

Retail Evidence Paper



Contents

1. Introduction.....	3
Introduction.....	3
Purpose of the Report.....	4
Structure of the Report	4
2. Policy Context.....	5
National Policy.....	5
Local Policy	6
3. Existing Unitary Development Plan Allocations Review of Suitability	7
City Centre.....	7
Houghton Town Centre.....	7
Washington Town Centre	8
4. Sunderland Retail Needs Assessment (2016)	9
Sunderland City Centre	9
Washington.....	11
Houghton Town Centre.....	13
5. Commitments.....	15
City Centre.....	15
Washington Town Centre	15
Houghton Town Centre.....	15
6. Approach to Allocations	16

1. Introduction

Introduction

- 1.1 Sunderland City Council (the Council) are in the process of preparing its Local Plan. The Plan is being prepared in three parts as follows:

Core Strategy and Development Plan (CSDP) – sets an overarching strategy, strategic policies and strategic allocations and designations for the future change and growth in Sunderland. The CSDP also includes local policies for Development Management purposes. CSDP covers the plan period from 2015-2033 and was formally adopted in January 2020.

Allocations and Designations Plan (A&D Plan) – will set out policies for site-specific policy allocations and designations to help deliver the overarching vision and strategic priorities contained within the CSDP. This includes housing and retail allocations and the designation of historic assets, natural environmental sites and areas potentially suitable for wind energy development.

International Advanced Manufacturing Park Area Action Plan (IAMP AAP) – sets out site-specific policies for the comprehensive development of the IAMP. IAMP AAP was jointly prepared with South Tyneside Council and was adopted in November 2017.

- 1.2 The A&D Plan represents the final part of the Sunderland Local Plan and once adopted will replace the remaining Unitary Development Plan (UDP) and Unitary Development Plan Alteration No.2 policies.
- 1.3 Policy VC1 of the CSDP establishes the retail hierarchy and Policy SP9 sets out the overall quantum of retail floorspace to be delivered over the Plan period, including an indicative spatial distribution. However, the CSDP does not allocate specific sites for retail development. Paragraph 85 of the National Planning Policy Framework (NPPF) (2019) states that Local Planning Authorities (LPAs) should 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. Where suitable and viable town centre sites are not available for main town centre uses, LPAs are encouraged to allocate appropriate edge of centre sites that are well connected to the town centre using the sequential assessment approach.
- 1.4 Therefore, it is the role of the A&D Plan to deliver the overall strategy set out within the CSDP, including the identified 45,400sqm of A1¹ comparison retail floorspace need, identified through CSDP Policy SP9.

¹ Following the introduction of a new Use Classes Order 30 September A1 now forms part of a new E Use Class.

Purpose of the Report

1.5 The purpose of this report is to set out the Council's approach with regard to the selection and allocation of sites for comparison retail development and other main town centre uses, including the quantum of land allocated, the process of their identification and assessment of suitability.

Structure of the Report

1.6 This report is structured as follows:

- **Section 1** provides an introduction to the report including setting out its role and purpose;
- **Section 2** provides a review of relevant national and local retail policies;
- **Section 3** provides an overview of the current retail allocations contained within the Sunderland UDP and whether these would merit reallocation within the draft A&D Plan;
- **Section 4** sets out the findings of the Sunderland Retail Needs Assessment (2016) and assesses the suitability of each of the sites identified for potential allocation within Sunderland City Centre, Washington Town Centre and Houghton Town Centre;
- **Section 5** provides an overview of consented retail development within the city and considers whether these sites would warrant allocation through the A&D Plan; and
- **Section 6** concludes the report by setting out the approach to retail allocations taken forward within the A&D Plan.

2. Policy Context

National Policy

2.1 National Planning Policy is set out within the NPPF, with further guidance on the implementation of national policy set out within the supporting Planning Practice Guidance (PPG).

2.2 Paragraph 85 of the NPPF states that:

“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.”

2.3 Paragraphs 86 and 87 of the NPPF build upon this by setting out the requirement for proposals for main town centre uses to be prioritised within designated town centres, with LPAs expected to apply the sequential test to proposals for edge and out-of-centre development proposals.

2.4 Paragraph 89 of the NPPF requires proposals for retail and leisure development to undertake an impact assessment where they would exceed a

proportionally set local threshold, or where there is no local threshold 2,500m² of gross floorspace.

Local Policy

- 2.5 Most of the NPPF requirements relating to retail matters have already been addressed through the Vitality of Centres Chapter contained within the adopted CSDP.
- 2.6 Policy SP1 sets out the overarching development strategy, which indicates that the council working with local communities, partners and key stakeholders will seek to deliver at least 45,400m² of new comparison retail development.
- 2.7 Policy VC1 sets out the retail hierarchy and sets out the role and functions of each of the designated centres within the hierarchy. The policy also establishes the requirement for edge and out of centre proposals to follow the sequential assessment approach.
- 2.8 Policy SP9 sets out an indicative spatial distribution to deliver the overall requirement for 45,400m² of comparison retail floorspace within the city over the plan period to 2033.
- 2.9 Policy VC2 establishes the proportionate local thresholds for retail impact assessments.
- 2.10 Policy VC3 defines the primary and secondary frontages within Sunderland City Centre, Washington Town Centre and Houghton Town Centre and sets out the forms of development which would be acceptable within these frontages.

3. Existing Unitary Development Plan Allocations Review of Suitability

- 3.1 Saved policies of Sunderland's Unitary Development Plan (UDP) allocate sites for a range of uses across the plan-area. As this was adopted in 1998, a number of these sites have since come forward for development; are no longer considered suitable; or are proposed for alternative uses. As a result a significant number of the retail allocation policies from the UDP were deleted upon adoption of the CSDP.
- 3.2 The purpose of this section is to reassess the saved allocations to take into account their availability, suitability and deliverability for retail development and therefore reallocation in the emerging A&D Plan. Appropriate saved allocations within designated city and town centres are considered below.

City Centre

- 3.3 UDP Policy SA54 identifies eleven sites for commercial and retail development within the designated City Centre, however only one of these site allocations was saved upon adoption of the CSDP (SA54.9 – Land at Hope Street), with the remainder being deleted:
- 3.4 Saved Policy SA54.9 allocated land at Hope Street for office and housing development through the UDP, therefore was not allocated for retail use. Furthermore, due to its location outside of the City Centre boundary, its small size (0.3ha) and its position within the general extent of the University of Sunderland's Chester Road Campus, it is not considered appropriate to allocate the site for retail development through the draft A&D Plan.

Houghton Town Centre

- 3.5 Saved UDP Policy HA31 identifies three sites for retail-led mixed-use development within Houghton Town Centre. None of these sites have come forward for development.
1. Former Houghton Colliery site
 2. Brinkburn Crescent car park, former Halliwell Street gas depot and adjacent site
 3. Former Houghton Junior and Infant School site on Newbottle Street
- 3.6 It is proposed to retain only the site of the former Houghton Colliery as a retail-led allocation within the draft A&D Plan. There is significant support for bringing forward retail development on this site and there is a developer on board eager to develop the site. The disposal of the site was agreed at a full Council meeting in September 2019 and a planning application (Ref: 20/01591/FU4) has been submitted which includes the proposed development of over 5,500m² (net) of retail floorspace. To support the delivery of the site, it is proposed to retain this allocation.

- 3.7 The remaining two unimplemented allocations for Houghton Town Centre are not proposed to be retained, as there has been limited interest in bringing these sites forward for development and the former Houghton Junior and Infant School site is a well-used car park supporting retail uses within the town centre. Furthermore, CSDP Policy SP9, which was informed by the Council's latest Retail Needs Assessment, only identifies an indicative need for approximately 2,500m² of comparison retail floorspace within the Coalfield subarea over the Plan period to 2033. It is therefore considered that the Houghton Colliery development would fully satisfy identified needs.

Washington Town Centre

- 3.8 Saved UDP Policy WA34 identifies two sites for new retailing and commercial developments – one of which has come forward for retail development (Land South of Coniston House). The remaining site allocation is set out below:
1. Part of the western car parks within the primary shopping area east of the access road; uses could include appropriate town centre uses (A1, A2, A3); offices (B1); hotels (C1); community uses (D1); leisure (D2); car parking.
- 3.9 The site is currently occupied by a well-used car park in support of the Galleries and therefore any loss of parking would need to be reprovided. Taking this into consideration and concerns over the deliverability of the site, it is not considered appropriate to allocate the site for retail development within the draft A&D Plan. Notwithstanding this, as the site is located within the designated Town Centre boundary, the development of main town centre use development would be supported subject to an appropriate level of car parking being maintained and therefore the site could be brought forward as a windfall development.

4. Sunderland Retail Needs Assessment (2016)

4.1 The Sunderland Retail Needs Assessment (2016) provides the evidential basis on which the retail hierarchy and policies of the CSDP are justified. It recommends development opportunity areas within City and Town Centres.

Sunderland City Centre

4.2 Development opportunities within Sunderland City Centre are identified in Figure 1 below.

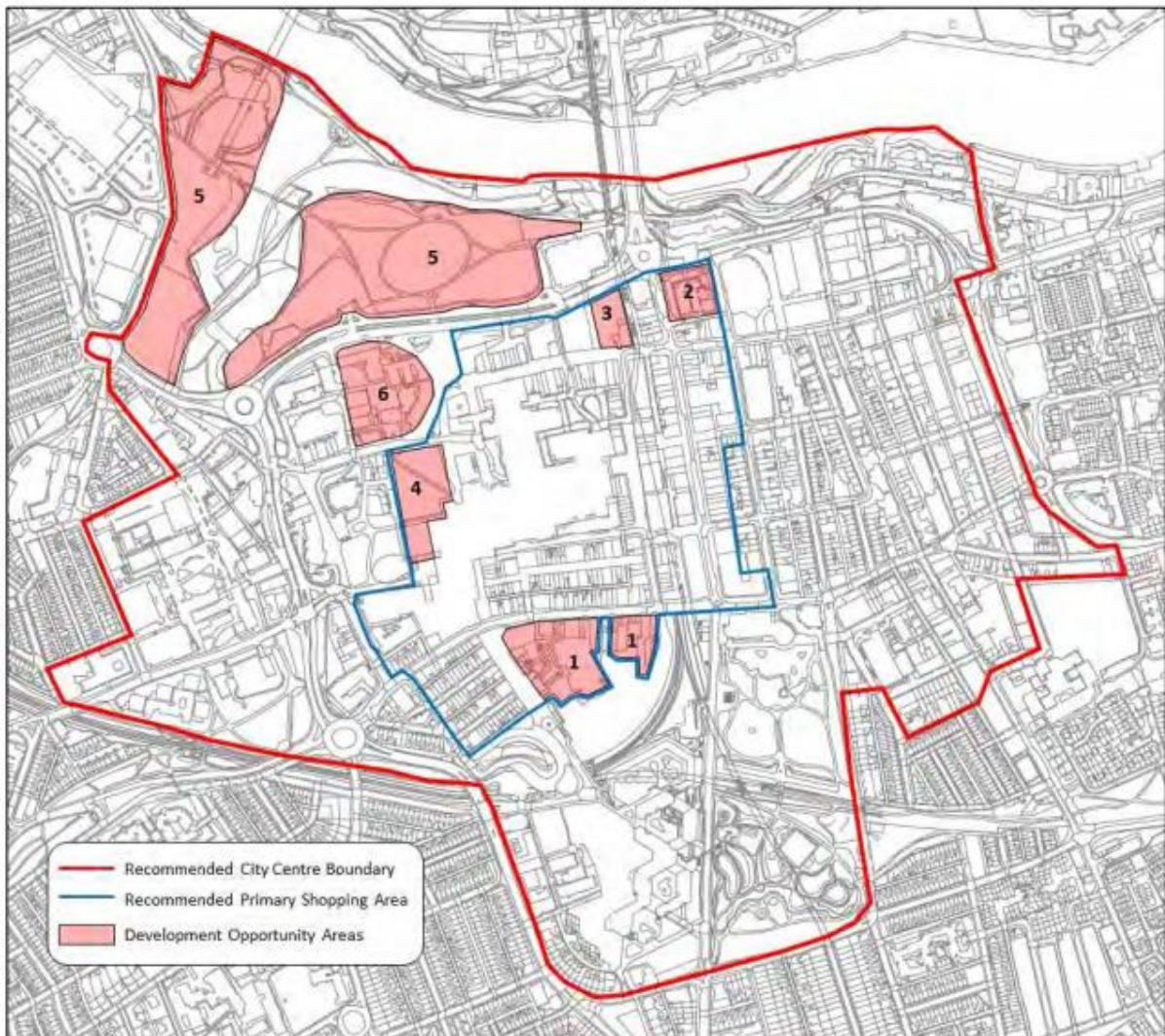


Figure 1 Development Opportunities in Sunderland City Centre (Sunderland Retail Needs Assessment 2016)

4.3 The recommendations include several sites allocated in the UDP as well as other opportunities. Table 1 provides a summary for each of the sites including its current status.

No.	Site	Uses	Status
1	Holmeside Triangle	Suitable for retail, or retail-led mixed-use development	Site has not come forward for development and is currently occupied by a number of other existing buildings.
2	Bridge House	Suitable for retail, or retail-led mixed-use development	Site is not currently available.
3	Former BHS and JJB Store	Suitable for retail, or retail-led mixed-use development	Former BHS unit has become reoccupied by retail occupier. Former JJB unit is still available, however planning application pending for change of use to public house/night club.
4	Site of Former Crowtree Leisure Centre	Suitable for retail, or retail-led mixed-use development	Site has not come forward for development and is still available
5a	Farringdon Row	Suitable for retail, or retail-led mixed-use development	Site is now the focus of a housing-led regeneration scheme by the Council and forms part of Riverside Sunderland allocation.
5b	Site of Former Vaux Brewery	Suitable for retail, or retail-led mixed-use development	Site is allocated in the CSDP for office-led mixed use development and forms part of the wider Riverside Sunderland proposals – development has started on site.
6	Paley Street / Eden Street	Suitable for retail, or retail-led mixed-use development	Site is being redeveloped for new auditorium and is no longer available.

Table 1 City Centre Development Opportunities Identified in Sunderland Retail Needs Assessment (2016)

- 4.4 Site 5a is Farringdon Row and site 5b is the Site of the Former Vaux Brewery. These sites are part of the wider Riverside Sunderland Council-led regeneration scheme which aims to deliver a mixture of housing, employment, civic and cultural development. Vaux is also allocated in the CSDP as a strategic City Centre site to deliver a mix of offices and housing with ancillary retail and leisure uses. They are therefore not considered available for purposes of allocating sites for retail development in the A&D Plan.
- 4.5 Though the delivery of retail on sites 1, 2, 3 and 4 may be desirable, it is not considered necessary to allocate these for retail uses, which will allow flexibility

for other main town centre uses (other than retail). Not only is the availability of some of these sites unknown, they are all located within the Primary Shopping Area of the City Centre. Policy VC3 states that Primary Shopping Areas should be the focus for new retail development. It is not considered that allocating these sites would give any further certainty to them being developed for retail use. It would allow greater flexibility by not retaining these allocations in the draft A&D Plan. This is considered the most appropriate course of action at this time until the long-term impacts resulting from the Covid 19 pandemic upon designated centres are known.

Washington

4.6 Development opportunities within Washington Town Centre are identified in Figure 2 below.

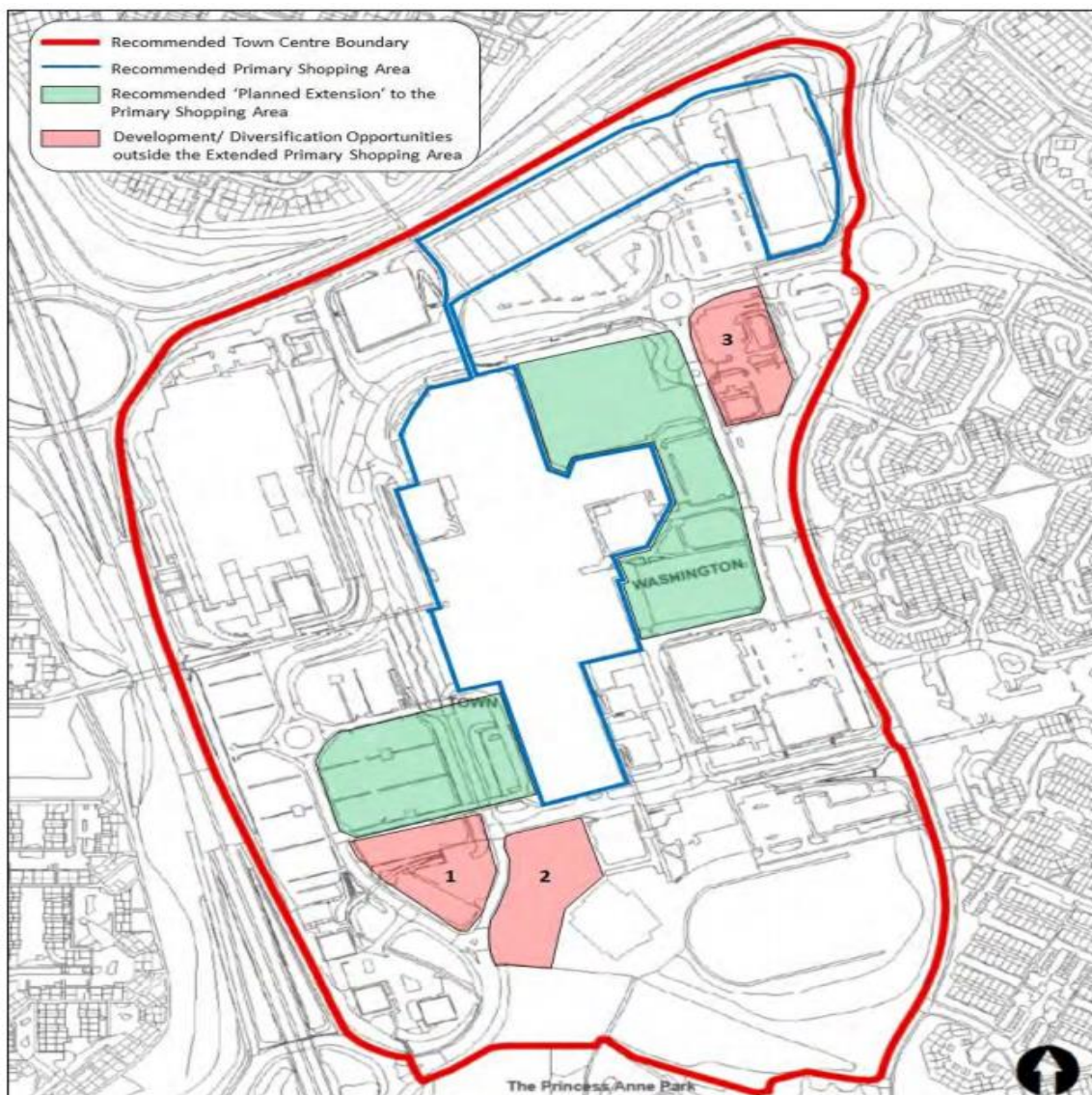


Figure 2 Development Opportunities in Washington Town Centre (Sunderland Retail Needs Assessment 2016)

4.7 The area shaded green to the west of the Primary Shopping Area is identified in UDP Policy WA34 as the western car park. The area shaded green to the east is identified as an appropriate expansion to the Washington Galleries shopping centre in the Sunderland Retail Needs Assessment (2016). Through discussion with the owner of the Galleries, it has been advised that these eastern and western car parks are unlikely to be brought forward for development within the Plan period. It is understood that a planning application is being prepared for site 2 and there is a lapsed permission for a cinema and ancillary food and beverage units for site 1. The owners have indicated that planning applications will follow for sites 1 and 3 after the submission of the application for site 2.

No.	Site	Uses	Status
-	Western Car Park	Extension to primary shopping area	Currently still car parking with no intention to develop the site.
-	Eastern Car Park	Extension to primary shopping area	Currently still car parking with no intention to develop the site.
1	Site of Former Cheviot House And Adjoining Land	Leisure and ancillary uses	Permission for cinema has expired. Support for the delivery of the identified uses set out in CSDP. It is understood that a new planning application is being prepared for the site.
2	Land to the West of Washington Leisure Centre	Main town centre uses	Site owners intend to develop the site for main town centre uses – it is understood that a planning application is being prepared for the site.
3	Site of FKC and Frankie & Benny's	More intensive main town centre uses than existing	Site owners intend to develop the site for main town centre uses – it is understood that a planning application is being prepared for the site.

Table 2: Washington Town Centre Development Opportunities Identified in Sunderland Retail Needs Assessment (2016)

4.8 It is not considered appropriate to allocate the Galleries car parks for retail use as there are concerns over the availability of these and their deliverability within the plan period. With regard to the other sites identified through the Retail Needs Assessment for potential development (i.e. sites 1-3), as these are actively being promoted by the site owner for main town centre uses and they fall within the designated town centre boundary, it is not considered necessary to formally allocate these within the A&D Plan. Allocation of these sites would not provide any further certainty of delivery and may provide less flexibility to the uses being brought forward. As the sites are all located within the

designated town centre boundary main town centre uses would be supported by the existing CSDP policies whilst retaining flexibility on the proposed uses.

Houghton Town Centre

4.9 Development opportunities within Houghton Town Centre are identified in Figure 3 below.

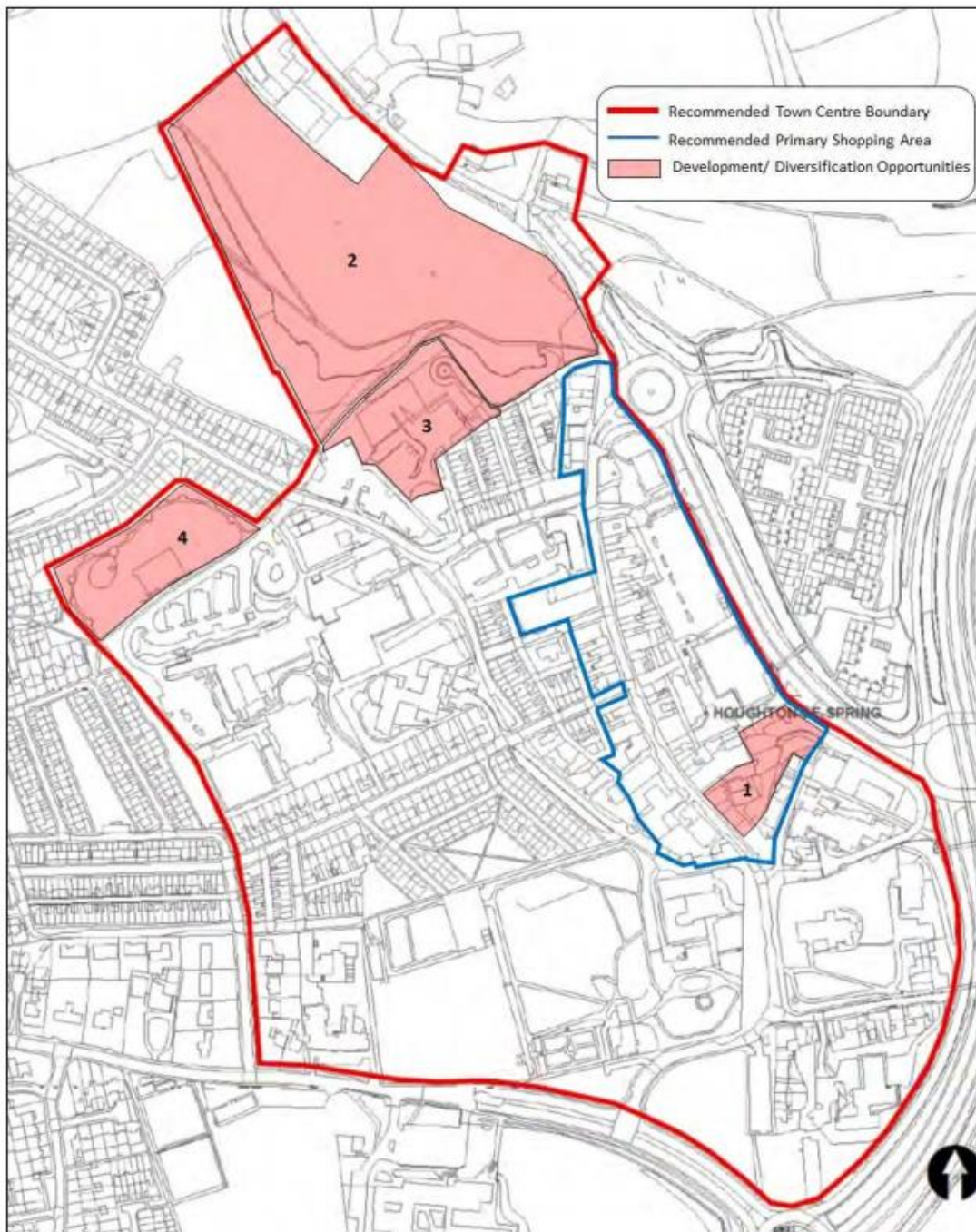


Figure 3 Development Opportunities in Houghton Town Centre (Sunderland Retail Needs Assessment 2016)

4.10 Area 1 consists of several buildings and areas of public realm and is not considered available for development at this time and is therefore not

considered to be suitable for allocation due to concerns over its deliverability within the Plan period.

- 4.11 Area 2 is the former Houghton Colliery site which is identified in UDP Policy HA31.1. This is available for development and has a planning application pending decision for the development of this site. It is therefore proposed to retain this as an allocation to help facilitate retail development on this site.
- 4.12 Area 3 remains undeveloped and forms part of a larger saved UDP allocation already considered within Section 3 of this report. The site is difficult to access and does not have a prominent road frontage, which is a prerequisite to many retailers. The site is also physically disconnected from the existing town centre by residential properties. Finally as the former Houghton Colliery site would meet the identified needs for the Coalfield subarea as set out within the Retail Needs Assessment and Policy SP9 in full, it is not considered necessary to allocate this site for development within the draft A&D Plan.
- 4.13 Area 4 provides an area of open space with skate park recreational facilities. Although it may not be appropriate for retail development, it is possible that this site could provide leisure facilities or other main town centre uses complimentary to the wider sports and community complex in the future. As the site is within the Town Centre boundary, an allocation would not be necessary to develop the site for main town centre uses.

5. Commitments

- 5.1 Outstanding commitments for retail development are a good indicator of a site's suitability, availability and viability and therefore its suitability as a potential allocation in a development plan document. Consideration is therefore given below to outstanding commitments for retail development.

City Centre

- 5.2 Application 16/00892/FU4 on the site of the former Crowtree Leisure Centre is the biggest commitment within the City Centre which would provide 4,180sqm of comparison retail floorspace. This development is yet to be delivered. It is therefore not considered appropriate to allocate this site for retail use as the planning permission has not ensured delivery of retail on the site and it is understood that alternative proposals are now being considered for the site. As an allocation would restrict the range of potential main town centre uses that could be delivered, it is considered more appropriate not to restrict development on this site and retain flexibility for other potentially acceptable main town centre uses which may come forward on the site. As this site is located within the Primary Shopping Area of the City Centre, it is already identified as the focus for new retail development without the need for an allocation.

Washington Town Centre

- 5.3 There are no significant extant permissions for retail development in Washington Town Centre, however permission was granted in 2014 through application 13/02714/FUL for the construction of a multi-screen cinema and several units providing main town centre uses at Cheviot House and land to the south-west of Washington Galleries (site 1 in Figure 2). Though this permission has now lapsed, the Sunderland Retail Needs Assessment (2016) identifies a need for this type of development at Washington. The scheme maintains the support of the Council and is identified in CSDP Policy VC6 Culture, Leisure and Tourism. As explained earlier in this report, it is understood that the owners of the Washington Galleries intend to submit a new planning application for this site and an allocation is not considered necessary for the development of this site for retail or any other main town centre uses as it is within the Town Centre boundary and is therefore already supported through policies contained within the CSDP.

Houghton Town Centre

- 5.4 There are currently no commitments within Houghton Town Centre, but as mentioned earlier within this report, there is a live planning application pending decision for the former Houghton Colliery site. It is proposed that this site is allocated for main town centre uses within the draft A&D Plan.

6. Approach to Allocations

- 6.1 The Council's approach to retail allocations in the draft A&D Plan has been informed by reviewing the existing allocations made in the saved policies of the UDP, the recommendations and opportunities identified in the Sunderland Retail Needs Assessment (2016) and through pending or extant planning permissions.
- 6.2 A review of this information identifies only one appropriate retail allocation to be made through the A&D Plan for the site of the former Houghton Colliery for main town centre use development.
- 6.3 The structural shift from high-street to online shopping has contributed to a reduction in demand for and delivery of retail floorspace across the country. This process has been accelerated further as a result of the ongoing Covid 19 pandemic and associated restrictions. There has also been an indication from the owner of the Galleries in Washington Town Centre that existing allocations which proposed extensions to the Galleries are not anticipated to come forward for retail development in the Plan period. The Council is therefore reluctant to allocate too many sites for retail use as this trend suggests that demand will continue to decrease as online shopping grows and allocating sites specifically for retail use will make the Plan less flexible to adapt to these changes. There is a general consensus that town centres will now need to support a wider range of main town centre uses other than a focus primarily on retail in order to sustain and enhance their vitality and viability in the future. It is therefore considered that the remaining unimplemented allocations from the saved UDP policies – and opportunities identified in the Sunderland Retail Needs Assessment (2016) – do not require formal allocations in the emerging A&D Plan.
- 6.4 A recent Council survey of Centres (Summer 2019) identified a retail vacancy rate of 10.59% across the plan-area which roughly aligns with the national rate. However, this figure was significantly higher for the City Centre and Washington Town Centre (15.38% and 14.29% respectively). The saved UDP allocations, development opportunities and planning permissions reviewed in this report are all for sites within existing City and Town Centres which are the principal locations for major retail, leisure, entertainment, cultural facilities and services. It is considered that a combination of the sites reviewed in this report, bringing existing vacant retail units/sites back into use and permitting appropriate planning applications can deliver the identified retail floorspace need over the plan period, while also providing floorspace for other main town centre uses. This approach will allow greater flexibility in delivering the range of main town centre uses required to support the future vitality and viability of centres within the city.
- 6.5 It is considered that adopting a more flexible approach is also consistent with the direction of travel within Government policy, which is seeking to allow greater flexibility for movement between use classes within designated centres, for example through recent changes to the Use Classes Order.

