

MARKETS

# The angel of the north's new wing

Middlesbrough has been losing steam for decades but the city has a plan to change that, reports *Sue Chester*

**D**urham Cathedral, Gatehead's BALTIC Centre for Contemporary Arts and the Tees Transporter Bridge are some of the most iconic landmarks of the North East, where a lifestyle offering culture, country, city and coast also has some of the lowest UK house prices.

The typical property in this corner of England costs £123,781, according to Land Registry data, almost seven per cent lower than a decade ago, while the national average has increased by 23 per cent to £218,255 over the same period.

Lagging behind the region in terms of quality and choice of housing stock is Middlesbrough, where the average home costs £105,754 – almost £20,000 less than in 2007 and considerably cheaper than Newcastle or Gateshead. But the city is on a mission to catch up.

The exodus of Middlesbrough's city-centre residents began in the Eighties, when the industrial works and docks began to close, buy-to-let investors moved in and property values started to drop due to poor tenancies and a lack of jobs.

Now, the private rental sector accounts for a quarter of the housing stock in some parts of the town. "The level of private rent in Middlesbrough, the North East and other Tees Valley authorities has been growing at a very considerable rate," says Kevin Parkes, the city's executive director of economic development and communities. "For Middlesbrough, from 1981 to 1991 it ran from 4 per cent to 8 per cent, and from 1991 to 2001 it nearly

**Shaping the future:** Community in a Cube, main; Anish Kapoor's *Temenos* sculpture, below

doubled again." Middlesbrough's market stagnated as homeowners moved to nearby Stockton and Ingleby Barwick in the hunt for higher-end homes – leaving behind a city with more than half its properties in the lowest band of council tax, for values up to £40,000.

A little over five years ago, Middlesbrough Council took action, releasing land for development to the south of the city. The plan was to build



## The exodus of city-centre residents began in the Eighties

pricier properties and keep wealthier people within its borders, with new offices, shops and parks to create jobs and attract residents.

"We transferred the wealth in one part of the town to help us with regeneration to the north of the town, where we have a lot of deprivation," says Parkes.

More than half the 1,500 units built during the past two years in the Middlesbrough region are council tax band D or above (for homes valued at £68,000 or higher), such the David Wilson development at Nunthorpe, to the south east of the city. Four- and five-bedroom detached houses at Grey Towers Village range from £439,995 to £699,995.

One of Middlesbrough's main problems is that its housing stock lacks variety – not just at the higher end of the market, but also for first-time buyers. "We don't have the product for those young, skilled graduates



**New at Nunthorpe:** prices at Grey Towers Village, above, start from £439,995

who are looking for that urban living," Parkes says. "Tyneside has been very successful at building the apartment market recently. That's one thing we're keen to address, putting more types of product into the market."

The development of 140-acre Middlehaven, one of the North East's largest regeneration schemes, has been working to fill this hole since 2003. The riverside scheme, managed by Middlesbrough Council and the Homes and Communities Agency, includes state-of-the-art schools and colleges, a youth centre, plenty of park

space, retail units, office buildings, start-up hubs and new homes.

These aren't your run-of-the-mill property developments. The Urban Pioneers project by North Star Housing Group invites local builders, small developers and entrepreneurial individuals to custom-build homes on a park-side plot near the foot of the Transporter Bridge.

Nearby, under the shadow of the Riverside football stadium and Anish Kapoor's *Temenos* sculpture, is Community in a Cube, an 82-unit, sustainable housing project designed by FAT Architecture.

Overall, the council has pledged to build more than 5,500 homes in various regeneration zones across Middlesbrough, which would increase council tax revenue by £5million and provide local digs for the thousands of students, staff and shoppers drawn to the revitalised city and who have been priced out of other corners of the country.

"I struggle to have sympathy when people talk about lack of affordable housing in the South East," says Ian Baggett, chief executive and founder of North East developer Adderstone Group. "My answer to that would be, you don't have to live there."

FAT ARCHITECTURE: ANJALY