

**CABINET**

**18 APRIL 2012**

**CITY OF SUNDERLAND LOCAL DEVELOPMENT FRAMEWORK : CORE STRATEGY  
REVISED PREFERRED OPTIONS AND SUPPORTING EVIDENCE PAPERS.**

**REPORT OF THE DEPUTY CHIEF EXECUTIVE**

**1.0 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to seek Cabinet's recommendation to Council to approve the Sunderland Core Strategy Revised Preferred Options for public consultation. Endorsement is sought from Cabinet to the three updated evidential papers summarised at Appendix 2 regarding the Retail Needs, Employment Land and the Strategic Housing Land Availability Assessment.

**2.0 DESCRIPTION OF DECISION**

- 2.1 Cabinet is requested to :

1. Endorse the contents of the Sunderland Retail Needs Update, the Employment Land Update and the Strategic Housing Land Availability Assessment so that they can be used as :
  - a) Part of the evidence base to inform the emerging Local Development Framework, and
  - b) Material considerations in determining planning applications.
2. Agree that Council be recommended to:
  - a) Approve the attached Sunderland Core Strategy Revised Preferred Options (including the Sustainability Appraisal and Appropriate Assessment reports) for the purposes of public consultation and as a material consideration in assessing planning applications, pending its finalisation following public consultation;
  - b) Authorise the Deputy Chief Executive to make any required amendments to the attached Sunderland Core Strategy Preferred Options (including the Sustainability Appraisal and Appropriate Assessment reports) as necessary prior to its publication for public consultation.

**3.0 SUMMARY OF KEY POLICY RECOMMENDATIONS**

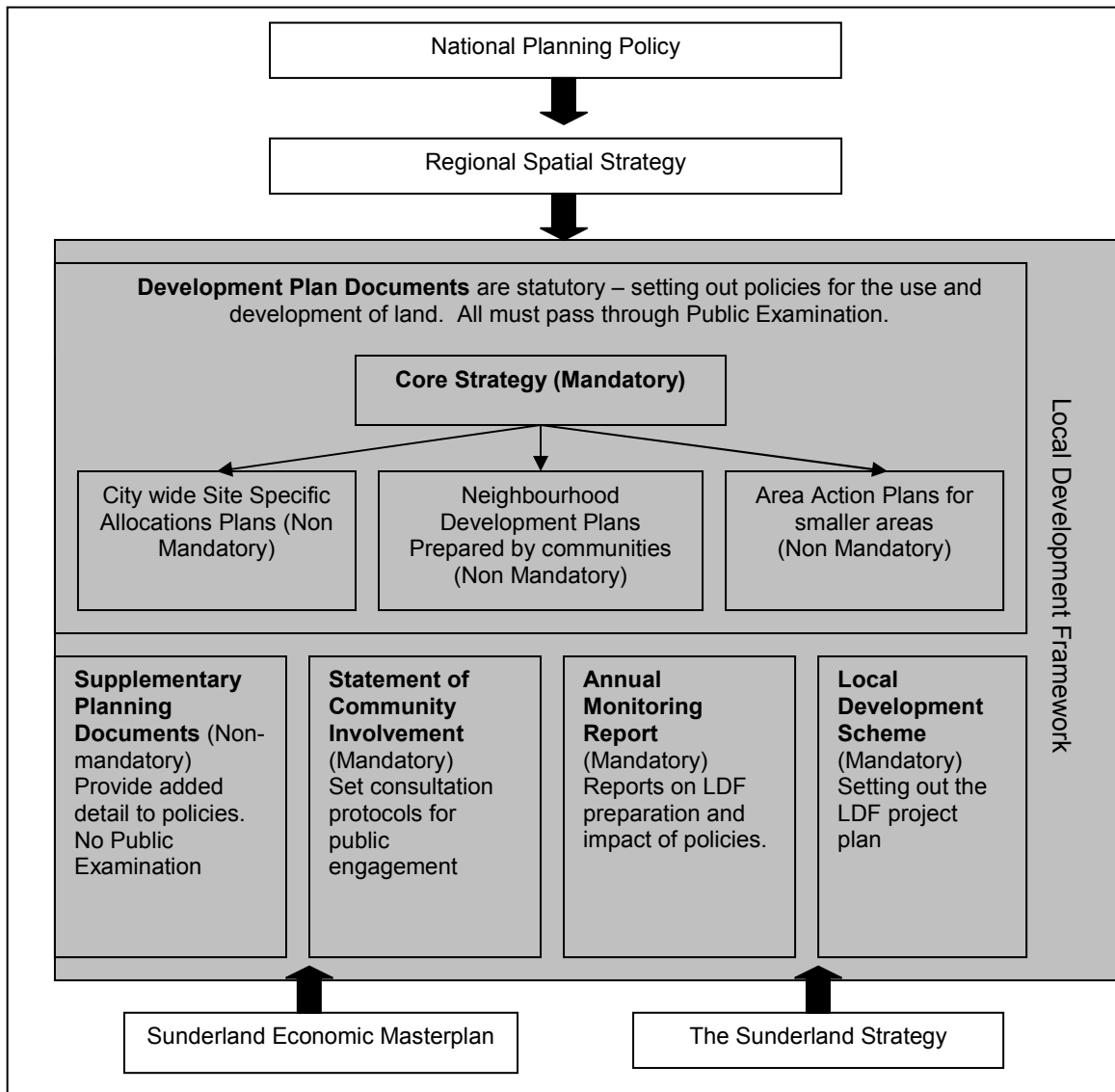
- 3.1 Within the body of this report, Members are requested to agree the following key policy issues over the period 2012 to 2032 :
- To agree a minimum target of providing some 15,000 new dwellings (net) (paragraph 7.10)
  - To provide a minimum of some 81 hectares of employment land (paragraph 7.12 and Appendix 2)
  - To provide an overall requirement for up to 78,900 sq.m (gross) of comparison goods floorspace and 7,500 sq.m (gross) of convenience goods floorspace with the City Centre being the priority location for these requirements (paragraph 7.13 and Appendix 3)

- To endorse the allocation within the Core Strategy of the two strategic sites on land to the North of Nissan and at Vaux / Farrington Row (paragraph 7.14)
- To approve the principle of development and the broad range of uses in those areas proposed as “Locations for Major Development” (paragraph 7.15)

## **4.0 BACKGROUND**

- 4.1 As Figure 1 illustrates, the Core Strategy lies at the heart of the Local Development Framework (LDF). It will set out the overarching strategic planning framework for the development of the city for the next 20 years and draw from other strategies of the City Council (such as the Sunderland Strategy and Economic Masterplan) and other organisations. Apart from the allocation of “Strategic Sites”, the Core Strategy will otherwise not be site specific and will only indicate the broad locations for delivering new development such as housing, employment and transport. Once the Core Strategy is adopted, all other Development Plan Documents (DPD’s) (including the Allocations Plan and Hetton Downs Area Action Plan) must conform to the broad requirements of the Core Strategy.
- 4.2 The Core Strategy, like all statutory documents contained within the LDF must pass through the following statutory and non-statutory stages :
- Issues and Options (consultation completed between November 2005 and February 2006);
  - Preferred Options Draft and (consultation completed in between December 2007 and February 2008);
  - Publication Draft including public consultation (programmed for November 2012);
  - Submission Draft to the Secretary of State (programmed for April 2013);
  - Public Examination before an independent Inspector (programmed for July 2013);
  - Adoption (programmed for February 2014).

**Figure 1 : Illustration of the various LDF Documents.**



## 5.0 THE EMERGING CORE STRATEGY - PROGRESS TO DATE

5.1 The first formal Core Strategy stage began with consultation on the Issues and Options between November 2005 and February 2006. The Preferred Options Draft was consulted upon between December 2007 and February 2008. However, given the availability of new evidence, regulatory changes during 2008 and 2009, and the need for transparency that all options have been fully considered, it was deemed prudent to review the Preferred Options draft prior to advancing its next formal stage, the Publication Draft.

5.2 During late 2009, the Council developed and consulted upon four realistic alternative approaches regarding the overall spatial distribution of development across the city which included :

- Approach A ~ Focussing Development on the Conurbation
- Approach B ~ Proportional Distribution of Development
- Approach C ~ Focus Development within the Current Urban Area
- Approach D ~ Meeting Sub-Area Spatial Requirements - a Hybrid of Approaches A-C

- 5.3 Ten strategic sites were also identified and proposed for consultation.
- 5.4 Some 150 responses were received showing that Approach D was the preferred option favoured by residents and stakeholders which was corroborated by the accompanying Sustainability Appraisal. The number of Strategic Sites was also reduced from ten to two – namely Vaux / Farrington Row and land to the north of Nissan. These proposals were accepted by Cabinet and Council in March 2010.
- 5.5 The Revised Preferred Options Draft was subsequently approved by Council in March 2010 for consultation purposes. Given the then impending national elections, the formal consultation of the Revised Preferred Options draft was deferred in response to the range of sweeping changes introduced by the new Coalition Government which is discussed in detail at Section 6.

## **6.0 CHANGES AT THE NATIONAL AND REGIONAL LEVEL AND IMPLICATIONS FOR SUNDERLAND'S LDF.**

- 6.1 Upon election, the Coalition Government introduced a series of reforms to the planning system (both at a national and regional level) which have had a significant bearing on both the preparation and content of the Core Strategy.

### **National**

- 6.2 The mechanics of delivering many of these reforms, including those to the planning system were set out in the Localism Bill published in December 2010 which subsequently received Royal Assent in November 2011. Supplementary legislation and regulations will be required that will have a significant bearing on spatial planning which will require further consideration as they emerge. Among the reforms set out in the Act are:
- The abolition of Regional Spatial Strategies to include the scrapping of top down house building targets on local authorities (outlined in detail below)
  - A new duty to co-operate between all public bodies on strategic planning
  - A commitment to a plan led system, albeit in a modified form, that includes :
    - A non-binding Inspector's report
    - Giving the power for local communities to prepare Neighbourhood Plans to bring forward more development than that set out in the Local Plan.
- 6.3 National planning policy has previously been set out in over 1,000 pages of themed planning policy statements and guidance notes (PPGs and PPSs). LDFs are required to conform to national policies and only in exceptional circumstances can LDFs depart from this guidance. In July 2011, Government published the National Planning Policy Framework (NPPF) for consultation. The NPPF seeks to consolidate all national policies into a single slim-line document.
- 6.4 On 27 March, the Government published the final version of the NPPF. In essence, national policy requires that Local Plans should be brought forward by March 2013. Failure to do so would mean that the NPPF would become the primary decision making document. The content of the NPPF will need to be factored into the emerging Core Strategy to ensure conformity.

## **Regional**

- 6.5 Currently, the Regional Spatial Strategy (RSS) for the North East provides an overarching framework for the region, including district requirements for *inter alia* future housing and employment land. It forms part of the statutory development plan (alongside the UDP or LDF) to determine planning applications. Emerging LDFs must be in general conformity with its provisions.
- 6.6 In July 2010, Government announced immediate revocation of RSSs prompting a series of High Court judgements over the course of 2010/2011. This has proved considerably problematic for Councils in taking forward their LDFs, given the considerable level of uncertainty surrounding the status of the RSS. Whilst the Localism Act has now removed the relevant clauses from legislation requiring their need and use, its formal revocation is not yet happened, though is expected shortly. In the interim, the RSS remains legally in force, though the weight afforded to it varies.
- 6.7 The intervening period has therefore been used to :
- Review and update the emerging Core Strategy document itself and continue to maintain alignment between the Core Strategy and the Economic Masterplan
  - Assess the continued relevance of evidence base that underpinned the original RSS policies
  - Formally respond to a range of DCLG consultations regarding proposals to modify the planning system.
  - Develop and update the evidence base that is required to underpin the LDF which includes :
    - i. Employment Land including the setting of locally derived employment land requirements
    - ii. Identifying long term shopping floorspace requirements
    - iii. Developing robust evidence to consider future housing requirements
    - iv. The Strategic Housing Land Availability Assessment (SHLAA)
    - v. The Strategic Housing Market Assessment (SHMA)
    - vi. Green Space Audit
    - vii. Green Infrastructure Strategy
    - viii. The Infrastructure Delivery Plan (IDP)
    - ix. The Strategic Flood Risk Assessment (SFRA)
    - x. The Nature Conservation Audit.
- 6.8 Subject to the actual timing of the RSS revocation, until it is revoked, the emerging Core Strategy must conform to the RSS requirements, though it would seem reasonable to introduce the City's own derived requirements at this stage.

## **7.0 THE CORE STRATEGY REVISED PREFERRED OPTIONS DRAFT.**

- 7.1 The Core Strategy seeks to provide a long term strategic framework over a 20 year period (that is from 2012 to 2032).

### **Format and Structure**

- 7.2 In accordance with national guidance, the theme of shaping Sunderland as a place underlies the format of the Revised Preferred Options Draft. In other words, it seeks to tell the 'story' of where Sunderland has come from and where it will be by 2032 through the delivery of these policies. There remains a strong relationship

with the Sunderland Strategy, but more pertinently, it reflects and supports the objectives of the Sunderland Economic Masterplan.

7.3 The draft Core Strategy is effectively divided into three parts :

- i. A suite of 8 broad city wide policies that bring together the range of policy requirements. In summary, these relate to :
  - The spatial growth and regeneration of the city, and how new development will be distributed;
  - Reflecting previous consultations around the Alternative Approaches to the spatial distribution of new development, by focussing the majority of development within the Sunderland and Washington conurbations whilst supporting the sustainable regeneration and growth of the Coalfields (which would be primarily housing led, but also includes development of a range of existing employment sites);
  - Developing the city's economic prosperity to meet the long term employment and retail requirements (as informed by the Employment Land Update and Retail Needs Update);
  - Ensuring there remains a sufficient supply of housing land to meet existing and future needs;
  - Ensuring that movement and travel promotes the city's sustainable regeneration;
  - Protecting and enhancing the city's built and natural environment.
  - How the council will manage both waste and minerals.
- ii. To provide local distinctiveness, five separate sub-area chapters are developed for the Central Area, Sunderland North, Sunderland South, Washington and the Coalfields (these are shown at Appendix 1). For each sub-area, it sets out a locally distinctive vision, the key issues and constraints and the opportunities for potential growth. The respective policies respond to the distinctive issues of each sub-area, for example, identifying particular house types which are required in that sub-area as informed by the Strategic Housing Market Assessment. These policies look in greater depth at any particular transport proposals affecting the area and identify broad "green corridors" which would contribute to the city's green infrastructure network.
- iii. A range of higher level Development Management policies that take their lead from the Core Strategy, which would be used on a day to day basis to inform planning applications. These range from :
  - Managing the release of new sites for development giving priority to the most sustainable options
  - The control and development of new development on employment sites
  - Requirements of new development in terms of design quality, sustainable construction to ensure that all development is of a suitably high quality, is sympathetic to its surroundings whilst reducing the risk from climate change;

7.4 The strategic policies will be illustrated on a key diagram that shows their geographical relationship.

### **Establishing the Quantum and Distribution of Development**

7.5 Until the RSS for the North East is formally revoked, Sunderland's emerging LDF must still legally be in conformity with the RSS. However, the RSS was set during a completely different economic climate where the projections were for strong economic growth. This growth scenario underpinned the policies especially in

terms of new house building and economic development. These specific growth objectives now need to be reviewed to take account of the state of the economy.

- 7.6 Government planning guidance emphasises the importance that LDF's should be based on sound and robust evidence so that the policies can stand scrutiny either at Examination or used to support planning decisions. The policies within this Core Strategy have been informed by the following updated evidential papers appended to this Report regarding :
- The Employment Land Update (Appendix 2)
  - The Retail Needs Assessment Update (Appendix 3)
  - The Strategic Housing Land Availability Assessment 2012-2027 (Appendix 4).
- 7.7 With further regard to new housing, there are effectively three routes to follow to determine long term housing requirements over the next 20 years :
- Retain and aggregate forward the adopted RSS housing targets (circa 18,790 dwellings)
  - Retain and aggregate forward figures that were proposed through the RSS pre-Examination draft (13,200 dwellings)
  - Develop localised targets based on local need and evidence.
- 7.8 Evidence has been developed which considers the three options in detail, and updates the information taking into account factors such as :
- The latest population growth and household projections released in 2010 (which point to continued growth)
  - Migration (indicating continued decline of family-forming households)
  - Vacancy rates
  - Overcrowding
  - Employment levels
  - Past housing delivery rates
  - Housing Renewal and Replacement
  - The supply of sustainable housing land (from the SHLAA which suggests some 15,952 dwellings could be provided without recourse to Green Belt sites)
  - Policy requirements including the Economic Masterplan.
- 7.9 It is considered that those requirements set out within the RSS (18,790 dwellings) are overly ambitious and would not be deliverable. Essentially net new dwelling provision would need to be in excess of 1,000 dwellings per annum. Given the limited capacity of the house building industry to deliver such growth requirements, limited mortgage availability delivery rates and the lack of sustainable sites to accommodate this growth, it is considered that the RSS based requirement should be rejected. Equally, the pre-submission RSS housing figure target is considered too low and would not meet the aspirations and needs of the City for growth.
- 7.10 **A locally derived target of some 15,000 dwellings is proposed to be taken forward in the emerging Core Strategy.** Given that it is based on more up to date information and data, it is considered that its basis is more robust. It would provide a realistic and deliverable target for growth and provide the opportunity to meet the city's long term needs. It should be stressed that this figure would not be treated as a maximum. Informal discussions with agents and volume house builders (via the House Builders Forum) would suggest that the local derived target is a reasonable position to take. However, crucial to this target setting exercise will be the need to compare forecasts for economic growth (as per the Employment Land Update) with

the implications this will have for population growth (eg high economic forecasts would signify the need to accommodate additional house building). This final piece of work is presently being undertaken.

- 7.11 Of this 15,000 target, it is proposed that the Core Strategy sets a requirement for the first 5 years of the plan period of 3,200 dwellings (net) in order to retain a rolling supply of deliverable housing sites. This would require an average net annual build rate of some 640 dwellings per annum. If, as the NPPF would indicate that authorities provide an additional 20%, the requirement would rise to some 3,840 dwellings. As detailed at Appendix 4, there is a sufficient 5 year supply of deliverable housing land to meet these targets.
- 7.12 With regard to employment land requirements, the key recommendations as set out within the Draft Employment Land Update (at Appendix 2) have been applied. **This points to the need to deliver some 81 hectares of employment land (excluding the proposed Strategic Site to the north of Nissan).**
- 7.13 In terms of future retailing requirements, the Retail Needs Update (as summarised at Appendix 3), **the Core Strategy should provide some 79,000 sqm of comparison floorspace (such as clothes and electrical goods) over the next 20 years and some 7,500 sq.m (gross) of convenience goods floorspace (that is food).** For both requirements, the City Centre should remain the primary focus for development.

#### **Strategic Locations for Development**

- 7.14 As agreed by Council in March 2010, the Core Strategy retains the approach to allocate two sites which are considered to be vital to the regeneration of the City's economy:-
- § Vaux / Farringdon Row – The need to regenerate the City Centre is an agreed priority of the Council. A key element in this is the need to stimulate the city centre office market via the delivery of a new central business district in order to provide the range of city centre B1 offices found in other similar sized cities. The Vaux / Farringdon Row site has been identified as a Strategic Site where office floorspace will be provided as part of a mixed-use development along with housing and supporting retail and leisure uses. This is the only site of strategic size in the City Centre which gives the opportunity to deliver significant B1a employment and as such it is vital if the economy of the centre – and the wider city is to be realised to its full potential. Similarly, the adjacent Farringdon Row site is capable of accommodating B1a uses to complement the high density office scheme envisioned at Vaux.
  - § Land North of Nissan - This 20 hectare is supported by the Employment Land Review (2009) and Economic Masterplan, which recommends the need to identify a strategic employment site in the area of Washington. Furthermore, it would support the recent designation of the Enterprise Zone at Nissan. It is considered that this site could provide an appropriate location for 3 to 4 large employers associated directly with the low carbon technologies and ultra low carbon vehicle production.

#### **Locations for Major Development**

- 7.15 To provide a bridge between the Core Strategy and the Allocations DPD, the Core Strategy proposes (but does not allocate) a number of areas classed as “Locations for Major Development including:



- Former Groves Cranes Factory (housing leisure and business)
- Sunnyside (housing, leisure and business)
- The Port (employment)
- Pallion Shipyard (housing, leisure and marina)
- Stadium Village (housing leisure and business)
- Bonnersfield and St Peters's (housing and education)
- Holmeside Triangle (retail led regeneration)
- Minster Quarter and Crowtree (Retail)
- Chaplegarth (housing)
- Cherry Knowle (housing and health)
- South Ryhope (housing and business)
- Land north of Burdon Lane (housing and supporting infrastructure).

7.16 The Core Strategy deliberately does not formalise the site boundaries to these areas nor does it prescribe specific types and the quantum of development. This would be undertaken through further investigation in the subsequent Allocations Plan. The intention behind identifying the range of locations is to provide the development industry and residents with a degree of confidence that such areas could provide for major opportunities future development.

## **8.0 SUPPORTING DOCUMENTATION FOR THE CORE STRATEGY**

8.1 By law, at each stage of the process, the Core Strategy must be accompanied by supporting materials, which are discussed below.

### **Sustainability Appraisal and Appropriate Assessment**

8.2 The Revised Preferred Options document is accompanied by a Sustainability Appraisal report as required by the Planning and Compulsory Purchase Act 2004. The Sustainability Appraisal incorporates a Strategic Environmental Assessment of the plan as required by European directive. An 'Appropriate Assessment' Report of the potential impact of the plan on Natura 2000 sites (these are international designations covering species and ecological habitats), and again a legislative requirement has also been prepared.

### **The Infrastructure Delivery Plan (IDP)**

8.3 Infrastructure planning is fundamental to delivering the city's Local Development Framework (LDF). The Core Strategy will be subject to an independent examination and tested, in part, as to whether its policies and proposals are deliverable and must be supported by an Infrastructure Delivery Plan (IDP) setting out :

- What physical, social and green infrastructure is needed to enable the amount of development proposed for the area
- As far as possible, how and when infrastructure will be delivered (including an understanding of committed and planned spending as well as funding gaps); and
- Who will deliver the necessary infrastructure.

8.4 The IDP must include the operations of all infrastructure providers including the Council, and other public and private organisations. Alongside Sunderland's emerging Core Strategy, the IDP has been developed which covers infrastructure important for delivering the specific aims of the Core Strategy. A range of partners, agencies and service providers from the public and private sectors including internal

stakeholders have been involved in its development. These organisations have supplied information on their own plans, which through the IDP will help shape their strategic process and investment decisions. The IDP must in its own right be viewed as an evolving document which is monitored and updated regularly, particularly in this climate of considerable financial uncertainty and change.

### **Rejected Options**

- 8.5 A 'Rejected Options' report which demonstrates how each policy has been tested, analysed and justified in terms of the wider policy review, public consultation and the Sustainability Appraisal. This Report would set out in clear terms the reasons why alternative policy options have been discounted in favour of those set out in the Revised Preferred Options draft of the Core Strategy.

## **9.0 NEXT STEPS**

- 9.1 The Core Strategy Revised Preferred Options requires formal endorsement by Council (in July 2012) prior to its formal publication and consultation. It is therefore proposed that 'informal' consultations / briefings will be made to the following Committees :

East and North Area Committees	23 April
Planning and Highways Committee	24 April (Relevant Review Committee)
West and Coalfield Area Committees	25 April
Washington Area Committee	26 April
Environment and Attractive City Scrutiny	13 June (Relevant Review Committee)
Sustainable Communities Scrutiny	14 June
Prosperous City Scrutiny	15 June

- 9.2 Feedback including any further modifications would inform the basis of the Core Strategy to be presented to Cabinet on 22 June and Council on 20 July 2012.
- 9.3 After approval by the Council the Revised Preferred Options, (along with its supplementary reports), will be published, advertised and placed on the Sunderland website for consultation. The consultation will cover the requisite minimum period of 6 weeks during July / August / September 2012 and will be undertaken entirely in accordance with the adopted Statement of Community Involvement.
- 9.4 Whilst consultation at the Preferred Options stage is no longer a statutory requirement, it was considered prudent to continue with both the preparation and consultation of this Revised Preferred Option Draft of the Core Strategy. The introduction of locally derived information will provide the first formal opportunity for residents and stakeholders to consider the policies and the evidence that underpins the conclusions. In effect, consultation at this stage would be a test bed to agree as far as possible, proposals for locally derived land requirements. This would offer time savings prior to moving to the next statutory stage (the Publication Draft).
- 9.5 Subsequent to the close of consultation, responses will be collated and a summary of the main issues emerging prepared for the agreement of Cabinet. The Core Strategy will be amended as necessary to take account of the results of the consultation and other more up to date information.
- 9.6 The subsequent statutory versions of the Core Strategy will be delivered as outlined at paragraph 4.2.

## **10.0 REASON FOR DECISION**

**10.1** The decision is required to enable the Core Strategy to proceed to its next stage (statutory consultation) the Publication Draft.

## **11.0 ALTERNATIVE OPTIONS**

**11.1** All local planning authorities are charged under the Planning and Compulsory Purchase Act 2004 with the preparation of a local development framework (LDF), which must include a core strategy.

**11.2** The Preferred Option stage is no longer statutory and it is entirely reasonable for the Council to consider moving towards the formal Publication Stage. However, a key stage in the process will be the forthcoming Public Examination. An independent Inspector will test the plan for its 'soundness' and will assess whether :

- § It is based on robust and credible evidence (comprising evidence that the views of the local community and key stakeholders have been sought and whether the policies are backed up by fact;
- § The policies and proposals are deliverable
- § The strategy proposed is the most appropriate having discounted all reasonable alternatives. In effect, this requires a clear evidence trail that through public consultation at the earlier stages of the process *ie* up to the Preferred Options stage, that all issues and alternative strategies have had an appropriate airing and assessment. As the Plan, advances to the next stages, there is limited opportunity to introduce new proposals
- § The extent to which the Council has worked collectively with neighbouring authorities and other public bodies (as required by the new duty to cooperate).

**11.3** This will be the first opportunity for residents and stakeholders to comment on the plan since 2009 (and particularly the new locally derived growth requirements post RSS). Given the need to satisfy the above 'tests of soundness' it is considered this informal consultation stage in the LDF process allows for such proposals to be fully explored. Failure to meet the above tests could result in the Plan being struck down (as has happened elsewhere). Therefore, it is felt there are no alternatives to preparing the preferred options of the Core Strategy.

## **12.0 Impact Analysis**

### **Equalities**

**12.1** The Core Strategy is 'equalities' neutral by focussing on land use matters. However, a Impact Needs Requirement Assessment (INRA) has been completed. The key area of possible impact on equalities relates to how the document is consulted upon. All consultations will be carried out in accordance with the Council's adopted Statement of Community Involvement.

### **Sustainability**

**12.2** By law, planning must promote sustainable development. This is the underlying objective of the Core Strategy. To that effect, the Core Strategy policies have been tested against its own Sustainability Appraisal as outlined at paragraph 7.2 to this report.

### **Reduction of Crime and Disorder – Community Cohesion / Social Inclusion**

- 12.3 The Core Strategy contains policies which seek to promote crime reduction and social cohesion within new developments.

## **13.0 OTHER RELEVANT CONSIDERATIONS**

### **Financial Implications**

- 13.1 Costs have arisen from developing the evidence base and from will arise from the consultations and subsequent Public Examination of the Core Strategy. Funding will be met from contingencies allocated to the LDF.

### **Legal Implications**

- 13.2 The Core Strategy, Sustainability Appraisal and Appropriate Assessment have been prepared in accordance with the Planning and Compulsory Purchase Act 2004, the Planning Act 2008 and the Localism Act 2011. .

### **Policy Implications**

- 13.3 The Revised Preferred Options set out draft over-arching policies for the guidance of development. Until the Core Strategy is adopted the provisions of the saved policies of the Sunderland Unitary Development Plan and Alteration Number 2 will remain the statutory land use policies for the City along with the Regional Spatial Strategy. However the draft Core Strategy will be a material consideration as well to help ensure that planning decisions are up to date and reflect the aspirations of the City as expressed in the Sunderland Strategy and emerging Economic Masterplan.

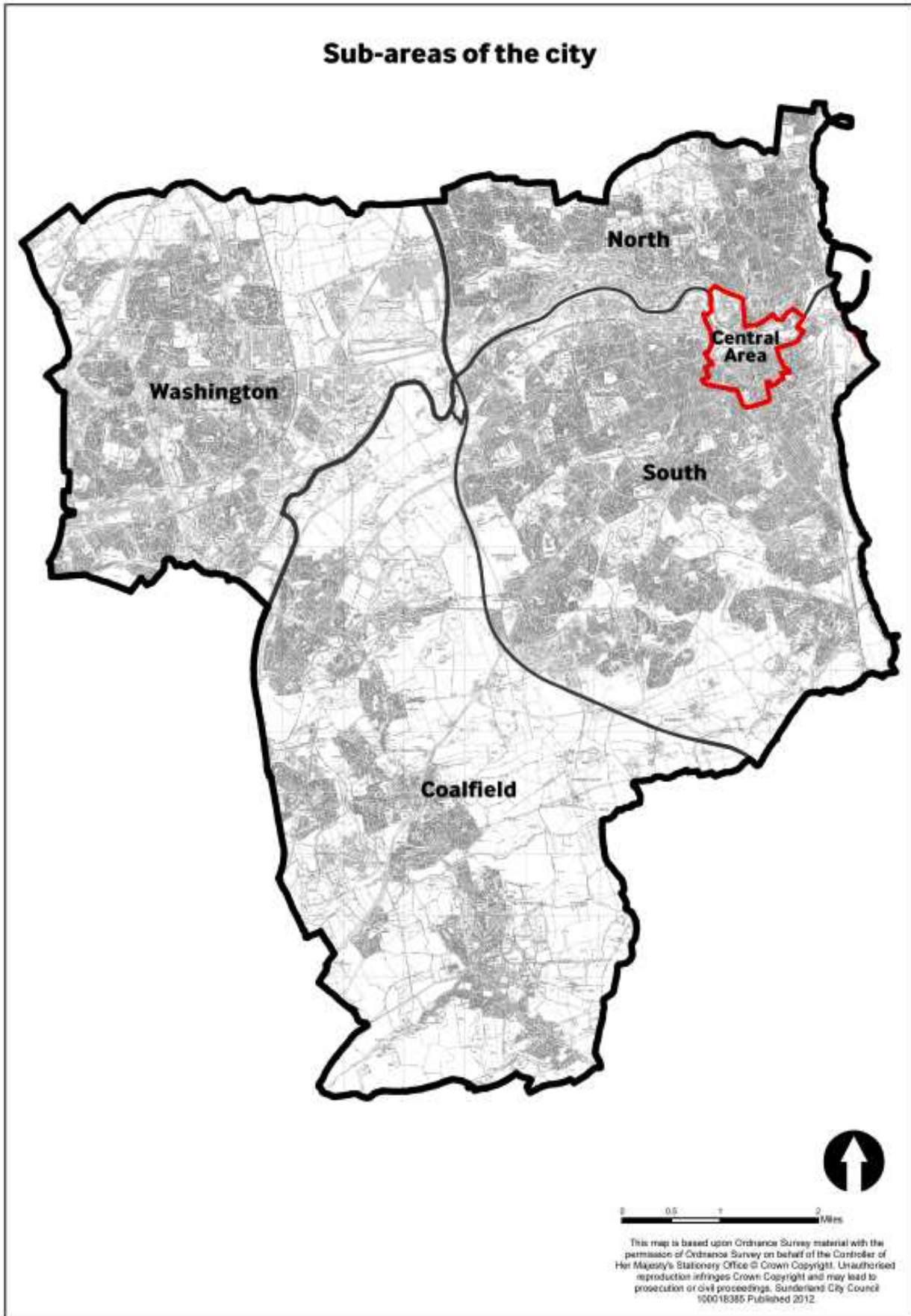
### **Implications for other Services**

- 13.4 The Core Strategy policies reflect as appropriate other Council and LSP partners' strategies, plans and programmes. As such it should enable their land use aspects to be achieved in a co-ordinated and timely manner, for instance the land use decisions associated with the Council's waste management strategy. The consultation period will provide a further opportunity for interested parties to ensure that their strategies and plans have been properly accounted for in the Core Strategy.

### **The Public**

- 13.5 It is a requirement of the planning system that the public as a whole are engaged in the development plan process, with minimum statutory requirements for consultation set out by regulation. The consultations so far on the Core Strategy and those proposed for the Revised Preferred Options have and will achieve those requirements for public involvement set out within the Council's Statement of Community Involvement.

**APPENDIX 1 ~ THE CORE STRATEGY SUB-AREAS.**



## APPENDIX 2 ~ THE EMPLOYMENT LAND UPDATE

### BACKGROUND AND CURRENT POSITION

1. In 2009, the Council commissioned specialist consultants to prepare an Employment Land Review specifically to inform the emerging LDF. The key areas examined by that Assessment included:
  - A comprehensive quantitative and qualitative assessment of employment sites and premises in the City;
  - An assessment of the needs/demands and anticipated requirements arising from economic restructuring and projected labour market changes at national, regional and local levels;
  - Projected employment land and premises requirements by scale and nature in Sunderland to 2021;
  - The level of intervention expected to successfully deliver new, or improve existing lower quality and the extent and location of existing sites (if any) that should be considered for alternative forms of development.
  
2. The assessment concluded that:
  - It is important that the strategically important employment sites are not compromised and may require specific policy protection.
  - There is generally perceived to be a shortage of strategic employment land in Washington which could best be satisfied by the release of a new employment site. The Study suggested a site of around 30-40 hectares. A potential site was recommended to the north of the existing Nissan site.
  - In contrast, the older estates within the Coalfield areas of Houghton-le-Spring and Hetton-le-Hole may see a continued decline in both their physical condition and the level of demand for premises and sites in those locations.
  
3. The current Employment Land Update was commissioned in response to:
  - The Ministerial announcement in July 2010 to revoke all Regional Spatial Strategies. The RSS performs the role of setting amongst other things, employment land requirements by district (in this instance, Sunderland was projected to provide up to 225 hectares by 2021). Whilst the RSS still legally remains in force, its revocation is expected shortly. With the removal of this regional framework, local authorities will need to re-assess their own future employment land requirements
  - Adoption of the Economic Masterplan (July 2010) and to acknowledge its objectives for the city in terms of establishing an office market within the City Centre and the transition to a low carbon employment base
  - The designation of the Enterprise Zone around Nissan for Ultra Low Carbon Vehicles.

### FINDINGS OF THE 2012 EMPLOYMENT LAND UPDATE

4. **Demand for employment land**

Four scenarios of workforce projections were developed to determine the employment land requirement. The alternative scenarios primarily assume growth in the manufacturing sectors *Machinery & Equipment* and *Transport Equipment*. In office sectors, growth is forecasted in *Financial Services*, *Other Business Services* and *Some Social and Personal Activities*, plus more modest increases in *Publishing* and *Real Estate and Business Activities*. These sectors are amongst those

identified in the Economic Masterplan as having economic opportunity for Sunderland, and relate to employment land.

5. The four scenarios are:
- **The Baseline scenario**- which does not take into account any policy aspirations
  - **The Masterplan scenario**- which assumes 20% growth in the number of jobs in the manufacturing sectors Machinery & Equipment and Transport Equipment and a 15% increase in the number of office jobs in Financial Services, Other Business Services and Some Social and Personal Activities and a more modest increase in the numbers of office jobs in Publishing and Real Estate and Business Activities
  - **The Masterplan+ scenario**- which assumes 40% growth in the number of jobs in the manufacturing sectors identified above and a 40% increase in the number of office jobs in the sectors identified above
  - **The Masterplan++ scenario**- which assumes 60% growth in the number of jobs in the manufacturing sectors identified above and a 40% increase in the number of office jobs in the sectors identified above

**NOTE : THESE PROJECTIONS ARE IN THE PROCESS OF EVALUATION.**

6. The summary table below sets out the estimated change in jobs, floorspace and land up to 2027. Jobs are translated into estimates of floorspace using standard employment densities, whilst floorspace is translated into estimates of land using standard plot ratios.

**Table 1 : Employment Projections and Land Requirements**

Scenario	2009-2027 jobs	Floorspace change 2011-2027 (sqm)	Land change 2011-2027 (hectares)
Baseline	-3,814	-275,635	-68.9
Masterplan	2,910	41,552	10.4
Masterplan +	6,564	200,143	50
Masterplan ++	8,422	324,627	81.1

7. Analysis based on the existing and emerging low carbon industries, would suggest that the adoption of the “Masterplan++” scenario would provide an appropriate basis for identifying the land requirements in the City to 2032.
8. Furthermore, the ELU re-assessed the stock of existing employment allocations recommending that the Core Strategy maintain three categories of site :

**Tier 1 ~ Key employment areas** ~ *Comprising the ten key sites identified below, these should be given full protection from alternative development due to their strategic importance; only small-scale uses genuinely ancillary to the successful functioning of the main employment use will be allowed e.g. a small shop for on-site workers day-to-day needs :*

- Nissan
- Turbine Park
- Washington Estates

- Vaux/ Farringdon Row
- Doxford International
- Pallion Shipyard
- The Port
- Hylton Riverside
- Sunrise Business Park
- Rainton Bridge
- Land to the North of Nissan<sup>1</sup>

*In addition, the report recommends that the Council should continue to pursue the development of a Strategic Site on land to the North of Nissan and secure its release from the Green Belt through the emerging Core Strategy. This development of this site would fully accord with the principles of the Economic Masterplan and its proximity to Nissan – at the centre of the Low Carbon Economic Area – highlights the significant advantages that this site could bring to the economy of the City and the wider sub-region*

**Tier Two sites** where the presumption will be to retain their employment character. Non-employment uses could be allowed subject to the demonstration that the sites have been substantially marketed without attracting developer interest and that, such schemes would not jeopardise the remaining employment function of the area.

**Tier Three Sites** comprising the older sites with limited market appeal and where the introduction of new, positive land uses would be of significant regeneration benefit to the local area. Such sites would include the following sites the 2009 and 2012 versions of the assessment recommend for de-allocation (totalling some 32.7 ha of employment land) :

- New Lambton (3.6 hectares)
- The full or partial de-allocation of the South Ryehope Employment Site (20 hectares)
- Two sites at Hendon (6 hectares)
- Land at Sedgeleth (0.6 hectares)
- Hetton Lyons (0.4 hectares)
- Extension to the Market Place (2.1 hectares)

- 9 When comparing a scenario derived demand against the actual supply of employment land across the city reveals the following :

**Table 2 The Supply of Undeveloped Employment Land**

Existing undeveloped supply	198ha
Land recommended for de-allocation in ELU	32ha
<b>Available</b>	<b>166ha</b>
Land committed (Turbine Business Park and Rolls Royce)	37ha
Constrained/ Landlocked etc	40ha
<b>Total committed/ constrained</b>	<b>77ha</b>
<b>Total (available minus committed/ constrained sites)</b>	<b>89ha</b>

**Table 3 Balancing Employment Land Forecasts with Supply**

	Baseline	Masterplan	Masterplan +	Masterplan ++

<sup>1</sup> This site would fall into this category upon confirmation of its allocation through the Core Strategy.



Supply	89	89	89	89
Required Land Change	-68.9	10.4	50	81.1
<b>Surplus / Deficit (ha)</b>	<b>-157.9</b>	<b>-78.6</b>	<b>- 39</b>	<b>+ 7.9</b>

**NOTE : LAND SUPPLY REQUIREMENTS ARE PRESENTLY BEING VERIFIED AGAINST RECENT PLANNING DECISIONS.**

- 10 Under the “Masterplan ++” Scenario, there is in overall terms, an oversupply of some 8 ha of employment land. It is considered that this would be sufficient to provide a suitable degree of flexibility within the market to allow it to operate. However, it should be noted that the above tables do not take into account the proposed Strategic Employment site to the North of Nissan (totalling 20 hectares).
11. A copy of the executive summary of the Update has been attached to this report.

**BACKGROUND PAPERS**

Employment Land Update Executive Summary  
Employment Land Review (2009)

## APPENDIX 3 ~ THE RETAIL NEEDS UPDATE

### BACKGROUND AND CURRENT POSITION

1. In 2009 the Council commissioned Roger Tym and Partners to prepare a Retail Needs Assessment specifically to inform the emerging LDF. The key areas examined by that Assessment were to :-
  - Identify the catchment of the City and provide an analysis of shopping patterns within the catchment area;
  - Identify the likely requirement for new retail floorspace in the City in the convenience and comparison sectors up to 2021;
  - Undertake a 'health check' of all centres in the City, including an overview of qualitative deficiencies, and provide an indication of the broad need for new town centre uses in these centres;
  - Assess the capacity of existing centres to accommodate new retail development, including the scope for extending the City Centre retail core.
2. The 2009 Assessment concluded that over the period 2008-2026, in overall quantitative terms there was a need for some 4,500sq.m of convenience (food) floorspace and up to 87,700sq.m of comparison floorspace (such as clothes and electrical goods) in the City. It also highlighted those areas of the City where there was a qualitative need for new retail facilities, namely Houghton Town Centre, North Sunderland and the City Centre.

### THE NEED FOR THE UPDATED RETAIL NEEDS ASSESSMENT

3. Since the completion of the 2009 Assessment a number of major retail developments have been granted planning permission in the City. These principally comprise:-
  - Tesco, Sunderland Retail Park** (May 2011): Erection of new retail superstore (16,140sqm) and four additional retail units (2,661sq.m)
  - New Local Centre, North Hylton Road** (October 2011): New local centre comprising foodstore (3,569sq.m), retail units, commercial units, offices / non residential institutions and restaurant.
  - Sainsbury's, Riverside Road** (November 2011): Erection of a foodstore (10,180sq.m) with associated petrol filling station.
4. These schemes will address the qualitative deficiency in the North Sunderland area. A new supermarket is being progressed on the site of the former Houghton Colliery which will address qualitative deficiencies in the Coalfield.
5. In addition some 14,000sq.m of new floorspace is currently pending consideration on retail schemes in Washington.
6. Retail development was included in the revised national planning policy guidance for economic development (PPS4: Planning for Sustainable Economic Growth) issued soon after the publication of the 2009 Assessment. This guidance gives particular emphasis to the need for planning policy and development control decisions to be based on up-to-date evidence, and emphasised the need for Local

Planning Authorities to assess quantitative and qualitative retail requirements in their area.

7. This emphasis is maintained in the draft National Planning Policy Framework (July 2011) which states that Local Planning Authorities should maintain a robust evidence-base to assess:-

*“the requirements for land or floorspace for economic development, including both the quantitative (how much) and qualitative (what type) requirements for all foreseeable types of economic activity over the plan period, including for retail and leisure development”*

## **KEY FINDINGS OF THE 2012 RETAIL NEEDS UPDATE**

8. The Update has three main elements:-
- i. to identify the likely requirement for new retail floorspace in the comparison and convenience sectors between 2011 and 2032;
  - ii. to assess qualitative need and identify deficiencies in retail provision across the City;
  - iii. to identify where the additional comparison and convenience floorspace should be located.
9. For comparison goods, the floorspace requirement for the overall period is 78,900sq.m (gross). In the medium term the floorspace requirement of 49,000sq.m is much reduced compared to the range outlined in the 2009 Assessment (61,000sq.m to 88,000sq.m). This is due to expenditure forecasts being lowered as a result of the ongoing recession. The Update recommends that most of the 49,000sq.m should be channelled towards the City Centre.
10. For convenience goods, the floorspace requirement for the period is 7,500sq.m (gross). In the convenience sector there is a negative requirement up to 2017, with existing commitments absorbing the potential growth in retained expenditure. It will therefore be a question of filling gaps in service. There will be capacity for only one large store in the Coalfield (a store of this nature is being brought forward on the site of the former Houghton Colliery), but once this is provided, the only major gap in service provision in Sunderland will be the City Centre.
11. These recommendations have been built into the City-wide retail policy in the draft Core Strategy Revised Preferred Options document.
12. However, until the Core Strategy is adopted in early 2014, the findings of the Update will form a material consideration in determining proposals for retail development in the City.
13. A copy of the executive summary of the Update has been attached to this report.

## **BACKGROUND PAPERS**

Draft National Planning Policy Framework (July 2011)  
Planning Policy Statement 4 (December 2009)  
Sunderland Retail Needs Assessment (September 2009)  
Draft Sunderland Retail Needs Update (March 2012)

## APPENDIX 4 ~ THE STRATEGIC HOUSING LAND AVAILABILITY ASSESSMENT 2012-2027

### BACKGROUND AND CURRENT POSITION

1. A top priority for Government is to ensure that land availability is not a constraint on the delivery of new homes and that a more responsive approach is taken to land supply at a local level. As such PPS3 Housing (2011) requires local planning authorities to keep under regular review informed assessments of its long term housing land supply that:
  - § Identifies specific, deliverable sites for the first five years of a development plan; (to be deliverable a site must be available, suitable and achievable).
  - § Identifies specific, developable sites for years 6-10 and ideally years 11-15 (to be developable a site should be in a suitable location and there should be a reasonable prospect that the site is available for housing and could be developed at the point envisaged).
  - § Indicates broad locations for future growth for years 11-15 if specific sites cannot be identified.
2. The supply of land is demonstrated through the production of a Strategic Housing Land Availability Assessment (SHLAA), which assesses sites for their housing potential and when they could be developed. This is the third SHLAA that the Council has prepared to satisfy national policy requirements and looks at the potential land supply for housing for the period 2012 to 2027.
3. In July 2011, the Coalition Government published the draft National Planning Policy Framework (NPPF). The key message being that authorities should apply a presumption in favour of sustainable development which in part facilitates economic growth and meets housing needs. To this end, it has incentivised new house building through the New Homes Bonus, Get Britain Building Fund and the new “NewBuy” Guarantee scheme.
4. It must be emphasised that the SHLAA is not a policy document that formally determines whether a site should be allocated or developed for housing purposes. The SHLAA is an integral part of the evidence base that will inform both the Core Strategy and the city’s Local Development Framework (LDF). It is the role of the LDF to determine which specific sites are to be allocated for housing purposes to best meet the objectives of the Council. Without the SHLAA, the LDF could be proved to be unsound and as such it could be struck down at Examination.
5. In addition to considering the long term potential of housing land, local authorities are also required to demonstrate that they have a supply of deliverable land for housing for the next five years in line with PPS3. In the event that a five year supply cannot be met, the local planning authority may have to favourably consider planning applications for housing on unallocated sites. The role of the SHLAA is therefore an important material consideration in the determination of planning applications.
6. Key requirements of a SHLAA are set out in PPS3 and CLG Practice Guidance. They are:
  - A list of sites, cross-referenced to maps showing locations and boundaries;

- Assessment of the deliverability and developability of each identified site to determine realistically when a site might be developed;
- The potential quantity of housing that could be delivered on each identified site;
- Constraints on the delivery of identified sites and recommendations on how these constraints could be overcome.

7. A full copy of the SHLAA (2012 to 2027) is available from Members' Services.

## MAIN ELEMENTS OF THE SHLAA 2012: THE CITY'S HOUSING REQUIREMENTS

8. In setting housing requirements (especially the 5 year targets), the control figure has always been taken from the Regional Spatial Strategy. Given that it will soon to be revoked (under the Localism Act 2011), it has provided an opportunity to revisit the City's housing needs using more up to date evidence.
9. The emerging Core Strategy (Revised Preferred Options Draft proposes (at this stage to provide some 15,000 net new homes between 2012 and 2032). Through this SHLAA update, consideration has been given to the phasing of the release of housing land (to ensure that sufficient housing land is released at any one time. Based on this work, it is deemed appropriate not to take into account past under provision against RSS targets from its 2003 base date. This is a minimum target and any additional requirement for housing land reflecting an improving market can be dealt with through the Plan, Monitor and Manage process. Indicative targets are therefore proposed at Table 1.

**Table 1: Sunderland Housing Requirement 2012 – 2027 by sub-area.**

	<b>2012/13- 2016/17</b>	<b>2017/18- 2021/22</b>	<b>2022/23- 2026/27</b>	<b>Total</b>	<b>%</b>
Central	482	550	605	<b>1637</b>	15
South	1617	1846	2045	<b>5508</b>	51
North	262	298	325	<b>885</b>	8
Washington	199	226	245	<b>670</b>	6
Coalfield	640	730	805	<b>2175</b>	20
<b>Total</b>	<b>3200</b>	<b>3650</b>	<b>4025</b>	<b>10875</b>	100

**NOTE – PRESENTLY REVIEWING RECENT APPEAL DECISIONS REGARDING HOW TO TAKE INTO ACCOUNT UNDER PERFORMANCE.**

## MAIN ELEMENTS OF THE SHLAA 2012: IDENTIFYING SITES AND DETERMINING THEIR DELIVERABILITY

10. A sub-regional key stakeholder partnership for Tyne and Wear was established along with a key stakeholder panel to assist in the production of SHLAAs within Tyne and Wear. The panel comprises lead local authority officers, representatives from Registered Social Landlords, the Royal Institute of Chartered Surveyors, Home Builders Federation and a planning consultant. The panel allows for regular SHLAA discussions and consultations with Tyne and Wear authorities to take place.
11. The SHLAA process has assessed a range of sites including:
- those with planning permission
  - those in the Unitary Development Plan (UDP) (1998)
  - those in the Interim Strategy for Housing Land (ISHL) (2006)
  - sites suggested through pre-application and other discussions

- sites forwarded by developers and landowners through the local authority's call for sites.
12. This year consideration has focussed on new sites suggested by developers or others and amendments due to changes in the status of the sites included in last year's schedule. The changes include deletion of completed sites or sites re-developed for other purposes; changes to site boundaries; and amendments to capacity estimates. The changes are described in the new schedule.
  13. In accordance with the agreed SHLAA methodology certain sites with challenging development constraints have been excluded from the assessment at the outset, such as those within a Site of Special Scientific Interest (SSSI) or flood risk Zone 3B (functional floodplain) and Green Belt allocation.
  14. To assess whether sites are deliverable or developable, consultations have been held with a range of experienced and expert participants from both within and outside the council to ensure that information gathered is accurate and a true perspective is gained.
  15. Information was also placed on the City Council's website and members of the public were given the opportunity to submit comments on the deliverability of sites. Individual letters of consultation and subsequent meetings were held with those who had raised concerns on particular sites inviting them to submit comments on the deliverability of sites, of which 6 responses were received.

## MAIN ELEMENTS OF THE SHLAA 2012: RESULTS

16. Table 2 sets out the main results from the 2012 SHLAA, giving an indication of the total number of potential deliverable and developable dwellings within the next 15 years. The split between greenfield and brownfield sites is also indicated. The table also provides a comparison with the Sunderland housing requirements from Table 1.

**Table 2: SHLAA results**

	2012/13-2016/17 Years 1-5			2017/18–2021/22 Years 6-10	2022/23-2026/27 Years 11-15	Total dwellings Years 1-15		Brownf'ld %	Greenfield %
Required	3200	% of required	+ 20% Total Figs	3650	4025	10875	% of required		
North	987	31	314	541	235	1763	16	63	37
Central	568	18	578	1183	226	1977	18	100	0
South	1541	48	1943	3437	1840	6818	63	48	52
Wash'ton	731	23	237	272	50	1053	10	82	18
Coalfield	1613	51	768	2001	359	3973	37	64	36
<b>City</b>	<b>5671</b> *	<b>171</b>	<b>3840</b>	<b>7434</b>	<b>2710</b>	<b>15815*</b>	<b>144</b>	<b>71*</b>	<b>29</b>

\* Total takes into account 231 dwellings from deliverable small sites (under 10 dwellings) that have planning permission. These sites have not been attributed to the individual ARFs. They are all classed as brownfield.

17. Overall the estimated capacity of identified deliverable and developable sites is almost half more than the requirement for the 15 year period. In the initial 1–5 year period supply is nearly twice the housing requirement.

18. Brownfield land comprises some 71% of the total sites identified, which, if all were used for the new requirement could provide 78% of homes. Notwithstanding, it should be noted that there has been a substantial recalculation in the potential capacity of some major brown field sites in Central Sunderland, notably Vaux, and Farrington Row, to better reflect the changing housing market; also, in Farrington Row's case, to reflect a large reduction in the available housing site due to the proposed release for the justice centre. Other notable sites which have commenced development include Elba Park Lambton, former Cape Insulation, Murton Lane and Volker Stevin, Springwell. Other notable sites expected to commence shortly include; Lisburn Terrace, the Paper Mill, Commercial Road Hendon, High Ford and Ryhope Hospital.
19. In the first 5 years, the SHLAA has identified a deliverable housing capacity of 5,671 homes which is 77% in excess of the 5 year requirement (set out in Table 2). The National Planning Policy Framework (NPPF) (March 2012) advocates providing an additional allowance of between 5% and 20%. Allowing for an additional 20%, would indicate there remains an excess of 48%. Some of the larger sites are already under construction notably Lambton Cokeworks, Murton Lane, Volker Stevin, Springwell Road and Doxford Park and some of these sites will continue building into the 6-10 year period. Central Sunderland and Sunderland South together are capable of delivering 66% of the total city requirement in the first 5 years, increasing to 81% over the whole 15 years.
20. The Coalfield can bring forward 51% in the first 5 years and 37% overall, potentially higher than its proportion of the population (17%).
21. However North Sunderland and Washington continue to be constrained in the amount of housing they can bring forward due to their built up nature and restrictions to expansion, notably by the Green Belt.
22. The sites within years 1-5 are the most important, as these are the deliverable sites which have no major constraints to their early development and have been identified as being suitable for housing purposes. It is expected that over time sites within years 6-10 and 11-15 will overcome their constraints and come forward to ensure a continuous supply of deliverable and developable sites.

## **NEXT STEPS**

23. The supply of potential housing land will be monitored on an annual basis and managed to ensure that a continuous five years supply of deliverable sites is maintained. New sites that have not been previously identified may well come forward in the meantime and will be taken into consideration in the monitoring process and subsequent revisions of the SHLAA. The monitoring of the supply of deliverable sites will be linked to the City Council's LDF Annual Monitoring Report review process.
24. A number of sites have been submitted for consideration through the SHLAA which are presently located in the Green Belt. These have for the present time been discounted from the SHLAA process. Equally, the discounting of a number of sites from the SHLAA has been undertaken for some sites which lie within defined Settlement Breaks. As part of the emerging LDF, it is proposed to review these sites in terms of their overall suitability. This exercise will involve a scoring

mechanism or means of categorisation for each use, taking into account the following four categories of criteria:

- Principle of sustainable development
- Role of settlement breaks
- Contribution to meeting Core Strategy objectives
- Practicality.

## **BACKGROUND PAPERS**

Planning Policy Statement 3 – Housing 2011 (PPS3)