

6. Way Forward

6.1 Introduction

There is no easy or rapid solution to the regeneration of the Mills and Stables. Even if it was desirable, public sector agencies cannot acquire the Mill complex or fund its regeneration. Whilst similar schemes have been attempted in the past e.g. Ditherington Flax Mill, the current economic recession and the future decline in public sector spending rule out this type of approach at Darley Abbey.

Given this broader context, the primary goal of the Strategy is to set out the ways in which Derby City Council and its partners can create a new environment to deliver certainty and confidence and to encourage investment by owners and businesses. To achieve this five broad areas of action for the Council and its partners have been identified (see Section 6.3).

Some of these can be delivered in the very near future, others may take 5 to 10 years (or longer) to realise; but all of them will require effort and comprise from Derby City Council, other public sector agencies as well as the owners, occupiers and residents of the area.

The physical regeneration, repair and conservation of the buildings and spaces in the Mill complex will however remain the responsibility of their owners.

6.2 Implementation, Prioritisation and Funding

Details on the proposed timetable and approach to implementation are set out in Section 12 of this document, along with an overview of possible funding support.

6.3 Areas for Action

The following broad areas are discussed in more detail in the following chapters.

Promote a new Vision for the Mills

Aspiration can drive change, accordingly there is a need to create and promote a clear and perception changing vision for the Mills complex if investment is to be encouraged. That vision is set out in Section 7 of this document.

Develop and implement a new policy context for the Mills

All future change at the Mills will need to be delivered in the context of the national, regional and local planning policy, including the emerging Local Development Framework. Section 8 of this document therefore sets out recommendations as to how Derby City Council's emerging Core Strategy could address the Mills and how a future Supplementary Planning Document could guide and support change.

Establish and support a new partnership for the Mills

The Mills are privately owned but they also form a key part of the wider World Heritage Site and City. The owners cannot deliver the regeneration of the Mills on their own and without the support of external agencies; and the external agencies cannot safeguard the Mills without the owners. Consequently, Section 9 of this document sets out the proposed structure of a formal partnership to drive forward the regeneration of the Mills.

Support the delivery of vital infrastructure works, repairs and enhancements

The challenges facing the Mills are not insignificant, it is therefore vital that barriers to investment are addressed over the coming years. Section 10 identifies the key proposals in relation to the need for building repairs, pedestrian and vehicular access, the public realm, flooding, and links to the local area and wider city.

Deliver new uses for the Stables

Ensuring that the now derelict Stables are bought back into a vibrant and sustainable use will provide momentum for the area and demonstrate a clear commitment from the City Council to the conservation of its own estate. This should therefore be a priority for the Council. A way forward for the Stables is summarised in Section 11 of this document.

7. Proposed Vision for the Mills

Darley Abbey Mills will become a vibrant destination for business, leisure, tourism and cultural activity that attracts investment, secures the long-term conservation of the entire complex and safeguards its outstanding universal value, whilst also enabling increased public access and understanding. This transformation will be a flagship project for the working conservation of the WHS and the rejuvenation of Derby as a City of Culture.

Transforming Darley Abbey Mills from a declining backwater to a new destination will deliver major conservation and economic benefits for Derby and the rest of the World Heritage Site. The Mills will become a highly successful and well defined destination that builds on their exceptional historic character and compliments the ongoing regeneration of the City Centre.

Essential to achieving this will be the development of a robust local policy framework (see Section 8) and the implementation of a transformative overhaul of the complex's physical infrastructure to remove intrusive modern features, unlock key spaces and enable safe access and circulation. Key elements of that process would include:

- **Development of a waterfront area to the south of West and Long Mills.** This would provide a high quality public space overlooking the river and enable new active public facing uses. This is a fundamental part of the vision as it would re-focus the site and make the most of its waterfront location and the dramatic and aesthetically interesting West Mill. This would include the removal of the existing metal infill on West / Long Mill and its replacement with a smaller and more sympathetic linking building to serve new uses.
- **Public realm enhancement.** The vision envisages the creation of a sympathetic, characterful and coordinated public realm that would:
 - Retain historic surfaces
 - Deliver car parking in a structured and viable manner
 - Improve the visual character of the site by removing clutter, improving surface, coordinating materials and creating clear and distinctive structure of the site
 - Slow traffic and control flows throughout the site
 - Enable safe pedestrian access and address DDA issues
 - Articulate the course of the former mill races / leats in a visually striking manner to provide a clear visual structure to the site

- **Enhancement of the courtyard around the Chimney.** This area has a rich character and through the removal of modern infill around the Coppice Barn and Bobbin Shed, new public realm and general enhancements to façades etc it will be possible to open it up for new public facing uses. This could even include returning one of the coppice barns to its historic open form.
- **New traffic flow to south of site.** As part of the above a new traffic flow would be developed. This would see traffic entering on a one-way basis through the chimney courtyard and exiting along the existing access route to the south of the mills complex.
- **Controlled traffic flow.** The improved management of two-way traffic is important in terms of retaining active uses on the site. The vision includes for a new route in front of North Mill with control e.g. toll barrier or signals. This would create a new courtyard area, allow for queuing and enable the closing off of the lane opposite West Mill.
- **Removal of modern buildings.** Removing intrusive and inappropriate modern buildings would enhance the site, enable the creation of new car parking areas and help raise the quality of the public realm.
- **Improved car parking.** As well as providing for dispersed parking near buildings, the vision includes for two concentrations of parking; one to the south and one at the north.
- **Soft landscaping and woodland management.** The woodland edging would be opened up to enable views in and out of the complex as this better reflects the historical character of the site. This would also enable the creation of paths through the woodland edge by the river.

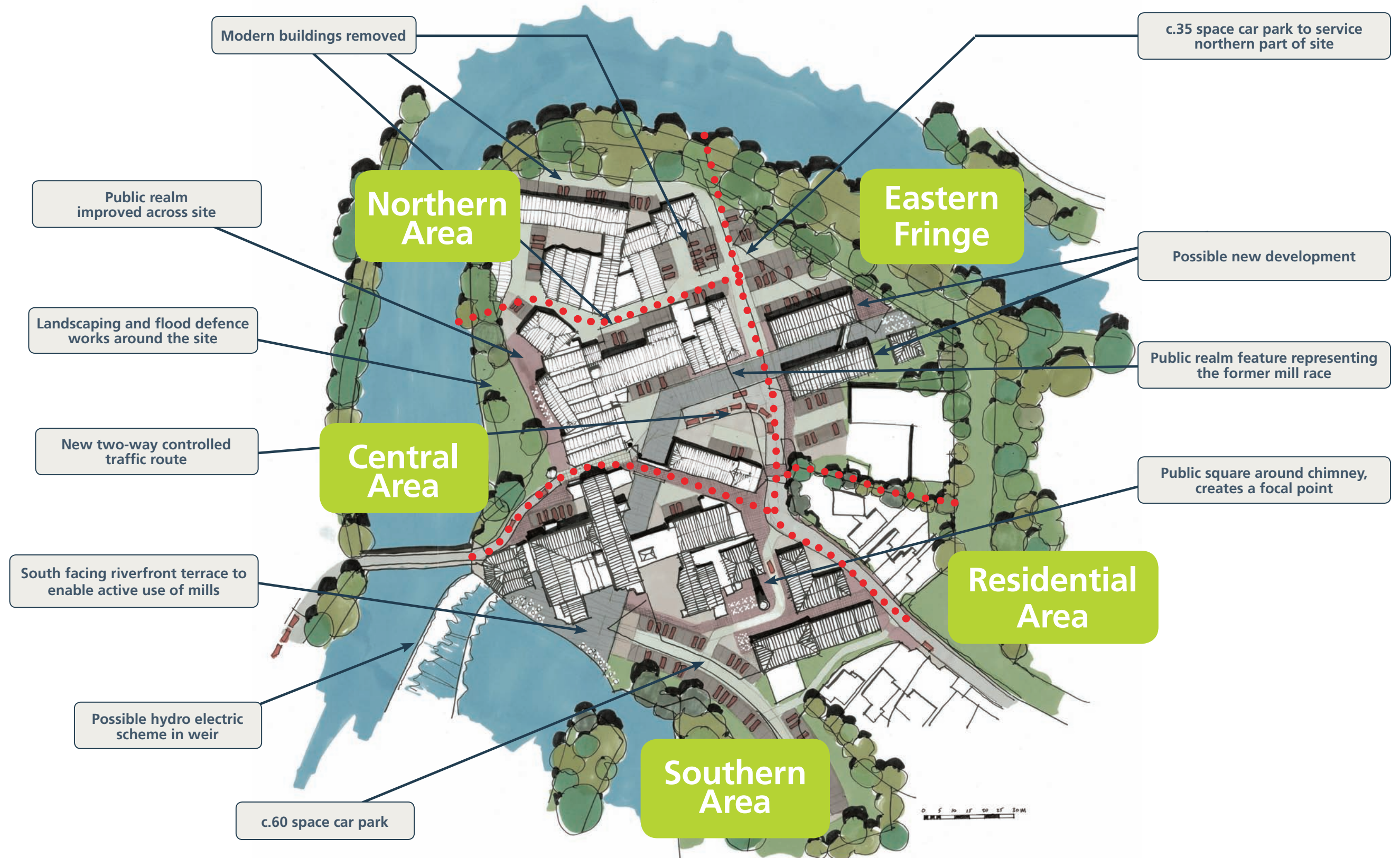
No single use will be able to fill the c. 14,500m² of accommodation within the complex, consequently a diverse range of uses will be required to ensure viability. However, this diversity should not leave the complex without a recognisable identity in different markets. In this context a balance will need to be struck between delivering a mix of uses with the development of a strong brand to create a momentum and identity at the Mills. Given this and the different significances and sensitivities of the buildings, the areas of the complex will develop different roles and become focal points for different types of activity:

- **Southern Area –** This encompasses the principal Mill buildings and includes the superb south facing river frontage and highly distinctive courtyard area around the chimney. The aesthetic qualities of the area and the dedicated vehicular access and car parking indicate that this area should become the focus of public facing active uses, particularly on the lower floors, around the courtyard and within the highly sensitive and important Long Mill. Other uses could be accommodated on upper floors and in the East and Middle Mills which are accessed from the north.

- **Central Area –** The redirection of traffic through the site would create a flow through the courtyard area to the front of North Mill. The development of active frontages in this area would create a secondary focus for public facing activity. The upper floors could provide accommodation for a range of different uses. The western flank would be pedestrianised and would provide a quality venue for professional businesses and potentially leisure based uses within the flexible former polishing sheds.
- **Northern Area –** This is the least accessible area within the complex. Whilst many of its buildings are important they are generally less aesthetically attractive. This area can continue to serve current uses e.g. garages, creative industry and professional services, without affecting the more public areas to the south. The regeneration of this area is a lower priority, but significant repair work is still required.
- **Eastern Fringe –** This lies outside the historic core of the complex and much of it is currently unattractive and in need of rejuvenation. The priority for this area is to enhance its visual character and to provide car parking for the rest of the complex. Once the future of the historically significant buildings in the rest of the complex are assured then it may be possible to deliver a small quantity of highly sympathetic new build development within this part of the area. This would however form the last major phase of delivery.
- **Residential Area –** No change is proposed for this area

All change and adaptation will respond to and conserve the character and significance of the complex. The need to deliver change will not be allowed to degrade the Outstanding Universal Value of the World Heritage Site. The regeneration of Darley Abbey Mills will be recognised as an example of best practice in Constructive Conservation.

Public access will be increased throughout the complex and access to key buildings and spaces (e.g. the Attic in the Long Mill) will be secured through the regeneration process. If possible, interpretation will be delivered on-site.



8. Future Policy Context

8.1 Current Situation

Current local planning policy for the Mills is set out in the Local Plan and specifically in Policy RP6 (see Section 2). The Local Plan is in the process of being superseded by a Core Strategy, a number of Development Plan Documents (DPDs) and Supplementary Planning Documents (SPDs). These, along with the Regional Plan, will form the Local Development Framework. This will reflect national planning policy. The Core Strategy is due to be adopted in late 2011.

As part of the development of the Strategy and Mills Options Report a number of possible uses for the mills complex were examined from a national and local policy perspective. These included in broad terms:

- Retail (both large floor space, open plan type retail and smaller unit craft type retail);
- Hotel (small and medium sized);
- Restaurant and Cafés;
- Residential;
- Offices (at a range of levels including new build);
- Workshop and garages;
- Leisure e.g. Gym or training venue;
- Public service facilities e.g. doctors, dentists, libraries etc; and
- Visitor attraction e.g. gallery.

All of these raised planning policy issues at the local and national level, predominately due to the fact that many of them are 'town centre' type uses as defined in national policy. However, it is clear that a balance would need to be struck between these issues and the potential conservation and regeneration benefits of continuing to deliver change at the Mills between now and the adoption of the Core Strategy in late 2011.

Applicants will therefore need to work closely with Derby City Council during this period to ensure that the regeneration of the site continues in a manner that reflects existing policy and future policy aspirations.

Further details on some of the policy considerations that applicants would need to address, in addition to the Listed Building and Conservation Area considerations, are set out in the Mills Options Report (Atkins 2010).

8.2 Proposed Way Forward

Given the sensitivity of the World Heritage Site, the need for change within it and its Buffer Zone, the guidance in PPS5 and Circular 07/09: Protection of World Heritage Sites, Derby City Council will need to provide policy for the entire World Heritage Site in the **Core Strategy**. This policy will expand on national and regional policy.

More detailed guidance is however required for Darley Abbey Mills to ensure that they are regenerated in a way that reflects their significance, ensures their long term conservation and supports the economic regeneration of the wider City. Consequently, it is recommended that a **Supplementary Planning Document (SPD)** is prepared by Derby City Council for the Mills complex to supplement the Core Strategy.

Sections 8.3 and 8.4 below set out the proposed structure and likely direction of this future policy.

All proposals for Listed Buildings or their curtilages will require Listed Building Consent and depending on the nature of change may also require Conservation Area Consent. Guidance on this is contained with PPS5: Planning for the Historic Environment.

It should be noted that the Core Strategy is still being developed and that following consultation the direction and content of future policy may differ to that discussed here. Additionally, it should also be noted that any future SPD would need to be delivered through a statutory process of consultation. Consequently, it may not reflect the guidance and structure presented here.

Potential applicants should not rely on the information contained here and should consult with Derby City Council before developing or submitting any applications. Until the Core Strategy is adopted, all decisions will be made on the basis of the existing Local Plan and National Guidance and little weight can be afforded to the material presented in this version of the Strategy.

8.3 Core Strategy

It is recommended that the Core Strategy policy context should focus on two aspects in relation to the Mills as part of the World Heritage Site:

- a) enabling a broad range of uses that will support the regeneration of the City and the need to revitalise the Mills complex. This will broadly reflect the vision set out in Section 7.
- b) ensuring that change reflects the significance of the complex and the constraints such as flooding. Additionally, development control and listed building consent procedures would be used to manage the appropriateness of physical change; with input from English Heritage where relevant.

More detail would be provided in the supporting SPD.

8.4 Supplementary Planning Document

The proposed SPD would supplement the Core Strategy policy. As such it would need to be adopted following adoption of the Core Strategy. Its content and direction would need to reflect the Core Strategy, consequently this section of the Strategy cannot set out what the SPD will say. It can however identify the level of detail that the SPD should provide in terms of setting a vision for the site, ascribing land-use and providing design guidance & parameters.

Vision for the Mills

The Mills are currently treated in a piecemeal fashion. This reflects the mixed ownership of the site. The SPD should deliver an integrated vision for the entire complex in terms of both design and land-use. This should be based on the vision set out in Section 7 of this Strategy and the national, regional and local policy framework in place at the time of production. This vision should be further developed by Derby City Council with considerable input from the Management Group (see Section 9).

The further development of the design concept and outline of uses across the complex presented in Section 7 would provide a broad framework for investment and decision-making. This framework would be supported by more detailed information on use and design (see below).

Ascribing land-use

The vision in Section 7 does not define uses within the complex in detail. The SPD should however contain greater detail on the preferred mix of uses in the different areas of the complex. This detail should be developed in consultation with the Management Group and Advisory Group. It should reflect conservation requirements (see Mills Conservation Plan), the Core Strategy, relevant national and regional planning policy and the emerging market situation. It should also need to reflect any progress on implementing the required infrastructure improvements (see Section 11). The primary aim of this element of the SPD would be to guide the regeneration of the site in certain directions and encourage active uses which would deliver economic benefits whilst conserving the significance of the buildings and spaces within the site.

Design Guidance

The complex is clearly a highly sensitive historic environment and one requiring the overhaul of its public realm and buildings. It is therefore recommended that the SPD includes a substantial element of design guidance relating to:

- Treatment of the public realm (inc. DDA issues);
- Signage;
- Enabling DDA compliant access to buildings;
- Treatment of the external façades of buildings; and
- Parameters relating to the retention of significant features within buildings.

The public realm design guidance would be especially important if the vision for the public realm (see Section 7) is to be delivered on a staged and piecemeal basis, rather than as a single scheme.

The guidance in relation to the buildings external façades of the buildings may also be of benefit to building owners and architects; as would the setting of parameters in relation to the retention of significant elements. These items should be developed from further research that builds on the findings of the Conservation Plan. This should be undertaken in partnership with English Heritage and the buildings' owners.

The development of this design guidance would assist the application and Listed Building Consent process and enable developers to work closely with the planning authority in the context of a broad design framework. This could speed up applications and make a significant contribution to the regeneration of the site.



9. Partnership for the Mills

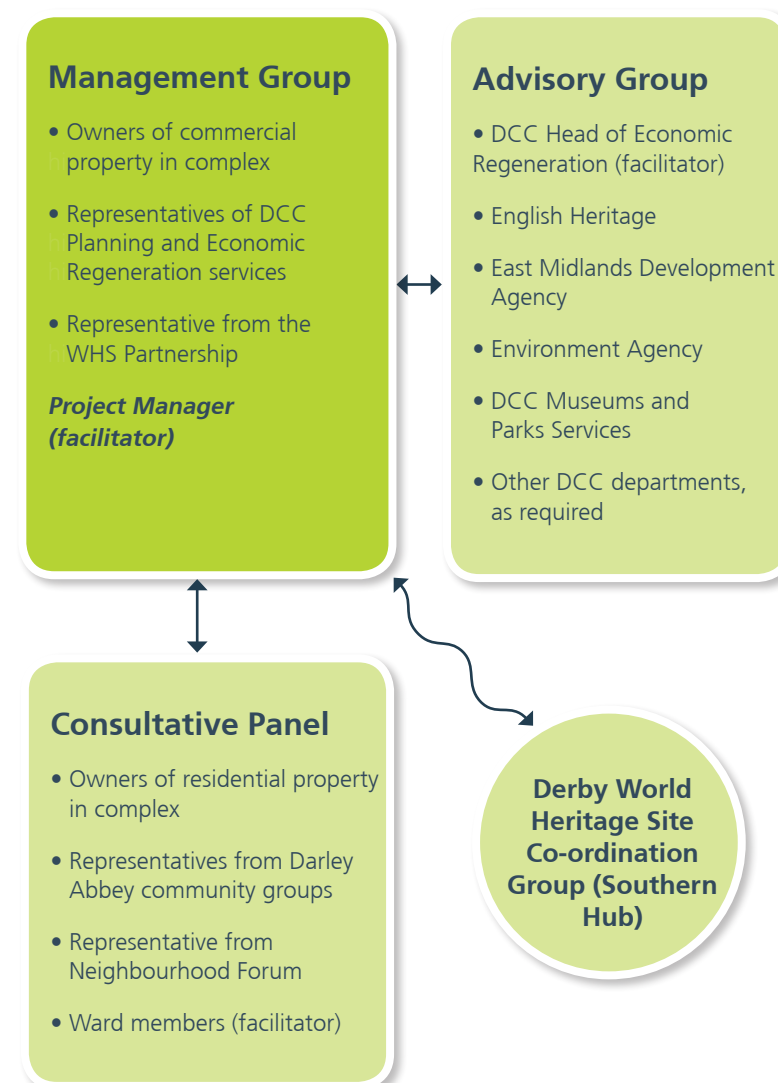
9.1 Introduction

The entire Mill complex, including the roads and open spaces, is privately owned. Consequently, the regeneration of the complex has to be delivered by these owners. However, the scale of the challenges facing the complex and the scale of potential costs mean that they cannot achieve this on their own. Additionally, the international importance of the complex clearly indicates that there needs to be a significant level of public authority guidance and involvement to ensure that its Outstanding Universal Value is safeguarded.

This section therefore sets out the proposed structure and parameters for a formal partnership between the owners and Derby City Council and its partners. This group would be charged with driving forward the regeneration of the Mills in a timely and sensitive manner.

Given the importance of this group and the need to deliver change it is recommended that Derby City Council appoint a dedicated part-time Project Manager in 2010 / 11 to coordinate and support the Management Group and to lead key initiatives. This Officer could also play a wider role in the emerging Southern Hub of the World Heritage Site.

9.2 Proposed Structure



9.3 Roles and Responsibilities

Management Group

This would draw together the key decision makers and those with responsibility for the complex into a single focussed group that would meet regularly. Timing would depend on pace of change and changing requirements of the group.

The primary purpose of the group would be to facilitate discussions, agree priorities and develop a cohesive approach to the regeneration of the complex. It would also provide a clear focus for fund raising activity.

The group would be facilitated, coordinated and supported by the proposed Project Manager.

Advisory Group

The Advisory Group would give the Management Group access to specialist advice from key agencies and bodies. It would also enable the Management Group to test concepts and proposals with bodies that could have a direct bearing on the future of the complex either through their ability to fund proposals or their role in the planning application and decision making processes.

The group would be consulted on an ad-hoc basis with a yearly meeting to overview progress and discuss outstanding issues. It is recommended that it is facilitated by the Head of Economic Regeneration at Derby City Council.

Consultative Panel

The regeneration of the complex has the potential to affect local communities, those living within the complex and the wider City. The establishment of a Consultative Panel will enable the Management Group to gauge opinions on ideas at appropriate stages in the process. It would also keep local communities informed about changes that may occur and the nature of progress at the Mills.

The Panel would meet on a yearly basis with ad hoc communication between meetings. The relevant Ward member would be well placed to facilitate the Panel.

10. Addressing Barriers to Investment

10.1 Introduction

The challenges facing the Mills are not insignificant, it is therefore vital that barriers to investment are addressed over the coming years. The following have been identified as the key issues that need to be addressed.

The prioritised timetable for their delivery is set out in Section 12.

10.2 Building Repairs

Urgent Temporary Works

Whilst many of the buildings in the Mill Complex require repair works in the short to medium term there are a small number of buildings that require urgent temporary works to stabilise their condition and prevent rapid decline, these include:

- Long Mill, Grade I (immediate action required)
- West Mill, Grade I (immediate action required)
- Manager's House, Grade II (immediate action required)

Delivering these urgent works is a critical priority for immediate action and will require support from the owners, Derby City Council and English Heritage. The option for statutory intervention (i.e. through an Urgent Works Notice) should also be reviewed and considered in relation to these buildings. This could be supported by an application to English Heritage for the underwriting of any urgent works; it may also be possible to achieve this through a negotiated arrangement. However, English Heritage cannot guarantee grant assistance and all applications would be subject to the usual tests.

In addition to the above, the Proto-Fireproof Building (Grade II*), North Mill (Grade II*) and Darley Park Stables (Grade II) may require similar works within 12 months if their condition continues to decline.

Longer-term Repairs

Beyond the Urgent Temporary Works there is a need to repair, to varying degrees, nearly all the buildings. These repairs are detailed in the Condition Surveys and Options Reports. It will be the responsibility of the owners to deliver these repairs although, as set out in Section 12, there may be opportunities for funding support.

Wherever possible the repairs should be delivered as part of packages to convert, conserve and re-use buildings. However, repairs should not be unnecessarily delayed to accommodate development schedules.

10.3 Conservation and Conversion of the Buildings

Central to the regeneration of the complex is the process of repairing, conserving and converting the buildings. This will involve safeguarding their historic fabric and character, repairing defects, improving the quality of façades, removing inappropriate alterations and additions and delivering conversion works.

All of this will need to be undertaken in a sympathetic manner that is informed by a detailed understanding of each individual building's historic development and significance. The Darley Abbey Mills Conservation Plan (2010) provides a starting point for this process, but more detailed building specific analysis and Conservation Plans will be required to support future applications and developments. Derby City Council, and potentially members of the Advisory Group, should support this process.

The responsibility for the conversion and conservation works lies with the owners and investors. Whilst Derby City Council can, through the planning and partnership process, seek to support and guide efforts to regenerate the Mills it cannot fund them. It should however help owners identify and seek potential funding sources (see Section 12).

10.4 Public Realm

Mills

A key part of the regeneration process involves the creation of a high quality public realm within the network of spaces and destinations created by the overall spatial vision set out in Section 7.

Key objectives for the public realm works include:

- Retaining historic surfaces, where possible (e.g. cobbled surfaces to the west of the Polishing Shed)
- Delivering car parking in a structured and viable manner, both adjacent to key buildings (important for DDA) and in concentrated areas (important for visitors / workers)
- Improving the visual character of the site by removing clutter, improving surface, coordinating materials and creating a clear and distinctive structure for the site

- Slowing traffic and controlling flows throughout the site
- Enable safe pedestrian access to all parts of the site
- Addressing DDA issues and enabling safe access

Delivering this change will be hugely beneficial but also costly. It will also require the cooperation of numerous land owners as the public realm on the site is all privately owned. This may in itself limit opportunities for funding unless some alternative ownership structure can be achieved e.g. a commonhold arrangement between freehold building owners.

The public realm works would ideally be delivered in a phased but integrated manner as part of a single scheme. However this may not be achievable. Consequently, the design guidance in the SPD must be robust and detailed to ensure consistency of approach across the site.

Stables

Resurfacing of the courtyard, formalising the car park and installing enhanced signage would all improve the character and appearance of the Stables and their immediate environs. This work should be led by Derby City Council as part of the redevelopment process.

10.5 Vehicular Access

Three key areas need to be addressed in relation to vehicular access to the Mills:

Haslam's Lane

Bringing Haslam's lane up to Adoptable standards would require significant engineering work including replacing the bridge of Folly Brook. The total cost would be in the order of £880,000 exc. VAT and fees. The resultant scheme would however provide safe access to and from the Mills for vehicles, pedestrians and cyclists. It would however still flood and an alternative means of exit would be required from the Mills complex under PPS25. The adoptable standard scheme would not however provide a high quality route. An alternative would be to develop the scheme in accordance with Derby City Council's Manual for Streets. This would provide an enhanced environment but would cost c.£1.15million exc VAT and fees.

In terms of delivering the scheme it is recommended that Derby City Council seek funding to support the upgrade and ultimately look to adopt the road. Any decision on adoption would however need to be taken by the Council at the appropriate time. The upgrading of this road is critical if impacts on local residents are to be minimised.

Bridge

The bridge from Darley Abbey to the Mill complex is an historic structure. Its condition is currently undetermined and more detailed surveys may be required to assess this in the future. It is clear that the current structure may need to be replaced. This would be a significant engineering operation with substantial costs.

Traffic Control

The improved management of two-way traffic is important for the regeneration of the complex. The development of a new through route would need to be enabled by the control of traffic flows through the complex e.g. using signals and / or toll controls. This would help address congestion issues but may not fully address peak time rat-running.

The reinstatement of a toll, perhaps in automated form and alongside the signalisation, could address both but affect the commercial viability of public facing uses. The final approach will need to be determined by the toll bridge owners within the context of the Management Group.

10.6 Pedestrian Access

Enhancing the public realm would transform pedestrian access within the complex but access to the complex would still be limited. Given this the development of a new footbridge to the site is considered critical. Two routes have been identified (see Section 7). Delivering either of these would enhance pedestrian accessibility and potentially deliver a safe exit route which could help address some of the flood risk issues.

The preferred route is the Southern Route as this would provide the most attractive and distinctive route between the village and complex, it would also potentially relate to any future water bus and would bypass the pinch point on Abbey Road. It would however be longer and hence more expensive and would need to be delivered as part of the new Southern Terrace.

The delivery of this bridge should be sought as part of the emerging Blue Corridor Masterplan.

10.7 Flooding

The Environment Agency is currently reviewing its flood modelling for the area, until this is complete the need for additional defences cannot be determined. Ideally future defences should be rated at 1:100 years; however this would not remove the need to address the significant flood risk issues in accordance with PPS25.

Once the modelling works have been completed the future of flood defence measures at the Mills can be developed in the context of the Blue Corridor Masterplan which is addressing flood defence measures from Darley Abbey to the south of the City. This will provide the strategic context and potentially funding for any improvement in flood defences or accessibility / exit measures.

10.8 Links to the local area and wider City

In addition to the footbridge (see Section 10.6) there are a number of other opportunities to improve connectivity between the Mills, village, stables and city:

Water Bus – Derby City Council has previously explored the feasibility of establishing a seasonal water bus service between the City Centre and Darley Abbey. Should the regeneration of the Mills deliver significant public facing leisure and retail type uses then this may become a desirable option. Any decision on this would be taken by the Council at the appropriate moment.

Greenway – Derby City Council are proposing to deliver a new combined cycle and pedestrian route though Darley Park to the City Centre. This should improve access to the Mills and Stables.

Public Transport – As the regeneration of the Mills intensifies it may be possible to enhance the frequency of bus services to and from Darley Abbey. The Management Group should engage with operators at the appropriate time.

10.9 Cost Estimates

The following are initial outline cost estimates for the works at the Mills identified above and for the implementation of the physical aspects of the vision. These are provisional in nature and based on late 2009 / early 2010 process. They exclude VAT. Further details can be found in the Mills Options report (Atkins 2010).

Urgent Temporary Works (Manager's House, Long Mill & West Mill)	c.£25,000
Long Term Repairs	c. £1.9million
Conservation and Conversion of the buildings	c. £11 million
Public Realm (Mills) Inc. traffic control	c. £1.2million
Haslam's Lane	c. £880,000 to £1.15million
Bridge (replacement)	c. £1.15 million to £1.45million
Southern Footbridge	c.£650,000 to £1million+



11. Stables: Way Forward

11.1 Overview

Given continuing market uncertainty and a decline in public sector funding, it is proposed that Derby City Council should take forward the regeneration of the Stables in partnership with an external body e.g. a private developer, Building Preservation Trust or charitable organisation.

This approach means that it is not advisable to prescribe uses as this may limit interest and exclude opportunities. However, it is important that parameters are established to guide the process and to ensure that a balance is achieved between cost and public benefit. The following sets out recommendations in this respect, fuller details can be found in the Stables Options Report.

11.2 Parameters to guide change

Physical nature of the conversion (to ensure the complex's historic significance is safeguarded)

The Stables are Grade II listed. As set out in Section 4 and the Conservation Plan there are a number of significant features and characteristics that need to be conserved within any design. Initial analysis of possible options (see Options Report) indicates that the retention and conservation of the key significant features should not harm the viability or deliverability of a scheme. This includes delivering a satisfactory level of DDA compliant access to the upper floors of the Stable block.

Types of end uses (to ensure that the scheme reflects its location and is also viable)

The following types of uses are considered to be broadly appropriate and probably viable:

- **Cafe/Restaurant** – suitable for all areas of complex but would need to be delivered sensitively and respond to existing markets.
- **Food Production (e.g. micro brewery, bakery, dairy)** – conversion of some spaces may be difficult in terms of services and there may be delivery vehicle issues.
- **Gallery** – may be achievable in larger spaces but viability may be an issue.
- **Offices** – preferably on upper floors and / or in Bakehouse.

- **Retail** – this would need to respond to local needs or serve niche markets due to vehicular access and parking restrictions

Residential and holiday accommodation uses are not considered appropriate.

Given their relationship to the Park and the level of public interest, it is recommended that the complex should not be used entirely for commercial purposes that exclude public access (e.g. offices). However, the majority of floor space would need to be let for commercial purposes to provide sufficient revenue to convert and maintain the building and attract a partner. This means that the upper floors of the Stable block and entirety of the Bakehouse would probably be used for purposes that are unlikely to facilitate public access.

It is also recommended that the development ensures that:

- The surviving Stables, tack room and office on the ground floor of the North Range are used for community/public benefit such as interpretation, information point, meeting room, etc;
- Publicly accessible uses are delivered on the ground floor of the Stable block. This would generate activity in the Courtyard and public access to the buildings without requiring extensive DDA works;
- The Café offer at the complex is enhanced to attract new users and serve existing markets. This could include the creation of an extension to the east of the existing facility;
- Public access is achieved between the courtyard and Terrace by removing the modern sections of wall that currently separate the two spaces; and
- Public spaces are upgraded and that an appropriate amount of car parking (including a disabled provision) is provided. This will require the Stables and Village Hall to share space.

Freehold, leasehold and management arrangements (to ensure that the scheme meets Derby City Council's and taxpayer requirements)

Derby City Council will retain freehold ownership of the complex. The Council will therefore either lease the buildings to a developer / operator or enter into a joint venture to develop and operate the complex. The eventual decision on which approach to take will need to reflect a range of factors including:

- The need to minimise the Council's ongoing management and maintenance liabilities;
- The need to maximise, without undue risk, the Council's potential return from the project;
- The need to deliver viable and sustainable uses; and
- The desire to reduce the Council's upfront capital costs.

In potential lease negotiations these would all be factors in determining the length of lease, rental terms and any covenants to be agreed with suitable developer / investors. Joint venture arrangements would also factor in these issues in terms of determining the relative risk / reward structures.

Funding (to ensure that the taxpayer receives value for money)

The scale of repairs required before conversion works can commence makes the complex relatively unattractive in terms of its redevelopment. As such it is recommended that the Council releases capital funds to address this. It is also recommended that the Council seeks to identify, if required, additional revenue funding for the proposed community/interpretation space.

11.3 Next Steps

Critical next steps to deliver this approach are:

- Identification of capital funding to support scheme
- Urgent temporary works to secure buildings
- Further market testing and negotiations to identify preferred partner
- Preparation and agreement of heads of terms
- Development of designs (in consultation with Conservation Officer)
- Development of required business plans and any external funding bids
- Planning and Listed Building Consent
- Physical delivery of the scheme

This process is likely to take 2 to 3 years.

12. Implementation, Funding & Outcomes

12.1 Implementation and Phasing

Delivering the Strategy will take many years, probably over a decade, however there are clear priorities that need to be addressed between mid 2010 and early 2012 to ensure the survival of the complex and to progress the Strategy (see Phase 1 below).

An outline timetable for the development of the strategy and further information on the broad phases of activity are set out below. The overall programme will need to be developed and managed by the Management Group, and in particular the Project Manager, over the coming years. This will need to be done in an integrated manner e.g. the improvements to Haslam's Lane should not occur until the traffic control has been implemented. These forms of interrelationships will need to be mapped and managed by the Project Manager and Management Group.

The key phases in this process are set out below:

Phase 1: Stabilisation and planning (2010-2012)

This is a critical phase and would need to commence immediately to achieve the following by 2012:

- Deliver the temporary urgent works (see Section 10);
- Establish the Partnership (see Section 9);
- Recruit the Project Manager (see Section 9);
- Develop an appropriate Core Strategy policy (see Section 8);
- Develop a robust SPD (see Section 8); and
- Deliver the regeneration of the Stables (See Section 11).

Alongside these, and with clear reference to the vision and the policy context, it will be critical for the owners to develop their plans and begin the process of delivering the required repair, conversion, conservation and public realm works. Initially the focus should be on bringing vacant buildings back into use to ensure that the site has a firmer economic foundation and that necessary ongoing repair works can be delivered. It is currently anticipated that the major phases of delivering the Vision would not commence until late 2011.

However, it is recommended that a catalyst project is delivered in this phase to demonstrate the potential of the regeneration proposals. To this end it is recommended that the Manager's House is subject to a comprehensive programme of conservation, conversion and re-use.

This small but important building is in urgent need of repair and its rejuvenation could offer clear and real evidence of the progress of the project and its overall potential. The building occupies a pivotal location and this project would be a highly visible symbol of progress. It would also safeguard a deeply problematic building.

Phase 2: Southern Area and key enabling works (2012- 2014)

The prioritisation of the regeneration of the Southern Area is recommended for two key reasons. Firstly, this area contains some of the most important buildings on the site (e.g. the West Mill, Long Mill and East Mill) and their future needs to be assured in the short to medium term. Secondly, the regeneration of this area through the delivery of a new southerly facing terrace, car parking and through providing new uses offers the most potential to provide cultural and tourism benefits – it would also fundamentally alter perceptions of the complex.

This scheme would need to be led by the relevant owners, potentially with support from the public sector. However, it (and the wider regeneration of the complex) will require a number of enabling works to be delivered to facilitate delivery, these include:

- Upgrade of Haslam's lane;
- Repair / replacement of Darley Abbey bridge;
- Provision of traffic control measures;
- Provision of footbridge from southern terrace (as part of terrace upgrade);
- Possible flood defence upgrades; and
- Public sector support will be required to deliver these enabling works.

Ideally, this phase would also be accompanied by an upgrade of the site's entire public realm; however this may need to be delivered on a piecemeal basis alongside Phases 3, 4 and 5.

Phase 3: Central Area and car parking (2014-2016)

The Central Area contains a significant amount of floorspace at ground floor and upper levels, it also contains some highly significant buildings requiring sensitive conversion.

Once the enabling works are in place and the Southern Area has been substantially transformed and regenerated, then it should be possible to regenerate this area to attract mid to high end users. This process will need to include substantial public realm improvements. The regeneration of the area would need to be led by the owners / investors potentially with public sector support aimed at delivering new jobs by bringing empty floor space into use.

Given the additional floorspace that this phase would generate and given the need to open up the courtyard in front of the North Mill, this Phase will need to include the development of additional parking. This is currently identified for the Eastern Area of the site.

Phase 4: Northern Area (2016 onwards)

Aside from continuing repairs and the management of change through standard consent procedures, it is recommended that the northern area of the site is not prioritised for regeneration. The area is largely let and occupied. Future change would essentially improve the quality of the area and its public realm, remove unsympathetic additions and conserve a number of buildings.

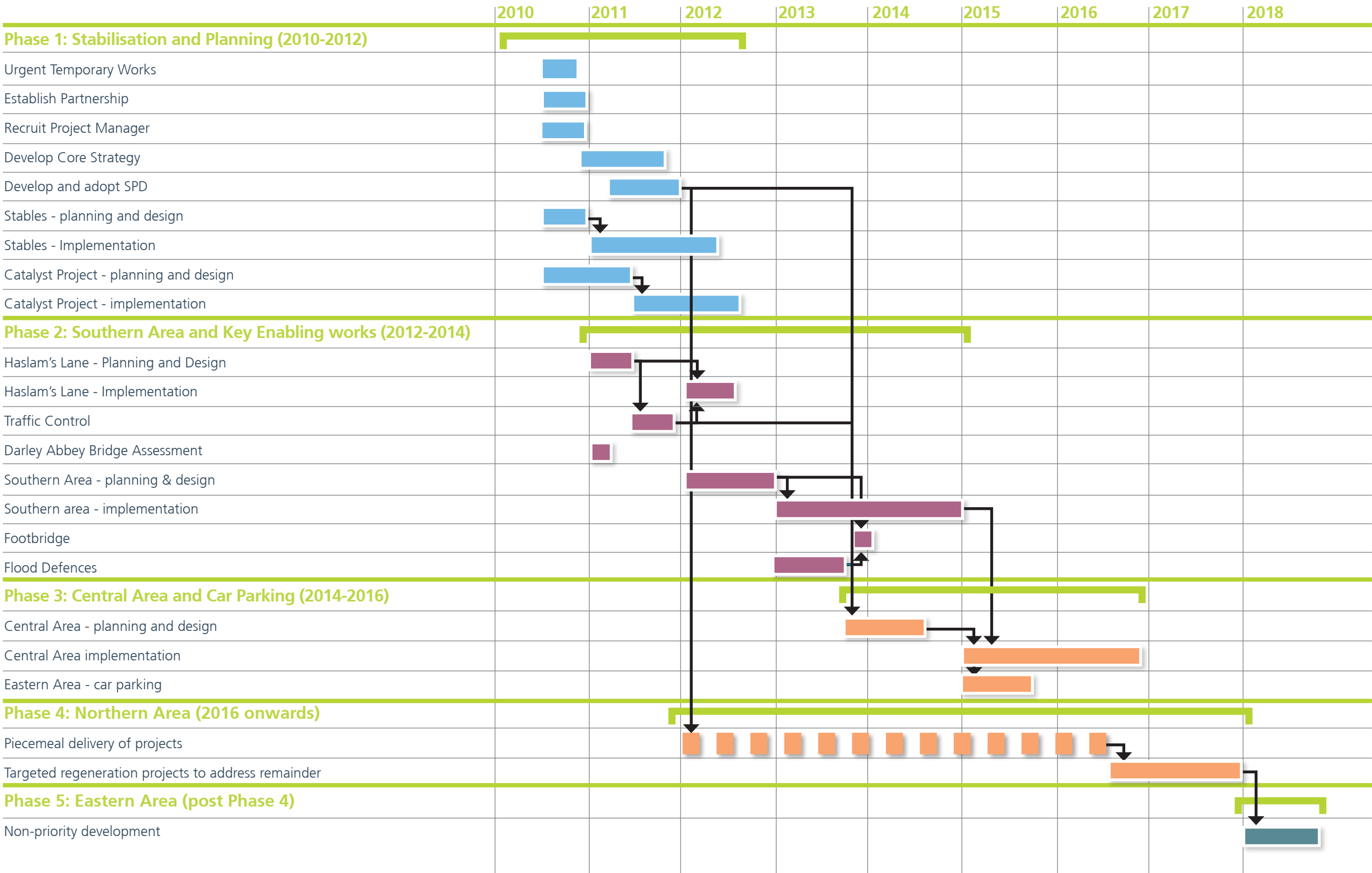
However, should discrete small-scale improvement schemes be advanced for buildings within this area (perhaps on a scale of the proposed Manager's House in Phase 1), then these should be pursued where they reflect the overall vision and the planning policy context. It may be that the area is delivered on a piecemeal basis within the framework established by the proposed SPD.

Phase 5: Eastern Area (post Phase 4)

Aside from the recommended car parking in Phase 3 and potentially some visual improvement in Phase 1, no change is proposed for this area until the future of the other areas of the site have been assured. Following that it may be appropriate to consider some form of development in this area if there is market demand and if the development can be accommodated without harming the significance of the complex or comprising its functionality. This however is not a priority.

Continuing Pan-phase activities

Alongside all of the above there will need to be a continuing programme of repairs and maintenance works including, if necessary, urgent temporary works.



12.2 Funding

12.2.1 Derby City Council

It is clear that public sector support will be required to deliver the regeneration of the mills complex. It is therefore recommended that Derby City provide a level of financial support for the strategy. A robust approach to this would be to establish a Heritage Grants Fund for the period 2010 to 2012 (Phase 1) to provide a catalyst for change and maintain momentum. A seed fund of between £200,000 and £300,000 could usefully support the owners of the complex with a range of activities, including:

- Preparing funding applications;
- Developing conservation plans and further supporting material;
- Developing repair specifications; and
- Undertaking targeted repair works for buildings and the public realm,

This funding will need to be accompanied by further investment by the City Council during this period in terms of:

- Developing the Core Strategy;
- Developing the Supplementary Planning Document;
- Establishing and facilitating the Management Group;
- Appointing the Project Manager; and
- Supplying Officer time to support the project.

Over the medium term the Council should also consider:

- Contributing to the upgrade of Haslam's Lane;
- Contributing to the repair or replacement of the bridge to Darley Abbey;

- Identifying ways in which it can support the enhancement of the Mill complex's public realm; and
- Delivering the River bus scheme, if it proves to be financially viable.

However, all of this will depend on the future economic and public sector funding situation.

Additionally, Derby City Council will need to actively work with external partners / developers to return the Stables to active use; this will probably require capital funding and incur development costs.

12.2.2 Other funding sources

The above is not sufficient to deliver the Strategy and vision in its entirety. Significant funding will therefore be required from other sources, this could include:

Owners

As the complex is privately owned the majority of the financial costs will need to be met by the owners.

EMDA

Schemes involving the direct creation of jobs in the short term, e.g. the conservation of an inactive building for active and available uses may be attractive to EMDA. However, the RDA is under considerable funding pressure and significant funds may not be available and there will be competition for such funds. The formation of the Partnership may help support funding applications to EMDA.

European Regional Development Fund

Whilst ERDF funding is not a long term prospect there is the opportunity to bid for funds to support phase 1 activities e.g. the regeneration of the Manager's House. It is recommended that this is pursued.

Heritage Lottery Fund

The Heritage Lottery Fund's (HLF) Townscape Heritage Initiative (THI) may be an avenue of funding. THI funding could support external façade repairs, and improvements as well as public realm works. The THI funding can also address some internal repair works. The maximum grant available is £2 million. The HLF's contribution to this fund can be no more than 75%. The remaining 25% (although a higher figure is advisable) must be delivered from other sources, but not from property owners.

THI funding is focussed on deprived wards. Darley Abbey is not in this category. The poor condition of the Mills could however provide the basis for developing a bid. Any bid would be led by Derby City Council with input and support from the site owners. The Bid process would take approximately 2 years.

It will be critical to ensure that any bids to the HLF are coordinated on a City and World Heritage Site wide basis to avoid competing bids (e.g. Markeaton Park and Cromford Mills).

English Heritage

English Heritage may be able to support the Urgent Temporary Works (see Phase 1) but are unlikely to be able to offer funding for other works within the complex.

12.3 Possible Economic Outcomes

The economic outcomes of the Strategy will be largely dependant on the final mix of uses that is delivered and consequently cannot be accurately determined here; initial indications based on a broad-brush analysis of potential mixes of uses indicate that it could:

- Create c. 195-340 Jobs and safeguard / change a further c. 290 Jobs (c. 485 – 630 Total). This excludes supply chain multipliers and does not take account of the potential loss of jobs at Ellison Metal Products
- Create the equivalent of a further c. 190 Jobs through construction activity
- Generate c. £13 to £17 million / annum of expenditure

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