built environment varies across Middlesbrough Town Centre. At the heart of the centre, where the pedestrian areas of Linthorpe Road and Corporation Road meet, there is a range of street furniture, including benches, planting, bins and street lighting which help to provide an attractive shopping environment. These items are also found within the other pedestrianised areas and throughout Captain Cook Square.

Figure 3.4 Linthorpe Road/Corporation Road Junction

3.21 Whilst functional in appearance, the Cleveland and Hillstreet Shopping Centres are also clean and pleasant, although the former lacks a central focus which would help to increase dwell time and provide a more open customer environment. The Dundas mall is more dated in appearance that the other centres, although it does provide accommodation for operators in the discount and independent sectors.

3.22 Areas of open space and tree planting in the Centre Square area, in between the town hall, MIMA and existing/new office buildings, provides an attractive green heart to the centre. In addition, Baker and Bedford Streets, which lie directly to the south of Grange Road and the PSF, contain a number of terraced independent retail/service uses, which have benefited from shopfront improvements to provide a more traditional appearance in contrast to the more functional appearance of buildings elsewhere in the town centre.

Figure 3.5 Bedford Street

3.23 There some attractive period buildings to either side of the railway station, including at Exchange Square and Queens Square, although the appearance of the centre deteriorates towards the northern end of the PSF and adjacent to the A66 flyover, which has a significant impact upon the quality of the pedestrian environment. Whilst parts of Linthorpe Road to the south of Borough Road have experienced investment in terms of development and new independent retail and service uses, the built environment generally deteriorates towards the southern end of this road. The vehicular traffic and on-street parking provision also impacts upon the quality of the public realm and space for pedestrians.

3.24 It is also helpful to consider information in relation to instances of crime and the extent to which these impacts upon the perceptions of safety of the shopping environment provided. In this context, Police UK publishes statistics each month for individual crimes across the Cleveland Police force area. In August 2019, around 250 individual crimes were recorded in a central area of the town centre, broadly equating to the PSF. These crimes included approximately 40 acts of anti-social behaviour and acts of shoplifting respectively. Although it is difficult to make comparison with other centres, this helps to provide an indication as to current issues faced by Middlesbrough.

Accessibility

3.25 The main bus station in Middlesbrough Town Centre is located to the south of Newport Road, adjacent to Captain Cook Square shopping centre, although there are also a variety of bus stands dispersed elsewhere throughout the centre – including on Borough Road, Corporation Road and Linthorpe Road. Services from these stands connect the town centre to other parts of Middlesbrough, as well as other settlements in the surrounding area, such as Eston, Guisborough and Redcar.

Figure 3.6 Middlesbrough Bus Station

3.26 Middlesbrough's railway station is situated within a convenient walking distance (100m) of the Primary Shopping Frontage on Zetland Road, to the north of the A66 flyover. There are regular train services to and from other parts of Middlesbrough, including Nunthorpe and Marton, as well as, further afield, locations such as Newcastle, Hartlepool, Northallerton, Darlington, Sunderland, Redcar, Stockton, Thornaby and Saltburn.

3.27 The town centre is conveniently accessible by private car given its location to either side of the A66, which connects to the A19. Along with other main vehicular routes, such as the A172 Marton Road and Linthorpe Road, it helps to connect the centre to other parts of the town, including North Ormesby, Coulby Newham, Berwick Hills, Linthorpe, Acklam, as well as surrounding areas, such as Stockton-on-Tees, Thornaby, Billingham, Redcar and Guisborough. There are a number of pay and display car parks which serve the centre – including Captain Cook and Zetland multi storey car parks, those serving the Dundas Mall and Cleveland Centre, and surface car parks at Gurney Street and adjacent to the Sainsbury's superstore at Wilson Street.

3.28 The main pedestrianised areas in Middlesbrough Town Centre include the northern end of Linthorpe Road, as well as the western ends of Corporation Road, along with the Captain Cook Square, Cleveland Centre, Hillstreet Shopping Centre and Dundas Shopping Mall. Along the vehicular routes which surround the PSF, including Borough Road, Albert Road and Linthorpe Road South, there are a number of crossing points which help to facilitate pedestrian movement.

3.29 As set out further above, the Centre Square area, to the east of Albert Road, also provides a pleasant, car-free and landscaped, environment. However, the A66 flyover and railway line, which run from east to west through the town centre, also act as a barrier to pedestrian movement, particularly for those travelling between Middlehaven and the PSF/areas to the south. The underpasses created by these features also impact upon perceptions of safety and security in these areas.

Commercial Indicators

3.30 Based on the Lichfields survey in August 2019, the unit vacancy rate in Middlesbrough Town Centre is around 19%, which is currently above the GOAD national average vacancy rate of 12%. The current vacancy rate reflects a number of factors, including a contraction in the retail and commercial offer in the town centre - reflecting broader national trends and the weakening of the retail sector in particular – as well as the suitability of the accommodation provided to meet modern requirements (taking into account age, shape and size). The latter is particularly relevant in relation to some of the more peripheral streets around the PSF, including the northern ends of Linthorpe Road and Albert Road, Wilson Street, and Linthorpe Road South.

3.31 Although the presence of vacant units in some of the more peripheral streets do not impact upon the appearance of the core of the centre, as set out above, it will be important to monitor closely the future position of the existing Debenhams and House of Fraser stores. Given the significant structural changes currently occurring in the retail sector, the increasing volume of Credit Voluntary Agreements (CVAs) which have been made by companies such as Arcadia – who operate a Topshop store in Middlesbrough Town Centre for example - and the fact that some retailers trade stores at a loss in order to fulfil their online businesses, it is possible that the vacancy rate could increase further over time.

3.32 Information regarding levels of prime rent and prime yields in Middlesbrough Town Centre, and other, comparable centres in the North East have been provided by Connect Property North East Ltd (CPNE). Table 3.5, in particular, summarises levels of prime rent in these centres, both at the current time and in 2007, to illustrate changes over time (with the base year of 2007 having been selected due to being prior to the significant economic downturn in 2008/2009).

Table 3.5 Prime Rents – Middlesbrough and Surrounding Centres

Town	Prime Rent (£ per sqm)		Change %
	2007	2019	
Newcastle	325	275	15.4
Metrocentre	345	250	27.5
Durham	120	90	25
Sunderland	140	85	39.3
Washington	95	80	15.8
Middlesbrough	**137**	**60**	**56.2**
Darlington	90	55	38.9
Northallerton	70	55	21.4
Cramlington	70	50	28.6
Hartlepool	95	45	52.6
Yarm	45	40	11.1
Thornaby	38	35	7.9
Billingham	45	32.50	27.8
South Shields	80	30	62.5
Chester le Street	41	28	31.7
Redcar	65	25	61.5
Stockton on Tees	65	25	61.5
Barnard Castle	35	23	34.3
Coulby Newham	28	22	21.4
Bishop Auckland	52	20	61.5

Town	Prime Rent (£ per sqm)		Change %
	2007	2019	
Newton Aycliffe	26	20	23.1
Catterick	34	15	55.9
Consett	38	15	60.5

3.33 Increasing instances of rent-free deals in centres across the region, as well as the global deals being sought by many national operators across multiple locations – which take into account other occupational costs, such as rates and service charges - have made comparison between different centres difficult. However, based on the information provided by CPNE, prime Zone A retail rental levels in Middlesbrough Town Centre are currently pitched at around £60 per sqm. This is lower than centres of a comparable, or even smaller, size, such as Durham at £90 per sqm, Sunderland at £85 per sqm and Washington at £80 per sqm. However, it lies above Darlington (£55/sqm), as well as smaller centres in the Tees Valley sub-region, such as Hartlepool (£45/sqm), Stockton-on-Tees and Redcar (both £25/sqm).

3.34 Table 3.5 also shows Middlesbrough has seen a decrease of over 50% since 2007, when prime rental levels were £137 per sqm. Although this is a significant decrease, it is similar to Hartlepool (around 50%), and indeed lower than a number of other towns in the north-east, including Stockton, Redcar, Bishop Auckland and Consett (all around/just over 60%). Whilst there are some locations in the wider region showing a much smaller decrease over the same period, such as Thornaby (8%), Washington (16%) and Coulby Newham (21%), these are generally purpose-built shopping centres, with a high proportion of modern accommodation, more suitable to operators.

3.35 Although the reduction in rental levels in Middlesbrough is significant, this is reflective of national trends and a weakening in the retail sector, and the issues present in Middlesbrough Town Centre are therefore similar to those being faced by other centres in the North East and the UK as a whole. Although it is surprising that prime rents in Middlesbrough are lower than in Sunderland, they are nevertheless higher than the other large and medium sized centres in the Tees Valley, reflecting its continued status as the main sub-regional centre for the Tees Valley. That said, for the reasons set out above, and the significant economic challenges facing operators, it is possible that rents could drop further.

3.36 Table 3.6 below, based on information provided by Connect Property, illustrates examples of levels of prime yields which have recently been achieved in Middlesbrough Town Centre. Yields are calculated in percentage form, as an annual return on capital investment, and are an indicator of investor confidence – with decreasing yields reflective of a more buoyant property market.

Table 3.6 Examples of prime yields in Middlesbrough

Address	Occupiers	Date	Net Initial	Notes
47-49 Linthorpe Road	Hayes Travel and Darlington Building Society	November 2017	9% NI	
71-73 Linthorpe Road	Game	July 2019	11% NI	£650,000 off £60,000
81 Linthorpe Road	Hutchison 3G UK Limited	January 2017	7.34% NI	
5-11 Corporation Road	Footasylum	May 2019	Quoting 7.4%	Withdrawn

Address	Occupiers	Date	Net Initial	Notes
62a Linthorpe Road	Miss Selfridge	July 2019	5.25%	Withdrawn £3.11m
83-85 Linthorpe Road	Lloyds Bank	October 2019	Targeting 8%	Commercial Auction Guide £950-£1m

3.37 Based on discussions with CPNE, there is limited recent evidence of transactions for Middlesbrough Town Centre, and the range of yields set out above ranges from just over 5% to around 11%. The above information nevertheless provides a helpful indication as to what is currently either being achieved or agreed in principle.

3.38 In addition to the above, CPNE have provided information on known requirements from retail and leisure operators for new representation in Middlesbrough. This list of requirements does not necessarily include a full list of operators seeking new representation, as many operators do not publish their requirements and some only emerge once potential opportunities for new space emerge.

3.39 Notwithstanding this, based on information available, there are thirteen requirements from retail, leisure and other service operators for new space in Middlesbrough (including both in the town centre and elsewhere in the Borough). Of these thirteen operators, six are food and beverage uses and just three are for Class A1 retail uses, with the other four being for a tenpin bowling alley, a retail warehouse club, a veterinary surgeon and a day nursery. Based on discussions with CPNE, it should be possible to meet some of these requirements, and any others that emerge, by ensuring that the right accommodation is provided and making wider improvements to the shopping environment in Middlesbrough Town Centre. However, a number of the requirements – including those from two pub/restaurant operators and the bowling alley - are for operators who are either not typically found within town centres or who are difficult to physically accommodate within such centres.

3.40 No up to date pedestrian flow information is available in respect of Middlesbrough Town Centre. However, based on the visits made as part of this study, pedestrian flows appear to be strongest in the pedestrianised parts of Linthorpe Road/Corporation Road, as well as within the various shopping centres, including Captain Cook Square, the Cleveland Centre, Hillstreet Centre, Captain Cook Square and Dundas mall (i.e. the current PSF – where the majority of national multiples are located).

3.41 Flows appear to be weaker in other parts of the centre, including the more peripheral streets, such as Grange Road, Baker/Bedford Streets Linthorpe Road South (albeit does benefit from a significant element of passing trade), and areas characterised by other (non-retail) commercial and community uses – including around Centre Square. However, it is possible that the occupation of currently vacant offices in the latter location over time could provide a boost to footfall in this part of the centre.

Summary

3.42 Middlesbrough Town Centre is the largest shopping destination in the Borough and, reflecting its status as the main sub-regional centre for the Tees Valley, also attracts significant trade from surrounding areas, including Stockton-on-Tees and Redcar and Cleveland. The centre comprises a good range of retail and service provision, which meets the needs of this catchment area, and includes a good range of variety of national multiples, primarily located within the Hillstreet, Cleveland, Captain Cook Square and Dundas shopping centres. It also includes Sainsbury's and Aldi foodstores, although the former, in particular, is performing well below the company average turnover.

3.43 Although the Dundas centre would benefit from refurbishment, the other three shopping centres are clean and well maintained, and the core pedestrianised areas of the centre (including at the junction of Linthorpe and Corporation Roads) are generally pleasant and in good condition. Although the quality of the environment deteriorates towards the northern end of Linthorpe and Albert Roads, Baker Street and Bedford Street, where a range of independent uses are located, have benefited from shopfront improvements and provide a more traditional environment, and the Centre Square area, to the east of Albert Road, also includes attractive areas of green space. The centre is conveniently accessible by a choice of means of transport, containing railway and bus stations, and is easily navigable on foot.

3.44 The unit vacancy in the centre is 19% and is therefore significantly above the national average of 12%. There are some notable clusters of empty units towards the northern ends of Linthorpe Road (on the eastern side) and Albert Road (both sides), and within the Dundas centre, although there are also a number of vacant office buildings. This reflects a number of factors, including the quality of accommodation provided and, more generally, wider economic conditions. In this context, along with many other destinations in the north-east, Middlesbrough Town Centre has seen a significant reduction in prime rents within the last 12 years, from £137 per sqm to around £60 per sqm. The current level is lower than Durham and Sunderland, though higher than the other main centres in the Tees Valley.

3.45 Although the retail sector is experiencing challenging conditions, the centre includes a range of leisure, arts/cultural and community uses, such as Cineworld, MIMA, the town hall and Empire Theatre, as well as various office buildings (including recently constructed ones at Centre Square). All of these uses will help to maintain the centre’s attraction and its position going forwards at the heart of the community in Middlesbrough.

4.0 Customer Surveys

4.1 In addition to the household telephone survey, 150 on-street surveys were undertaken in July 2019 in Middlesbrough Town Centre by NEMS Market Research. These surveys were undertaken in order to obtain an up to date picture in relation to the role that the centre currently plays. In particular, it provides information on, inter alia, the reasons for people visiting the centre, how long they spend there, how much money they spend, how they get there, other shopping destinations they visit and what improvements they suggest.

4.2 In order to obtain the views of a variety of visitors, including not only local residents but also tourists and other visitors, the surveys were undertaken in variety of location across the town centre. A summary of the results of this survey are provided below.

Reasons for Visiting

4.3 **Question 1** sought to establish the main reason for the respondents' visit to Middlesbrough Town Centre and the results are set out in Table 4.1 below.

Table 4.1 Main reasons for visiting

Reason for visit	% of Respondents
Non-food shopping	38
Work / business purposes	12.7
Food shopping	10
Window shopping / browsing	8
Visit bank / building society	7.3
To have a walk around	6
Both food and non-food shopping	4.7
Social / leisure purposes (e.g. meeting friends)	4
Library	2.7
Cafes / restaurants / takeaways	2
To visit the market	1.3

4.4 The results indicate that non-food shopping is the main purpose of 38% of visitors to Middlesbrough Town Centre. The other main reasons given included for work and business purposes (12.7%), food shopping (10%) and to window shop/browse (8%). Only small proportions of those interviewed were visiting Middlesbrough to visit the Library (2.7%), to visit cafes/restaurants/takeaways (2%) and to visit the market (1.3%).

4.5 These results indicate that the role of the centre is focused on meeting non-food shopping needs. However, although it also performs a role in meeting food shopping, this is very much secondary to non-food, and only a small proportion of visitors within the centre use food and beverage or other leisure facilities.

4.6 **Question 4** of the survey asked those who were not shopping for food or non-food items if they intended to do any shopping in Middlesbrough today. Around 28% said that they did intend to shop, with 50% saying no (and 21.7% saying don't know). Based on these results, there would appear to be scope to increase spending in town centre shops by persons visiting for other purposes.

4.7 **Question 5** sought to establish the intended purchases of visitors to Middlesbrough Town Centre. Table 4.2 sets out the results.

Table 4.2 Intended purchase

Intended purchase	% of Respondents
Clothing / Footwear	50.5
Food and groceries	27.1
Health / Beauty / Chemist items	5.6
Books / CDs / Videos / DVDs / Toys / Hobbies	5.6
Gifts / Jewellery / China and Glass	2.8
(Don't know)	3.7

4.8 The results illustrate that, of those who indicated that they would be shopping during their visit, the most significant proportion of respondents (51%) said that they would be purchasing clothing and footwear, followed by 27% of respondents mentioning food and groceries. Other types of non-food goods were mentioned by much smaller proportions of respondents, reflecting the more limited role they perform in attracting visitors to the centre.

Amount Spent

4.9 The results of **Question 6,** which asked respondents visiting the centre to shop how much money they intended to spend on food and groceries, non-food goods and eating and drinking out during their visit, are shown in Table 4.3 below.

Table 4.3 Expenditure during visit

Retail Expenditure	Food/Groceries (% of Respondents)	Non-Food Items (% of Respondents)	Eating/Drinking (% of Respondents)
Nothing	62.7	24	30.7
Less than £5.00	2	4	19.3
£5.01-£10.00	2.7	5.3	13.3
£10.01-£20.00	4	8	5.3
£20.01-£30.00	2.7	8.7	0
£30.01-£40.00	3.3	1.3	0.7
£40.01-£50.00	0.7	7.3	0
£50.01-£75.00	1.3	4	0
£75.01-£100.00	0.7	4.7	0
£100.01-£150.00	0	0	0
More than £150.00	0	2	0
(Don't Know)	20	30.7	30.7
Average Spend	**£5.50**	**£25.55**	**£3.63**

4.10 The results indicate that, based on this survey, the average amount of money intended to be spent on food and groceries in the centre is £5.50, with 62% of visitors not intending to spend any money on food and groceries during their visit. In relation to non-food items, the estimated average spend of respondents was £25.55, with a lower proportion (24%) saying that they would spend nothing during their visit. The average spending upon eating and drinking was £3.63, with around 31% of respondents indicated that they would spend nothing during their visit to the centre.

4.11 These results reflect, again, the primary role of the town centre in meeting non-food shopping needs and, conversely, the scope to increase spending by visitors in other shops and services.

4.12 This again reflects, that respondents were visiting the centre for non-food shopping and work/business purposes.

Frequency and Duration of Visit

4.13 **Question 7** asked visitors how often they visit Middlesbrough Town Centre and the results are set out below.

Table 4.4 Frequency of visit

Frequency of Visit	% of Respondents
Everyday	19.3
2-3 times per week	26
Once a week	21.3
Once a fortnight	9.3
Once a month	7.3
Less than once a month	14.7
(Don't Know / varies)	1.3

4.14 The highest proportion of visitors (26%) indicated that they visited Middlesbrough 2-3 times per week, with around 65% of respondents overall visiting at least once a week. Based on this survey, around 19% of people visit the centre every day. These results indicate that, notwithstanding the low level of average spend on some types of activities, around two thirds of those that visit the centre are regular visitors.

4.15 **Question 10** asked visitors to Middlesbrough Town Centre how long they intended to spend there.

Table 4.5 Length of visit

Length of visit	% of Respondents
16-30 minutes	3.3
31 minutes – 1 hour	15.3
More than 1 hour, but less than 1 ½ hours	6.7
More than 1 ½ hours, but less than 2 hours	28
More than 2 hours, but less than 3 hours	15.3
3 hours or more	24
(Don't know)	7.3

4.16 The most significant proportion of those surveyed (around 28%) indicated that they intended to spend between 1 ½ hours and 2 hours in the town centre, with 39% of respondents staying for over two hours. Only a quarter of visitors were staying for less than one and a half hours.

Modes of Travel

4.17 **Question 8** asked respondents how they travelled to Middlesbrough Town Centre. Whilst around 35% of visitors used the car (as either driver or passenger), the most significant proportion (41%) indicated that they took the bus, and 15% had walked. This reflects the accessibility of the town centre's immediate catchment area by public transport and its close proximity to existing residential areas. In addition, and notwithstanding this accessibility by non-car modes, **Question 9** indicated that, of those who came via car, 96% found it either very easy or quite easy to find a car parking space.

Visitor Perceptions

4.18 Respondents were asked in **Questions 10** and **11**, what they liked and disliked about the centre. The results to both questions are set out in Table 4.6 below.

Table 4.6 Perceptions of Middlesbrough Town Centre

Issue	% of Respondents like	% of Respondents dislike
Choice of shops and services	33.3	6
Close to home / easy to get to	23.3	N/A
Nothing in particular	22	50
Easy to walk around	11.3	N/A
Quality of shops	8.7	2
Beggars / homeless people	N/A	7.3
Litter / dirty streets	N/A	6
Unsafe / poor security / dangerous	N/A	6
Attractive Environment	4.7	N/A
Cheap car parking	4	N/A
General character / atmosphere	4	2
(Don't know)	4	8
Too many empty shops	N/A	4
Accessibility by public transport	3.3	N/A
Anti-social behaviour	N/A	5.33
Lack of large shops/national multiples	N/A	5.3
Lack of specialist shops	0	5.3
Cheap prices	3.3	N/A
Its compact	3.3	N/A
Sense of community	2.7	N/A
Unattractive Environment	N/A	2.7
Too many chuggers	N/A	2
Choice of pubs/bars and restaurants	1.3	0
It's quiet	1.3	N/A

4.19 Around a third of respondents (33%) indicated that they liked the 'choice of shops and services' within Middlesbrough Town Centre. Around 23% also said that they liked the fact that the town centre was close to home, with 11% saying that the centre was easy to walk around.

4.20 However, the results also indicated that only 9% liked the quality of shops, with just 5% feeling that there was an attractive environment in Middlesbrough Town Centre. Furthermore, 22% liked nothing in particular and 50% of respondents disliked nothing in particular about town centre.

Suggested Improvements

4.21 Following Questions 10 and 11, which helped to establish the likes and dislikes of respondents, visitors to the town centre were asked in **Question 12** to name up to three improvements which could be made in order to encourage them to visit more often. The results are presented in Table 4.7 below.

Table 4.7 Suggested improvements

Improvement	% of Respondents
Nothing in particular	26
No opinion	17.3
Improve policing / other security measures	14.7
Attract larger retailers	12.7
Clean shopping streets	10.7
Develop new shopping facilities	10
Improve choice of multiple shops	8.7
Improve range of independent / specialist shops	8.7
Improved play areas for children	4
Improve street furniture / floral displays	3.3
Refurbish / improve existing shopping facilities	2.7
Remove the beggars	2.7
More frequent markets	2
More entertainment	2
Improve public transport links	1.3
Reduce cost of parking	1.3

4.22 Around 43% of respondents either said they would improve nothing in particular or had no specific views on this subject. However, a significant proportion (23%) of respondents also indicated that they would like Middlesbrough to attract larger retailers or develop new shopping facilities, with slightly smaller proportions (around 9%) suggesting improved choice/range of multiple and independent/specialist shops – perhaps reflecting a wider view on the quality of non-food shopping provision available within the centre. In addition, around 15% wanted improved policing and other security measures and 11% respondents suggested cleaner shopping streets.

Other Shopping Destinations

4.23 Respondents were also asked, in **Question 14**, which other shopping centres or towns they used regularly (i.e. at least once a month). Those centres/destinations which scored above 1% are set out in Table 4.8 below.

Table 4.8 Other shopping destinations

Other Shopping Destination	% of Respondents
None	38.7
Teesside Park	26.7
Stockton-on-Tees Town Centre	10.7
Redcar Town Centre	9.3
Darlington Town Centre	8
Newcastle City Centre	7.3
Metrocentre, Gateshead	6.7
York City Centre	4.7
Hartlepool Town Centre	4
Darlington Retail Park	2.7
Coulby Newham	2.7
Billingham Town Centre	2

Other Shopping Destination	% of Respondents
Sunderland City Centre	2
Thornaby Town Centre	2
Cleveland Retail Park, Skippers Lane, Middlesbrough	1.3

4.24 The most frequently visited alternative destination mentioned by respondents was Teesside Park (27%), confirming that this destination is Middlesbrough's most significant competitor in the region. Between 8% and 11% said that they visited Stockton-on-Tees, Redcar and Darlington Town Centre, with smaller proportions also using destinations such as Newcastle, Metrocentre, York and Hartlepool. 39% of persons surveyed indicated that they did not visit other centres regularly.

Leisure Activities

4.25 In **Questions 17 and 18,** those surveyed were asked if they ever came to Middlesbrough Town Centre for leisure purposes during the day or evening. In response to this question:

- only just over a quarter (around 27%) of people indicated that they came to the town centre for leisure purposes during the day; and
- a slightly lower proportion of people (23%) indicated that they came to the centre for leisure purposes during the evening.

4.26 The proportion of respondents who visit during the day and the evening is relatively low and could be indicative of the need to enhance the range and quality of leisure provision in the town centre.

4.27 **Question 19** asked those respondents who indicated that they visited Middlesbrough Town Centre for leisure purposes what they do during their visit. The results are summarised in Table 4.9 below.

Table 4.9 Leisure purposes during visit

Leisure Purpose	% of Respondents
Pubs / bars	49.1
Cinema	38.2
Restaurants	29.1
Walk about / look around	9.1
Sports / fitness facilities	7.3
Nightclubs	3.6
Bingo	1.8
Takeaway food	1.8
Coffee group	1.8
Orange Pip Market	1.8

4.28 The most popular leisure activity in Middlesbrough Town Centre is visiting pubs and bars (49%), followed by going to the cinema (38%) and visiting restaurants (29%). The results suggest that there could be scope to enhance the range and choice of restaurants, as well as other commercial leisure facilities. This would have the potential to increase the number of people visiting Middlesbrough for leisure purposes, from the relatively low proportions set out above.

4.29 **Questions 20** asked respondents what they liked and disliked about leisure facilities in the town centre. The results are presented in Table 4.10 below.

Table 4.10 Likes of leisure facilities

Issue	% of respondents liked
Nothing in particular	32
(Don't Know)	30.7
Close to home / easy to get to	15.3
Good choice of pubs / bars / nightclubs	12.7
Good choice of restaurants	10.7
Good cinema	5.3
Good quality of pubs / bars / nightclubs	1.3

4.30 The results show that 63% of respondents indicated either that there was nothing in particular they liked about the leisure facilities in the town centre or they don't know what they liked about such facilities. The next most popular response (15%) was the leisure facilities are close to home / easy to get to, with only 13% saying that there was a good choice of pubs/bars/nightclubs and 11% saying that there was a good choice of restaurants. Again, this highlights the opportunity to enhance the range and choice of commercial leisure provision located within Middlesbrough Town Centre.

4.31 Respondents were also asked, in **Question 21,** what they disliked about leisure facilities in Middlesbrough Town Centre. The results are shown in Table 4.11 below.

Table 4.11 Dislikes of leisure facilities

Issue	% of respondents disliked
Nothing in particular	42.7
(Don't know)	41.3
Unsafe / poor security / dangerous	8
Too many youngsters in pubs	2.7
People standing outside smoking	1.3
No cafes with outside seating	1.3
Too expensive	1.3

4.32 As with Question 20, a significant proportion of respondents (84% in total) answered northing in particular or don't know when asked what they disliked about the leisure facilities in Middlesbrough Town Centre. Of those that did express a view, 8% answered that the leisure facilities in the centre are unsafe, dangerous and have poor security – which is broadly consistent with the 6% of respondents who answered they disliked the town centre because they also felt unsafe (see Question 11).

5.0 Summary of Identified Needs

5.1 The corresponding Stage One report which forms part of the wider study provides an assessment of the quantitative and qualitative need for a range of town centre uses, including retail and commercial leisure facilities. This assessment is based on new surveys of household shopping and leisure patterns, both across the Borough and beyond, as well as national trends and participation rates, and a review of existing provision within each sector. It also takes into account input from commercial agents CPNE.

5.2 The table below summarises the needs identified as part of the Stage One report.

Table 5.1 Summary of Identified Needs

Use	Identified Needs
Retail	Assuming existing retention rate is maintained, no forecast expenditure capacity (after commitments) to support new convenience goods retail floorspace, and comparison expenditure only emerges in the medium/long term (supporting around 12,100 sqm net/17,300 sqm gross new floorspace over the period to 2037). Qualitative need to enhance the existing range of both convenience and comparison goods retail provision within Middlesbrough Town Centre, in order to increase its attractiveness to residents from across the Borough, including Zones 2 and 3. Scope to increase the market share of convenience retail facilities in the town centre (reflecting under-performance of Sainsbury's) and to improve the comparison retail offer in certain sectors (identifying operators not currently represented in the centre which could reasonably be attracted). Also scope to enhance the range and choice of convenience retail provision in the southern/western parts of Zone 1 and/or provide additional choice in Zone 3 (including competition for the existing Tesco Extra and Aldi stores). Such provision should be brought forward in locations which are well related to existing centres or, potentially, as part of planned new centres which serve areas of new housing.
Cinema	Limited capacity for new cinema development, although potentially scope to 'claw-back' trips from Showcase at Teesside Park, through the development of a new town centre facility, subject to operator demand.
Food and Beverage Uses	Forecast expenditure capacity to support around 7,300 sqm gross new food and beverage floorspace over the period to 2037. Qualitative need to extend the current range and choice of provision in the town centre, particularly national restaurant operators.
Bingo Halls	No forecast need for new bingo hall facilities, taking into account existing provision.
Health and Fitness Clubs	No quantitative need for new provision identified, but qualitative need to enhance the existing range and choice of provision in the Borough, including national operators which offer a broader range of facilities.
Tenpin Bowling	No quantitative need for new provision based on population in Borough, though theoretically scope to support a new facility in the town centre, taking into account its wider (sub-regional) catchment area (subject to operator demand).

Use	Identified Needs
Hotels	A qualitative need to enhance the existing range of provision catering for both holiday and business travel, including the high-quality end of the market - which will complement/expand the existing leisure offer of the town centre.

Source: Stage One: Need Assessment

5.3 Although these assessments identified the need for retail and other town centre uses across the Borough as a whole, in line with the sequential approach set out in the NPPF, it is necessary to consider whether this need can be accommodated on sites within existing centres in the first instance. This is particularly important given the need to facilitate the ongoing regeneration of Middlesbrough Town Centre and address some of the issues identified as part of the centre health check and on-street surveys set out in Sections 3.0 and 4.0 of this report. The following section provides a summary of these issues and recommending strategy for addressing them, ahead of a consideration of where the identified needs can potentially be met.

6.0 Stakeholder Consultation

Methodology

6.1 Through discussions with Council Officers, it was agreed that a stakeholder workshop would be held with key stakeholders, in relation to the work undertaken on both this report and the corresponding volumes – including the Need Assessment and District and Local Centres reports. This workshop comprised a presentation on the initial findings of these reports and discussions on the key recommendations arising, with a particular focus on the implications Middlesbrough Town Centre.

6.2 Council Officers issued invitations to this workshop to a range of local stakeholders, including:

- duty to co-operate partners (i.e. from other, neighbouring authorities), including key infrastructure providers;
- representatives of other Council departments;
- retail, leisure and hotel operators;
- trade organisations;
- land/property owners (including the four main shopping centres);
- Teesside University;
- local developers; and
- commercial property agents.

Those people who accepted the invite and attended the workshop held on 25 February 2020 at Middlesbrough Town Hall (including Council Officers) are summarised in the table below.

Table 6.1

Attendee	Organisation
Paul Clarke	Middlesbrough Council
Alex Conti	Middlesbrough Council
Katherine Whitwell	Middlesbrough Council
Jessica Bell	Middlesbrough Council
Sam Gilmore	Middlesbrough Council
Jonathan Wallace	Lichfields
Daniel Gregg	Lichfields
Andrew Wilkinson	CPNE
David Bage	Stockton-on-Tees Council
Joanne Hutchcraft	Stockton-on-Tees Council
Roger Tait	Redcar and Cleveland Council
David Hand	Darlington Borough Council
Richard Wilson	Dodds Brown
Lynne Soulsby	Captain Cook Square Shopping Centre

Summary of Findings

6.3 Set out below is a summary of the findings of the consultation event, as relevant to this town centre study.

Retail Provision

6.4 It was considered that, whilst there now is less brand loyalty amongst consumers to particular grocery operators, there are a significant proportion of the population in Middlesbrough who do not have access to a car. Some people questioned whether a large foodstore, such as the existing Sainsbury's, could perform a successful role as an anchor to the wider town centre – as people are more likely to do top-up food shopping alongside using other facilities - although there could be potential to attract a new or relocated discount foodstore operator to a site within/on the edge of the centre.

6.5 In order to accommodate such a store, it would be necessary to ensure there is an easily developable site in a suitable location, in order to make it an attractive proposition to prospective operators. It was also noted that there could be latent demand from operators for further new foodstore development on the south side of Middlesbrough, although it was agreed that any such development should be directed to sites within or on the edge of existing centres in the first instance.

6.6 In relation to comparison goods retailing, the view was expressed that there was a need to promote the town centre better, in order to maintain its attractiveness to shoppers, and therefore prevent existing retailers from moving to alternative locations. It would also be important to support the independent sector and provide a broad range of other attractions and events which help to generate regular visits and complement the non-food sector.

Other Town Centre Uses

6.7 In relation to hotels, in line with the conclusions of the Need Assessment report, it was suggested that Middlesbrough would benefit from new provision at the middle/upper end of the market, and indeed the Council have looked into the feasibility of attracting a new facility previously. In order to ensure the success of such a facility, it would be necessary to improve upon existing levels of weekend occupation.

6.8 The potential to create a new office quarter within Middlesbrough Town Centre was supported, particularly as any new business space which comes forward at Middlehaven was likely to be targeted at the digital and creative sectors. The town centre was seen as being the best location for new office floorspace, given its accessibility and the proximity of shops and services to meet the needs of workers, and the potential to build upon the new buildings already created at Centre Square. It was considered that the occupation of the new floorspace there over time would, when coupled with other improvements to the town centre's wider offer, provide a significant boost to the centre, through additional footfall.

6.9 It was felt that older office buildings, including Church House and Gurney House, were unlikely to have any future for either office use or conversion to residential accommodation, give their current condition and configuration – although there have been proposals to convert Vancouver House into a hotel. The view was also expressed that other buildings or sites in and around the Centre Square area should not be 'sacrificed' for residential use, given the importance of this area in terms of employment and footfall.

Town Centre Boundary and Other Designations

6.10 There was some discussion about the role and extent of both any Primary Shopping Area (PSA) and the town centre boundary, including whether more peripheral areas, including the Queen's Square area and the France Street car park (adjacent to Cineworld) should be included within the latter. As set out above, within the wider centre, there was support for an office quarter (or 'Central Business District' to the east of Albert Road), as well as other areas where encouragement could be given to improvements in particular sectors (including Albert Road itself).

6.11 There was also support for a more flexible approach than previously towards other, non-retail, uses proposed within any new PSA. In relation to Linthorpe Road (south of Grange Road), there were mixed views on whether or not this should still be included within the wider town centre boundary and, if so, if any particular policy approach should be identified and how far any such designation should extend.

Other Issues

6.12 Some participants expressed the view that the existence of four different shopping centres all competing with each other for tenants made it difficult to develop a strong core within the town centre. The current economic climate has also led to situations where some retailers are not paying rent, meaning that the true vacancy rate within the wider centre (allowing for those units which would not be continuing to trade in other circumstances) is, in practice, higher than set out in this report. The Cleveland Centre, in particular, appears to have struggled to retain its attractiveness to shoppers and would benefit from better links between Linthorpe and Albert Roads.

7.0 Summary of Key Issues and Proposed Strategy

7.1 As set out above, it is clear that Middlesbrough Town Centre is currently facing a range of issues which should be addressed through future planning strategies and policies (including the new Local Plan). In summary:

- the town centre currently has a unit vacancy rate of 19%, which is significantly above the national average. There are noticeable clusters of empty units towards the northern ends of Linthorpe Road and Albert Road, with the remainder being dispersed across the centre, including within the four main shopping centres and along other parts of Linthorpe Road;
- two of the main anchor stores in the centre (House of Fraser and Debenhams) are facing an uncertain future. The closure of one or both is a significant risk, as it would leave large voids at the heart of the centre, and result in a significant reduction in comparison retail floorspace;
- the retail offer within the centre has seen a gradual weakening over time, in qualitative terms, in the face of strong competition from destinations such as Teesside Park, in Stockton, which has evolved to provide an extensive non-bulky offer;
- consistent with national trends, Middlesbrough has experienced a significant fall in commercial property values. There has been a significant reduction in prime Zone A rents in Middlesbrough (over 50% since 2007), which are now below other centres in the region such as Durham and Sunderland;
- the Sainsbury's store at Wilson Street is trading poorly, at around two thirds of the company average (based on new household surveys), and does not provide an effective convenience goods anchor for the centre;
- although attractions such as MIMA and Cineworld help draw people in, the range and choice of commercial leisure facilities is limited, with the evening economy strongly alcohol-orientated, and only a limited range of restaurants (particularly national operators and/or family facilities) in the core area;
- there is a limited range of hotels located in/around Middlesbrough Town Centre, all focused upon either the middle and budget end of the market, and therefore scope to capture more visitor spending through an improved choice of accommodation;
- although the recent Centre Square office development has potential to increase the working population, the office sector in Middlesbrough Town Centre is currently weak. There are a number of vacant buildings, which impact upon perceptions of Middlesbrough as an office location;
- there is currently a limited residential population within the town centre, and scope to increase the number of people living in or around the centre through new developments (including mixed use schemes);
- a significant proportion of residents in some parts of the Borough, particularly in the south, do not look to the town centre to meet their retail and leisure needs, and are using the private car to travel to locations elsewhere, particularly Teesside Park; and
- although the streetscape improvements along Corporation Road help to provides a pleasant shopping environment at the heart of the centre, the environment deteriorates towards the fringes of the centre, for example, along Albert Road North and parts of Linthorpe Road.

7.2 Going forwards, it will be necessary to give careful consideration to the most appropriate planning strategy to seek to address the above issues. Any strategy needs to balance the need to guide new development into the most appropriate locations, whilst allowing sufficient flexibility to cater for changes in operator requirements and consumer demand.

7.3 It will be important to develop a more compact centre, with town centre uses focused in core areas, whilst supporting improved linkages to the immediate surrounding areas where other uses and/or regeneration are proposed (for example, Middlehaven). Retail uses should be focused in the core areas of this more compact centre, in the form of a Primary Shopping Area (PSA). New development/redevelopment within or in close proximity to that area, which helps to deliver qualitative improvements to the existing range and choice of retail uses, and therefore increases the existing market share of the town centre, should be promoted.

7.4 The strategy should also seek to develop a stronger office sector within the town centre, as a driver of growth in the local economy and higher levels of footfall in the centre more generally. It should seek to create an office quarter, which builds upon the recent developments at Centre Square, identifying potential opportunities on surrounding sites, and delivering an uplift in the range and quality of office accommodation in the centre. This will support wider aspirations to fulfil Middlesbrough's ambitions to be the city centre of the Tees Valley and help to stimulate other investment in the centre which supports its vitality and viability.

7.5 The policy framework for the core areas should identify opportunities to introduce new uses or redevelopments within the PSA which improve the commercial leisure offer in the centre, including in the restaurant sector. Alongside this, it should be an aspiration to address deficiencies in the hotel sector in Middlesbrough (including in the town centre), by providing new facilities, including those at the higher end of the market, whilst limiting the number of hot food takeaways.

7.6 The Council should be opportunistic in seeking to accommodate new residential development within the centre, in a manner which does not adversely impact upon its vitality and viability. This could include small scale schemes, as well as the provision of residential accommodation within mixed use developments on sites within/on the edge of the centre.

7.7 More generally, the strategy should incorporate flexibility, which allows the town centre to evolve, in response to operator demand, and accommodate a range of town centre uses. This will help to reduce the vacancy rate over time and also allow the Council to respond positively to any significant new vacancies which emerge (e.g. if any anchor stores close).

7.8 The strategy should seek to facilitate the regeneration of Albert Road North, by encouraging niche retail and other service/leisure uses at ground floor, as well as offices/residential at upper floor level. It should also promote environmental improvements in this and other streets on the periphery of the PSA and enhance connectivity/linkages between the PSA and Linthorpe Road.

8.0 Review of Development Opportunities

8.1 This section of the report considers the potential of development/redevelopment and re-occupation opportunities within or on the edge of Middlesbrough Town Centre to help deliver the strategy set out in Section 6.0. In doing so, it considers whether there is a need to allocate new sites which can accommodate new retail and/or other town centre uses, in order to meet the qualitative and quantitative needs which have been identified for such uses in the Stage One report (and summarised in Section 5.0).

8.2 It is important that any proposed allocations take into account the likely scale and nature of commercial demand for new floorspace. We have therefore had regard to advice from CPNE in relation to the likely attractiveness of each of the opportunities considered as part of this section to potential new operators. This will help to ensure that the development plan objectives are realistically deliverable, as required by the NPPF.

Assessment Criteria

8.3 A review of potential development sites and vacant buildings within and on the edge of Middlesbrough Town Centre has been undertaken. This will help to inform both the development planning process and decision making in respect of any planning applications which come forward for new town centre uses in the Borough.

8.4 In considering the potential of any identified sites to meet the above needs, a review of these sites has been undertaken, taking into the account the following factors:

- Existing land uses and availability, categorised as follows:
  - i Short to medium term – up to 2024;
  - ii Long term – likely to be completed after 2024;
- Commercial potential for retail/leisure development and the most likely form of development, categorised as follows:
  - iii Prime site – likely to attract a developer and occupiers;
  - iv Secondary site – which may generate limited demand or only demand for a specific kind of use;
- Potential scope to accommodate additional retail/leisure floorspace (net increase), categorised as follows:
  - v Small scale – under 1,000 sqm gross floorspace;
  - vi Medium scale – 1,000 to 2,500 sqm gross floorspace;
  - vii Large scale – over 2,500 sqm gross floorspace;
- Potential development constraints; and
- Potential to meet the identified needs.

8.5 The overall development prospects of each opportunity, taking on board all of the factors listed above, has been categorised as follows:

- Good - development sites that have good prospects for providing additional retail/leisure/office floorspace, and should be considered for implementation in the short to medium term;

- Reasonable - development sites which are well located and may provide potential for additional floorspace, although obstacles to development will need to be overcome and/or implementation may only be achieved in the long term; and
- Poor - development sites that may be unattractive or unsuitable for retail or leisure development, and/or where their delivery is very uncertain.

8.6 An overall rating has been made, based on an initial evaluation for each site. This takes into account discussions with CPNE on the likely attractiveness of sites to developers and occupiers and the likely nature and extent of demand for new representation from operators in the Borough.

Development Sites

Emily Street/Dunning Street Car Park

8.7 This site currently comprises a privately-operated surface car park, bounded by Dunning Street to the west and Emily Street to the east, and comprises around 0.3 ha. Within the existing town centre boundary, it lies around 200m walk along Grange Road from (and to the east of) the Primary Shopping Area.

Figure 8.1 Emily Street Car Park

8.8 The site was formerly occupied by a police station, prior to their relocation to an alternative site at Bridge Street East. In 2019, planning permission was granted for its permanent use as a car park, with the building to the south (Teesside House) having been converted and extended to provide new student accommodation, following planning permissions granted in 2005.

8.9 Should the site become available, then it could have potential for development for town centre uses. Although only a short walk from the existing PSA, it lies to the east of the magistrates' courts and to the south of the library – as well as being in close proximity to MIMA and the Centre Square office developments.

8.10 While it could potentially accommodate a range of town centre uses, it is considered more suitable for non-retail uses, which could include a new hotel and/or office accommodation. Alternatively, it could have potential for university-related development, for example student accommodation, although further discussions with the university should take place to establish whether there is a requirement for this.

Fry Street Car Park

8.11 This site comprises around 0.2 ha and comprises privately operated surface car parking in between Fry Street and Corporation Road, just over 300m walking distance from the existing PSA. The site, historically occupied by the former Odeon cinema (which closed in 2001), was identified in the Publication draft replacement Local Plan for new Grade A office development under Policy EG5.2. It also lies adjacent to existing Jurys Inn and Premier Inn hotels.

Figure 8.2 Fry Street Car Park

8.12 Planning permission was granted in March 2009 for the temporary use of this site as a car park (ref. M/FP/0134/09/P), with this use being made permanent through a further grant of permission in May 2011 (ref. M/FP/0421/11/P). Permission was also refused in April 2008 for the development of new student accommodation, along with restaurant use at ground floor.

8.13 Notwithstanding this, however, given the location of this site, in a prominent location on Corporation Road and in close proximity to the A66, it could have potential for new office development, in line with the above proposed designation. Such a designation would help to build upon the new office developments which are being brought forward at Centre Square, increasing the working population of the centre and generating spin-off trade for nearby retail/service uses.

Land at Borough Road/Garnet Street and Former Crown Public House

8.14 The area to the west of Linthorpe Road, which is bounded by Borough Road to the north and Garnet Street to the south, comprises around 2.2 ha. It lies within the currently defined town centre boundary, although around 200m walk from the Primary Shopping Area. With the exception of the former Crown public house, and some commercial properties facing onto Borough Road, it lies out with the boundary defined in the Publication draft version of the replacement local plan.

Figure 8.3 Land at Borough Road/Garnet Street

8.15 The majority of the site formerly comprised a number of rows of terraced housing - including Pearl, Emerald, Ruby and Amber Streets - much of which has now been cleared (although there are various dwellings which are still standing on parts of the site). Parts of the site are also being used as surface car parking, with the former Crown public house being on the junction between Linthorpe Road and Borough Road, and the remainder being left as open space.

8.16 The site forms part of a wider regeneration initiative planned for the Gresham area, which involves the demolition of existing housing and the development of new residential properties. It is understood that a deal has been agreed to lease part of this wider area to Thirteen Housing Group, for the development of around 200 new dwellings. The site was also subject to previous proposals for a new student village on the site. Whilst the exact nature of any scheme on the site is still being reviewed by the Council, it appears likely that it will come forward for some form of residential development.

8.17 Notwithstanding this, however, depending on their scale, and the effectiveness of any pedestrian linkages to Linthorpe Road, new retail or other town centre uses on this site could support existing shops and services along this road.

8.18 This could potentially take the form of a discount foodstore, which would help to anchor this part of Linthorpe Road and generate linked strips with existing shops and services within the wider town centre. The former Crown Public house (which was formerly a bingo hall) could have potential for conversion to some other form of commercial leisure use, although this building is locally listed and may therefore be subject to physical constraints which impact upon the nature of use which is feasible in practice.

Figure 8.4 Former Crown Public House

Former Alphagraphics/Contemporary Hair

8.19 This site lies on the eastern side of Marton Road, within the town centre boundary as defined in the adopted Local Plan (in the Eastern Sector), although out with the proposed new boundary in the Publication Draft plan. Most of the ground floor lies vacant, although a school of hairdressing and beauty therapy occupies some of the first floor of the building. The building occupiers a footprint of around 0.1 ha.

8.20 Although currently defined within the town centre, it lies a significant distance (around 800m walking distance) from the PSA and has a closer relationship with existing residential areas to the south. On this basis, it is considered likely to be more suitable for new residential development, as opposed to new town centre uses, which would have only a limited relationship with the core of the town centre.

Figure 8.5 Former Alphagraphics, Marton Road

Middlehaven

8.21 Land to the west of Cleveland Street, at Middlehaven, has been cleared of the housing which previously occupied it, and now predominantly comprises open space, with areas of hardstanding, a small park, mature trees and a small number of buildings (including vacant premises). The south-eastern edge of the site, adjacent to Cleveland Street, lies around 500m walk from the PSA in Middlesbrough Town Centre, to the other (south) side of both the A66 flyover and railway line, although other parts are much further away. Land to the east of Cleveland Street, which comprises a mixture of previously developed, vacant land, various industrial/commercial premises and open space, also lies a similar distance (around 500m) from the PSA.

Figure 8.6 Land to west of Cleveland Street

8.22 The Publication draft Local Plan identified the wider area for mixed-use development, comprising commercial, leisure and residential uses, under Policy CITY4. However, given the physical and perceptual barriers between these areas and the PSA/other parts of the town centre, and the lack of visual prominence from main vehicular routes, this area is not considered suitable for significant new retail or leisure development.

8.23 A previous masterplan for the wider Middlehaven area included new residential development, along with hotels, offices and leisure/recreational uses. Based on recent discussions with both Officers and commercial agents, however, and taking into account the adopted Regeneration DPD, it is considered likely that it will come forward for new offices/business development, potentially including digital industries and, subject to demand, residential uses.

8.24 Outline planning permission has also been granted for a new snow centre on land further to the east, to the east of Scott's Road, along with retail and restaurant facilities. Based on discussions with agents, it is understood that any such facilities would be ancillary – and any retail floorspace, in particular, would related to the main use as an indoor snow-centre, and therefore unlikely to compete directly with exiting provision within the PSA (although there are no restrictions on the outline permission which would ensure that this is the case in practice).

Cannon Park

8.25 Although it is largely occupied by existing industrial and other commercial premises, there are a number of vacant and/or under-used sites within the Cannon Park area. These include open space at the south-western end of the estate, to the north of Cannon Street (which comprises around 0.8 ha), as well as land being used as a temporary car park on the northern side of Cannon Park Way (around 0.5 ha). The former Barker and Stonehouse showroom in between Newport Way and Cannon Street (which has relocated to Teesside Park) also currently lies vacant, along with a number of industrial properties along Cannon Park Way.

Figure 8.7 Former Barker and Stonehouse Showroom

8.26 Although technically within the wider town centre boundary, the former Barker and Stonehouse unit lies around 850m walk from the Primary Shopping Area in Middlesbrough, with the open space to the south-western end of Cannon Park being around 1.1 km. Neither are therefore well-related to the PSA in either visual or functional terms, and new retail or leisure development on these sites would therefore be unlikely to generated linked trips with existing facilities within the wider Middlesbrough town centre. Indeed, depending on the scale and nature of any such development, it could impact adversely upon the vitality and viability of the centre.

8.27 In this context, these sites are considered more suitable to industrial/business uses within Class B1/B2/B8, rather than any need which has been identified for new main town centre uses in Middlesbrough.

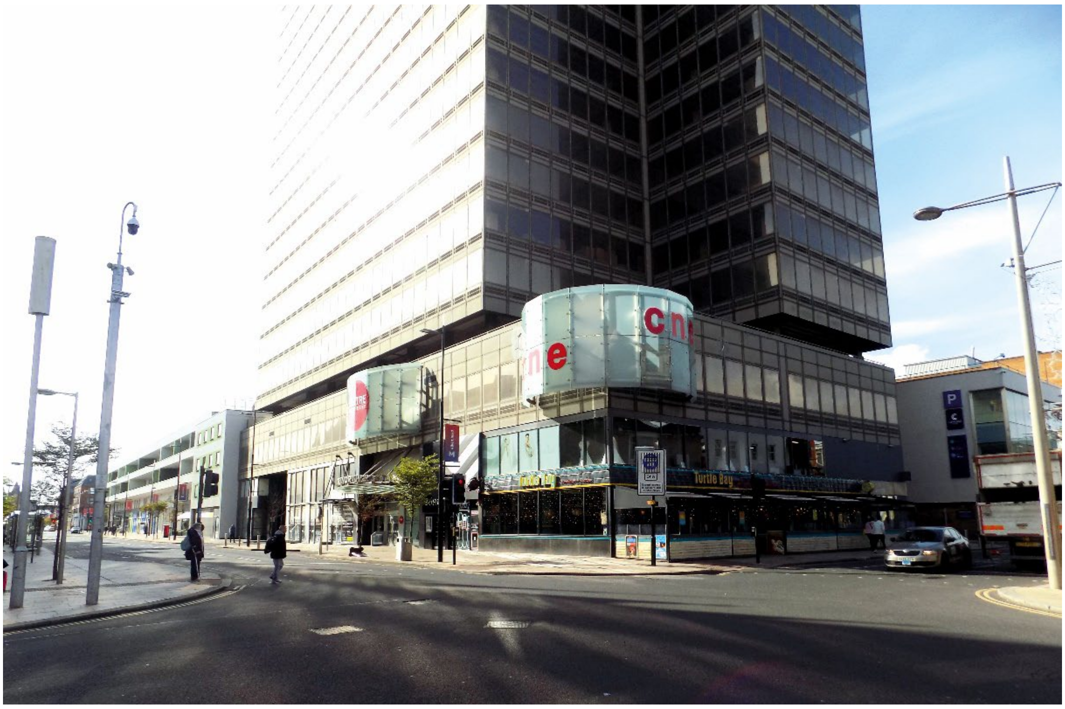
Vacant Office Buildings

8.28 As part of this study, potential future uses have also been considered for existing office buildings within the town centre which are currently vacant. These office buildings include the following:

- Centre North East;
- Gurney House;
- Melrose House (which is in the process of being demolished); and
- Church House.

8.29 Centre North East lies at the junction of Corporation Road with Albert Road, at the north-eastern corner of the Cleveland shopping centre. It is understood that the Council are currently considering relocating into this building, following its refurbishment, from the existing Civic Centre offices. Theakston's have been selected as the preferred bidder for this refurbishment, although the existing commercial uses at lower levels (including the bowling alley and restaurant) would be retained.

Figure 8.8 Centre North East



8.30 Gurney House and Church House are all more dated, both in terms of appearance and the quality of accommodation provided. Taking into account the conclusions of Stage One of this Study, which recommend that existing redundant floorspace be converted to alternative uses, in order to help drive the office market and deal with negative perceptions, a different approach is likely to be required. Based on press reports, developer Jomast had previously intended to convert Gurney House into a hotel, restaurant/banqueting facilities and a multi-storey car park. However, no planning application was submitted in respect of these proposals and the building still lies vacant. An application for Prior Approval for the demolition of Melrose House was granted in May 2019 (ref. 19/0253/PNO), with works having started earlier this year, and an application has been submitted more recently for the use of the site as a car park.

8.31 Taking into account the new floorspace developed at Centre Square, and the need to deliver an uplift in the quality of provision in Middlesbrough generally, it is recommended that any new local planning policy supports the conversion or redevelopment of these buildings for alternative uses. This could include residential, should demand emerge, although there may also be scope for commercial uses at ground floor level. The same approach should be taken to the existing Civic Centre, should the proposed relocation of the Council to Centre North East be implemented.

8.32 In relation to Church House, in particular, planning permission was granted in January 2013 for its conversion to form 77 no. apartments on the upper floors, along with the retention of the retention of the vicarage on the first and second floor, ground floor commercial units, and new cladding (ref. M/FP/1033/12/P). A separate planning permission was also granted in September 2016 for the change of the first and second floors to form nine additional flats, along with Use Classes A1-A4 at ground floor (16/5094/COU).

8.33 Notwithstanding this, however, these permissions have not been implemented and the appearance and condition of the building impacts upon the visual amenity of this part of the town centre. Given the age of the building, and the likely costs involved in its conversion, redevelopment is considered likely to be the only realistic option for bringing this site back into active use. The site could potentially accommodate some form of residential development although, it could also be suitable for other town centre uses, for example, a hotel, restaurants or leisure facilities.

Figure 8.9 Church House

Summary

8.34 Table 8.1 below provides a summary of the sites covered above. These sites have been assessed against a number of criteria, related to the suitability and availability to help deliver the proposed strategy set out in Section 6.0, as well as their likely attractiveness to commercial operators and developers.

Table 8.1 Review of potential development sites / areas

Site	Existing Uses / Availability	Commercial Potential	Scope for New Floorspace	Potential Constraints	Potential to Support Strategy	Summary
Emily Street/Dunning Street	Privately operated surface car park	Prime/Secondary – close proximity to Cleveland Shopping Centre and other attractions, although lacks visibility from core areas.	Medium Scale.	Car park privately operated and still in use. Proximity to student accommodation and other residential areas to east.	Could meet need for new hotel provision or form part of new office quarter. Alternatively, could accommodate new student accommodation	**Good.**
Fry Street	Privately operated surface car park.	Prime – frontage to Corporation Road and close proximity to A66.	Medium Scale.	Car park privately operated and still in use.	Potential for new office development forming part of expanded office quarter.	**Good.**
Land at Borough Road/Former Crown Public House	Surface car parking, isolated residential properties, former public house.	Secondary – lacks visibility from Linthorpe and Borough Roads, although potential to improve visual/pedestrian linkages	Medium to Large Scale.	Still some residential properties remaining on site. Commercial uses on Linthorpe and Borough Roads impact upon visibility.	Scope for uses which support Linthorpe Road South area (potentially including a discount foodstore). Previous proposals for residential development on wider site.	**Reasonable.**
Former Alphagraphics	Largely vacant commercial unit, with hair/beauty training salon at upper floor.	Secondary – although on busy road, limited relationship with wider town centre and core areas, with low levels of footfall.	Small Scale.	Size of site and surrounding road network would impact upon scale and nature of development achievable.	Unlikely to support town centre strategy – more suitable for residential development.	**Poor.**

Site	Existing Uses / Availability	Commercial Potential	Scope for New Floorspace	Potential Constraints	Potential to Support Strategy	Summary
Middlehaven	Open space, interspersed with some residential and commercial properties, along with vacant buildings.	Secondary – visually and functionally separate from core areas in town centre, with limited levels of traffic and pedestrian footfall.	Large Scale.	Lack of visual or functional relationship with main part of town centre to south of A66/railway line	Likely to come forward for new offices/business development, potentially including digital industries, as well as residential uses.	**Reasonable.**
Cannon Park	Primarily industrial and commercial uses, with some open space/vacant land and vacant furniture showroom	Prime/Secondary – accessible by car and some visibility from Newport Road but limited linkages with other retail uses.	Medium to Large Scale.	Limited relationship with core areas in town centre.	More suitable for industrial development.	**Poor.**

8.35 In relation to the vacant office buildings considered above, Centre North East is currently subject to emerging proposals for re-occupation by the Council and, in any event, is situated above existing, active, commercial uses. It is not considered necessary to subject this building to any specific planning policy designation. However, in line with the wider strategy in relation to offices, Gurney House and Church House are considered unlikely to be re-occupied as offices and, as such, should be identified for conversion or redevelopment for alternative town centre uses and potentially also residential use (including student accommodation).

9.0 Planning Policy Recommendations

Policy Framework

9.1 Any policy framework within the new Local Plan in respect of town centres and town centre uses should take into account the broad principles of sustainable development set out in the National Planning Policy Framework (NPPF) – including the economic, social and environmental roles incorporated at paragraph 7 of that document. The policy approach should also take into account the key principles set out within the NPPF in terms of ensuring the vitality and viability of town centres (at a para. 85).

9.2 This means ensuring that policies, inter alia:

- direct new development to town centres, in line with the sequential approach, in order to support their viability and vitality;
- help to ensure that the network and hierarchy of defined centres is resilient to current and anticipated changes in the retail and leisure sector;
- ensure that the approach taken to proposals within primary shopping areas is sufficiently flexible to allow the re-occupation of units which are no longer suitable for operator requirements;
- promote competitive town, district and local centres that provide consumer choice and a diverse retail offer;
- support existing markets and recognise the role that both they and potential new markets can perform in not only meeting local needs but attracting visitors and diversifying the centre's offer as a whole;
- provide sufficient opportunities to meet the scale and nature of the need identified for new retail and commercial leisure uses in the Borough, taking into account operator requirements;
- support proposals for new development which help to enhance the 'digital health' of existing centres (e.g. provision of free Wi-Fi, click and collect facilities etc);
- include policies for proposals out with existing centres, are not in accordance with the plan, which are in line with the key sequential and impact tests, and help to ensure that needs are met in the most sustainable locations;
- recognise the relationship between existing/new residential development and the vitality and viability of centres; and
- take into account the benefits of individual policies and proposals in terms of the local economy and regeneration.

9.3 It will clearly also be important to monitor key indicators going forwards, in order to establish the extent to which future planning policy objectives are being met. Such indicators will include the vitality and viability of existing centres as well as the location and scale of new development. They could also include the digital health of centres, including the extent to which they are served by 4G coverage, free Wi-Fi hotspots, shopping centre apps and/or click and collect facilities. As set out above, centres and stores which perform well in respect of these digital capabilities will be better placed to be able to withstand competition from out-of-centre destinations.

Town Centre Boundary and Primary Shopping Areas

9.4 In reviewing the extent of Middlesbrough Town Centre and any Primary Shopping Area defined therein, it is necessary to take into account the definitions set out in Annex 2 of the NPPF. These are set out below:

Town centre: *Area defined on the local authority's proposal map, including the primary shopping area and areas predominantly occupied by main town centre uses within or adjacent to the primary shopping area. References to town centres or centres apply to city centres, town centres, district centres and local centres but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in the development plan, existing out-of-centre developments, comprising or including main town centre uses, do not constitute town centres.*

Primary shopping area (PSA): *Defined area where retail development is concentrated.*

9.5 The latest version of the NPPF does not contain any definitions in respect of primary and secondary frontages, although the previous (2012) edition did indicate that:

"Primary Frontages are likely to include a high proportion of retail uses which may include food, drinks, clothing and household goods. Secondary frontages provide greater opportunities for a diversity of uses, such as restaurants, cinemas and businesses."

9.6 The different designations set out above have different policy objectives, as follows:

- **town centre boundaries** – defining the area subject to protection of their vitality and viability, as well as the application of the sequential approach in respect of non-retail town centre uses;
- **primary shopping area** – the application of the sequential approach in respect of retail uses;
- **primary shopping frontages** – helping to ensure that the centre has a strong core retail function; and
- **secondary shopping frontages** – helping to maintain an appropriate balance of retail and non-retail uses.

9.7 The NPPF suggests that, in drawing up development plans, local authorities should define the extent of town centres and primary shopping areas and set policies that make clear which uses will be permitted in such locations. It also confirms that town centres should be allowed to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters.

9.8 In practice, the most appropriate approach is likely to vary from centre to centre. In Middlesbrough Town Centre, there is a need to balance the importance of maintaining a strong retail core with sufficient flexibility to allow other uses, which not only add to vitality and viability, but also help to reduce the number of vacant units and address qualitative deficiencies.

Town Centre Boundary

9.9 Policy REG20 of the adopted Regeneration DPD (2009) identifies a number of Principal Use Sectors, which form part of a wider town centre boundary in Middlesbrough. The policy clarifies that appropriate uses will be directed to each of these sectors, as follows:

- Retail Sector: primary retail area, including an opportunity for a new convenience superstore, contains the primary shopping frontage;

- Cannon Park Sector: town centre growth area for retail warehousing and employment uses;
- Central Sector: location for leisure, culture and the evening economy, and also a location for offices;
- Middlehaven Sector: town centre growth area for the digital economy, strategic leisure, office, and residential;
- Southern Sector: (University of Teesside and Linthorpe Road) town centre growth area for retail and university uses (complementary to those in the retail sector, particularly specialist retail uses); and
- East Sector: mixed residential and business uses.

9.10 Whilst the above approach has helped to provide support for the regeneration of the different areas identified, it is unlikely that these will all come forward predominantly for new town centre uses, taking into account recent proposals and commercial demand. It is also important that any town centre boundary defined going forwards does not result in the dispersal of commercial activity – and particularly town centre uses – in a way which is detrimental to the core areas. This is particularly important given the physical and perceptual barriers to movement which surround the core area, including the A66, the railway line and Hartington Road.

9.11 It is therefore recommended that the town centre boundary currently shown on the proposals map is reduced in order to remove the following areas:

- those parts of the Retail Sector which lie to the west of the B1272 Hartington Road (which fall within the Cannon Park Industrial Estate);
- the entirety of the Cannon Park Sector, the majority of which comprises industrial uses;
- parts of the Central Sector, including Boswell Street and Montrose Street, as well as land/buildings surrounded by Russel Street, Grange Road, Marton Road and Bright Street, the former Melrose House office building, and the car park to the south-east of Cineworld;
- all of the Middlehaven sector, with the exception of the area in between the A66 and the railway line (including Middlesbrough station);
- the university area within the Southern Sector; and
- the entirety of the Eastern Sector, which is primarily residential in character.

9.12 The above approach would result in a smaller town centre, which is focused upon the Primary Shopping Area (see below), but also still provides scope for the centre to evolve and accommodate other new town centre uses which enhance its vitality and viability.

9.13 Consideration has also been given to whether any parts of Linthorpe Road (to the south of Borough Road) should continue to be incorporated within the town centre boundary. Within the adopted plan, the town centre boundary extends as far south as the junction of Linthorpe Road within Parliament Road.

9.14 As explained earlier in the report, the southern part of Linthorpe Road within the town centre functions as a secondary area, which contains a range of predominantly independent uses which meet the needs of both students and residents of the residential areas to the west. Although there are a number of vacant units, it also contains a number of specialist/niche comparison goods retailers, as well as a range of independent eating and drinking establishments.

9.15 Areas towards the southern end of this road – particularly to the south of Clifton Street - are more divorced from, and have a different character to, the wider town centre, and could theoretically fall outside of the boundary. However, when considered as a whole, uses along

Linthorpe Road nevertheless perform an important role in meeting local needs, as well as providing more specialist facilities which complement the wider offer within the town centre. It is therefore recommended that Linthorpe Road, in between its junctions with Grange Road and Parliament Road, be retained within the town centre boundary, albeit subject to a separate designation as a secondary area.

Primary Shopping Area

9.16 Taking into account the definitions and other guidance set out within the NPPF, key factors that can be adopted to identify the extent of the Primary Shopping Area (PSA) include:

- **composition of uses:** the proportion of retail uses within the frontage based upon surveys of the town centres. Primary shopping frontages would comprise higher proportions of A1 retail uses than secondary shopping frontages;
- **prime rental levels:** analysis of Zone A rental levels of units within the centres sourced from Valuation Office (VOA) website, with primary shopping frontages expected to achieve higher rental levels than the secondary frontages;
- **pedestrian flows:** level of pedestrian flows within particular areas/ frontages of the centre identified from visits to the centre, with the highest pedestrian flows in the primary shopping frontage; and
- **key anchor stores:** the presence of key anchor stores such as department stores or food stores can also identify the extent of the Primary Shopping Area and key frontages.

9.17 As set out above, the latest NPPF does not refer to local authorities defining PSF or SSF within their centres. Furthermore, there is not considered to be any pressing need to define frontages, as such, within the PSA in Middlesbrough, reflecting the need for a broader, more flexible approach towards the mix of uses within the centre.

9.18 As explained in Section 7.0, it is therefore recommended that just a PSA is defined for the centre, within which retail uses are concentrated. This area should include the area bounded, in broad terms, by the A66 in the north, Grange Road in the south, Albert Road in the east and Hartington Road in the west. However, it should exclude properties on either side of the northern end of Albert Road (which would be subject to a separate policy approach, as explained further below), as well as the area bound by Hartington Road, Newport Road and Brentnall Street, where there is a lower concentration of retail/leisure uses.

9.19 The relevant policy for the PSA should make clear that new development/redevelopment within (or in close proximity to) this area, which helps to deliver qualitative improvements to the existing range and choice of retail uses, would be supported. It should identify opportunity to introduce new uses within this area which improve the commercial leisure offer in the centre, including within the restaurant sector, as well as improve pedestrian linkages to other parts of the centre.

9.20 In line with the NPPF, and when applying the sequential test to proposed new retail uses, town centre (or 'in-centre') sites would comprise those within the PSA, with edge-of-centre sites being those that are well connected to, and up to 300m from, the PSA. However, in relation to all other town centre uses (except offices – see further below), 'in-centre' would comprises sites within the Town Centre Boundary, with edge-of-centre sites being a location within 300 metres of that boundary.

9.21 The Council may wish to identify specific areas within the proposed PSA where more significant change is required and/or new uses can be accommodated which enhance the overall attractiveness of the centre. Although it contains a range of existing retailers, Captain Cook

Square offers the most potential to achieve this, given its open-air nature and the larger unit sizes. Although further work would be required, in order to establish how this change could be implemented, there could be scope to accommodate new anchor leisure and/or food and beverage facilities, which broaden the centre's offer in a central location. Subject to this further work, it may therefore be appropriate to identify this shopping centre, in particular, as an area where significant redevelopment will be encouraged, where it would meet these objectives.

9.22 It is important that sufficient flexibility is provided out with the PSA, to allow changes of use (including away from retail) which help to diversify the centre's offer and avoid significant numbers of vacant units. In relation to Albert Road in particular, however, to the north of its junction with Corporation Road, a more focused policy approach would help to facilitate the ongoing regeneration of this area and re-occupation of currently vacant premises (including upper floors).

9.23 This could include a positively-worded policy, which provides encouragement for the re-use of vacant units for new commercial uses, which could include niche retail and other service/leisure uses at ground floor, which help to complement the PSA. At upper floor level, it could also support the re-occupation of floorspace for Class B1 (including small businesses, for example, within the digital sector) of residential uses.

9.24 Although it would be difficult to control the exact nature of the uses which come forward within each class, this approach would help to deliver the Council's wider vision for Albert Road North complementing other town centre and regeneration strategies. The new Local Plan would make clear that the sequential test would not apply to retail, or office uses proposed in this area, provided that they were small scale (e.g. below 250 sqm gross floorspace). Given its location within the wider town centre boundary, other town centre uses would be acceptable in principle within this area.

9.25 In relation to the Linthorpe Road (South) area, whilst out with the PSA, and with the exception of hot food takeaways (which would be subject to separate controls – see below), all town centre uses would be encouraged here, subject to being of an appropriate scale (say, below 250 sqm gross). Any proposals for new town centre uses above this threshold would need to satisfy the sequential (and impact) tests, which would be applied in a proportionate manner, having regard to the scale and nature of the proposals.

9.26 In order to deal with planning applications which are made for non-retail uses within both the PSA and the wider centre, as well as the more general support for qualitative improvements to the existing offer, it is recommended that a criteria-based approach be implemented. This should make clear that the Council would assess individual application proposals taking into account the following:

- the potential impact upon the retail character of the centre and/or the PSA;
- the importance of maintaining live frontages within the PSA and wider centre;
- the impact upon the vitality and viability of the centre more generally; and
- any potential impact upon local amenity (in respect of food and beverage uses).

9.27 As explained earlier in this report, the future of the Debenhams and House of Fraser department stores is currently unclear, following their periods in administration, and should either of these stores close, then they would result in a large void at the heart of the centre. It may be appropriate for the new local plan to highlight the need for any new uses which come forward here in future to ensure that active frontages are maintained around the Linthorpe Road/Corporation Road junction.

9.28 The approach would reflect the current health of Middlesbrough Town Centre in particular, and the need to encourage the re-occupation of currently vacant units and attract new investment there. It also reflects recent changes to the General Permitted Development Order (GPDO), which have made it easier to change between A Class uses, as well as the contribution that non-retail uses make to the vitality and viability of these and other centres – in terms of generating footfall and linked trips, extending dwell time and enhancing the range of uses more generally. Given the need to allow flexibility over the use of properties within the PSA, it is not recommended that the new Local Plan include any requirements in terms of the length or proportion of frontage which should be retained within Class A1 use.

Central Business District

9.29 The strategy set out in Section 6.0 proposes the creation of an officer quarter within Middlesbrough Town Centre, which builds upon the recent developments at Centre Square, to be known as the Central Business District (CBD). This would support the development of new Grade A office floorspace on other sites with that area, subject to ensuring that this does not impact upon successful letting of those buildings already developed at Centre Square.

9.30 It is proposed that this CBD would comprises the area bounded, in broad terms, by Corporation Road to the North, Grange Road to the south, Hazel Court/Elder Court to the east and Albert Road to the west. However, it could also include the Emily/Dunning and Fry Street car parks, which are recommended to be allocated for uses including offices, as set out further below, as well as magistrates court area, to the east of Albert Road and north of Borough Road. In order to help ensure the success of this area, and the attractiveness of new/planned office accommodation the relevant policy should encourage other active commercial uses at ground floor level.

9.31 In relation to the sequential approach, it is recommended that the new plan make clear that only sites within the CBD would be classed as in-centre for office use, with edge of centre comprising sites within 300m of the CBD. This means that the definition of edge-of-centre would extend slightly further for other town centre uses (excluding retail) than it does for offices. That said, given the over-riding need to attract new investment to the centre, it is also recommended that the Council take a pragmatic approach in assessing proposals for new offices out with the CBD, but within the wider centre boundary.

Site Allocations

9.32 The definition of a PSA as set out above should allow the Council to facilitate qualitative improvements in the existing retail offer in Middlesbrough, without needing to allocate specific sites for redevelopment. There will also be scope within this area to support improvements to the leisure offer in the centre, which could include (although not be limited t0) new restaurants and other facilities which better support the night time economy.

9.33 In addition, however, it is considered that the identification of sites out with the PSA which are able to accommodate other town centre uses would be appropriate, particularly given the need to both develop an officer quarter in the town centre and expand the range of non-retail uses more generally. Taking into account the analysis set out in Section 8.0, it is recommended that the following sites/buildings be identified for redevelopment or conversion:

- Emily Street/Dunning Street Car Park – hotel and/or office development;
- Fry Street Car Park – office development;
- Land at Borough Road/Linthorpe Road – residential development, potentially also including a foodstore;

- Gurney House – hotel, leisure and/or residential use; and
- Church House – commercial leisure and/or residential.

9.34 In relation to the vacant Church House office building, should this come forward for predominantly residential use (whether student accommodation or otherwise), it should be specified in the relevant policy that active town centre uses should be included at ground floor level.

9.35 It is acknowledged that there are existing proposals for the residential-led development of land at Borough Road/Linthorpe Road, as part of wider regeneration initiatives in the Gresham area. However, it is also considered that the development of a foodstore in this location could, if properly planned, help to both anchor that part of Linthorpe Road and to improve the food retail offer of the wider centre.

Impact Assessment Threshold

9.36 It will be important for the new Local Plan for Middlesbrough to include a policy which reflects the requirements of the NPPF, in terms of assessing proposals for main town centre uses which lie out with existing centres and which are not in accordance with an up to date development plan. This should include the sequential (for all main town centre uses) and impact (for retail and leisure uses) tests, as set out at paras. 86- 89 of the framework. In relation to the latter, consideration should be given to whether it would be appropriate to set a threshold above which such proposals are required to address the impact test (in lieu of the national threshold of 2,500 sqm gross, as set out at para. 89 of the NPPF).

9.37 The NPPG states that, if setting a locally appropriate threshold, it is important to consider:

- the scale of proposals relative to town centres;
- the existing viability and vitality of town centres;
- cumulative effects of recent developments;
- whether local town centres are vulnerable;
- likely effects of development on any town centre strategy; and
- the impact on any other planned investment.

9.38 Taking into account the evidence presented elsewhere in this report, it is considered that a lower threshold than set out in the NPPF (2,500 sqm) would be appropriate for Middlesbrough. This reflects a number of factors, including:

- the current vacancy rate within Middlesbrough Town Centre (19.2%), and the need to take a precautionary approach towards new proposals which could cause the health of the centre to further weaken;
- the fact that no convenience goods retail expenditure capacity has been identified for the Borough over the plan period (after allowing for existing commitments), on the basis of existing shopping patterns, and comparison goods capacity is only identified in the medium to long term (i.e. from 2029 onwards);
- the need to maintain, and ideally enhance, the town centre's market share of available comparison goods expenditure generated within the Borough (currently 42%); and
- the potential impact of new convenience and comparison goods retail floorspace proposed in edge/out-of-centre locations upon the ability to attract new operators to sites within/on the edge of the town centre.

9.39 One option would be for the draft new Local Plan to propose different impact assessment thresholds, depending upon the scale of defined centres to which the proposals related. However, although larger centres are in many cases more able to withstand the impact of larger proposals, this approach would not take into account the scale, nature and catchment of different schemes – all factors which influence their likely impact.

9.40 In the context of the above, we would propose the following thresholds for undertaking impact assessments in Middlesbrough:

- Retail development: 1,000 sqm gross;
- leisure development:
  - cinemas, health and fitness clubs, tenpin bowling, casinos, nightclubs and bingo halls: 1,000 sqm gross; and
  - cafes, restaurants, pubs and bars: 500 sqm gross.

9.41 We would also recommend that the supporting text confirms that proportionate assessments should be undertaken to accompany new proposals, which reflect their scale and nature. Although consideration of the market trends (along with any available information on growth in spending/usage/participation) in the relevant sectors should be required, a broad-based approach is likely to be appropriate in respect of most planning applications.

9.42 Whilst the plan should make clear that such uses should be directed to the town centre in the first instance, in order to support its vitality and viability, we would not propose any thresholds for theatres, museums and concert halls etc. Whilst they are classed as main town centre uses in NPPF terms, they are not technically leisure uses (being referred to as arts/culture/tourism in the definition of Main Town Centres in Annex 2) which are subject to the impact test set out at para. 89.

9.43 Notwithstanding the above, the Council should reserve the right to request such assessments in association with other proposals below the above threshold which, by virtue of their scale, nature, location and likely turnover, could have an adverse impact upon existing centres. This would help to ensure that proposals, which are below the above thresholds but could have a significant impact when considered cumulative with other recent developments, are properly tested.

Food and Beverage Uses

9.44 It will be important to include a positive approach, which provides support to leisure uses across the centre, including food and beverage uses. This should take into account the need to facilitate new development and the re-occupation of existing vacant units, particularly as such uses can perform an important role supporting the main retail function of the area.

9.45 Given the need to ensure the vibrancy of this area, however, it is recommended that the policy makes clear that hot food takeaways (in particular) be resisted within the PSA. It is also recommended that proposals for new food and drink uses elsewhere in the centre, including late night opening facilities (such as takeaways), should be required to address various criteria. Such criteria should seek to support the retail core of the centre and protect the amenity of the surrounding area. These should seek to, amongst other things:

- minimise any potential impact upon the retail character of the centre;
- maintain live frontages as far as possible; and
- protect local amenity (having regard to potential impacts in terms of noise, fumes/odour and traffic).

9.46 Whilst the above criteria would help the Council manage the number/proportion of less desirable uses within the centre, there are other approaches which could help to prevent further increases in hot food takeaway uses. These approaches relate to both the number/proportion of uses within a centre (or a particular part thereof) and the potential impact upon levels of obesity.

9.47 In addition, the Council may wish to consider whether it is appropriate to impose policy restrictions which prevent more than two adjacent units being in use as hot food takeaways and/or ensure that no more than 6% of units in the centre as used for such purposes (6% being the approximate national average for all centres, as provided by Goad). Such restrictions would provide an additional layer of control and help to prevent proposals from coming forward which would result in an excessive concentration of such uses in the centre (particularly if there is already a high proportion of these type of uses).

9.48 In relation to the second option, the Council may wish to consider a policy with criteria relating to:

- the proximity to entry points of primary and secondary schools (400m being the most commonly used distance);
- prevalence of obesity in children at both reception age and in Year 6 (with various thresholds being used, above which proposals would be prevented – 10% being most commonly used for reception age children and in the broad range of 15%-21% for Year 6); and/or
- the impact such uses would have on the well-being of residents more generally.

9.49 Should Officers wish to pursue this option, it is likely to be necessary to produce evidence on the effect of hot food takeaways upon public health (both on a national level and locally specific), in order to inform the policy and any obesity thresholds set therein.

9.50 In relation to Linthorpe Road South in particular (comprising that part within the wider town centre boundary), the Council may wish to adopt a more restrictive approach. This could mean imposing a blanket ban on any further hot food takeaways or, alternatively, imposing the 6% restriction upon this area in isolation (i.e. separate from the rest of the town centre). However, given that the proportion of such uses in this area is already significantly higher than this threshold (estimated to be around 19% - as opposed to around 5%/6% for the centre as a whole), the latter approach, in particular, may be difficult to justify.

9.51 Proposals for food and beverage uses (including hot food takeaways) out with existing centres would normally be subject to the sequential and impact tests set out above. In addition to these national tests, such proposals should also be subject to the considerations set out above which seek to protect local amenity.

Implementation and Monitoring

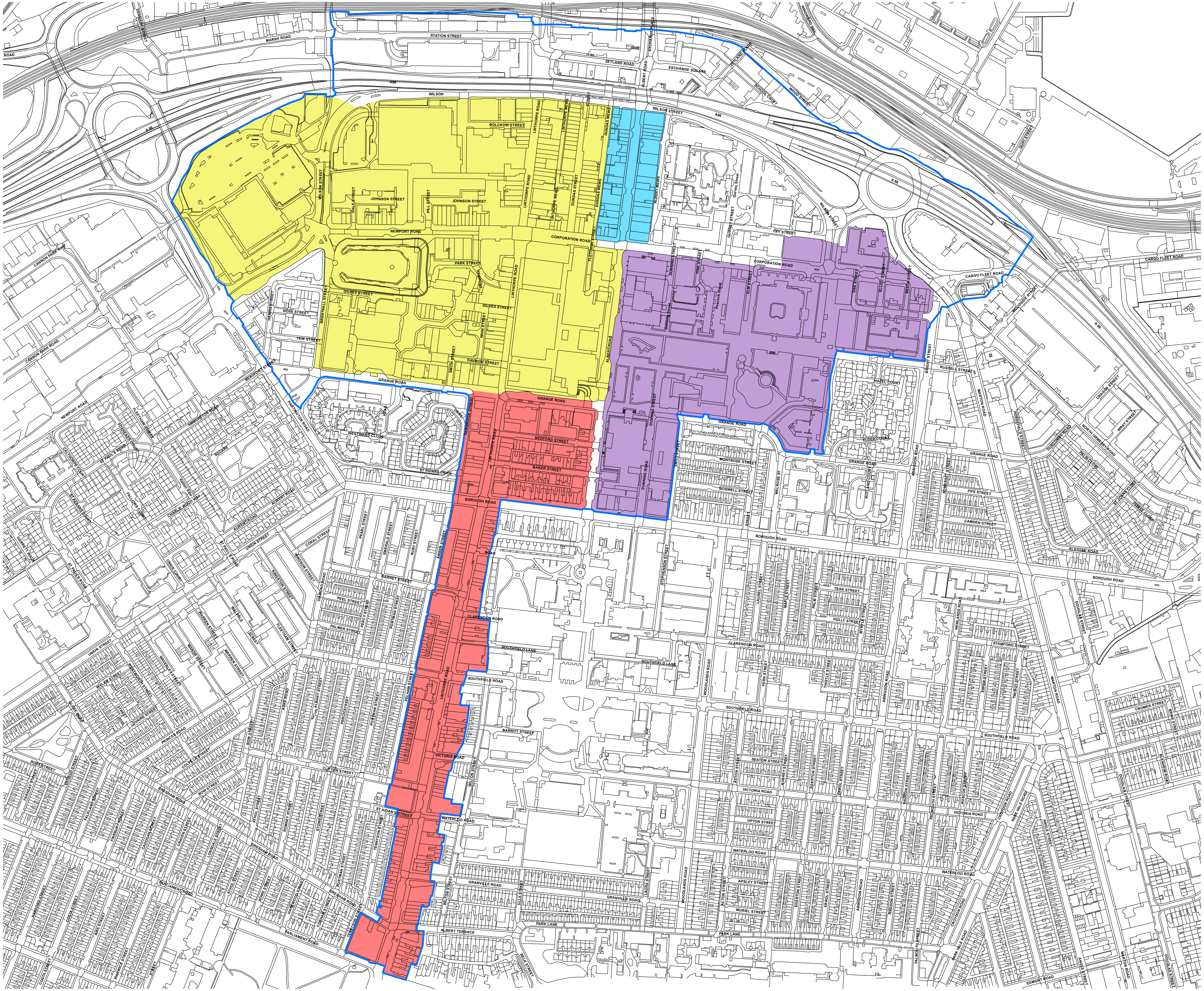
9.52 The recommendations and projections within this study should assist the Council in reviewing development plan policies over the coming years and to assist development control decisions during this period. The study provides a broad overview of the potential need for further retail development up to 2037. Projections are, however, subject to uncertainty and forecasts may need to be amended to reflect emerging changes as and when new information becomes available, in particular longer-term projections should be treated with caution.

9.53 Projections should be monitored and the floorspace projections rolled forward. The following key assumptions should be updated as necessary:

- population projections;

- local expenditure estimates (information from Experian or other recognised data providers);
- growth rate assumptions for expenditure per capita (information from Experian or other recognised data providers);
- the impact of potential increases in home and internet shopping (Experian regularly provides projections for internet shopping and these projections will need to be updated at the same time as expenditure and population figures);
- existing retail floorspace and average turnover to floorspace densities; and
- implemented development within and around the study area.

9.54 These key inputs into the retail capacity assessment can be amended to provide revised capacity projections.



Key

- Middlesbrough Town Centre Boundary
- Primary Shopping Area
- Albert Road North
- Central Business District
- Linthorpe Road South

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LICHFIELDS

Project	Middlesbrough Town Centre and Retail/ Leisure Study
Title	Town Centre Policy Designations
Client	Middlesbrough Council
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