

Office development

73. Almost a third of the employment land supply is required for offices. Because of the current oversupply of office provision, all the projected 512,000 sq m of office floorspace is expected to come from within the urban area apart from the 'solus' site for a single user, for which no deliverable urban site exists. In accordance with the Framework, the urban core is identified as the focus for office floorspace, with policy CS6 also directing 'a limited amount' to Team Valley, Newcastle airport (the 'solus' site) and Metrogreen. **MM10** adds the necessary precision, indicating that around 25% of office floorspace would go to these specified locations outside the urban core. This gives an appropriate choice of sites to meet a range of business needs and ensures that economic growth is not compromised by qualitative limitations in the type and location of supply.

Issue 4 – WHETHER THE PLAN ESTABLISHES A SOUND FRAMEWORK FOR RETAIL DEVELOPMENT AND THE URBAN CORE*Retail development*

74. There is broad support for the hierarchy of retail centres identified in policy CS7. To protect these centres the Proposed Submission Plan included, amongst other matters, a presumption against any retail development outside the defined centres. This goes beyond the requirements of the Framework, which applies a sequential test and, for larger schemes, an impact assessment to all proposals for town centre uses outside existing centres. **MM11** removes this presumption and is necessary to ensure policy CS7 accords more closely with national policy.
75. The Framework allows floorspace thresholds for the impact assessment to be set locally, provided they are proportionate. Policy CS7 proposes this in general terms, seeking an impact assessment where there could be a significant adverse impact on a designated centre. The modified text (**MM12**) provides the required explanation and states that the Councils intend to establish local thresholds in subsequent LDDs, so whilst the Plan lacks precision at this stage, it is a reasonable approach for a core strategy. The expansion of Newcastle retail centre is addressed by policies UC2 and NC2 (see below); because the Plan must be read as a whole, the contention that the tests of policy CS7 could be misinterpreted is without merit.
76. An up-dated retail study forecasts capacity for an additional 36,750 sq m (net) of comparison goods floorspace by 2020. This is based on a limited redistribution of market shares to Newcastle city centre following a proposed extension to the primary shopping area (PSA) and the redevelopment of Trinity Square in Gateshead. Whilst the study predicts almost double this capacity to 2030 as a result of growth in population and expenditure, it cautions against further large scale expansion of the centres on the grounds that it would be more realistic to apportion longer term expenditure growth to the then-expanded existing floorspace. Moreover, forecasting retail growth more than 8-10 years ahead is inherently uncertain.
77. This approach is sensible. Whilst it is important to bolster the attractiveness of Newcastle as the regional capital, a careful balance has to be struck

between allocating new provision to enable this to happen and ensuring that the existing PSA does not suffer decline from over-provision. Though much of the centre appears vibrant and has benefitted from recent investment, some areas are run down and have high vacancies. The planned extension of the PSA into the northern part of East Pilgrim Street is a proportionate response. Because the quantum of floorspace is based on a strategic capacity study rather than a specific impact test, Newcastle City Council accepts the inclusion in policy UC2 and associated text of an additional safeguard that requires an impact assessment to be undertaken for retail proposals at East Pilgrim Street. The Council also acknowledges that, to be consistent with the retail evidence, the 50,000 sq m floorspace in policies CS2, UC2 and the text should be expressed as a gross rather than net figure. **MM3, MM4, MM26, MM27, MM28** and **MM30** include the necessary amendments.

78. The argument that retail proposals at East Pilgrim Street should also be subject to the sequential test is not accepted. The retail evidence makes a convincing case for limited retail expansion of the city centre for which, to accord with the Framework, a suitable site should be allocated. As to concerns about possible inconsistencies between the approach to East Pilgrim Street in policies UC2 and NC2, it is not necessary for NC2 to also include a reference to the impact test because NC2 is a detailed policy relating to the area's linkages, distribution of uses and comprehensive design. There is greater merit to the point about the associated text in paragraph 16.21, for the penultimate sentence does refer to the sequential test but not to the impact assessment. For clarification I propose to add at the end of this sentence "though an impact assessment is required by policy UC2." A similar uncertainty applies to the process by which East Pilgrim Street is to become part of the PSA: the modification to paragraph 16.21 states that this would be achieved through a review of the Plan, whereas this is omitted from paragraph 14.25. For consistency I propose to add at the end of the relevant modification to paragraph 14.25 "through a review of the Plan". **MM27** and **MM30** include these modifications.
79. The restriction on banks and other Class A2 uses in the primary retail frontages of Newcastle city centre is intended to protect the compact core shopping area and avoid dilution of retail activity. Policy NC1 allows changes from Class A1/A3 to other uses where there would be a significant contribution to the vitality and viability of the centre, which is a less stringent approach than the blanket restriction of the Unitary Development Plan (UDP) policy. Because the primary retail frontages are tightly defined, covering a relatively small area of the city centre, and because there is some flexibility which should not unduly restrict Class A2 uses, on balance the policy is sound.
80. The policy protecting retail uses in the central area of Gateshead, GC1, uses the term "retail centre" which causes uncertainty about the precise area to which the policy applies. **MM46** substitutes the conventional term "Primary Shopping Area" to ensure consistency between the policy and the Policies Map. To avoid misunderstanding, it also substitutes the imprecise term "non retail uses" with "non A1 uses". These are necessary for the policy to be effective.
81. I note the objection to the statement in paragraph 12.10 that the Councils will consider controlling the proliferation of unhealthy food outlets in subsequent plans. However, there is clear evidence of poor health in Gateshead and