

# South Tyneside Town, District and Local Centres Study

Final Report

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ON BEHALF OF SOUTH TYNESIDE COUNCIL

December 2023

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# 1. Introduction

## Instruction and Purpose

- 1.1 Nexus Planning has been instructed by South Tyneside Council (hereafter referred to as ‘the Council’) to undertake a new Town, District and Local Centres Study. The primary focus of the Study is to establish the current position in respect of the need for additional retail and leisure facilities in the South Tyneside authority area, and to consider the vitality and viability of the principal centres, including South Shields, Jarrow and Hebburn town centres.
- 1.2 The Study replaces the previous Town Centre and District Centre Use Study, which was authored by Peter Brett Associates and which reported in October 2018. The principal purposes of the commission are to inform the emerging Local Plan (which has an end date of 2040) and the Council’s regeneration aspirations, and to verify the status of the Borough’s local centres and local neighbourhood hubs.
- 1.3 The supplied Project Specification of July 2023 sets out the Council’s full requirements. Section 3 of the Project Specification indicates that the core requirements of Phase 1 of the Study are as follows:
  - i) A review of existing and emerging planning policy, together with an overview of national trends in the retail and leisure markets and their implications for the Borough.
  - ii) A quantitative and qualitative assessment of the need for new retail, leisure (with particular regard to hotel provision, arts and cultural (with particular regard to museum provision) and all other town centre uses (except for offices) within the Borough. The assessment should cover a three to five year period but have regard to the whole of the Local Plan period.
  - iii) New household shopping surveys across the Borough, and including areas outside the Borough where appropriate.
  - iv) A ‘healthcheck’ of the town and district centres involving survey work, taking into account the indicators of vitality and viability in the Planning Practice Guidance (PPG), to inform the qualitative assessment.
  - v) As a result of the quantitative assessment, an accurate picture of the turnover of existing stores and centres and reliable forecasts of future expenditure capacity.
  - vi) Advice on a minimum threshold for undertaking impact assessments.
  - vii) Consideration of whether and where the identified qualitative and quantitative needs for new retail and other town centre uses can be accommodated within existing centres.
  - viii) Recommendations on strategy and policy for the appropriate and realistic role, function, and hierarchy of the town and district centres in South Tyneside.
  - ix) A summary of how each of the town and district centres is performing including recommendations to improve vitality and footfall.
  - x) An understanding of the inter-relationship between new housing development and footfall in Hebburn town centre and Frederick Street district centre respectively.
  - xi) Recommendations, supported by maps, as to whether the town centre and district centre boundaries defined in the Draft Local Plan are appropriate.
- 1.4 The core requirements for Phase 2 are:
  - i) A ‘healthcheck’ of the local centres and local neighbourhood hubs, taking into account the indicators of vitality and viability in the PPG, involving survey work.
  - ii) Recommendations, supported by maps, as to the appropriate boundaries for the local centres and local neighbourhood hubs.

- iii) A review of the inconsistencies between the definition of centres in the Draft Local Plan and the Neighbourhood Plans and recommendations regarding:
- a. the appropriate status of each of the local centres defined in the Neighbourhood Plans i.e. whether they function as local centres or as local neighbourhood hubs; and
  - b. the appropriate boundaries, supported by maps, for each of these locations.
- 1.5 The Study is underpinned by new empirical evidence in the form of a new household shopper survey, stakeholder consultation, and our site visits to survey and assess the health of the principal centres and other key retail destinations. The household survey was undertaken by NEMS Market Research in October 2023 and covers ten separate zones, which are collectively considered representative of the principal catchment area for retail facilities and leisure facilities located within South Tyneside. The zones are consistent with those utilised in the previous 2018 Study which provides us with the opportunity to compare shopping and leisure patterns.
- 1.6 A plan of the Study Area is provided at Appendix 1, and the tabulated household survey results are provided at Appendix 2. The Study Area includes parts of the Gateshead and Sunderland authority areas, where residents may sometimes look to facilities in South Tyneside to meet at least some of their retail and leisure needs.
- 1.7 In this regard, it is important to recognise that shopping habits are not governed by local authority area boundaries. It is therefore appropriate to consider the 'inflow' of retail expenditure from residents of neighbouring authority areas to destinations in South Tyneside in order to identify retailers' overall turnover and understand the role of centres and standalone stores across the wider area. The household survey also allows us to identify expenditure that originates within South Tyneside but which 'leaks' to destinations outside of the authority area.

## Structure of Report

- 1.8 Our report firstly provides an overview of prevailing retail and leisure trends, before then going on to consider the planning policy context for the Study. We then consider the vitality and viability of the three town centres of South Shields, Jarrow and Hebburn, and the six district centres of Boldon Colliery, Boldon Lane, Dean Road, Frederick Street, Harton Nook and Westoe Bridges.
- 1.9 The remainder of the report identifies retail and leisure needs arising within the Borough to 2040. To undertake this assessment, we identify population and expenditure growth across the Study Area, before then reviewing shopping patterns across the Study Area as established by the household survey. The final sections of the report provide our conclusions in respect of retail and leisure needs, and provide our planning policy recommendations.
- 1.10 Accordingly, this report is structured as follows:
- Section 2 sets out key retail and leisure trends of relevance to the commission;
  - Section 3 provides an overview of the planning policy context;
  - Section 4 summarises our assessment of the vitality and viability of the defined centres;
  - Section 5 provides an overview of forecast changes in Study Area population and expenditure;
  - Section 6 sets out the findings of the household survey;
  - Section 7 provides an assessment of retail needs;
  - Section 8 provides an assessment of leisure needs; and
  - Section 9 summarises our key findings and sets out our conclusions and policy recommendations.

## 2. Current and Emerging Retail and Leisure Trends

- 2.1 In order to provide a context for this Study and to help identify the sectors that are more likely to be the subject of additional development proposals, we set out a summary of current retail and leisure trends below. In reading the summary, it should be noted that the retail and leisure sectors are dynamic and, whilst online shopping and economic conditions have impacted on the high street, new retailers and formats continue to evolve to meet shoppers' needs.
- 2.2 The below commentary should therefore be taken as a 'snapshot' in respect of current market conditions; it will be necessary to judge future development proposals for main town centre uses with reference to the prevailing circumstances at the time of a proposal's determination. Whilst the impact of Covid-19 on the retail and leisure sectors has lessened in 2022 and 2023, the trading outlook remains challenging due to inflationary pressures and significant increases in the cost of living. We reflect further on the current economic outlook below.

### Economic Conditions

- 2.3 The UK economy was impacted significantly by the Covid-19 pandemic in 2020 and 2021, and by restrictions on movement and behaviour which sought to mitigate its impact. This uncertain background caused retail and leisure expenditure (and business investment) to decline. Household spending fell by over 20% quarter-on-quarter in the second quarter of 2020 following the imposition of national lockdown measures. This is the largest quarterly contraction on record. Retail sales volumes also suffered double-digit falls in April 2020 as all but essential stores closed during the height of the lockdown.
- 2.4 However, following the gradual reopening of businesses over summer 2020, the economy returned to growth, with this gathering momentum as a greater number of sectors reopened, including hospitality and leisure services. A resurgence in the number of cases of Covid-19 then resulted in the Government reinstating a nationwide lockdown in early 2021. The general economic outlook in 2022 and 2023 has continued to be of concern given very significant increases in the rate of inflation and the general cost of living.
- 2.5 In February 2023, Experian published its Retail Planner Briefing Note 20 ('ERPBN20'), which identifies anticipated future growth in the retail and leisure sectors and considers likely changes in bricks and mortar retail floorspace and online sales.
- 2.6 ERPBN20 anticipates that retail spending has been squeezed in 2022 and 2023 as a consequence of inflationary pressure and increases in the cost of living. Page 5 of ERPBN20 provides the following summary of the short-term economic outlook:

**'Pay is expected to grow strongly given a tight labour market, though will fail to keep pace with inflation, underpinning a decline in real personal disposable incomes and a curbing of consumer spending. Further out real incomes will recover as inflation subsides, however the rebound in spending is mild given unfavourable demographics and a rising tax burden on households.'**

- 2.7 Overall retail sales are therefore forecast to reduce in the very short term, with growth returning over the medium and longer term. The Covid-19 pandemic has accelerated the shift to online retailing with a consequent reduction in bricks and mortar retail floorspace. As a consequence, the proportion of expenditure committed via special forms of trading (i.e. internet and mail order sales) has increased.
- 2.8 More generally, as a result of relatively modest growth forecasts and the shift to online retailing, Experian forecasts that there will be a reduction in the stock of retail floorspace over the next few years.

- 2.9 In terms of inflation, Office for National Statistics data<sup>1</sup> indicates that the rate of inflation (as measured by the consumer price index) increased from 0.8% at April 2020 to 1.5% at April 2021, before then increasing significantly to 9.0% at April 2022. The rate of inflation appears to have peaked at 11.1% in October 2022 and has reduced significantly to 6.7% at August 2023. Retail has been an industry under significant stress, as many retailers find themselves squeezed between rising costs and the increasing volume of sales over the internet. Such difficulties have, of course, been exacerbated by the Covid-19 pandemic and the cost of living crisis associated with rising energy prices and inflation.
- 2.10 There will still be the need and demand for physical stores, despite the increase in shopping online. This is particularly the case for convenience goods sales given that online shopping orders are typically picked from the shelves of physical stores. In respect of comparison goods, there is a need for the offer to become more 'experiential' to encourage shoppers onto the high street, and to ensure that shopping is viewed as a pleasurable pastime. The shopping experience needs to evolve and diversify both to attract footfall and convert increased activity into sales. Independents clearly have an important role to play in adding interest and in providing differentiation between shopping venues.
- 2.11 In considering the current strength of the retail and leisure sectors, it is important to recognise that different types of retailer have been the subject of different fortunes.
- 2.12 Non-essential retailers have been impacted by enforced 'lockdown' closures in 2020 and 2021. However, dispensing chemists traded more strongly from March 2020, and their sales continued to be above pre-pandemic levels into 2022 and early 2023. Foodstores also generally traded consistently above their pre-pandemic levels. This was initially due to a degree of stockpiling of grocery goods, but some ongoing boost in sales was evident due to the ongoing prevalence of working from home. Furniture and homeware retailers also generally benefitted from people spending more time in their homes and wanting to improve their own environment. However, in light of increasing inflation and changes to working patterns throughout 2022, it is understood that there has now been a shift away from this pattern.<sup>2</sup>

### Available Expenditure and the Impact of the Internet

- 2.13 Experian expenditure data and growth forecasts confirm that the pandemic has resulted in turbulent short term changes in per capita convenience and comparison goods expenditure. In this regard, ERPBN20 identifies that per capita convenience goods expenditure decreased by 6.7% in 2022 with a further reduction of 2.4% forecast to follow in 2023. This follows a further reduction of 1.4% in 2021. Before this, in 2020, per capita convenience goods expenditure increased by 10.2%. The strong level of growth at 2020 is largely attributable to consumers spending more on such goods as a result of lockdown measures. Limited annual per capita expenditure growth (relative to that which has been achieved historically) is anticipated to return across the medium to long term.
- 2.14 As the below Table 2.1 indicates, the position in respect of annual per capita comparison goods expenditure has been changeable in the past few years. Whilst annual per capita comparison goods growth of 6.7% was recorded in 2021, this followed a reduction of 6.8% in 2020. Forecast per capita comparison goods expenditure increases over the medium and longer term are positive but still below the level apparent at the turn of the millennium. Experian identifies that UK annual per capita comparison goods expenditure growth decreased from 3.9% at 2017 to 1.0% at 2018, and forecasts that it will remain between 2.8% to 2.9% per annum across the medium to long term.

<sup>1</sup> ONS 'Consumer price inflation tables' dataset, July 2023.

<sup>2</sup> Article headlined 'Retail sales in Great Britain rise despite cost of living crisis', The Guardian, 19 August 2022.

**Table 2.1: Experian’s Identified and Forecast UK Convenience and Comparison Goods Per Capita Expenditure Growth**

Volume Growth per Head (%)	2018	2019	2020	2021	2022	2023	2024	2025-29	2030-40
Convenience goods	0.1	0.2	10.2	-1.4	-6.7	-2.4	0.4	0.1	0.2
Comparison goods	0.7	2.5	-6.8	6.7	-0.4	-1.6	0.3	2.5	3.0

Source: Figure 1a and Figure 1b of Experian Retail Planner Briefing Note 20

- 2.15 Whilst the above figures identify a level of growth which is significantly below that which has historically been achieved, the situation for high street stores is exacerbated through the increasing amount of expenditure which is committed through special forms of trading<sup>3</sup> and, in particular, through online sales.
- 2.16 In this regard, Figure 5 of ERPBN20 indicates that special forms of trading accounted for just over 30% of total retail sales at 2021 as a consequence of Covid-19 and subsequent to very strong growth in online retailing over the past decade. Although the growth in special forms of trading is anticipated to drop back slightly in 2022, Experian anticipates that special forms of trading will again account for over 30% of all retail sales by 2024, increasing to around 36% of retail expenditure by 2033.
- 2.17 The below Table 2.2 sets out Experian’s identified and forecast level of special forms of trading as a proportion of overall convenience and comparison goods expenditure. Experian estimates that special forms of trading will account for more than four out of every ten pounds spent on comparison goods and more than a quarter of convenience goods expenditure at 2033.

**Table 2.2: Experian’s Identified and Forecast Market Share of Non-Store Retail Sales for Convenience and Comparison Goods Sectors**

Volume Growth Per Head (%)	2018	2019	2020	2021	2022	2023	2028	2033	2038
Convenience goods	10.9	12.8	16.6	19.3	19.4	18.6	22.5	24.4	25.5
Comparison goods	21.4	24.5	37.6	38.3	36.0	35.4	39.5	41.5	42.7

Source: Figure 5 of Experian Retail Planner Briefing Note 20

- 2.18 The ongoing popularity of internet shopping continues to have clear implications in respect of the viability of some ‘bricks and mortar’ retailers. However, it is important to note that changes in how people shop also bring about some opportunities for retailers trading from the high street. In particular, many stores sell online but fulfil orders from regular stores rather than warehouses<sup>4</sup>, with purchases therefore helping to sustain tangible retail floorspace. As a consequence, Experian also provides an ‘adjusted’ estimate of special forms of trading, which relates to expenditure which is not available to actual stores.

## Convenience Goods

- 2.19 Recent socio-economic conditions have led to significant shifts in convenience goods retailing, which have resulted in the ‘big four’ supermarket operators’ market share being cut. Indeed, analysis from Kantar has identified that the traditional ‘big four’ supermarket operators are no longer such, with Aldi’s market share overtaking that of Morrisons over the 12 weeks to 4 September 2022. Over this period, Aldi’s market share of 9.3% was ahead of

<sup>3</sup> Including internet sales, mail order, stalls and markets, door-to-door and telephone sales.

<sup>4</sup> This is particularly the case with food shopping and speciality comparison goods purchases, where retailers often try to tap into a wider market through an online presence.



Morrisons' share of 9.1%.<sup>5</sup>

- 2.20 Mintel<sup>6</sup> finds that the decline of the food superstore is well established and that this can be attributed to two matters.
- 2.21 Firstly, people are undertaking food shopping in different ways. More people are living in town and city centres, and are generally purchasing their own home at a later age than was previously the case.<sup>7</sup> Mintel indicates that such people are more likely to undertake food shopping on an 'as needs' basis and are more likely to eat out or use takeaways. As such, they are less likely to have need to undertake a weekly 'main food shop'.
- 2.22 Secondly, the current uncertainty in the economy has made discount foodstore operators (namely Aldi and Lidl) a more attractive proposition, and many such foodstores are thriving given that shoppers are currently having to be 'money savvy'. Discounters have also made efforts to try to compete more directly with the 'big four' supermarket operators, with larger stores, greater ranges of goods, fresh foods, and premium products becoming increasingly prevalent. It is evident that the likes of Aldi and Lidl are no longer 'hard discounters' in quite the same way they once were, as they now fulfil a wider range of customers' needs by offering a greater range of products. The move towards the middle ground has allowed discounters to secure market share from both superstores and smaller convenience stores. In addition, we note that discount retailers are often happy to trade alongside more upmarket convenience goods retailers (such as M&S Foodhall) as, collectively, the two stores can meet a comprehensive range of grocery shopping needs.
- 2.23 The shifts in the sector are illustrated with reference to changes in retailers' market share in recent years, as shown in Table 2.3.

**Table 2.3: Market Share of Convenience Goods Operators**

Operator	December 2016	December 2017	December 2018	December 2019	December 2020	December 2021	December 2022
Tesco	28.4%	28.1%	27.8%	27.4%	27.3%	27.9%	27.5%
Sainsbury's	16.5%	16.5%	16.1%	16.0%	15.9%	15.7%	15.5%
Asda	15.3%	15.3%	15.2%	14.8%	14.3%	14.2%	14.0%
Morrisons	10.8%	10.8%	10.6%	10.3%	10.4%	10.1%	9.1%
Aldi	6.2%	6.8%	7.4%	7.8%	7.4%	7.7%	9.1%
Co-op	6.3%	5.8%	5.9%	6.1%	6.0%	5.8%	5.6%
Lidl	4.6%	5.0%	5.3%	5.9%	6.1%	6.3%	7.2%
Waitrose	5.1%	5.2%	5.0%	5.0%	5.0%	5.1%	4.7%
Iceland	2.2%	2.2%	2.2%	2.3%	2.5%	2.4%	2.5%
Symbols & Independent	1.8%	1.7%	1.5%	1.6%	1.7%	1.6%	1.4%
Other Outlets	1.7%	1.6%	1.7%	1.6%	1.8%	1.8%	1.8%
Ocado	1.1%	1.1%	1.2%	1.3%	1.6%	1.7%	1.7%

Source: KANTAR Grocery Market Share. Figures shown are for the final reporting period in each calendar year

- 2.24 The past few years has seen the closure of a number of unprofitable grocery stores (from small convenience stores to large superstores) and the continuation of Aldi and Lidl's expansion programme. Aldi announced in September

<sup>5</sup> Article headlined 'Big four no more': where now for UK grocers as Aldi overtakes Morrisons?', The Guardian, September 2022.

<sup>6</sup> 'UK Retail Rankings', Mintel, April 2018.

<sup>7</sup> Article headlined 'Average UK first-time buyer is now older than 30, says Halifax', The Guardian, January 2022.

2023 that it intends to open another 500 stores in the coming years.<sup>8</sup> Lidl intends to open a further 250 stores across the UK.<sup>9</sup> Whilst the traditional 'big four' remain more cautious in respect of new openings, a limited number of proposals for mid-sized foodstores are currently being promoted by these operators in areas where there is a growing population or an obvious shortfall in existing provision. These stores are often of a scale that is broadly comparable to that provided by Aldi and Lidl, which allows customers to shop in a convenient and efficient manner.

## Comparison Goods

- 2.25 The comparison goods sector is currently being squeezed by a number of factors, including increasing operator costs and a reduction in discretionary spending as a result of increases in the cost of living.
- 2.26 Whilst the sector is continually evolving and there are a number of retailers performing well (including JD Sports, Next, Primark, and Zara), recent headlines have focused on failing retailers and store closures. High profile retailers that have struggled include Debenhams, which announced the closure of all 124 stores in December 2020<sup>10</sup>, and the Arcadia Group, which owned Topshop, Topman and Dorothy Perkins. Arcadia Group announced the closure of around 500 stores in February 2021.<sup>11</sup> Furthermore, Intu Properties, one of Britain's biggest shopping centre owners, fell into administration in June 2020 after failing to secure an agreement with its creditors.<sup>12</sup> More recently, Wilko entered into administration in August 2023 and ceased trading shortly after.
- 2.27 Whilst the loss of some of the above names will have significant repercussions for certain towns (particularly those that have lost one or more of Debenhams, Marks & Spencer, or House of Fraser from their high street), some well-known retailers have failed to 'move with the times' and update their offer, accommodation, and online presence. This is partly a consequence of retailers struggling to reinvest in their business when margins are tight (or non-existent).
- 2.28 Many operators have also rationalised their portfolio with the aim of serving the UK by concentrating on larger centres, supplemented by a strong online presence. It will be interesting to see whether any permanent change in respect of working from home may act to counterbalance this 'polarisation' trend, given the prospect of fewer commuters travelling to larger centres and greater numbers of people spending the working day in and around their home. The impact on larger centres may be to reduce footfall, particularly within the week, and result in the shift in expenditure being directed to the smaller town, district, and local centres. Whilst this will be a positive for the smaller centres, larger centres may suffer as a result.
- 2.29 Whilst structural changes have had a material impact on the vitality and viability of many UK high streets, there are some beneficiaries. Notwithstanding Wilko's recent problems, some 'discount variety' operators – such as B&M Bargains and Poundland – have taken advantage of lower rents and reoccupied a number of medium to large retail units. However, as evidenced by recent events, the discount variety market may be approaching capacity.

## Leisure and Food & Drink

- 2.30 The greater availability of high street units appears to have helped stoke an entrepreneurial spirit in recent years, with a number of centres beginning to benefit from a greater focus on independent retailers and also modern

<sup>8</sup> Article headlined 'Aldi claims it is increasingly shoppers' main supermarket for weekly shop', The Guardian, 8 September 2023.

<sup>9</sup> As set out in the press release headlined 'Lidl continues to search to secure sites for new stores', 24 April 2023 (<https://corporate.lidl.co.uk/media-centre/pressreleases/2023/lidl-continues-search-to-secure-sites-for-new-stores>).

<sup>10</sup> Article headlined 'Debenhams set to close putting 12,000 jobs at risk', BBC, 1 December 2020.

<sup>11</sup> Article headlined 'After Topshop owner Arcadia's demise, what now for UK clothes shopping?' The Guardian, 13 February 2021.

<sup>12</sup> Article headlined 'Shopping centre owner Intu collapses into administration', The Guardian, 26 June 2020.

markets, which are frequently focused around food and drink operators.

- 2.31 More generally, the food and drink sector was buoyed pre-pandemic by the success of mid-market national multiples, which expanded quickly across the UK. However, this market has become saturated in many locations and a number of high profile operators have been in financial difficulty. Given the problems suffered by such operators, the market has become more cautious and mid-market operators are picking new sites carefully as a result. Instead, we have seen a number of independent operators flourish, both before and throughout the pandemic, and a desire for customers to choose local operators over larger regional and national brands.
- 2.32 A further significant recent high street success story has been the resurgence of the town centre leisure sector, which has resulted in new cinemas being developed close to the shopping core and the emergence of ‘competitive socialising’ concepts, which include bowling, crazy golf, table tennis, darts, axe-throwing, escape rooms and other seemingly niche pursuits.
- 2.33 Cinema openings have been on the up in the early part of this century (until the Covid-19 pandemic) and ‘boutique’ cinema operators – including Curzon, Everyman, and The Light – are able to operate from smaller sites in town centres (partly as a consequence of digital technology). Town centre cinema development has successfully underpinned wider mixed-use developments, as food and drink operators are typically keen to locate in close proximity to benefit from spin-off custom. New, innovative leisure operators have been particularly beneficial both in re-using existing difficult to let premises, and in driving the evening economy.
- 2.34 More generally, the gym market continues to perform well, with there now being around 7,200 health and fitness clubs across the UK, which are estimated to have a total turnover of approximately £2bn.<sup>13</sup> Around one in every seven Britons has a gym membership. Budget gyms are currently particularly popular, with operators such as Pure Gym, the Gym Group, and easyGym utilising a format that is based on low costs and high volume.

## The Night-Time Economy

- 2.35 The term night-time economy is used to describe a wide range of activities that (typically) take place after 5 pm. This could range from a trip to the theatre or cinema, to a family meal, to a night out at a club. A successful night-time economy generally caters for a wide range of demographics and interests.
- 2.36 Creating a safe, vibrant and well-balanced evening and night-time offer is a challenge that can dramatically improve the overall health of a town centre and boost the economy.
- 2.37 The Association of Town and City Management (‘ATCM’) has identified a number of themes to help improve the attraction and operation of the night-time economy, which are summarised as follows:
- **Alive After Five** – This relates to revisions to trading hours to better suit customers’ shopping needs and availability. A Retail Trading Hours Study commissioned by ATCM found that sales between 5 pm and 8 pm are typically 50% greater than those between 9 am and 11am. Revising trading hours to open and close later could increase sales by around 10% to 12%.
  - **Late Night Transport** – The lack of frequent, efficient and safe public transport late at night, or at least the perception of this being the case, could be having a detrimental effect on night-time economy and social scene. One way of increasing night-time visitor numbers is to promote late-night travel provision and its publicity.

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<sup>13</sup> ‘Number of health clubs in Europe in 2020, by country’ dataset, Statista, 27 October 2022.

- **Purple Flag** – This is an accreditation scheme which recognises excellence in the management of town and city centres at night. Obtaining Purple Flag accreditation demonstrates that a town’s night-time economy offers clean and safe environments, great bars and clubs, a variety of arts and cultural attractions, and excellent transport links.
- **Evening Economy Ambassadors** – The ambassadors improve the evening and night-time experience in a town centre by liaising between visitors, police, door staff, licensees, and transport operators.
- **Light Night** – This is an initiative where town or city centres stays open after dark for people to enjoy local shops and services within a wider cultural event involving music, art and, most importantly, through the lighting up of buildings and light-based art installations.

2.38 The above list is not exhaustive, and the development of a bespoke evening economy strategy can help prioritise and deliver events and initiatives which draw on a town centre’s strengths and address weaknesses.

### Planning Reform on the High Street

- 2.39 One of the most impactful planning reforms in recent times has been the consolidation of a number of separate Use Classes under a single Class E ‘Commercial, Business and Service’ use. This update to the Town and Country Planning (Use Classes) Order 1987 (the ‘UCO’) came into effect in September 2020. The new Use Class combines shops, restaurants, offices, gyms and nurseries (amongst other uses) such that planning permission is no longer required to switch uses.
- 2.40 Furthermore, in March 2021, an update was made to the General Permitted Development) (England) Order 2015. This allows for the change of use from Class E properties to residential from August 2021 (extending a right that had previously been restricted to office uses). This permitted development right is subject to maximum size requirements, the property having been in use as Class E for two years and having been vacant for three months. An application to the determining authority for ‘prior approval’ is also required for limited consideration of impacts relating to transport, contamination, flood risk, noise, light, and neighbourhood amenity. Further limitations apply in Conservation Areas and for nurseries, as well as in areas covered by ‘Article 4 directions’ where permitted development rights are extinguished.
- 2.41 On 20 July 2021, paragraph 53 of a new iteration of the National Planning Policy Framework (‘NPPF’) set out limitations on the use of Article 4 directions. The revised national policy seeks to qualify the areas in which it is justified to introduce Article 4 directions, limiting local authorities’ ability to control development.
- 2.42 The changes in the application of Article 4 directions were first put forward in the January 2021 consultation for draft revisions to the NPPF. However, the actual policy provision differs from the initial consultation in a couple of key areas. Paragraph 53 of the NPPF recognises that the loss of the ‘essential core of a primary shopping area’ could result in wholly unacceptable adverse impacts on an area’s vitality and viability. This is the Government’s first acknowledgement of the potential for the permitted development rights to undermine the health of centres in the NPPF. The updated text also introduces a requirement for ‘robust evidence’ to support the removal of development rights.
- 2.43 This can be seen as generally good news for local authorities concerned about the erosion of retail and service uses, and the need to protect vulnerable centres from potentially poor quality residential development. Protection of the vitality and viability of a high street or town centre against the adverse impacts of change of use is now established as justification for issuing an Article 4 direction.

- 2.44 In addition to the above, the Levelling Up and Regeneration Act received Royal Assent on 26 October 2023. The Act seeks to provide for a more streamlined, focussed plan-making process so that local plans and minerals and waste plans can be produced, examined and adopted more quickly, and updated more often.
- 2.45 Of particular relevance to town centres is the Act's intention to confer on local authorities the power to hold rental auctions for vacant commercial premises located on high streets and in defined town centres (the High Street Rental Auction Process).
- 2.46 Further detail in respect of the process is provided by High Street Rentals consultation document which was published in March 2023. Paragraph 8 of the consultation document confirms that:

**'As part of the Levelling Up and Regeneration Bill, introduced to Parliament on 11 May 2022, the government is introducing High Street Rental Auctions, a new power for local authorities to require landlords to rent out persistently vacant commercial properties to new tenants, such as local businesses or community groups.'**

- 2.47 Paragraphs 9 and 10 then go on to provide further clarification as to how the process will work in practice. These paragraphs state that:

**'High Street Rental Auctions will be a permissive power for local authorities which aim to tackle the problem of persistently vacant property on high streets by empowering places to bring vacant units back into use. As an addition to a range of tools local authorities might use when attempting to regenerate an area; they will seek to increase cooperation between landlords and local authorities, and to make town centre tenancies more accessible and affordable for tenants, including small businesses and community groups.'**

**High Street Rental Auctions will allow local authorities to auction the rental rights of commercial high street property that has been vacant for longer than 12 months in a 24-month period. Successful bidders will enter into an agreement for lease with the landlord upon completion of the auction, and then a lease of between one to five years following completion of any pre-tenancy works.'**

- 2.48 The objective is to reduce the number of vacant premises and ensure that short to medium-term meanwhile uses can help drive footfall on the high street.
- 2.49 As with most sections of the new Levelling Up and Regeneration Act pertaining to development management and plan-making, secondary legislation is required in respect of the new High Street Rental Auction Process and there is currently no appointed commencement date.

## Implications for the South Tyneside Authority Area

- 2.50 The above trends have a number of potential implications for retail and leisure provision within South Tyneside.
- 2.51 South Shields is the authority area's largest town centre and contains the greatest variety of shops, services, and facilities. Jarrow is more compact but still provides for more than 100 retail, leisure and service units, primarily comprising the Viking Centre shopping precinct and adjacent Morrisons superstore. The smallest town centre, Hebburn, is focussed around the Mountbatten Shopping Centre but anchored by its larger foodstores, especially Aldi, and the Hebburn Central leisure centre/library facility. The role of all three centres is shaped by the proximity of South Tyneside residents to Newcastle and Sunderland.
- 2.52 As we demonstrate in more detail later in this report, South Shields town centre is and will continue to be the principal comparison shopping destination across the Study Area. However, beyond South Shields, and to a lesser extent Jarrow town centre, the principal destinations within the Study Area include the Asda at Boldon Colliery and

the Asda at Coronation Street in South Shields. The dominance of large format convenience stores (which sell an element of comparison goods) perhaps indicates that other defined centres are lacking in comparison sales diversity.

- 2.53 In this regard, out of centre destinations will continue to have the potential to draw trade from the defined centres, and particularly those which provide for a more diverse comparison offer including selling clothing and footwear. As such, continuing to encourage comparison retailing into the defined centres and particularly the three town centres will be key to encouraging footfall and expenditure and policies which seek to protect the defined centres from out of centre development are fundamental to realising this.
- 2.54 Jarrow and especially Hebburn town centres benefit from strong day-to-day grocery offers, with their proportions of both convenience floorspace and convenience units exceeding national averages and with representation from national multiple retailers including Morrisons, Asda, Aldi, Iceland and Farmfoods. South Shields also benefits from a reasonably good variety of convenience operators, albeit that the provision is moderately below UK averages in respect of floorspace and proportion of units. The largest in-centre foodstores are the Asda at Coronation Street and the Morrisons on Ocean Road, with the location of the latter especially supporting linked trips. There are also Aldi and Iceland supermarkets on Chichester Road to the south of the defined centre.
- 2.55 In examining the performance of specific stores, it is evident the two Aldi foodstores across the authority area (the stores in South Shields and Hebburn) are performing exceptionally well, and that the performance of food superstores<sup>14</sup> is more variable.
- 2.56 The very strong performance of Aldi foodstores across the authority area (and to a lesser degree the Lidl foodstore on Boldon Lane in South Shields) suggests that the market could support more discount foodstore provision. In this regard, we note that both Aldi and Lidl have further requirements for new stores across South Tyneside as of Autumn 2023<sup>15</sup>, and therefore additional proposals for such development could come forward in the short term.
- 2.57 The moderate performance of some existing food superstores is not particularly surprising, given that across the country shoppers are frequently foregoing the previously dominant 'big four' foodstore operators in favour of discounters. As a consequence of this, we believe that it is highly unlikely that there will be any requirement in the foreseeable future for any further large food superstores in the area. This is consistent with the current strategy of the 'big four' who are currently very circumspect in terms of their appetite to bring forward additional large superstores.
- 2.58 In considering future proposals, it is important to recognise that this Study has not identified any quantitative need for additional convenience goods floorspace in the short term, and any additional proposed food supermarkets should be considered on their merits in accordance with relevant policy tests. Most particularly, planning applications which seek to provide additional food retail provision should be considered having regard to potential sequential alternative sites, and with reference to the magnitude of impacts arising at any defined centre. The potential qualitative benefits associated with any improvement in customer choice can also be afforded weight in the decision-making process.
- 2.59 Given changes in the retail sector, it will be important to consider whether there are any opportunities for South Tyneside's centres to provide a greater experiential offer to attract activity and encourage visitors to stay for

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<sup>14</sup> Defined as having a net sales area of more than 2,500 sq.m.

<sup>15</sup> <https://www.aldi.co.uk/corporate/property/required-towns/north-east-england-north-yorkshire-and-cumbria> and <https://www.realestate-lidl.co.uk/content/download/20998/file/Site%20Requirements%20Brochure%20Autumn%202023.pdf>, consulted on 6 November 2023.

longer periods. The independent and food and drink sectors are likely to be a particularly important in this regard. There may also be a benefit in actively managing centres to assist with their general maintenance and to help allow for greater differentiation between different centres' respective offers.

- 2.60 In this context, we note that South Tyneside's town centres generally suffer from an oversupply of vacant, small-scale units that were formerly in retail use. As a consequence, the mean unit vacancy rates across the three town centres (22.8%) is significantly above the national average of 13.9%, whereas the floorspace vacancy rate is in line with the wider UK (13.9% in South Shields compared to 13.7% nationwide).
- 2.61 There is a need for flexibility in planning for town centres, so they can adapt to future needs and accommodate a wider range of uses. This is particularly important following the Covid-19 pandemic to help sustain the recovery of high streets and to ensure that they meet local needs in a sustainable manner. In this regard, as we go on to explore in greater detail in this report, we recommend that the authorities ensure that policies are sufficiently flexible to allow for a wide range of town centre uses beyond retail, and that consideration is given to repurposing surplus stock to support new residential, leisure and community uses.



## 3. Planning Policy Context

- 3.1 In order to shape the direction of this Study, it is helpful to understand relevant retail and town centre planning policy at a national and local level. As such, we first summarise national planning policy of relevance before considering retail and town centre development plan policy as set out in the current development plan. We also consider changes to the Use Classes Order and the application of permitted development rights to town centre uses.

### Revised National Planning Policy Framework

- 3.2 The most recent iteration of the National Planning Policy Framework ('NPPF') was published in September 2023. The NPPF reflects the fact that the traditional role of town centres has been somewhat undermined by structural changes in the retail sector, and that there may be a need to plan for a more diverse range of uses going forward. As such, the NPPF advocates a more flexible policy framework to support the future vitality and viability of town centres.
- 3.3 NPPF policies are considered on a thematic basis below.

#### Plan-Making

- 3.4 Paragraph 20 of the NPPF indicates that development plans should set out an overall strategy for the pattern, scale and quality of development, including policies to deliver retail, leisure and other commercial development. Paragraph 31 states that the preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be proportionate and take into account relevant market signals.

#### Building a Strong, Competitive Economy

- 3.5 Paragraph 81 of the NPPF indicates that planning policies and decisions should help create the conditions in which businesses can invest, expand, and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.

#### Ensuring the Vitality of Town Centres

- 3.6 Paragraph 86 specifically relates to planning for town centres. It states that:

**'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.’

- 3.7 The requirement to plan to meet needs across a minimum ten-year period represents a change from the previous NPPF which required town centre needs to be met in full across the entire plan period.
- 3.8 In addition, it is notable that the NPPF Annex 2 Glossary fails to make any reference to the designation of primary and secondary frontages. Page 32 of the Government Response to the Draft Revised National Planning Policy Framework Consultation<sup>16</sup> indicates that, whilst the revised NPPF has removed the expectation in national planning policy that such frontages must be defined, this does not necessarily preclude authorities from doing so where their use can be justified. However, it is evident that the general intention is to provide for more flexibility through a less prescriptive approach to land use.
- 3.9 Paragraph 90 of the NPPF states that it is appropriate to identify thresholds for the scale of edge of centre and out of centre retail and leisure development that should be the subject of an impact assessment. Any such threshold policy applies only to the impact test. All planning applications for main town centre uses that are not in an existing centre and not in accordance with an up-to-date development plan will generally be the subject of the sequential test.

### Promoting Healthy and Safe Communities

- 3.10 Paragraph 93 seeks to support the social, recreational, and cultural facilities and services communities need. The guidance states that planning policies and decisions should:
- plan positively for the provision and use of shared spaced, community facilities (such as local shops, meeting places, sports venues, open space, cultural buildings, public houses, and places of worship), and other local services to enhance the sustainability of communities and residential environments;
  - take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community;
  - guard against the unnecessary loss of valued facilities and services, particularly where this would reduce the community’s ability to meet its day-to-day needs;
  - ensure that established shops, facilities, and services are able to develop and modernise, and are retained for the benefit of the community; and
  - ensure an integrated approach to considering the location of housing, economic uses and community facilities and services.

### Ensuring the Vitality of Town Centres Planning Practice Guidance

- 3.11 The Town Centres and Retail Planning Practice Guidance (‘the Town Centres PPG’) was published in July 2019 and thereafter updated in September 2020. It provides additional direction in respect of how retail and town centre planning policy should be applied in respect of plan-making and decision-taking. The Town Centres PPG affirms the Government’s aspiration to support town centres in order to generate employment, promote beneficial competition and create attractive, diverse places where people want to live, work and visit.
- 3.12 Paragraph 004 of the Town Centres PPG indicates that a local planning authority’s strategy for their town centres

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<sup>16</sup> Published July 2018.

should include:

- The realistic role, function and hierarchy of town centres over the plan period. Given the uncertainty in forecasting long-term retail trends and consumer behaviour, this assessment may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed.
- The vision for the future of each town centre, including the most appropriate mix of uses to enhance overall vitality and viability.
- The ability of the town centre to accommodate the scale of assessed need for main town centre uses, and associated need for expansion, consolidation, restructuring or to enable new development or the redevelopment of under-utilised space.
- How existing land can be used more effectively – for example, the scope to group particular uses such as retail, restaurant and leisure activities into hubs or for converting airspace above shops.
- Opportunities for improvements to the accessibility and wider quality of town centre locations, including improvements to transport links in and around town centres, and enhancement of the public realm.
- What complementary strategies are necessary or appropriate to enhance the town centre and help deliver the vision for its future, and how these can be planned and delivered. For example, this may include consideration of how parking charges and enforcement can be made proportionate.
- The role that different stakeholders can play in delivering the vision. If appropriate, it can help establish the level of cross-boundary/strategic working or information sharing required between both public and private sector groups.
- Appropriate policies to address environmental issues facing town centres, including opportunities to conserve and enhance the historic environment.

3.13 This Study seeks to provide a high-level authority-wide retail and leisure strategy, which will provide an overall context to the determination of planning applications for such uses and will support the Council's future development plan policy. The Study will also help underpin future town centre-specific strategies or masterplans.

3.14 Paragraph 006 of the Town Centres PPG identifies a series of key indicators of relevance in assessing the health of a centre over time. The indicators allow the role, performance, and function of centres to be monitored and are considered in greater detail at Section 4 of this report (which specifically addresses the vitality and viability of South Tyneside's principal centres).

### Use Classes Order

3.15 Significant changes to the Use Classes Order have been enacted through the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020, which came into force on 1 September 2020.

3.16 The amendments include the revocation of Parts A and D, and the introduction of three new Use Classes, these being Classes E, F1 and F2. The Government's objective is that the changes will support the revival of the high street and allow for greater flexibility in changing uses within town centres without the need for planning permission.

3.17 In addition to the three new Use Classes, the changes also result in some changes in respect of uses classified as *sui generis*. In practical terms, the changes comprise:

- **Use Class E** – Commercial, business and service uses include: shops or retail; cafes or restaurants; financial services; professional services; any service appropriate to provide in a commercial, business or service

locality; indoor sports, recreation or fitness; medical or health services; crèche, day nursery or day centre; and, offices.

- **Use Class F1** – Learning and non-residential institutions include any non-residential use for the: provision of education; display of works of art; museum; public library or public reading room; public hall or exhibition hall; for or in connection with public worship or religious instruction; or, as a law court.
- **Use Class F2** – Local community uses include: a shop selling mostly essential goods, including food, no larger than 280 sq.m and where there is no other such facility within 1,000 metres radius of the shop’s location. A hall or meeting place for the local community, an area or place for outdoor sport or recreation and an indoor or outdoor swimming pool or skating rink.
- **Sui Generis** – Use within this Class now include a public house, wine bar or drinking establishment; a drinking establishment with expanded food provision; a hot food takeaway for the sale of hot food where consumption of that food is mostly undertaken off the premises; live music venue; cinema; concert hall; bingo hall; or, dance hall.

3.18 The introduction of Class E is significant and places a wide range of uses including retail, food, financial services, gyms, healthcare, nurseries, offices, and light industry into a single use class. Unless restrictive planning conditions extinguish the provisions of Class E, the ability to significant change the commercial use of premises without planning permission allows centres to evolve in a flexible manner.

3.19 However, the provisions of the Use Classes Order are not linked to any spatial considerations. As such, the expanded Use Class E applies equally to both town centres and out of centre locations, and there may be unintended consequences in providing for additional flexibility across Class E outside of town centres. Accordingly, it may be necessary for the Council to apply restrictive conditions to certain forms of development to restrict the authorised use to that which has been justified in the application submission. This will help ensure that unacceptable impacts do not arise from future Class E development.

### Town Centre Use Permitted Development Rights

3.20 An amendment was made to the General Permitted Development) (England) Order 2015 (the ‘GPDO’) in March 2021. This allows for the change of use from Class E properties to residential from August 2021 (extending a right that had previously been restricted to office uses). This permitted development right is subject to maximum size requirements, the property having been in use as Class E for two years, and the property having been vacant for three months. In addition to this, ‘prior approval’ for the change of use must be sought from the planning authority. Restrictions on this right apply in conservation areas and for nurseries and health centres, as well as in areas that are covered by an Article 4 direction.

### Levelling-up and Regeneration Act 2023

3.21 The Levelling-up and Regeneration Act 2023 (LURA) received Royal Assent on 26 October 2023. The Secretary of State for Levelling Up, Housing and Communities, Rt Hon Michael Gove MP, has stated that the new Act:

**‘...will deliver revitalised high streets and town centres. A faster and less bureaucratic planning system with developers held to account... Communities taking back control of their future with new powers to shape their local area. And our long-term levelling up missions enshrined in law.’**

3.22 Most of the provisions of the LURA that pertain to development management and plan-making have no appointed commencement date as yet, given the need for secondary legislation to enact these measures. Notwithstanding, the Act is expected to have a number of important implications for the future of town centres and high streets, including:

- **High Street Rental Auction Process:** Subject to forthcoming regulations to be made by the Secretary of State, the LURA grants local authorities the power to hold rental auctions in respect of ‘persistently vacant’ commercial premises located on high streets and in defined town centres. The process will require landlords to let these properties to new tenants such as local businesses or community groups. The objective of this measure is to reduce the number of vacant properties and ensure that short to medium-term meanwhile uses can help drive footfall on the high street.
- **Locally-led Urban Development Corporations:** The Act introduces a new power for a local authority, or two or more local authorities acting jointly, to propose to the Secretary of State that s/he designate an area of land as an urban development area and establish a development corporation to lead regeneration in that area. Oversight of these urban development areas and corporations will be the responsibility of the relevant local authority or authorities, rather than central government, with the details of how specific functions will be exercised to be set out in future Regulations by the Secretary of State. Locally-controlled development corporations have the potential to be a powerful tool for the transformation of struggling town centres, having wide-ranging planning and development management powers that can effect large-scale change.
- **Supplementary Plans:** Local planning authorities will be given the ability to prepare Supplementary Plans to address site-specific needs or opportunities which require a new planning framework to be prepared quickly (such as a new regeneration opportunity) or to set out design codes for a specific site or area. Unlike the older Supplementary Planning Documents (SPDs) which they replace, Supplementary Plans will have the weight of the development plan. The LURA allows for the Secretary of State to make Regulations in respect of the preparation, withdrawal or revision of Supplementary Plans. The possible benefits of Supplementary Plans include more speed and certainty for developers of major town centre regeneration projects, with key aspects, such as policies for design, being afforded the same weight as the development plan.
- **Amendments to Legislation on Compulsory Purchase Orders (CPOs):** The LURA amends the existing Town and Country Planning Act 1990 to clarify that local authorities may use their power to acquire land by CPO for the purposes of ‘regeneration’. It also modernises and streamlines the current CPO system by, for example, making explicit allowance for online publicity in the Acquisition of Land Act 1981, extending the period within which CPO powers can be exercised, and granting Inspectors the ability to choose the appropriate procedure to confirm a CPO. These amendments recognise the potential for CPOs to stimulate regeneration in town centres that suffer from concentrations of long-term vacancies within various land ownerships.
- **Changes relating to Pavement Licensing:** The LURA will make permanent the temporary changes to the pavement licensing system introduced by the Business and Planning Act 2020 in response to the Covid-19 pandemic. This will enable high street hospitality businesses to acquire fast-track pavement licenses permitting the placement of removeable furniture along adjacent highways to allow for food and drink to be sold and served outdoors year-round.

## Local Planning Policy Context

### Adopted Development Plan

3.23 The relevant statutory development plan for South Tyneside is the Local Development Framework, which comprises:

- Core Strategy and Key Diagram, adopted in June 2007;
- Development Management Policies, adopted in December 2011;

- Site-Specific Allocations and Proposals Map, adopted in April 2012;
- South Shields Town Centre & Waterfront Area Action Plan and Proposals Map, adopted in November 2008;
- Central Jarrow Area Action Plan and Proposals Map, adopted in September 2010; and
- Hebburn Town Centre Area Action Plan and Proposals Map, adopted in October 2008.

## Core Strategy

3.24 Core Strategy Policy ST1 sets out the overall 'Spatial Strategy for South Tyneside', which outlines how sustainable development will be delivered throughout the Borough. In particular, the Strategy supports development that reflects the scale and functions of the main towns of South Shields, Jarrow and Hebburn.

3.25 Policy SC1 'Creating Sustainable Urban Areas' lends further support to focussing and promoting development proposals within the built-up areas, where they:

- revitalise the Borough's town centres and other main shopping centres;
- maintain and improve the provision of accessible basic local services and community facilities, whilst focussing high trip-generating uses within the town centres; and
- restore links between the River Tyne and the town centres and residential areas within the Tyne riverside regeneration corridor.

3.26 With regard to proposals for 'main town centre uses', the key Core Strategy Policy is SC2 'Reviving our Town Centres and other Shopping Centres'. This directs proposals for retailing, as well as offices, commercial leisure, indoor sports, cultural, social and community facilities to the three town centres of South Shields, Jarrow and Hebburn, provided that they:

- protect and enhance the retail character and function of ground floor premises within the defined primary shopping areas and primary retail frontages;
- encourage retail growth and an appropriate mix of uses within the secondary shopping streets and through the re-use of upper floors; and
- encourage the controlled and well-managed growth, diversification and promotion of the evening economy, particularly in South Shields town centre.

3.27 The policy incorporates a commitment to allocate a maximum of 80,000 sq.m net of land within, or on the edge of, the town centres (in accordance with the hierarchy of centres) to promote a significant increase in the Borough's retail opportunities for consumer durable goods and bulky goods. Policy SC2 also commits to allocating a further 5,000 sq.m net of retail floorspace for convenience shopping provision across the Borough, including up to 4,000 sq.m in Hebburn town centre.

3.28 Developments within the designated district centres and other local neighbourhood centres is promoted and supported by Policy SC2, so long as they complement but do not adversely impact upon the regeneration of the three town centres. The policy seeks to consolidate retail and commercial premises in Frederick Street shopping centre into a more sustainable, compact and viable core and states that this will also be used in other shopping centres where necessary and appropriate.

3.29 Indoor sports and leisure facilities are promoted and supported by Policy SC2 as part of established out-of-centre leisure and recreation facilities and school-based community sports facilities, where they genuinely complement and enhance the range and quality of existing facilities and would not adversely impact on the vitality and viability of existing facilities in the town and other main shopping centres.

## Development Management Policies

3.30 The Council's Development Management Policies document sets out the general criteria against which all applications made under the planning Acts will be determined. The only development management policy which directly references the Borough's shopping centre hierarchy is DM3 'Hot Food Uses in Shopping Centres'. This policy states that planning applications for cafés, restaurants and hot food takeaways in established centres will be assessed with regard to their impact upon the vitality and viability of the centre and the centre hierarchy, residential amenity, highway safety and any existing crime and anti-social behaviour. The policy also incorporates mechanisms to avoid an over-concentration of hot food uses in the Borough's district centres.

## Site-Specific Allocations

3.31 Turning to the adopted Site-Specific Allocations, Policy SA1 'Mixed-Use Development Opportunities' promotes the development of key sites for a mix of uses where appropriate, including some 'main town centre uses' (as defined in the most recent NPPF of September 2023). These allocated sites include land within and on the edge of South Shields and Hebburn town centres.

3.32 Policy SA5 'Retailing Opportunities' encourages proposals that broaden the range of shopping facilities, to improve the vitality and viability of the Borough's district and other local neighbourhood shopping centres. It states that the Council will manage the future development of the district and local neighbourhood centres, whilst consolidating the pattern and distribution of shopping facilities across the Borough, by allocating sites for new retail-based developments to provide up to a maximum 500 sq.m net additional convenience shopping floorspace and 6,500 sq.m net additional comparison shopping floorspace (including up to a maximum 500 sq.m net additional bulky goods shopping floorspace), where appropriate as part of a mixed-use development scheme.

3.33 Specific allocations and interventions for centres include a new local neighbourhood shopping centre within the Westoe Crown Village development, the consolidation of Frederick Street District Centre, and improvements to the Brighton Parade Neighbourhood Centre.

3.34 Proposals for retailing provision on other sites will only be permitted by Policy SA5 where they would not adversely impact on the vitality and viability of existing facilities and allocated sites within the designated town, district and local neighbourhood centres.

## South Shields Town Centre & Waterfront Area Action Plan

3.35 The Council's 'Strategic Vision for South Shields Town Centre and Waterfront' is set out in Policy SS1 of the relevant Area Action Plan (AAP). The spatial strategy for the area is as follows:

- a. strengthen, revive and promote the growth of South Shields town centre as the Borough's principal centre for shopping, entertainment and leisure, culture and administration, making it a popular and attractive market town;
- b. redevelop the riverside as a high quality new location for urban living, leisure, education and working, restoring the link between local communities and the river, and attracting highly skilled jobs; and
- c. enhance the natural and built environment, infrastructure, and range and quality of attractions along the foreshore, making it a destination of choice for visitors and tourists.

- 3.36 This strategy is supported by a number of policies including Policy SS2 ‘Mixed-Use Development Opportunities in South Shields’, which allocates sites within the designated town centre, riverside and foreshore ‘developed coast’ area for a mix of uses including retail and other main town centre uses.
- 3.37 Policy SS5 ‘Tourism and Culture in South Shields’ encourages a diverse range of cultural and tourism attractions. Notably, one of the priorities at the time of the adoption of the AAP in 2008 was the development of a high-quality public library for the town centre, an ambition that has since been realised through the opening of The Word facility at Market Place.
- 3.38 Similarly, Policy SS6 ‘Tourist and Visitor Accommodation in South Shields’ promotes a range of tourist and visitor accommodation in the South Shields town centre, riverside and waterfront areas.
- 3.39 With regard to ‘Retailing Opportunities in South Shields Town Centre’, Policy SS7 of the AAP for South Shields states that the town centre will be maintained and enhanced as the primary retail and commercial centre in South Tyneside. The Council will promote and encourage proposals that broaden the range of shopping opportunities and improve the vitality and viability of the town centre, maintain a sustainable retail environment, and improve its image as a high quality location to invest in.
- 3.40 The policy also sets out mechanisms to manage the growth of the town centre, whilst consolidating the pattern and distribution of shopping facilities. These measures include: concentrating retail development within the designated primary shopping area, especially the primary frontages; maintaining no less than 85% of properties in the primary frontages in and around King Street and Waterloo Square in retail shop use; enabling the amalgamation of retail units to facilitate larger, modern stores; encouraging the upgrading of property frontages and providing opportunities for a greater diversity of retail and non-retail uses in the secondary frontages of the primary shopping area; and allocating sites for new retail-based developments (to provide for a maximum of 500 sq.m net additional convenience shopping floorspace and 23,000 sq.m net additional comparison shopping floorspace).
- 3.41 Policy SS8 relates to the ‘Evening and Night-time Economy in South Shields’. It seeks to promote and manage the diversification of evening and night-time economy attractions that enhance the vitality of the town centre by supporting the extension of opening hours within the town centre later into the evenings; promoting a ‘street café culture’ and the provision of new restaurants, bars and other licensed premises; and supporting the establishment of licensed premises, as well as hot-food takeaways in the Ocean Road and Mile End Road area of the town centre.
- 3.42 Policy SS9 puts forward a number of sites that are considered appropriate for major new high quality commercial entertainment and leisure developments, in line with the policy goal of promoting and encouraging the provision and enhancement of a range of quality entertainment, commercial leisure and indoor sports facilities, and other social and community facilities.

#### Central Jarrow Area Action Plan

- 3.43 The Council’s ‘Strategic Vision for Central Jarrow is set out in Policy J1 of the relevant AAP, which states that the spatial strategy will restore pride and self-confidence to historic Jarrow by:
- a. re-establishing the town centre as the heart of community life and building its strength on an employment base with a sustainable core shopping area focused around the Viking Centre;



- b. making the best use of the cultural, tourism and regeneration opportunities arising from St. Paul's and its wider setting, together with Jarrow's industrial and cultural heritage, whilst supporting the development of the Port of Tyne as a key driver of the region's economy; and
- c. improving connections between the town centre and Metro/bus station with Jarrow Riverside Park, St. Paul's, and the surrounding residential communities.

3.44 The following policies in the Central Jarrow AAP, which support the overarching strategy, are of relevance to this Study:

- **Policy J2 'Mixed-Use Development Opportunities in Jarrow'**, which allocates key strategic regeneration sites for a mix of uses, including 'main town centre uses', within the designated town centre.
- **Policy J3 'Improving the Physical Accessibility of Jarrow'**, which aims to improve the accessibility of existing and proposed development sites within Jarrow town centre for all modes of transport, giving priority to sustainable travel.
- **Policy J5 'Tourism and Culture in Jarrow'**, which promotes and encourages a diverse range of cultural facilities and tourist attractions in Jarrow.
- **Policy J6 'Retailing Opportunities in Jarrow Town Centre'**, which states that Jarrow town centre will be maintained and enhanced as a popular shopping centre for the local community, with the Council encouraging proposals that broaden the range of shopping opportunities and improve the vitality and viability of the town centre, maintain a sustainable retail environment, and improve its image as a high quality location to invest in. The policy also explains that the pattern and distribution of shopping facilities will be consolidated by, amongst other things, concentrating retail development within the designated primary shopping area.
- **Policy J7 'Entertainment, Leisure and Community Facilities Opportunities in Jarrow'**, which supports the provision and enhancement of a range of quality entertainment, commercial leisure and indoor sports facilities, and other social and community facilities, within the Jarrow town centre area, with the policy listing key sites that are considered appropriate for new high quality community and leisure facilities.

#### Hebburn Town Centre Area Action Plan

3.45 The Council's 'Strategic Vision for Hebburn Town Centre' is set out in Policy H1 of the Hebburn Town Centre AAP. The policy states that the spatial strategy for the town centre is to:

- a. reinvigorate Hebburn as a popular and sustainable town, with a good quality and wellmanaged local shopping centre and first-class community facilities in an attractive environment;
- b. enhance Hebburn New Town as a popular and attractive location for sustainable urban living; and
- c. strengthen connections for all by sustainable modes of travel between the town centre, the separate civic facilities site at Campbell Park Road, surrounding local communities and the Tyne riverside.

3.46 Relevant policies in the AAP comprise:



- **Policy H2 ‘Mixed-Use Development Opportunities in Hebburn’**, which promotes the regeneration of Hebburn town centre through the development of key sites for a mix of uses, including ‘main town centre uses’, with one of these sites being the Hebburn shopping centre precincts and associated car parking and delivery areas.
- **Policy H3 ‘Improving the Physical Accessibility of Hebburn Town Centre’**, which aims to improve the accessibility of existing and proposed development sites within Hebburn town centre for all modes of travel, giving priority to sustainable travel.
- **Policy H5 ‘Retailing Opportunities in Hebburn Town Centre’**, which states that Hebburn town centre will be maintained and enhanced as a popular shopping centre for the local community, with the Council encouraging proposals that broaden the range of shopping opportunities and improve the vitality and viability of the town centre, create a sustainable retail environment, and improve its image as a high quality location to invest in. The policy also proposes to manage the growth of the town centre by, amongst other things, concentrating retail development within the primary shopping areas of the defined town centres.
- **Policy H6 ‘Social, Community and Leisure Opportunities in Hebburn’**, which promotes the provision and enhancement of a diverse range of social, community, sport, cultural and leisure facilities within the Hebburn town centre area to support the surrounding local community. The policy identifies specific opportunity sites with the potential to improve community provision in the town by attracting new community and leisure facilities within mixed-use redevelopment.

### Emerging Development Plan

3.47 For the purposes of this Study, the relevant part of the emerging development plan is the South Tyneside Local Plan, a draft of which was published in June 2022 to inform a ‘Regulation 18’ public consultation held between 20 June and 14 August 2022. The draft Regulation 18 Local Plan covered the period 2021 to 2039. It is understood that next version of the Plan (the Regulation 19 Publication Local Plan) will cover the period 2023 to 2040. The role and purpose of the new Local Plan will be to present strategic policies to deliver needs for the borough, setting out the opportunities for development and clear guidance on what will or will not be permitted where.

3.48 The Council’s latest Local Development Scheme indicates that the final publication draft of the Local Plan is expected by December 2023, with the ‘Regulation 19’ consultation on this version anticipated to take place between January and February 2024. Submission to the Secretary of State is then expected in Summer 2024, with the Examination in Public commencing in early 2025 and with the final Local Plan being adopted in Summer 2025. Thus, the policies in the current Draft Local Plan may be subject to change depending on the feedback from the public consultations and forthcoming Examination and the recommendations made in this Study.

3.49 The Draft Local Plan contains a number of objectives and policies relevant to the Borough’s town, district, local and neighbourhood centres. Part of the Draft Local Plan’s overall Spatial Vision states that by the end of the Plan period South Tyneside will be a place:

**‘where the Borough’s town centres are attractive and vibrant places and our district and local centres support sustainable communities. The relocation of South Tyneside College to a flag-ship new town centre campus and new investment offers a range of services and activities including shops, businesses, homes, heritage, cultural and tourism facilities and enhanced public spaces which support the vitality of the area.’**

3.50 Similarly, Strategic Objective 9 of the Draft Local Plan is:

**‘To support the continued revitalisation of South Shields, Hebburn and Jarrow town centres and the viability and vitality of the Borough’s district and local centres.’**

3.51 Relevant policies in the Draft Local Plan include:

- **Policy SP2 ‘Strategy for Sustainable Development to meet identified needs’**, which seeks to enhance the vitality and viability of centres, where new retailing, leisure and other appropriate town centre uses will be prioritised according to the hierarchy of the three town centres, six district centres and five local centres.
- **Policy SP9 ‘South Shields Town Centre College Regeneration Site’**, which allocates a site in South Shields town centre for the relocation of the South Tyneside Campus of Tyne Coast College and the Marine School.
- **Policy SP12 ‘Hebburn New Town Housing-led Regeneration Site’**, which earmarks the area adjacent to the Mountbatten Shopping Centre and Hebburn Central for approximately 136 homes.
- **Policy SP13 ‘Regeneration Improvement Areas’**, which designates Regeneration Improvement Areas which include sites within and on the edge of South Shields town centre (including the Fowler Street Improvement Area shown in Map 14 in the Draft Local Plan).
- **Policy 25 ‘Leisure and Tourism’**, which aims to enhance South Tyneside’s diverse range of leisure and tourism attractions by, amongst other things, supporting the role of the town centres as the principal location for built entertainment and leisure facilities.
- **Policy SP20 ‘The Hierarchy of Centres’**, which sets out the hierarchy of centres which will provide the key locations for town centre investment and will be used as part of the sequential test for proposed town centre uses, with this hierarchy comprising the three town centres, six district centres and four local centres.
- **Policy 26 ‘Ensuring Vitality and Viability in Town, District and Local Centres’**, which states that vitality and viability will be maintained within the town, district and local centres by: promoting main town centre uses; supporting proposals for nonmain town centre uses where it is demonstrated that they will maintain or enhance the vitality and viability of the centre; supporting proposals for upper floor residential development (Use Class C) and other main town centre uses; encouraging proposals by local independent businesses for retail and other main town centre uses; and ensuring that where there is a risk to the continued operation of existing businesses or community facilities, appropriate mitigation is secured.
- **Policy 27 ‘Prioritising Centres Sequentially’**, which requires a sequential assessment for development proposals for town centre uses that are not located within a defined centre.
- **Policy 28 ‘Impact Assessment’**, which requires an impact assessment, as set out in the NPPF, for retail development in edge or out of centre locations where the development exceeds the specified thresholds (all of which are below the 2,500 sq.m gross default threshold outlined in the NPPF).
- **Policy 29 ‘Local Neighbourhood Hubs’**, which confirms that development for shops, services and community facilities within local neighbourhood hubs will be supported where it can be demonstrated that the development is of a small-scale that is appropriate to fulfilling a purely local role, subject to the criteria listed in the policy.

- **Policy 30 ‘South Shields Market’**, which makes it clear that South Shields market will continue to be supported and that, where possible, the Council will support proposals for specialist fairs and a diversification of the market that enhance the wider vitality and viability of the Town Centre.
- **Policy 31 ‘Evening and Night-time Economy in South Shields Town Centre’**, which seeks to promote and manage the diversification of evening and night-time economy attractions that enhance the vitality of South Shields town centre by: encouraging evening and night-time uses within the town centre; having regard to the potential cumulative impact of evening and night-time uses; directing development for uses that operate principally outside daytime hours away from the primary shopping areas; and supporting the extension of the opening hours of retail units within the town centre later into the evenings.

3.52 We return to the above matters elsewhere in this report, most particularly within the concluding Section 9.

## 4. Healthcheck Assessments and Land Use

### Introduction

4.1 Paragraph 86 of the NPPF indicates that planning policies should promote the long-term vitality and viability of town centres by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries. The same paragraph also states that town centres should accommodate a suitable mix of uses (including housing) and provide for development that reflects a centre’s distinctive character.

4.2 Paragraph 006 of the Town Centres PPG identifies a range of indicators that should be assessed over time in reviewing the health of a town centre. The indicators include the following:

- diversity of uses;
- proportion of vacant street level property;
- retailer representation and intentions to change representation;
- pedestrian flows;
- accessibility;
- perceptions of safety and occurrence of crime;
- the state of town centre environmental quality;
- the balance between independent and national multiple retailers; and
- the extent to which there is an evening and night-time economy offer.

4.3 New healthcheck assessments have been undertaken for the town centres of South Shields, Jarrow and Hebburn, and for the district centres of Boldon Colliery, Boldon Lane, Dean Road, Frederick Street, Harton Nook and Westoe Bridges. The detailed healthcheck assessments are provided at Appendix 3 and we provide a summary of the key conclusions below.

4.4 The assessments are based on site visits which were undertaken in September 2023. These assessments should be taken as a ‘snapshot’ of the performance of each centre at a moment in time.

### South Tyneside’s Town Centres

4.5 The composition of each of the three town centres in South Tyneside is set out at Table 4.1 below. As the table highlights, the prevailing vacancy rates (in respect of units) in these centres is substantially higher than the UK national average vacancy rate of 13.9%.

**Table 4.1: South Tyneside’s Principal Centres Unit Composition at September 2023**

	Total Units	Comparison	Convenience	Financial	Leisure	Retail Service	Vacant
South Shields	100.0%	19.4%	7.0%	8.8%	31.5%	12.7%	20.7%
Jarrow	100.0%	18.5%	12.0%	8.3%	16.7%	16.7%	27.8%
Hebburn	100.0%	21.5%	12.3%	4.6%	16.9%	24.6%	20.0%
<b>National Average</b>	<b>100.0%</b>	<b>26.8%</b>	<b>9.3%</b>	<b>8.7%</b>	<b>25.3%</b>	<b>15.9%</b>	<b>13.9%</b>

Source: Composition of principal centres derived from Nexus Planning survey of September 2023; Experian Goad national averages at June 2023

4.6 We provide a summary of the vitality and viability of South Tyneside’s centres below.

## South Shields Town Centre

4.7 South Shields is the principal retail and leisure destination within South Tyneside, being the largest of the Borough's three defined town centres. Overall there are 387 units located within the centre as defined by Experian/Goad, accounting for 104,090 sq.m gross of commercial floorspace.

**Table 4.2: Composition of South Shields Town Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	34,010	32.7%	30.4%	75	19.4%	26.8%
Convenience	15,520	14.9%	15.7%	27	7.0%	9.3%
Financial Service	6,010	5.8%	6.5%	34	8.8%	8.7%
Leisure Service	26,620	25.6%	26.1%	122	31.5%	25.3%
Retail Service	6,790	6.5%	7.3%	49	12.7%	15.9%
Vacant	15,140	14.5%	13.7%	80	20.7%	13.9%
<b>Total</b>	<b>104,090</b>	<b>100.0%</b>	<b>100.0%</b>	<b>387</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning survey of September 2023; UK Average from Experian Goad report of June 2023

- 4.8 In keeping with its role as the principal shopping centre, South Shields is a focus for large-format national multiple retailers, especially in the comparison sector. The size of the town centre allows for a wide degree of consumer choice and there is representation at the discount or value end of the market and from higher order comparison goods retailers. It also benefits from a variety of convenience operators with a reasonably good day-to-day offer that meets the needs of local residents.
- 4.9 Another strength of the town centre is the food and drink leisure offer, centred around Ocean Road, which capitalises on the visitor/tourist trade driven by South Shields' seaside location. These uses contribute to an evening economy which brings activity to this part of the centre until late into the night.
- 4.10 Over the past decade, South Shields has enjoyed significant public and private investment resulting in the new Transport Interchange; The Word cultural, education and library facility; and public realm improvements including the remodelled Market Place. As a consequence, the area is accessible and the pedestrianised part of King Street provides a particularly attractive shopping environment with high footfall. The current ongoing regeneration initiatives, including the relocation of South Tyneside College, are anticipated to build on these successes and provide a new focal point for the town centre which will bring new trips, activity, footfall and spend.
- 4.11 Key challenges for South Shields include:
- The high proportion of empty units compared to the national average, resulting from an oversupply in small-scale retail premises. Demolition works associated with the Council's ongoing regeneration project will enable some of the former commercial sites to be used for new housing to support the town centre, but it will be important to repurpose the remaining vacant floorspace so that it is reoccupied in the future.
  - The western part of King Street and the secondary frontages in the south of the town centre have few late-opening leisure operators. These areas would therefore benefit from the introduction of additional evening leisure uses, particularly food and drink outlets, to capitalise on the success of Ocean Road and ensure that all parts of the town centre feel vital and safe after daylight hours.

- There are opportunities to substantially improve the environmental quality of Fowler Street/Westoe Road in the southern part of the centre, which is adversely impacted by clusters of shuttered units, graffiti and poor maintenance. The South Shields Masterplan & Vision Document (July 2023) states that there is potential for improved public realm and cycle/pedestrian links in this area.

## Jarrow Town Centre

4.12 Jarrow is the second largest of the Borough’s three town centres, providing for 108 retail, leisure and service units amounting to 25,850 sq.m gross. The focal point of the town centre is the Viking Centre, a 1960s-style shopping precinct that provides for a number of national multiple retailers in the comparison and convenience sectors.

**Table 4.3: Composition of Jarrow Town Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	7,840	30.3%	30.4%	20	18.5%	26.8%
Convenience	7,670	29.7%	15.7%	13	12.0%	9.3%
Financial Service	1,520	5.9%	6.5%	9	8.3%	8.7%
Leisure Service	3,750	14.5%	26.1%	18	16.7%	25.3%
Retail Service	1,690	6.5%	7.3%	18	16.7%	15.9%
Vacant	3,380	13.1%	13.7%	30	27.8%	13.9%
<b>Total</b>	<b>25,850</b>	<b>100.0%</b>	<b>100.0%</b>	<b>108</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning survey of September 2023; UK Average from Experian Goad report of June 2023

- 4.13 Jarrow performs well in fulfilling the retail needs of local residents. The centre contains a number of national multiples comparison operators including Boots, New Look and Peacocks, which are concentrated within the Viking Centre. The adjacent Morrisons superstore also acts as an important anchor for the centre, with this foodstore complemented by a range of smaller ‘high street’ convenience operators catering to a more localised catchment. Jarrow Focus in an important leisure development which provides for gym, sports hall, fitness classes, theatre and library facilities which attract footfall and boost the town’s overall leisure offer.
- 4.14 The town centre benefits from its accessibility by public transport facilitated by the nearby bus and metro stations, which connect it to locations around South Shields and Newcastle. Its linear layout and compact nature make it easily navigable for visitors travelling on foot, and the shopping environment is well-maintained and generally pleasant, especially in the pedestrianised part of the Viking Centre.
- 4.15 Key challenges for Jarrow town centre are as follows:
- The unit vacancy rate is double the national average, with the oversupply of vacant former retail space being concentrated in the small-scale premises associated with the Viking Centre. The recent purchase of the shopping centre by Evolve Estates represents an opportunity for the reconfiguration and repurposing of these units, as well as demonstrating that the town centre continues to inspire investor confidence, even in light of the challenges currently facing retailers nationwide.
  - The clusters of inactive street frontages arising from the high vacancy rate and shuttered takeaways, especially on Grange Road, detract somewhat from the environmental quality of parts of the centre.
  - The evening economy could be further developed through the introduction of a more diverse range of late-opening uses, especially restaurants, and/or the creation of a focal point to encourage food and drink

operators to be mutually reinforcing. This could be a beneficial way to repurpose some of the town’s vacant former retail floorspace.

### Hebburn Town Centre

4.16 With 65 units amounting to 10,270 sq.m of commercial floorspace, Hebburn is the smallest town centre in South Tyneside. The Mountbatten Shopping Centre is a 1960s retail precinct which forms the heart of the town centre, with additional commercial frontages located on Station Road and Victoria Road. The modern Hebburn Central development and Aldi supermarket attract high levels of footfall to the north of the centre.

**Table 4.4: Composition of Hebburn Town Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	1,220	11.9%	30.4%	14	21.5%	26.8%
Convenience	3,790	36.9%	15.7%	8	12.3%	9.3%
Financial Service	330	3.2%	6.5%	3	4.6%	8.7%
Leisure Service	2,140	20.8%	26.1%	11	16.9%	25.3%
Retail Service	1,350	13.1%	7.3%	16	24.6%	15.9%
Vacant	1,440	14.0%	13.7%	13	20.0%	13.9%
<b>Total</b>	<b>10,270</b>	<b>100.0%</b>	<b>100.0%</b>	<b>65</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning survey of September 2023; UK Average from Experian Goad report of June 2023

4.17 Convenience retail dominates Hebburn, with the town centre’s proportion of food retail floorspace being well over double the national average. The Aldi foodstore is an important anchor for the centre, drawing trade from a fairly wide residential catchment. This is supplemented by additional mid-sized stores operated by national multiple grocery retailers including Asda, Heron Foods and Farmfoods, together with a range of smaller convenience retailers offering a very good level of choice for a centre of this size. It is clear that Hebburn functions as a convenience shopping destination that plays an important role in providing for the daily needs of local residents.

4.18 Retail services provision in the centre is also strong, exceeding the relevant national averages and supporting its role in meeting the day-to-day needs of a localised catchment. The centre is easily accessible by a variety of sustainable transport modes, and benefits from high levels of pedestrian footfall especially in the northern part.

4.19 In recent years, Hebburn has been positively impacted by regeneration initiatives led by the Council and supported by significant private-sector investment. Another major anchor is Hebburn Central, which opened in 2015 provides gym, fitness class, swimming pool and library facilities which significantly boost the town’s leisure provision. This development and nearby public realm improvements have had a catalytic effect on the centre, encouraging new private-sector investment, footfall and activity.

4.20 Key challenges faced by Hebburn include:

- Although its percentage of vacant floorspace is roughly in line with the national average, the town centre has a much higher proportion of unoccupied units than a typical centre in the UK. These units are generally small in scale and concentrated within the Mountbatten Shopping Centre.
- Hebburn’s late-opening operators are lacking in diversity and number, with the centre having no restaurants and few national multiples. There is an opportunity to develop the evening economy in Hebburn through the potential introduction of new leisure uses. Given that the Mountbatten Shopping Centre is currently for sale,

there is a real prospect of future private-sector investment in the reconfiguration and repurposing of its vacant floorspace for food and drink purposes, which would help to strengthen the overall vitality and viability of Hebburn.

## District Centres

4.21 The composition of each of the district centres in South Tyneside is provided in Table 4.5 below. Four of the six district centres have a unit vacancy rate lower than the UK average of 13.9%, as identified by Experian Goad in June 2023, these being Boldon Lane, Dean Road, Frederick Street and Harton Nook (with the latter having no recorded vacancies).

**Table 4.5: South Tyneside’s District Centres Unit Composition at September 2023**

	Total Units	Comparison	Convenience	Financial	Leisure	Retail Service	Vacant
Boldon Colliery	100.0%	9.5%	14.3%	4.8%	23.8%	28.6%	19.0%
Boldon Lane	100.0%	32.4%	5.9%	0.0%	38.2%	17.6%	5.9%
Dean Road	100.0%	15.1%	9.4%	5.7%	26.4%	34.0%	9.4%
Frederick Street	100.0%	24.6%	19.7%	1.6%	24.6%	18.0%	11.5%
Harton Nook	100.0%	27.8%	17.7%	6.3%	24.1%	24.1%	0.0%
Westoe Bridges	100.0%	20.0%	16.0%	8.0%	12.0%	28.0%	16.0%
<b>National Average</b>	<b>100.0%</b>	<b>26.8%</b>	<b>9.3%</b>	<b>8.7%</b>	<b>25.3%</b>	<b>15.9%</b>	<b>13.9%</b>

Source: Composition of principal centres derived from Nexus Planning surveys of September 2023; Experian Goad national averages at June 2023

## Boldon Colliery

4.22 Boldon Colliery has the fewest retail and service units (21) of any of South Tyneside’s defined district centres. However, it is the largest district centre in terms of floorspace, having 15,275 sq.m gross of commercial space. The vast majority of this floorspace (85%) is attributable to the Asda superstore, which is by far the largest supermarket in the Borough and draws trade, particularly main food shopping trips, from across the Study Area. The remainder of the district centre is linear in nature, comprising small-scale units along North Road/East View.

**Table 4.6: Composition of Boldon Colliery District Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	120	0.8%	30.4%	2	9.5%	26.8%
Convenience	13,545	88.7%	15.7%	3	14.3%	9.3%
Financial Service	84	0.6%	6.5%	1	4.8%	8.7%
Leisure Service	716	4.7%	26.1%	5	23.8%	25.3%
Retail Service	504	3.3%	7.3%	6	28.6%	15.9%
Vacant	306	2.0%	13.7%	4	19.0%	13.9%
<b>Total</b>	<b>15,275</b>	<b>100.0%</b>	<b>100.0%</b>	<b>21</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning survey of September 2023; UK Average from Experian Goad report of June 2023

4.23 The district centre’s strengths include its well-maintained and graffiti-free shopfronts and its high degree of accessibility, including for people with mobility impairments. The Asda store attracts very high levels of car and foot traffic and is open 24 hours a day for most of the week, ensuring that there is almost always some activity in



Boldon Colliery. The centre also benefits from evening food and drink uses in the form of the Boldon British Legion Club and its two takeaways, which provide some active frontage onto North Road/East view after dark.

- 4.24 While the unit vacancy rate exceeds the UK average, this must be viewed in the context of the modest size of the district centre. If just one empty premises were to be filled then the rate would be comparable to the national average. The unoccupied premises all lie along East View, towards the south of the centre. Given their small size and the fact that they are generally well-maintained, they do not unduly impact on the overall street-scene.
- 4.25 Overall we conclude that Boldon Colliery is reasonably vital and viable, benefitting from the footfall and trade brought by the large Asda store which dominates the centre’s offer. This and the remaining units, which predominantly provide for independent retail service and leisure uses, ensure that the district centre is able to meet the majority of the daily needs of local residents.

### Boldon Lane

- 4.26 Boldon Lane is anchored by the busy Lidl supermarket in the west of the district centre, which supports linked trips with the smaller, primarily independent commercial operators in the remainder of the centre. The latter are arranged in a linear fashion along the eastern side of Boldon Lane and Stanhope Road.

**Table 4.7: Composition of Boldon Lane District Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	1,139	20.4%	30.4%	11	32.4%	26.8%
Convenience	2,413	43.2%	15.7%	2	5.9%	9.3%
Financial Service	0	0.0%	6.5%	0	0.0%	8.7%
Leisure Service	1,277	22.9%	26.1%	13	38.2%	25.3%
Retail Service	571	10.2%	7.3%	6	17.6%	15.9%
Vacant	184	3.3%	13.7%	2	5.9%	13.9%
<b>Total</b>	<b>5,585</b>	<b>100.0%</b>	<b>100.0%</b>	<b>34</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning survey of September 2023; UK Average from Experian Goad report of June 2023

- 4.27 Lidl dominates the centre’s food retail provision, with the only other convenience trader being a Dickson’s butchers. Lidl also sells a limited and rotating assortment of comparison goods, but the majority of the district centre’s comparison offer is independently operated. There is a very good variety of non-food shops for a centre of this size and role, including retailers of blinds, flowers, household products, pet supplies, second-hand goods. Boldon Lane also benefits from reasonably strong retail service and leisure offers, with the former including numerous non-multiple health and beauty outlets and with the latter primarily comprising takeaway operators.
- 4.28 A key strength of Boldon Lane district centre is its low vacancy rate, which is far below the corresponding UK averages both in terms of floorspace and proportion of units. The lack of empty premises is in large part due to the significant role of the Lidl store in attracting footfall, together with the accessibility of the centre to a substantial walk-in catchment which is set to be bolstered by the new 10-unit residential development to the immediate south of the defined boundary (planning permission reference ST/0580/16/FUL).
- 4.29 There are no financial and business service units within Boldon Lane, with this ‘gap’ in provision meaning that local residents have to travel to elsewhere in the Borough in order to visit a bank, estate agent, solicitor, etc. The centre could also benefit from measures to enhance its environmental quality, with a few of its shopfronts suffering from

poor maintenance and graffiti. Some of the takeaways are shuttered during daytime hours, and the eastern façade of Lidl creates a long stretch of ‘dead’ frontage along Boldon Lane. These factors could lead to a false perception that parts of the district centre are lacking in activity, despite the exceptionally low vacancy rates and good levels of foot traffic.

- 4.30 Nevertheless, we conclude that Boldon Lane performs reasonably well in its role as a district centre that meets the majority of the local community’s day-to-day retail and service needs.

### Dean Road

- 4.31 Dean Road district centre comprises clusters of commercial units within a primarily residential terrace. Chichester Metro Station lies within a short walk of the district centre, connecting it with South Shields town centre and Newcastle city centre. Both the convenience and comparison shopping provision at Dean Road reflects the proximity of the higher order retailers in South Shields, which lies to the north of the district centre within walking distance. Thus, the offer is generally fairly small in scale and predominantly independent, with the foodstores primarily catering for top-up shopping and with the non-food stores including specialist operators.

**Table 4.8: Composition of Dean Road District Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	1,114	24.7%	30.4%	8	15.1%	26.8%
Convenience	498	11.0%	15.7%	5	9.4%	9.3%
Financial Service	177	3.9%	6.5%	3	5.7%	8.7%
Leisure Service	996	22.1%	26.1%	14	26.4%	25.3%
Retail Service	1,418	31.4%	7.3%	18	34.0%	15.9%
Vacant	314	6.9%	13.7%	5	9.4%	13.9%
<b>Total</b>	<b>4,516</b>	<b>100.0%</b>	<b>100.0%</b>	<b>53</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning survey of September 2023; UK Average from Experian Goad report of June 2023

- 4.32 The centre’s largest foodstore is Morrisons Daily, which is complemented by some small convenience stores including Best-One. The non-food shopping offer, save for some national multiple charity shops, comprises a fairly diverse range of independent operators selling goods including carpets, clothes, computers, fishing tackle, flowers and second-hand goods. The leisure offer is entirely food and drink focussed and there are a number of quality non-multiple restaurants and cafes serving a variety of cuisines. Retail services are another strength of Dean Road district centre, primarily in the form of health and beauty operators.
- 4.33 Dean Road benefits from its accessibility by public transport and on foot from the surrounding residences. Its vacancy rates are below the national averages in relation to floorspace and proportion of units. Currently, the South Tyneside College and South Shields Marine School campus lies close to the district centre and helps to generate footfall, but is soon to be relocated to South Shields town centre. However, an undetermined full planning application in relation to the existing site at St George’s Avenue (reference ST/0676/23/FUL) proposes the construction of 260 residential units in place of the vacated educational buildings. If approved, the new homes will provide a substantial boost to Dean Road district centre through increased trips, activity, footfall and spend.
- 4.34 There are also opportunities to improve the public realm of the centre, which is generally appropriate for its form and function, but which suffers from the impacts of takeaway units that are shuttered during the day and from a lack of tree planting or other decoration.

4.35 Overall, however, we consider Dean Road district centre to be reasonably vital and viable. The centre is adequately performing its role as a small-scale retail, leisure and service centre that meets the day-to-day needs of a localised catchment, with the nearby South Shields town centre providing for higher order goods and larger-floorspace leisure uses.

### Frederick Street

4.36 Frederick Street district centre comprises a relatively constrained district centre located off Laygate roundabout on the Western Approach (A194) to South Shields. The centre comprises a total of 63 units or 8,074 sq.m of commercial floorspace.

4.37 The centre is ‘anchored’ by a Lidl foodstore to the north, with a terrace of commercial units fronting onto the district centre car park around New Green Street. To the south is Frederick Street, with terraces of commercial units lining and fronting onto the street either side. A number of units are under refurbishment, in particular nos. 27 to 31 which is currently being refurbished into residential uses.

4.38 Frederick Street benefits from a higher-than-average proportion of convenience floorspace and units, which corresponds with its position in the authority’s hierarchy and general offer. The Heron and Lidl foodstores, alongside the Ahmed’s International Foodstore (located to the east and outside of the currently defined boundary) and smaller convenience operators provide residents with a good convenience offer meeting both main and top-up food shopping. In terms of the comparison offer, this is below the national average in terms of both proportion of floorspace and units, although given the nature of the centre, this is not unexpected.

4.39 The vacancy rate is below average both in terms of numbers of units and proportion of floorspace. The largest of the vacant units is located to the north west of the centre fronting on to Laygate and Brunswick Street. The proportion of vacant units and floorspace has significantly decreased since the 2018 Study, principally focusing on a number of units to the south of the centre, which are no longer recorded as being vacant. The shift in vacancy rate is a good indicator that Frederick Street is vital and viable and that there is a demand for commercial floorspace within the centre. There have been wider opportunities throughout the centre to repurpose vacant units to create new residential units, which although is positive in terms of ensuring properties do not remain vacant for long periods of time, removes some active ground floor frontages.

**Table 4.9: Composition of Frederick Street District Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	1,234	15.3%	30.4%	14	22.2%	26.8%
Convenience	3,501	43.4%	15.7%	14	22.2%	9.3%
Financial Service	66	0.8%	6.5%	1	1.6%	8.7%
Leisure Service	1,358	16.8%	26.1%	14	22.2%	25.3%
Retail Service	1,105	13.7%	7.3%	12	19.0%	15.9%
Vacant	811	10.0%	13.7%	8	12.7%	13.9%
<b>Total</b>	<b>8,074</b>	<b>100.0%</b>	<b>100.0%</b>	<b>63</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning survey of September 2023; UK Average from Experian Goad report of June 2023

4.40 The centre benefits from relatively wide pedestrian footpaths, particularly on the western side of Frederick Street and the overarching environmental quality is good. However, there are some instances of opportunities for significant aesthetic enhancements to the shop frontages, which are exacerbated by the vacant units. The on

street car parking is also a detractor to the centre, particularly in considering the level of off-street dedicated car parking to the north and east.

- 4.41 Overall, we consider Frederick Street district centre to be in reasonable health, with a good offer to meet residents' day to day needs. There are opportunities to improve the aesthetics of the shop fronts, and we consider it prudent for the local authority to ensure that there is a general consideration over the proportion of residential units within the centre in the future, and in particular in the southern part of the centre.

### Harton Nook

- 4.42 Harton Nook is a long linear district centre radiating from the Sunderland Road/ Prince Edward Road roundabout junction. The centre is divided in half by the Prince Edward Road roundabout, and comprises terraces of commercial units to the north of the road.
- 4.43 Harton Nook is the best performing district centre within South Tyneside, as it was in 2018, with no identified vacant units or vacant floorspace. The location of the centre is considered to assist it in continuing its good performance in terms of its lack of vacant units, in light of the significant levels of passing trade and good available car parking.
- 4.44 The centre's offer is anchored by the Tesco Express to the west which includes an ATM, alongside a range of independent operators, and Sainsbury's Iceland, Greggs and Superdrug to the east. Although the proportion of comparison floorspace falls below the national average, the proportion of comparison units falls above the average, indicating a good overarching offer, particularly when compared to other district centres in the area. There is also a good leisure and retail service provision, with a range of operators present meeting residents' needs. The presence of key operators either end of the centre should encourage footfall to travel along what is otherwise a very linear centre. Further encouragement through wayfinding improvements may further encourage this.
- 4.45 Overall, we consider the environmental quality to be good, with attractive shop fronts, good pedestrian footpaths, available benches and bins and an overarching sense of safety.
- 4.46 We consider Harton Nook district centre to be a vital and viable district centre, meeting the needs of its catchment and providing a good overall commercial offer to meet residents' day to day needs.

**Table 4.10: Composition of Harton Nook District Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	2,147	20.2%	30.4%	22	27.8%	26.8%
Convenience	3,333	31.4%	15.7%	14	17.7%	9.3%
Financial Service	491	4.6%	6.5%	5	6.3%	8.7%
Leisure Service	3,010	28.4%	26.1%	19	24.1%	25.3%
Retail Service	1,634	15.4%	7.3%	19	24.1%	15.9%
Vacant	0	0.0%	13.7%	0	0.0%	13.9%
<b>Total</b>	<b>10,615</b>	<b>100.0%</b>	<b>100.0%</b>	<b>79</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning survey of September 2023; UK Average from Experian Goad report of June 2023

## Westoe Bridges

- 4.47 Westoe Bridges district centre comprises a relatively small, linear centre comprising terraced retail and service accommodation, interspersed with residential accommodation to the south of South Shields town centre. The district centre contains 25 units, providing a total of 2,739 sq. m. of floorspace.
- 4.48 We note that following the 2018 Study, the centre’s boundary was tightened to take account of the change of use of some units to the south of the centre into residential. We agree that this was a sensible recommendation and the centre has continued to perform well in this new context.
- 4.49 Overall, Westoe Bridges is a relatively small district centre both in terms of the provision of units and floorspace and is focused around small scale units, with no real ‘anchor’ unit which is typically found in the other district centres. However, an Aldi store is located within walking distance from the district centre, in an edge of centre location in planning policy terms, which provides residents with main and top-up convenience shopping opportunities.
- 4.50 The offer within the centre is focused heavily on retail service provision, which comprises 29.6% of the total floorspace and 28.0% of the total number of units (which are above average in both cases). The retail service offer is focused on health and beauty operators including barbers and hairdressers, alongside an opticians.
- 4.51 The centre’s environmental quality is good overall, with St Bede’s RC Church adding to the overarching vitality. However, the dominance of the A1018 and associated traffic movement does detract in some part to the feeling of safety and ease of movement and there may be opportunities to enhance the pedestrian footpaths and crossing within the centre to further encourage footfall on either side of the busy road.
- 4.52 Overall, we consider Westoe Bridges to be vital and viable and although it does not provide any larger format operators, it is within easy walking distance of South Shields town centre and the Aldi store to the south west, which provides residents with good access to a wider choice of facilities and amenities.

**Table 4.11: Composition of Westoe Bridges District Centre**

	Floorspace (sq.m)	Floorspace (%)	Floorspace UK Average (%)	Units	Units (%)	Units UK Average (%)
Comparison	604	22.1%	30.4%	5	20.0%	26.8%
Convenience	440	16.1%	15.7%	4	16.0%	9.3%
Financial Service	237	8.6%	6.5%	2	8.0%	8.7%
Leisure Service	319	11.6%	26.1%	3	12.0%	25.3%
Retail Service	810	29.6%	7.3%	7	28.0%	15.9%
Vacant	329	12.0%	13.7%	4	16.0%	13.9%
<b>Total</b>	<b>2,739</b>	<b>100.0%</b>	<b>100.0%</b>	<b>25</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Composition of centre derived from Nexus Planning survey of September 2023; UK Average from Experian Goad report of June 2023

## 5. Population and Expenditure

### Study Area and Household Survey

- 5.1 The quantitative retail and leisure need assessment set out in this report is based upon a Study Area which is reflective of South Tyneside’s principal catchment area and also the catchment of the principal centres within the authority area.
- 5.2 In defining the Study Area, Nexus revisited the zones utilised in the previous 2018 Study and reviewed the shopping patterns identified by the earlier Study. We considered that the previously adopted Study Area was still appropriate for the purposes of the Study, and commissioned the household survey on this basis.
- 5.3 The defined Study Area therefore comprises ten separate zones based on postcode sectors. The ten zones are considered representative of geographic areas that may accommodate broadly similar patterns of shopping behaviour. The below Table 5.1 identifies the postcode sectors which define each of the zones. A plan defining the geographic extent of the Study Area and the below zones is provided at Appendix 1.

**Table 5.1: Study Area Zones by Postcode Sector**

Survey Zone	Area Covered	Postcode Sectors
1	South Shields	NE33 1, NE33 2, NE33 3 ,NE33 4 and NE33 5
2	Harton	NE34 0 NE34 6 NE34 7 NE34 8 and NE34 9
3	Jarrow	NE32 3, NE32 4 and NE32 5
4	Hebburn	NE31 1 and NE31 2
5	Boldon Colliery	NE35 9
6	East/West Boldon	NE36 0
7	East Gateshead	NE10 0, NE10 8 and NE10 9
8	Cleadon/Whitburn	SR6 0, SR6 7, SR6 8 and SR6 9
9	North Washington	NE37 1, NE37 2 and NE37 3
10	North Sunderland	SR5 1, SR5 2, SR5 3, SR5 4 and SR5 5

- 5.4 In September 2023, a survey of 1,005 households was undertaken by NEMS Market Research within the defined Study Area to ascertain where residents go to undertake a range of shopping and leisure activities. Across each of the ten zones, a minimum of 100 surveys were undertaken, with the remaining additional 100 surveys apportioned on a pro-rata basis according to the population of each zone (i.e. more surveys were undertaken in the most populous zones).
- 5.5 The above zones were used as the basis for the NEMS household survey, which informs the assessment of shopping patterns as set out at Section 6 of this report. The survey results also underpin the quantitative retail capacity assessment which follows at Section 7 of the report and the quantitative leisure capacity assessment at Section 8.
- 5.6 To identify the expenditure claimed by retail destinations (and the capacity which is potentially available to support additional retail and leisure development), the first step is to estimate the population and future convenience and comparison goods expenditure associated with the Study Area.

## Study Area Population

- 5.7 The population within each postcode sector and each zone at 2023 has been calculated using Experian Micromarketer G3 data (2021 estimate, which was issued in February 2023). We have confirmed with Council Officers that Experian’s population projections are broadly consistent with the level of growth which is being planned for across the authority area in practice.
- 5.8 Table 5.2 below sets out Experian’s population projections for each zone in the Study Area for reporting years 2023, 2025, 2030, 2035, and 2040.

**Table 5.2: Estimated Study Area Population by Survey Zone**

Zone	2023	2025	2030	2035	2040
1	27,260	27,341	27,638	28,024	28,431
2	51,470	51,774	52,305	52,584	52,863
3	24,800	25,017	25,506	25,911	26,324
4	22,635	22,780	23,044	23,403	23,766
5	6,404	6,464	6,580	6,660	6,801
6	6,710	6,737	6,811	6,858	6,861
7	34,000	33,943	33,893	33,920	34,003
8	28,958	28,950	28,867	28,662	28,214
9	19,989	20,021	20,047	20,079	20,158
10	34,010	33,980	33,867	33,797	33,717
<b>Total</b>	<b>256,236</b>	<b>257,007</b>	<b>258,558</b>	<b>259,898</b>	<b>261,138</b>

Source: Table 1 of Appendix 4

- 5.9 Based on Experian’s population projections, we estimate that the Study Area population will increase from 256,236 persons at 2023 to 261,138 persons at 2040. This equates to an increase of 4,902 persons (or 1.9%) over the 17-year period.

## Retail Expenditure

- 5.10 In order to calculate per capita convenience and comparison goods expenditure, we have utilised Experian Micromarketer G3 data, which provides detailed information on local consumer expenditure that takes into consideration the socio-economic characteristics of the local population. The base year for the Experian expenditure data is 2021. Our methodology takes account of the fact that some special forms of trading expenditure<sup>17</sup> is not available to support retail floorspace, and then allows for increases in per capita expenditure growth on an annual basis.
- 5.11 Figure 5 of Appendix 3 of ERPBN20 provides estimates in respect of the proportion of convenience and comparison goods expenditure that will be committed through special forms of trading both now and in the future. We have ‘stripped out’ any survey responses which relate to expenditure committed via special forms of trading and have instead made an allowance derived from Experian’s recommendations (which we consider to be the most appropriate means by which to account for such expenditure).
- 5.12 We set out Experian’s expenditure growth estimates within the below Table 5.3. In considering special forms of trading, many products which are ordered online are actually sourced from a store’s shelves or stockroom in

<sup>17</sup> Identified as comprising sales via the internet, mail order, stalls and markets, door-to-door and telephone sales (i.e. all non-store sales).

practice (this is particularly the case with convenience goods). As such, expenditure committed in this manner acts to sustain shops and can be considered ‘available’ to support floorspace within the Study Area. Accordingly, in order not to overstate the influence of special forms of trading on retailers, our methodology utilises Experian’s ‘adjusted’ allowance for special forms of trading (which is provided at Figure 5 of ERPBN20). This allowance indicates that 5.8% of convenience goods expenditure and 28.7% of comparison goods expenditure is ‘lost’ to shops at base year 2021 through special forms of trading purchases.

5.13 Having made an allowance for special forms of trading, we then take account of projected changes in expenditure in accordance with the recommendations provided by Figure 6 of Appendix 3 of ERPBN20. Experian provides overall growth rates and ‘adjusted’ rates, which account for any additional increases in expenditure lost to special forms of trading. The latest growth rates suggest that growth in comparison goods expenditure should pick up in the next few years as confidence in the economy returns, with this following a number of turbulent years following the start of the Covid-19 pandemic in 2020. The applicable annual per capita growth rates are set out below at Table 5.3.

**Table 5.3: Experian Retail Planner Briefing Note 20 Convenience and Comparison Goods Annual Per Capita Growth Rates**

Year	Convenience Goods	Convenience Goods ‘Adjusted SFT’	Comparison Goods	Comparison Goods ‘Adjusted SFT’
2022	-6.9	-6.8	3.3	2.0
2023	-1.5	-2.2	-0.6	-1.0
2024	-1.7	-0.7	-1.3	-0.8
2025	-1.1	-0.3	-0.2	0.3
2026	-0.9	-0.2	1.1	1.6
2027	-0.7	-0.1	1.8	2.2
2028	-0.6	-0.1	2.0	2.4
2029	-0.5	0.0	2.2	2.5
2030	-0.4	0.0	2.3	2.6
2031	-0.3	0.0	2.3	2.6
2032	-0.3	0.0	2.4	2.7
2033	-0.2	0.1	2.4	2.7
2034	-0.2	0.1	2.5	2.7
2035	-0.2	0.1	2.6	2.8
2036	-0.1	0.1	2.6	2.8
2037	-0.1	0.1	2.7	2.8
2038	-0.1	0.1	2.7	2.8
2039	-0.1	0.1	2.7	2.8
2040	-0.1	0.1	2.7	2.8

Source: Figure 7 of Appendix 3, Experian Retail Planner Briefing Note 20 (February 2023)

5.14 For convenience goods, Experian forecasts very limited per capita expenditure growth across the entire period to 2036. The position is even more pessimistic when account is taken of future growth in special forms of trading, with Experian’s forecasts suggesting that the growth in convenience goods expenditure available to actual stores will not exceed 0.1% per annum across the entire period 2022 to 2040. Overall, it is evident that forecast per capita convenience goods expenditure does not increase in the period to 2041. The position in respect of comparison goods expenditure is more positive. Experian forecasts that per capita comparison goods expenditure growth will



take place over the period to 2040, but (with the exception of forecast per capita growth of 5.6% in 2021) will not exceed 2.7% per annum in the period from 2022 to 2040. Experian’s forecasts suggest that there will be relatively healthy growth in comparison goods even after accounting for expenditure lost to special forms of trading.

- 5.15 This Study utilises the most up to date Experian expenditure data and growth forecasts. However, longer term growth forecasts (beyond the next ten years) should be treated with caution given the inherent uncertainties associated with predicting the performance of the economy over time (particularly in the current economic, health and political climates). As such, assessments of this nature should be reviewed on a regular basis to ensure that forecasts over the medium and longer term reflect changing circumstances.
- 5.16 In this regard, we note that paragraph 86 of the NPPF requires local planning authorities to allocate sites to meet likely town centre needs ‘...looking at least ten years ahead’, which differs from the previous requirement to meet needs across the entire plan period. This change is reflective of turbulent economic conditions and the pace of change within the retail sector in recent years.
- 5.17 By applying Experian’s recommendations in respect of special forms of trading and expenditure growth, we can produce expenditure estimates for each survey zone and the overall Study Area at 2023, 2025, 2030, 2035, and 2040.

## Convenience Goods Expenditure

- 5.18 Taking into account the Study Area resident population and the available per capita convenience goods expenditure, we estimate that £576.1m<sup>18</sup> of convenience goods expenditure originates within the Study Area at 2023. The below Table 5.4 indicates that available Study Area convenience goods expenditure is forecast to increase to £586.3m at 2040.

**Table 5.4: Total Available Study Area Convenience Goods Expenditure**

2023 (£m)	2025 (£m)	2030 (£m)	2035 (£m)	2040 (£m)
576.1	572.1	573.2	580.8	586.3

Note: In 2021 prices

- 5.19 Table 5.5 indicates that this represents an increase of £10.2m (or 1.8%) across the Study Area between 2023 and 2040. Given the static growth in per capita expenditure, this increase can be attributed to the very modest growth in the Study Area’s population.

**Table 5.5: Growth in Available Study Area Convenience Goods Expenditure**

Growth 2023-25 (£m)	Growth 2023-30 (£m)	Growth 2023-35 (£m)	Growth 2023-40 (£m)
-4.0	-2.9	4.6	10.2

Note: In 2021 prices

- 5.20 We have assumed that 75% of available convenience goods expenditure would take the form of main food shopping and that 25% would take the form of top-up shopping (which relates to smaller purchases often made using a basket rather than a shopping trolley).<sup>19</sup>
- 5.21 By applying this ratio, we estimate that main food shopping trips account for £432.1m of Study Area convenience

<sup>18</sup> In 2021 prices, as is every subsequent monetary reference.

<sup>19</sup> This is a standard split applied in undertaking this exercise.

goods expenditure at 2023, and top-up shopping trips account for £144.0m.

## Comparison Goods Expenditure

5.22 For comparison goods, Table 5.6 sets out our estimate that the resident population of the Study Area will generate £497.1m of comparison goods expenditure at 2023. Available comparison goods expenditure is then forecast to increase to £817.4m at 2041.

**Table 5.6: Total Available Study Area Comparison Goods Expenditure**

2023 (£m)	2025 (£m)	2030 (£m)	2035 (£m)	2040 (£m)
567.0	558.5	602.7	690.7	796.4

Note: In 2021 prices

5.23 The identified increase in comparison goods expenditure growth is substantial, but it represents a level of annual growth that is more circumspect than that which has been achieved in the past. This is due to both a reduction in the overall level of growth when compared to that achieved in the early part of this millennium, and as a result of further forecast increases in expenditure committed via special forms of trading (most obviously, internet shopping).

5.24 As the below Table 5.7 identifies, our assessment estimates that there will be an increase of £229.4m (equating to 40.4%) in respect of Study Area comparison goods expenditure between 2023 and 2040.

**Table 5.7: Growth in Available Study Area Comparison Goods Expenditure**

Growth 2023-25 (£m)	Growth 2023-30 (£m)	Growth 2023-35 (£m)	Growth 2023-40 (£m)
-8.5	35.7	123.6	229.4

Note: In 2021 prices

5.25 We sub-divide comparison goods expenditure into eight categories, these being: 'DIY', 'Electrical' and 'Furniture' (collectively referred to as bulky goods); and 'Clothing and Footwear', 'Books, CDs and DVDs', 'Health, Beauty and Chemist Goods', 'Small Household Goods', and 'Toys, Games, Bicycles and Recreational Goods' (collectively referred to as non-bulky goods). The proportion of expenditure directed to each sub-category is estimated by Experian on a zonal basis. Experian's estimates are reflected in the detailed expenditure tables set out at Table 7b of Appendix 4 of this report.

5.26 In considering expenditure growth, it should be noted that not all growth arising within the Study Area is available to support additional floorspace in the South Tyneside area. Instead, account needs to be taken of:

- the market share of expenditure secured by retailers within the South Tyneside area (and the fact that many needs are successfully met outside the authority area);
- the claim made by existing retailers on expenditure growth (the future efficiency of retail floorspace); and
- the expenditure that will be claimed by committed retail developments.

5.27 These issues are addressed in the assessment of retail capacity provided in Section 7 of this report.

## 6. Market Research – Household Surveys

### Market Share Analysis: Household Survey Results

- 6.1 The NEMS household survey identifies where residents travel to undertake a range of shopping and leisure activities. The summary of results provided in this section focuses on the market share of shopping trips secured by retail venues for various types of shopping. In September 2023, a survey of 1,005 households was undertaken by NEMS within the defined Study Area to ascertain where residents go to undertake a range of shopping and leisure activities.
- 6.2 In reviewing the Study Area, it is important to recognise that the vast majority of convenience goods expenditure generated within a given area is generally claimed by local foodstores. This is because shoppers look to source convenience goods close to home. Comparison goods shopping is more likely to result in longer trips to source goods at higher order destinations. As such, it is to be expected that a substantial proportion of comparison goods shopping trips ‘leak’ outside of the Study Area to shopping venues offering greater choice. This is particularly the case in South Tyneside given the proximity of Newcastle City Centre and the Metro Centre to the west, and Sunderland to the south.
- 6.3 The household survey is reproduced as part of Appendix 2 of this Study. In retail terms, the principal purpose of the survey is to establish:
- patterns of convenience goods spending, based on the location of:
    - the shops or shops respondents last visited and visited ‘the time before last’ to undertake their main food shop; and
    - the shop or shops respondents last visited and visited ‘the time before last’ to undertake their main top-up food shop.
  - patterns of comparison goods spending, based on the local of the respondent’s last shopping trip to purchase the following types of comparison goods:
    - clothing and footwear;
    - books, CDs, DVDs and stationery;
    - small household goods, such as home furnishings, clocks, jewellery, glass and china;
    - toys, games, bicycles and recreational goods;
    - chemist goods, including health and beauty items;
    - electrical goods, such as televisions, washing machines and computers;
    - DIY and gardening goods; and
    - furniture, carpets and floor coverings.
- 6.4 The analysis which follows considers market share for the above sub-sectors. Our assessment is based on the market share of expenditure to particular ‘bricks and mortar’ retail destinations. For comparison goods, the zonal market share secured by each retail destination for each of the above eight sub-sectors is taken directly from the corresponding household survey question responses.
- 6.5 For convenience goods, our household survey asks respondents the shop they last visited and visited ‘the time before last’ to undertake their main food shop. For each of these trips, the respondent is also asked how much they spend on main food shopping in visiting the respective foodstore.

## Retail Goods Market Share Analysis

### Convenience Goods Market Share

- 6.6 Our analysis begins by reviewing the retention of convenience goods expenditure within each of the six Study Area zones (i.e. the proportion of expenditure originating within a given zone which is claimed by retailers located within that same zone). This enables an understanding of whether residents are having to travel to meet their convenience goods shopping requirements, or if they are typically able to meet their needs in proximity to where they live. It is accepted that some respondents will live towards the boundary of their respective zones and some trips will therefore be able to be undertaken to nearby zones in a sustainable manner.
- 6.7 Table 6.1 indicates that, in terms of convenience goods shopping, the highest overall convenience goods retention rates are within Zones 1 (where retailers claim 83.9% of all convenience goods expenditure which originates within the zone), 5 (75.4%) and 8 (62.9%). Within Zone 1, the Aldi, Asda and Morrisons each attract the highest proportion of main food expenditure, with the Morrisons and Lidl stores attracting the highest proportions of top-up convenience expenditure. Within Zone 5, the principal convenience destination is the Asda at Boldon Colliery, which attracts almost three quarters of the main food expenditure generated by Zone 5 residents, and just over a half of the top-up food expenditure.
- 6.8 Zone 6 does not include any large format convenience operator, and therefore the retention rates particularly in terms of main food shopping expenditure is extremely limited. This is also the case within Zone 2 although to a lesser extent due to the presence of the Tesco store at Towers Place and the Lidl store at Boldon Lane. However, significant proportions of main food expenditure from Zone 2 residents is being spent at convenience destinations within Zone 1. These are typically within a sustainable distance from the urban areas of Zone 1 and it is therefore not surprising that the key destinations in neighbouring zones are attracting high proportions of expenditure.
- 6.9 We can also see from Table 6.1 that in all zones other than Zone 3, the combined convenience goods shopping zonal retention rate has increased since 2018. The most significant increase can be witnessed in Zone 4, which is at least in part due to the presence of the Aldi, which opened subsequent to the previous household study commissioned for the 2018 Study.

**Table 6.1: Zonal Convenience Goods Retention Rates Across the Study Area at 2023**

Zone	Main Food Shopping Zonal Retention Rate 2023 (%)	Top-Up Food Shopping Zonal Retention Rate 2023 (%)	Combined Convenience Goods Shopping Zonal Retention Rate 2023 (%)	Combined Convenience Goods Shopping Zonal Retention Rate 2018 (%)
1	82.2%	88.8%	83.9%	75.3%
2	15.5%	57.2%	25.9%	23.2%
3	29.8%	61.3%	37.7%	39.5%
4	51.8%	69.3%	56.2%	35.8%
5	75.0%	76.5%	75.4%	73.3%
6	0.4%	45.9%	11.7%	10.7%
7	39.8%	80.2%	49.9%	37.1%
8	58.3%	76.6%	62.9%	58.1%
9	33.0%	58.5%	39.4%	15.8%
10	53.8%	73.2%	58.7%	43.9%

Source: Table 4 of Appendix 4 of this Study. 2018 figures taken from Table 4b of the 2018 Town Centre and District Centre Use Study

- 6.10 Accordingly, we find that the broad zonal retention rates identified appear to appropriately reflect the geography of current provision. There may well be scope to improve local retention rates subject to provision coming forward in appropriate locations in the future.
- 6.11 The below Table 6.2 provides a different assessment of shopping patterns, this time setting out the proportion of zonal convenience goods expenditure which is claimed by operators located within the South Tyneside authority area. Zones 1, 2, 3, 4, and 6 are almost entirely located within South Tyneside and we would therefore expect residents of these zones to undertake more food shopping within the authority area.
- 6.12 Table 6.2 confirms that this occurs in practice. The table identifies that 96.9% of convenience goods expenditure which originates in Zone 1 is claimed by retailers located within South Tyneside. The comparative figures within Zones 2 to 5 are also high at 87.8%, 90.2%, 88.3% and 83.3% respectively.
- 6.13 The very strong market share within the central zones indicates that South Tyneside’s foodstores are able to meet most main food shopping needs and that there is little reason to travel outside the area to undertake grocery shopping.
- 6.14 In total, South Tyneside’s retailers claim more than five out of every ten pounds (52.1%) of all convenience goods expenditure which originates within the Study Area.

**Table 6.2: South Tyneside Convenience Goods Market Share by Zone at 2023**

Zone	Main Food Shopping South Tyneside Market Share 2023 (%)	Top-Up Food Shopping Trips South Tyneside Market Share 2023 (%)	Combined Convenience Goods South Tyneside Market Share 2023 (%)
1	96.4%	98.4%	96.9%
2	85.4%	95.1%	87.8%
3	89.0%	93.8%	90.2%
4	86.2%	94.6%	88.3%
5	83.0%	84.2%	83.3%
6	58.6%	40.1%	53.9%
7	9.0%	1.3%	7.1%
8	15.4%	17.4%	15.9%
9	4.4%	0.4%	3.4%
10	10.9%	2.6%	8.8%
<b>Total Study Area</b>	<b>50.3%</b>	<b>54.7%</b>	<b>52.1%</b>

Source: Table 4 of Appendix 4 of this Study for 2023 market shares.

- 6.15 Out final table below looks at the performance of the principal destinations (those which attract 2.0% or more of the available convenience expenditure within the Study Area) and how these have altered since 2018.
- 6.16 As Table 6.3 demonstrates, the principal store being the Asda at Boldon Colliery has remained at the top of the table, attracting a total of 10.4% of the available convenience expenditure, which has reduced from 2018 when it attracted 13.9% of the available expenditure from within the Study Area. Other principal stores including the Asda in South Shields and the Morrisons in Jarrow also still attract high proportions of expenditure, but there has been a clear shift of spending patterns following the opening of both of the Aldi stores in South Shields and Hebburn subsequent to the previous Study in 2018.

- 6.17 There may also be a benefit in respect of local market shares based on the greater propensity for residents to work from home (relative to the likelihood of that occurring in 2018) and thereby undertake food shopping close to home.

**Table 6.3: Principal Convenience Destinations within South Tyneside**

Zone	Total Convenience Expenditure 2023 (£m)	Market Share Based on Total Available Expenditure at 2023 (%)	Total Convenience Expenditure 2018 (£m)	Market Share Based on Total Available Expenditure at 2018 (%)
Asda, North Road, Boldon Colliery	60.0	10.4%	69.8	13.9%
Aldi, Chichester Road, South Shields	43.2	7.5%	-	-
Asda, Coronation Street, South Shields	33.1	5.7%	37.9	7.5%
Aldi, Glen Street, Hebburn	26.6	4.6%	-	-
Morrisons, Viking Precinct, Jarrow	24.8	4.3%	39.6	7.9%
Morrisons, Ocean Road, South Shields	20.5	3.6%	12.5	2.5%
Lidl, Laygate, South Shields, NE33 5RG	13.9	2.4%	7.1	1.4%
Lidl, Boldon Lane, West Harton, South Shields	11.4	2.0%	15.0	3.0%

Notes: Figures for 2023 taken from Table 4 of Appendix X. Comparable figures from 2018 taken from Table 5b of the 2018 Study

### Comparison Goods Market Share

- 6.18 The below Table 6.4 identifies comparison goods shopping patterns, relating to the proportion of zonal comparison goods expenditure which is claimed by operators located within South Tyneside. Once more, it is relevant to note that Zones 1 to 6 are almost entirely located within the authority area and we would therefore expect the identified comparison goods market share to be highest in these zones.
- 6.19 In practice, South Tyneside’s operators claim more than four out of every ten pounds originating within Zones 1, 2 and 3. In Zone 4, South Tyneside’s market share equates to just under four out of every ten pounds spent by residents.

**Table 6.4: South Tyneside Comparison Goods Market Share by Zone at 2023**

Zone	Comparison Goods South Tyneside Market Share 2023 (%)	Comparison Goods South Tyneside Market Share 2018 (%)
1	62.8%	53.2%
2	43.2%	50.4%
3	48.1%	41.0%
4	45.8%	38.9%
5	13.8%	29.9%
6	15.2%	24.8%
7	2.9%	5.0%
8	4.7%	8.0%
9	0.2%	1.0%
10	0.4%	3.0%
<b>Total Study Area</b>	<b>30.4%</b>	<b>26.2%</b>

Source: Table 4 of Appendix 4 of this Study for 2023 market shares; Table 5a of the 2018 Study for 2018 market shares

- 6.20 The improved market share within Zones 1, 3 and 4 is a positive sign that more residents are shopping locally to meet their comparison goods needs, whether this be within stores within defined centres or at larger out of centre destinations which include a proportion of comparison sales.
- 6.21 As Table 6.5 demonstrates, the Study Area market shares secured by Jarrow and Hebburn town centres, and particularly Hebburn are low at 4.6% and 1.2% respectively. This reflects the fact that the principal purpose of these centres is to meet day-to-day grocery and service needs. Positively however, the principal comparison destination within the Study Area is South Shields town centre, which is also the key destination for Zones 1 and 2 residents for meeting their comparison shopping needs. The total market share of comparison spending from across the Study Area has decreased to South Shields and Jarrow town centres but increased very slightly to Hebburn town centre.

**Table 6.5: Performance of Comparison Goods Floorspace at Key Destinations within South Tyneside at 2023**

Zone	Destination	Zone 1 2023 (%)	Zone 2 2023 (%)	Zone 3 2023 (%)	Zone 4 2023 (%)	Zone 5 2023 (%)	Zone 6 2023 (%)	Zone 7 2023 (%)	Zone 8 2023 (%)	Zone 9 2023 (%)	Zone 10 2023 (%)	Total 2023 (%)	Total 2018 (%)
1	South Shields Town Centre	45.0	27.6	15.3	9.2	9.2	9.5	0.5	2.8	0.2	0.4	13.4	15.6
3	Jarrow Town Centre	0.4	1.5	23.6	20.2	2.6	2.3	1.5	0.0	0.0	0.0	4.6	4.9
5	Asda, Boldon Colliery	1.5	5.2	7.4	5.6	19.8	13.2	0.8	3.2	0.5	3.2	4.3	0.3
1	Asda, South Shields	7.9	3.9	0.1	1.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7	0.1
4	Hebburn Town Centre	0.0	0.0	2.0	11.0	0.0	0.0	0.0	0.0	0.0	0.0	1.2	0.7

Source: Table 5 of Appendix 4

- 6.22 Looking outside of South Tyneside and the Study Area, the principal destinations include Newcastle city centre, Sunderland city centre, Retail World Gateshead and the Metrocentre. In each case, the proportion of expenditure 'leaking' to these destinations from residents within the Study Area has reduced, with the most significant decreases found in respect of Newcastle city centre, which has reduced from 17.5% in 2018 to 10.5% in 2023 and to Sunderland city centre, which has reduced from 16.5% to 7.8%.
- 6.23 Overall, the proportion of expenditure leaking to destinations outside of the Study Area has decreased from 68.2% to 53.7%.

### Market Share Summary and Identification of Expenditure Claimed by South Tyneside Retailers

- 6.24 We identify the convenience goods, comparison goods, and overall market share of Study Area expenditure claimed by retailers located in South Tyneside in the below Table 6.6.
- 6.25 As would be expected, South Tyneside's convenience goods market share of 52.1% is greater than its comparison goods market share of 30.4%. This reflects the fact that groceries are generally purchased close to home and that (as the name suggests) shoppers are prepared to travel to browse and secure greater choice when purchasing comparison goods.
- 6.26 Table 6.6 also identifies the monetary convenience and comparison goods turnover of convenience and comparison goods retailers which originates from the respective defined Study Areas. To allow comparison, the turnover figures identified in the 2018 Retail Capacity Study have been converted from a 2016 price base to a 2021 price base (in order that they are expressed in a manner consistent with this Study).

- 6.27 On this basis, we identify that the Study Area convenience goods turnover of South Tyneside’s retailers has decreased from £508.3m at 2018 to £472.2m at 2023.

**Table 6.6: Comparison Goods Expenditure Retention and Leakage**

Type of Expenditure	2023 Residents' Expenditure (£m)	2023 Market Share (%)	2018 Residents' Expenditure (£m)	2018 Market Share (%)
South Tyneside Convenience Goods Expenditure	300.0	52.1%	308.5	47.4%
South Tyneside Comparison Goods Expenditure	172.2	30.4%	199.8	39.8%
Total South Tyneside Expenditure	472.2	41.3%	508.3	44.1%

Source: Table 25 of Appendix 4

Note: Both presented in a consistent 2021 prices

- 6.28 In conclusion, the household survey demonstrates that South Tyneside’s convenience goods retailers are able to appropriately serve residents of the authority area and those who live in a wider catchment area. South Tyneside’s convenience goods market share within Zones 1 to 5 is very high, which confirms that there is no general requirement to travel outside of the area when undertaking grocery shopping.
- 6.29 In respect of comparison goods, South Tyneside’s centres and retailers generally have a secondary role which is focused on day-to-day shopping needs (such purchases include health and beauty goods, and some household goods). South Shields does have a greater offer, but destinations such as Newcastle, Sunderland and other out of centre amenities still draw trade away from in-centre destinations.
- 6.30 In our view, the identified survey results reflect the geography of the Study Area and the relative attraction of other nearby retail venues. Accordingly, where expenditure ‘leaks’ to destinations outside of South Tyneside this is still generally reflective of logical and sustainable travel patterns.



## 7. Assessment of Retail Capacity

- 7.1 Our retail capacity tables set out our step-by-step approach to estimating the expenditure surplus which is available to support additional retail floorspace and are provided at Appendix 4. A summary of our methodology, together with our findings, is provided below.

### General Approach to Estimating Quantitative Capacity

- 7.2 Retail capacity modelling follows the basic principle that:

*Available Expenditure minus Expected Turnover of Existing and Committed Floorspace equals Expenditure Surplus or Deficit.*

- 7.3 An identified quantitative expenditure surplus indicates that there is capacity to support additional retail floorspace. We summarise the key considerations relating to each component of the equation below.

#### Available Expenditure

- 7.4 As we set out in Section 5 of this report, expenditure generated within each Study Area zone is calculated by multiplying the population at a given reporting year by the estimated per capita expenditure. The available expenditure takes into consideration:

- estimated population growth;
- forecast increases in per capita expenditure; and
- forecast increases in special forms of trading.

- 7.5 The expenditure available to retailers within the South Tyneside area is calculated with reference to the market share of convenience and comparison goods expenditure secured by retailers located within the authority area. This is explained in greater detail in the preceding Section 6.

- 7.6 The expected turnover relates to the level of expenditure claimed by existing retailers (and by retail commitments which benefit from an extant planning permission) such that they trade in a viable manner. For convenience goods retailers, the expected 'benchmark' turnover of existing convenience goods facilities is calculated with reference to GlobalData Convenience and Comparison Goods Sales Densities of Major Grocers and Mintel Retail Rankings data.<sup>20</sup>

#### Surplus/Deficit

- 7.7 The expenditure surplus (or deficit) is calculated by subtracting the turnover of existing and committed floorspace from the available expenditure directed to retailers within the South Tyneside authority area. A surplus figure effectively represents an under-provision of retail facilities within the Borough (and may indicate that additional floorspace could be supported), whereas a deficit would suggest a quantitative over-provision of retail floorspace.
- 7.8 Although a surplus is presented as a monetary figure, it can be converted to a floorspace requirement through the application of an appropriate sales density. In this regard, the floorspace requirement will vary according to operator and the likely sales density they could achieve. For example, in the case of comparison goods, non-bulky goods retailers tend to achieve higher sales densities than bulky goods retailers. However, within the bulky goods

<sup>20</sup> These datasets provide independent analysis of key grocery retailers' declared turnover and the overall floorspace in their portfolio in order to calculate national average sales densities.

sector itself there is significant variation, with electrical retailers typically having higher sales densities than DIY or furniture retailers.

- 7.9 The turnover of destinations is generally considered with reference to retailers’ net sales areas and all of the floorspace figures identified in Section 7 are presented on this basis.
- 7.10 Our methodology in calculating comparison goods capacity necessarily departs from that used in considering convenience goods needs. This is because it is difficult to accurately estimate a benchmark turnover for comparison goods floorspace due to the large number of operators and the variation in the trading performance of floorspace, depending on its location, character, and the nature of the catchment. As a consequence, we adopt the position for comparison goods floorspace that it is trading ‘at equilibrium’ at base year 2023 (i.e. our survey-derived turnover estimate effectively acts as benchmark).

### Convenience Goods

- 7.11 In identifying the requirement for additional convenience goods floorspace, the estimated turnover of the existing collective provision (with reference to the shopping patterns established by the household survey) is compared to its benchmark turnover (with reference to company average sales densities).
- 7.12 As Table 7.1 demonstrates, convenience goods floorspace has an expected benchmark turnover of £311.3m at 2023, and an estimated survey derived turnover of £302.2m. As a consequence, an expenditure deficit of -£9.1m is identified at 2023, which increases to -£14.1m by 2040.

**Table 7.1: Quantitative Need for Additional Convenience Goods Floorspace in South Tyneside Authority Area**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Surplus Expenditure (£m)
2023	311.3	302.2	-9.1
2025	320.3	300.0	-20.3
2030	321.6	300.6	-21.0
2035	321.6	304.6	-17.0
2040	321.6	307.5	-14.1

Notes: Assumes constant market share (52.4%) of Study Area expenditure claimed by facilities within the South Tyneside authority area; allows for changes in benchmark turnover sales efficiency in accordance with Table 4a of Experian Retail Planner Briefing Note 20 (Feb 2023) In 2021 prices

- 7.13 We have consulted with the Council and having reviewed the commitments list provided, are comfortable that there are no extant retail commitments which provide any material level of additional convenience goods floorspace.<sup>21</sup>
- 7.14 Accordingly, the identified monetary surplus is available in its entirety to support new entrants into the market. We convert the surplus figure to a floorspace requirement at Table 7.2 below. At 2023, we estimate that there is immediate capacity which could support between 500 sq.m and 700 sq.m of additional convenience goods floorspace. This decreases across the plan period to 200 sq.m at 2040.

<sup>21</sup> This may, in part, be due to the provisions of Use Class E which means that change of use between many different commercial uses does not require planning permission (unless the authorised use is controlled by way of restrictive condition).

**Table 7.2: Quantitative Capacity for Convenience Goods Floorspace in the Authority Area after Commitments**

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
2023	-9.1	0.0	-9.1	-700	-900
2025	-20.3	0.0	-20.3	-1,500	-2,000
2030	-21.0	0.0	-21.0	-1,500	-2,100
2035	-17.0	0.0	-17.0	-1,200	-1,700
2040	-14.1	0.0	-14.1	-1,000	-1,400

Notes: Assumes constant market share (52.4%) of Study Area expenditure claimed by facilities within South Tyneside authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £13,441 per sq.m at 2023 (which equates to the average sales density of the 'big four' foodstore operators); maximum floorspace requirement based on an assumed sales density of £9,818 per sq.m at 2023 (which equates to average sales density of Aldi and Lidl); in 2021 prices

### Assessment of Convenience Need on a Town Centre Basis

7.15 Table 7.3 below then provides the residual convenience expenditure in South Shields, Jarrow and Hebburn town centres. As can be seen, the only centre where we identify any convenience capacity is within Hebburn town centre, at which by 2040, we identify a capacity of between 1,000 and 1,400 sq.m of convenience floorspace.

**Table 7.3: Quantitative Capacity for Convenience Goods Floorspace in the Authority Area after Commitments**

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
<b>South Shields Town Centre</b>					
2023	-11.7	0.0	-11.7	-900	-1,200
2025	-14.1	0.0	-14.1	-1,000	-1,400
2030	-14.3	0.0	-14.3	-1,000	-1,400
2035	-13.5	0.0	-13.5	-1,000	-1,300
2040	-13.0	0.0	-13.0	-900	-1,300
<b>Jarrow Town Centre</b>					
2023	-9.0	0.0	-9.0	-700	-900
2025	-10.3	0.0	-10.3	-700	-1,000
2030	-10.4	0.0	-10.4	-800	-1,000
2035	-10.1	0.0	-10.1	-700	-1,000
2040	-9.8	0.0	-9.8	-700	-1,000
<b>Hebburn Town Centre</b>					
2023	13.8	0.0	13.8	1,000	1,400
2025	13.0	0.0	13.0	900	1,300
2030	12.9	0.0	12.9	900	1,300
2035	13.4	0.0	13.4	1,000	1,300
2040	13.7	0.0	13.7	1,000	1,400

Notes: Assumes constant market shares of the expenditure claimed by facilities within the three town centres; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £13,441 per sq.m at 2023 (which equates to the average sales density of the 'big four' foodstore operators); maximum floorspace requirement based on an assumed sales density of £9,818 per sq.m at 2023 (which equates to average sales density of Aldi and Lidl); in 2021 prices

## Comparison Goods

7.16 Given the disparity in the performance of comparison goods floorspace across the UK, it's generally accepted that comparison goods floorspace is 'in equilibrium' at the start of an assessment (i.e. its turnover is in line with expectations, and that the sector has evolved to meet local/regional needs.

7.17 Table 7.4 confirms that our assessment estimates that the comparison goods turnover of South Tyneside authority area is £172.2m at 2023. We then estimate that this would decrease to £169.6m at 2028, then rising again to £241.8m by 2040.

**Table 7.4: Quantitative Need for Additional Comparison Goods Floorspace in South Tyneside Authority Area**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Surplus Expenditure (£m)
2023	172.2	172.2	0.0
2025	174.9	169.6	-5.3
2030	194.7	183.0	-11.6
2035	223.5	209.7	-13.7
2040	256.6	241.8	-14.7

Notes: Assumes constant market share (30.4%) of Study Area expenditure claimed by facilities within the South Tyneside authority area; allows for changes in benchmark turnover sales efficiency in accordance with Table 4b of Experian Retail Planner Briefing Note 20 (February 2023)  
In 2021 prices

7.18 Again, we have consulted with the Council and having reviewed the commitments list provided, are comfortable that there are no extant retail commitments which provide any material level of additional comparison goods floorspace.

7.19 Accordingly, the identified monetary surplus is available in its entirety to support new entrants into the market. We convert the surplus figure to a floorspace requirement at Table 7.5 below. As set out above and as Table 10 demonstrates below, due to there being no identified surplus expenditure across the plan period, we do not identify any capacity for additional comparison floorspace within the authority area.

**Table 7.5: Quantitative Capacity for Comparison Goods Floorspace in the Authority Area after Commitments**

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
2023	0.0	0.0	0.0	0	0
2025	-5.3	0.0	-5.3	-1,000	-1,500
2030	-11.6	0.0	-11.6	-1,900	-2,900
2035	-13.7	0.0	-13.7	-1,900	-3,000
2040	-14.7	0.0	-14.7	-1,800	-2,800

Notes: Assumes constant market share (30.4%) of Study Area expenditure claimed by facilities within South Tyneside; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £5,500 per sq.m at 2023; maximum floorspace requirement based on an assumed sales density of £3,500 per sq.m at 2023

## Assessment of Comparison Need on a Town Centre Basis

7.20 Table 7.6 below then provides the residual comparison expenditure in South Shields, Jarrow and Hebburn town centres. As can be seen, we do not identify any comparison expenditure capacity within any of the three town centres across the plan period.

**Table 7.6: Quantitative Capacity for Convenience Goods Floorspace in the Authority Area after Commitments**

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Floorspace Requirement	
				Minimum (sq.m)	Maximum (sq.m)
<b>South Shields Town Centre</b>					
2023	0.0	0.0	0.0	0	0
2025	-2.4	0.0	-2.4	-400	-700
2030	-5.2	0.0	-5.2	-800	-1,300
2035	-6.1	0.0	-6.1	-900	-1,300
2040	-6.6	0.0	-6.6	-800	-1,300
<b>Jarrow Town Centre</b>					
2023	0.0	0.0	0.0	0	0
2025	-0.9	0.0	-0.9	-200	-200
2030	-1.9	0.0	-1.9	-300	-500
2035	-2.2	0.0	-2.2	-300	-500
2040	-2.4	0.0	-2.4	-300	-500
<b>Hebburn Town Centre</b>					
2023	0.0	0.0	0.0	0	0
2025	-0.2	0.0	-0.2	0	-100
2030	-0.5	0.0	-0.5	-100	-100
2035	-0.6	0.0	-0.6	-100	-100
2040	-0.6	0.0	-0.6	-100	-100

Notes: Assumes constant market shares of Study Area expenditure claimed by facilities within the three town centres; allows for changes in benchmark turnover sales efficiency in accordance with Figure 4a of Experian Retail Planner Briefing Note 20; minimum floorspace requirement based on an assumed sales density of £5,500 per sq.m at 2023; maximum floorspace requirement based on an assumed sales density of £3,500 per sq.m at 2023

## Qualitative Requirements

7.21 As we identified earlier in this report, we have calculated that the survey derived turnover of existing convenience stores within the authority area totals in £302.2m, which is lower than their expected benchmark turnover of £311.3m.

7.22 However, in examining the performance of specific stores, it is evident that Aldi's discount supermarkets are performing particularly strongly and that the performance of food superstores<sup>22</sup> is more variable. In this regard it should be noted that, whilst household survey respondents have in the past perhaps been slightly reluctant to acknowledge that they undertake their main food shop at a discounter, this no longer appears to be the case. In addition, our methodology apportions convenience goods expenditure to foodstore destinations according to their identified market share. The methodology does not take into consideration that similar items are generally

<sup>22</sup> Defined as having a net sales area of more than 2,500 sq.m.

cheaper in Aldi and Lidl than in one of the 'big four' operators' stores. As such, the performance of discount operators is probably overstated and the performance of the 'big four' operators is probably understated.

- 7.23 The moderate performance of some existing food superstores is not particularly surprising, given that across the country shoppers are frequently foregoing the previously dominant 'big four' foodstore operators in favour of discounters. As a consequence of this, we believe that it is highly unlikely that there will be any requirement in the foreseeable future for any further large food superstores in the area. This is consistent with the current strategy of the 'big four' who are currently very circumspect in terms of their appetite to bring forward additional large superstores. We do, however, note that the two Aldi foodstores across the authority area (the stores in South Shields and Hebburn) are performing exceptionally well.
- 7.24 Both Aldi and Lidl have substantially improved their share of the national grocery market in recent years. Notwithstanding this, the very strong performance of Aldi foodstores across the authority area (and to a lesser degree the Lidl foodstore on Boldon Lane in South Shields) suggests that the market could support more discount foodstore provision. In this regard, we note that both Aldi and Lidl have further requirements for new stores across South Tyneside as of Autumn 2023, and therefore additional proposals for such development could come forward in the short term. In this regard, the capacity assessment on a centre basis presented above also demonstrates that there is capacity for additional convenience floorspace within Hebburn town centre in particular.
- 7.25 In considering future proposals, it is important to recognise that this Study has not identified any quantitative need for additional convenience goods floorspace in the short term, and any additional proposed food supermarkets should be considered on their merits in accordance with relevant policy tests. Most particularly, planning applications which seek to provide additional food retail provision should be considered having regard to potential sequential alternative sites, and with reference to the magnitude of impacts arising at any defined centre. The potential qualitative benefits associated with any improvement in customer choice can also be afforded weight in the decision-making process.
- 7.26 In terms of the spatial distribution of convenience goods facilities, we believe that existing large-scale main food shopping facilities are generally sited in a sustainable manner across the authority area and there are no obvious 'gaps' in terms of provision which need to be planned for.
- 7.27 Turning to the qualitative requirements of comparison retailing, it is clear that South Shields town centre does and will continue to be the principal comparison destination across the Study Area. However, beyond South Shields, and to a lesser extent Jarrow town centre, the principal destinations within the Study Area include the Asda at Boldon Colliery and the Asda at Coronation Street in South Shields. The dominance of large format convenience stores (which sell an element of comparison goods) perhaps indicates that other defined centres are lacking in comparison sales diversity. In this regard, out of centre destinations will continue to have the potential to draw trade from the defined centres, and particularly those which provide for a more diverse comparison offer including selling clothing and footwear.
- 7.28 As such, continuing to encourage comparison retailing into the defined centres and particularly the three key town centres will be key to encouraging footfall and expenditure and policies which seek to protect the defined centres from out of centre development are key to realising this.

## 8. Assessment of Leisure Capacity

- 8.1 Our approach in considering leisure capacity is in two parts.
- 8.2 For food and beverage floorspace, we adopt a similar approach as to that set out in respect of retail floorspace in the preceding Section 7 of this report. For large format commercial uses, we adopt a ‘benchmarking’ approach where we consider the typical population required to support different types of facilities. The benchmarking exercise reflects the fact that large format commercial uses are relatively limited in number and residents may be prepared to travel to watch a film or to go ten pin bowling. The current Study Area market share may not be instructive in respect of identifying future large format leisure requirements and therefore our preference is to undertake a benchmarking exercise.

### Food and Beverage Requirements

#### Leisure Expenditure Growth

- 8.3 To calculate per capita food and beverage expenditure, we have again utilised Experian Micromarketer G3 data. The base year for this expenditure data is also 2021. Experian provides separate per capita expenditure estimates on a zonal basis for ‘restaurant and café meals per person’ and ‘alcoholic drinks (away from home) per person’.
- 8.4 There is no need to make allowance for special forms of trading expenditure (given that all food and beverage expenditure identified by Experian relates to eating and drinking in bars, pubs, cafes, and restaurants).
- 8.5 ERPBN20 provides annual leisure expenditure growth forecasts which we set out at the below Table 8.1. These growth rates are used to estimate increases in per capita food and beverage expenditure across the plan period to 2041.<sup>23</sup> The leisure sector growth rate for the year 2022 is extremely high, but this is an exceptional occurrence representing the ‘bounce back’ experienced by the sector following the imposition of Covid-related trading restrictions in 2020 and 2021.

**Table 8.1: Experian Retail Planner Briefing Note 20 Leisure Expenditure Annual Per Capita Growth Rates**

Year	Leisure Per Capita Annual Growth
2022	27.7
2023	-5.0
2024	-0.2
2025- 29	-1.0
2030-40	-0.9

Source: Figure 1a of Appendix 3 of Experian Retail Planner Briefing Note 20 (February 2023)

- 8.6 We again recognise that growth in expenditure forecasts in the longer-term should be treated with caution given the difficulties in predicting economic performance over such an extensive timeframe.
- 8.7 Accepting this caveat, we are able to use Experian’s recommendations in respect of annual expenditure growth to calculate expenditure across the food and beverage sectors at 2023, 2025, 2030, 2035 and 2040.

<sup>23</sup> Once again, Experian provides growth forecast to 2040 only and we therefore extrapolate the 2040 growth forecast to estimate to 2041.

## Restaurant and Café Floorspace Requirements

- 8.8 Based on the assumed Study Area resident population and the available per capita restaurant and café expenditure, we estimate that £167.4m of such expenditure originates within the Study Area at 2023. The below Table 8.2 indicates that available Study Area restaurant and café expenditure is forecast to increase to £185.7m at 2040.

**Table 8.2: Total Available Study Area Restaurant and Café Expenditure**

2023 (£m)	2025 (£m)	2030 (£m)	2035 (£m)	2040 (£m)
167.4	167.6	170.1	183.2	185.7

Source: Table 2 of Appendix 5

Note: In 2021 prices

- 8.9 Table 8.3 indicates that this represents an increase of £18.3m (or 10.9%) across the Study Area between 2023 and 2040.

**Table 8.3: Growth in Available Study Area Restaurant and Café Expenditure**

Growth 2023-41 (£m)
18.3

Source: Table 2 of Appendix 5

Note: In 2021 prices

- 8.10 Our complete restaurant and café quantitative assessment model is provided at Appendix 5 of this Study. Table 4 of Appendix 5 identifies that £71.9m (42.9%) of Study Area eating out expenditure is directed to cafes and restaurants in South Tyneside at 2023. Given the propensity for people to travel to dine with friends and family, we account for a further 5.0% of expenditure which we anticipate will be attracted to South Tyneside’s operators as inflow from outside of the Study Area.
- 8.11 As set out below at Table 8.4, this provides a total estimated café and restaurant turnover for South Tyneside of £75.7m at 2023.
- 8.12 Our methodology accounts for the fact that existing operators will look to increase their turnover going forward to remain viable. On this basis, due to subsequent expenditure and population increases, we identify a deficit of - £0.6m at 2028, rising to an identified surplus of £4.3m at 2035, and to £4.6m at 2040.
- 8.13 As with retail capacity, this monetary surplus can be converted into a floorspace requirement. The average sales density of UK floorspace was around £8,584 per sq.m at 2023.<sup>24</sup>
- 8.14 Based on this sales density (and allowing for future increases in the sales efficiency of leisure floorspace going forward), we estimate that 300 sq.m of additional café and restaurant floorspace could be supported at 2026, increasing to 1,200 sq.m at 2041.

<sup>24</sup> As identified by Figure 2 of Experian Retail Planner Briefing Note 20 – Leisure.



**Table 8.4: Quantitative Capacity for Restaurant and Café Floorspace in the South Tyneside Authority Area**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)	Floorspace Requirement (sq.m)
2023	75.7	71.9	3.8	0.0	0
2025	76.3	71.9	3.8	-0.6	-100
2030	77.7	73.0	3.8	-0.9	-100
2035	78.5	78.6	4.1	4.3	500
2040	79.3	79.7	4.2	4.6	600

Source: Table 5a and Table 5b of Appendix 5

Notes: Assumes constant market share (42.9%) of Study Area expenditure claimed by facilities in the South Tyneside authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 20 - Leisure; in 2021 prices

### Licensed Premises Floorspace Requirements

8.15 Based on the assumed Study Area resident population and the available per capita alcoholic drinks expenditure, we estimate that £49.1m of alcoholic beverage expenditure originates within the Study Area at 2023. The below Table 8.5 indicates that available Study Area restaurant and café expenditure is forecast to increase to £55.8m at 2040.

**Table 8.5: Total Available Study Area Licensed Premises Expenditure**

2023 (£m)	2025 (£m)	2030 (£m)	2035 (£m)	2040 (£m)
49.1	49.3	50.4	54.6	55.8

Source: Table 7 of Appendix 5

Note: In 2021 prices

8.16 Table 8.6 indicates that this represents an increase of £6.6m (or 13.5%) across the Study Area between 2023 and 2040.

**Table 8.6: Growth in Available Study Area Licensed Premises Expenditure**

Growth 2023-40 (£m)
6.6

Source: Table 7 of Appendix 5

Note: In 2021 prices

8.17 Our complete licensed premises quantitative assessment model is provided at Appendix 5 of this Study. Table 9 of Appendix 5 identifies that £44.6m (equating to 26.6%) of Study Area alcoholic drink expenditure is directed to licensed premises in South Tyneside at 2023. Given the propensity for people to travel to socialise with friends and family, we again estimate that a further 5.0% of alcoholic drink expenditure could be attracted to South Tyneside as inflow. This provides a total estimated licensed premises turnover for South Tyneside of £47.0m at 2023.

8.18 Our methodology accounts for the fact that existing operators will look to increase their turnover going forward to remain viable. On this basis and due to subsequent expenditure and population increases, there is no identified surplus until 2035, at which point we identify a surplus of £2.6m, increasing to £2.9m by 2040.

8.19 Once again, this monetary surplus can be converted into a floorspace requirement. Based on the average UK leisure sales density of £8,584 sq.m at 2023 (and allowing for future increases in the sales efficiency of leisure floorspace going forward), we estimate that 300 sq.m of additional licensed premises floorspace could be supported at 2035 and 2040.

**Table 8.7: Quantitative Capacity for Licensed Premises in the South Tyneside Authority Area**

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Inflow (£m)	Surplus Expenditure (£m)	Floorspace Requirement (sq.m)
2023	47.0	44.6	2.3	0.0	0
2025	47.4	44.7	2.4	-0.4	0
2030	48.2	45.3	2.4	-0.5	-100
2035	48.7	48.8	2.6	2.6	300
2040	49.2	49.5	2.6	2.9	300

Source: Table 5a and Table 5b of Appendix 5

Notes: Assumes constant market share (26.6%) of Study Area expenditure claimed by facilities in the South Tyneside authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 20 - Leisure; in 2021 prices

## Commercial Leisure: Bingo, Cinemas, Ten Pin Bowling and Casinos

- 8.20 Our approach in identifying the potential for large format to the assessment of commercial leisure needs necessarily departs from the above monetary capacity assessment. This is because the commercial leisure sector is different to the retail and food and beverage sectors; large-scale leisure uses are relatively limited in number and customers often expect to travel at least some distance in order to access them. As such, we believe it is sensible to consider the general appropriateness of provision on a Study Area basis, with reference to the typical number of persons required to support particular uses.
- 8.21 Our assessment considers the typical population required to support bingo halls, casinos, cinema screens and ten pin bowling alleys, and is based around three key stages.
- 8.22 We firstly calculate the expected Study Area and local authority populations for the relevant reporting years (2023, 2025, 2030, 2035 and 2040).
- 8.23 We then calculate the number of persons required to support a bingo hall, casino, cinema screen and bowling alley nationally, across the UK. We have identified the current level of provision across the UK with reference to the following sources:
- Mintel’s Casinos and Bingo UK report (March 2019), which identifies that there are 350 bingo halls and 145 casinos across the UK;
  - the UK Cinema Association website<sup>25</sup> which identifies that there are 4,637 cinema screens across the UK; and estimated population growth; and
  - Mintel’s Ten Pin Bowling UK report (May 2017), which identifies that there are 5,242 bowling lanes across the UK.
- 8.24 We then apply the respective ratio to the Study Area population and to the population of the South Tyneside authority area to gauge the benchmark level of provision, based on the position evident across the UK.
- 8.25 We supplement our assessment with an overview of current patterns of commercial leisure trips throughout the Study Area (as identified by the NEMS household survey of May 2023) to help identify any qualitative deficiencies in provision.

<sup>25</sup> [www.cinemauk.org.uk](http://www.cinemauk.org.uk), consulted on 15 September 2023.

8.26 We recognise that some of these facilities are not as important as they perhaps once were in underpinning the local leisure economy. However, all four uses generally occupy large format premises and, as such, if a requirement were to be identified then there are potential land use implications.

## Bingo

8.27 Mintel’s March 2019 Casinos and Bingo UK report identifies that there are 350 bingo halls across the UK, which equates to a bingo hall for every 193, persons or thereabouts.<sup>26</sup> Accordingly, we estimate that the Study Area could theoretically support around 1.3 bingo hall at 2023 and the same at 2040.

8.28 We estimate that the population of South Tyneside is around 58.1% of the population of the Study Area at 2023. Therefore, on a pro rata basis, we calculate a quantitative requirement for around 0.8 bingo halls in South Tyneside at 2023 which remains unchanged through to 2040.

8.29 The below Table 8.8 confirms bingo hall capacity across the Study Area and within South Tyneside over the period to 2040.

**Table 8.8: Bingo Hall Capacity in Study Area and South Tyneside Authority Area**

Year	Study Area Population	Typical Population Required to Support Hall	Potential Number of Halls Supported in the Study Area	Proportion of Study Area Population in the Authority Area (%)	Potential Number of Halls Supported in the Authority Area	Outstanding Potential Capacity in the Authority Area
2023	256,236	193,714	1.3	58.1%	0.8	-1.2
2025	257,007	193,714	1.3	58.3%	0.8	-1.2
2030	258,558	193,714	1.3	58.6%	0.8	-1.2
2035	259,898	193,714	1.3	58.9%	0.8	-1.2
2040	261,138	193,714	1.3	59.2%	0.8	-1.2

Note: Typical population to support bingo hall calculated with reference to the Mintel Casinos and Bingo UK 2019 report and to the ONS 2023 population forecasts for the UK

8.30 At present, there are two bingo halls in the wider South Tyneside area, these being the Buzz Bingo in the Denmark Centre in South Shields and the Crown Bingo on Hudson Street in South Shields. There are also a range of informal, smaller bingo events across the Study Area, including social clubs.

8.31 The household survey results find that the Buzz Bingo is the primary destination for bingo trips which originate within the Study Area, securing 41.9% of last visits to such a facility. Crown Bingo secures just 4.7% of trips with residents also using occasional facilities within the defined town centres should they want to play bingo.

8.32 The bingo sector has been significantly affected by the ban on smoking in enclosed workplaces which came into force in 2007 following the enactment of the Health Act 2006. Subsequent to the Act being enforced, new bingo hall openings have been rare, and we consider it highly unlikely that there will be any proposals to provide additional facilities in the Study Area in the foreseeable future.

<sup>26</sup> Based on 2020-Based Population Projections by the Office for National Statistics which identify a UK population of 67,844,000 persons at 2023.

## Cinemas

- 8.33 The UK Cinema Association website estimates that there are 4,637 cinema screens in the UK<sup>27</sup>, which equates to one screen for every 14,622 persons or thereabouts. On this basis, we estimate that the Study Area population could support around 17.5 cinema screens at 2023, increasing to around 17.9 screens at 2040.
- 8.34 Once more, we estimate that the population of South Tyneside is around 58.1% of that of the Study Area at 2023. On a pro rata basis, this equates to a quantitative need for around 10.2 cinema screens to support South Tyneside’s population at 2023, increasing to a need for around 10.6 screens at 2040.
- 8.35 There are two formal cinemas within the Study Area. The largest is the Cineworld at Boldon Colliery, which has 11 screens and the smaller of the two is at Customs House, which has one screen. In total, there are 12 existing screens within the Study Area, which is greater than the potential number of screens identified in Table 8.9 below.
- 8.36 Accordingly, we do not believe that there is a pressing need for facilities within the authority area on this basis.

**Table 8.9: Cinema Screen Requirement in South Tyneside**

Year	Study Area Population	Typical Population Required to Support Cinema Screen	Potential Number of Cinema Screens Supported by Study Area	Proportion of Study Area Population in the Authority Area (%)	Potential Number of Cinema Screens Supported in the Authority Area	Outstanding Potential Capacity in the Authority Area
2023	256,236	14,622	17.5	58.1%	10.2	-1.8
2025	257,007	14,622	17.6	58.3%	10.2	-1.8
2030	258,558	14,622	17.7	58.6%	10.4	-1.6
2035	259,898	14,622	17.8	58.9%	10.5	-1.5
2040	261,138	14,622	17.9	59.2%	10.6	-1.4

Note: Typical population to support a cinema screen calculated with reference to data provided by the UK Cinema Association website and to the ONS 2023 population forecasts for the UK

- 8.37 Looking at the results of the household survey, the most visited cinema destinations within the Study Area are the Cineworld at Boldon Leisure Park (the destination for 46.6% of respondents’ last visit), and the Customs House in South Shields (4.8%). These two destinations account for the large majority of cinema visits originating from within the Study Area. Proportions of residents’ trips, particularly from zones outside of South Tyneside, are choosing the Vue in Gateshead to meet their requirements (26.4%).
- 8.38 Trips to such cinemas are therefore considered to be generally reflective of sustainable travel patterns and many Study Area residents’ relative proximity to existing cinemas.

## Ten Pin Bowling

- 8.39 Mintel’s Ten Pin Bowling UK 2017 report identifies that there are 5,242 ten pin bowling lanes across the UK, which equates to a bowling lane for every 12,942 persons or thereabouts.
- 8.40 Accordingly, we estimate that the Study Area could support around 19.8 bowling lanes at 2023, increasing to around 20.2 lanes at 2040. Given that the estimated population of South Tyneside is around 58.1% of that of the Study Area at 2023, we estimate that there is capacity to support around 11.5 bowling lanes at 2023, increasing to 12.0 lanes at 2040. This is below the level of provision generally associated by a single ten pin bowling alley.

<sup>27</sup> At 2022.

- 8.41 In this context, we note that there is one ten pin bowling facility within South Tyneside, the Dunes Adventure Island and Bowling Alley in South Shields, which has 12 lanes. It is the most popular destination for residents, attracting 48.3% of the trips. The other key destinations include Hollywood Bowl in Washington (18.5%) and Riverside Bowling in Sunderland (9.4%).
- 8.42 Whilst very few new ten-pin bowling alleys were built in the early part of this century, the market has picked up in recent years. However, the upturn in the sector has been driven by smaller facilities which are generally supplemented by a strong food and beverage offer and are located within larger urban centres.
- 8.43 On this basis, it is highly likely that any further activity in the ten pin bowling sector would be directed towards South Shields town centre and we do not believe that there is any realistic likelihood of securing additional dedicated facilities within the authority area.

**Table 8.10: Ten Pin Bowling Lane Requirement in South Tyneside**

Year	Study Area Population	Typical Population Required to Support Bowling Lane	Potential Number of Bowling Lanes Supported by Study Area	Proportion of Study Area Population in the Authority Area (%)	Potential Number of Bowling Lanes Supported in the Authority Area	Outstanding Potential Capacity in the Authority Area
2023	256,236	12,934	19.8	58.1%	11.5	-0.5
2025	257,007	12,934	19.9	58.3%	11.6	-0.4
2030	258,558	12,934	20.0	58.6%	11.7	-0.3
2035	259,898	12,934	20.1	58.9%	11.8	-0.2
2040	261,138	12,934	20.2	59.2%	12.0	0.0

Note: Typical population to support ten pin bowling alley calculated with reference to the Mintel Ten Pin Bowling UK 2017 report and to the ONS 2023 population forecasts for the UK

## Casinos

- 8.44 Mintel's Casinos and Bingo UK 2018 report identifies that there are 145 casinos across the UK, which equates to a casino for every 467,890 persons or thereabouts. Accordingly, we estimate that the Study Area could support around 0.3 casinos at 2023, a figure which would barely change throughout the Study period.
- 8.45 Given that the estimated population of South Tyneside is around 58.1% of that of the Study Area at 2023, we identify a quantitative requirement for 0.3 casinos at 2023 through to 2041. In practice, this is effectively a nil requirement.
- 8.46 In this context, we note that the principal destination being visited by residents who undertake this activity is the Grosvenor Casino in Sunderland, which attracts 76.0% of trips. The household survey results identified that this is the single casino being visited by Study Area residents on a regular basis.
- 8.47 Given the above, and the general market position in terms of the limited openings of new casinos, we do not recommend that the Council allocates a site specifically for a new casino as part of the Local Plan.

**Table 8.11: Casino Requirement in South Tyneside**

Year	Study Area Population	Typical Population Required to Support a Casino	Potential Number of Casinos Supported by Study Area	Proportion of Study Area Population in the Authority Area (%)	Potential Number of Casinos Supported in the Authority Area	Outstanding Potential Capacity in the Authority Area
2023	256,236	467,586	0.5	58.1%	0.3	0.3
2025	257,007	467,586	0.5	58.3%	0.3	0.3
2030	258,558	467,586	0.6	58.6%	0.3	0.3
2035	259,898	467,586	0.6	58.9%	0.3	0.3
2040	261,138	467,586	0.6	59.2%	0.3	0.3

Note: Typical population to support casino calculated with reference to the Mintel Casinos and Bingo UK 2018 report and to the ONS 2023 population forecasts for the UK, England and Wales, Scotland and Northern Ireland

## 9. Summary, Conclusions and Policy Recommendations

### Context

- 9.1 The principal purpose of the Study is to understand future retail and leisure needs, and to provide policy recommendations to assist the Council in its preparation of the Local Plan.
- 9.2 The Local Plan will set out the Council’s strategy in respect of delivering new future growth in respect of a range of new developments, including housing, jobs, and main town centre uses. To ensure that commercial uses are delivered in sustainable locations, the Local Plan will provide up to date policies in respect of town centre boundaries, the hierarchy of defined centres, and local impact thresholds of relevance to retail and leisure developments. In this regard, the policies contained in the Draft Local Plan have been referred to below where appropriate, and we provide our overarching recommendations in respect of the appropriateness of the specific wording of the policies as we work our way through the conclusions of this Study.
- 9.3 As such, this concluding section of our report summarises the key findings of the Study and addresses planning policy requirements of relevance to retail, leisure, and town centres.

### Key Findings: Retail

#### Quantitative and Qualitative Capacity

- 9.4 As identified at Section 7, we do not identify any surplus capacity which could support additional convenience or comparison goods floorspace within the short, medium, and longer-term.

**Table 9.1: Quantitative Capacity for Convenience Goods and Comparison Goods Floorspace in the South Tyneside Area**

Year	Convenience Goods Floorspace Requirement		Comparison Goods Floorspace Requirement	
	Minimum (sq.m)	Minimum (sq.m)	Maximum (sq.m)	Maximum (sq.m)
2023	-700	-900	0	0
2025	-1,500	-2,000	-1,000	-1,500
2030	-1,500	-2,100	-1,900	-2,900
2035	-1,200	-1,700	-1,900	-3,000
2040	-1,000	-1,400	-1,800	-2,800

Source: Table 6d and 26d of Appendix 4

Note: In 2021 prices

- 9.5 As we identified earlier in this report, we have calculated that the survey derived turnover of existing convenience stores within the authority area totals in £302.2m, which is lower than their expected benchmark turnover of £311.3m.
- 9.6 However, in examining the performance of specific stores, it is evident that Aldi’s discount supermarkets are performing particularly strongly and that the performance of food superstores<sup>28</sup> is more variable. In this regard it should be noted that, whilst household survey respondents have in the past perhaps been slightly reluctant to acknowledge that they undertake their main food shop at a discounter, this no longer appears to be the case. In addition, our methodology apportioned convenience goods expenditure to foodstore destinations according to their identified market share. The methodology does not take into consideration that similar items are generally

<sup>28</sup> Defined as having a net sales area of more than 2,500 sq.m.

cheaper in Aldi and Lidl than in one of the 'big four' operators' stores. As such, the performance of discount operators is probably overstated and the performance of the 'big four' operators is probably understated.

- 9.7 The moderate performance of some existing food superstores is not particularly surprising, given that across the country shoppers are frequently foregoing the previously dominant 'big four' foodstore operators in favour of discounters. As a consequence of this, we believe that it is highly unlikely that there will be any requirement in the foreseeable future for any further large food superstores in the area. This is consistent with the current strategy of the 'big four' who are currently very circumspect in terms of their appetite to bring forward additional large superstores. We do, however, note that the two Aldi foodstores across the authority area (the stores in South Shields and Hebburn) are performing exceptionally well.
- 9.8 Both Aldi and Lidl have substantially improved their share of the national grocery market in recent years. Notwithstanding this, the very strong performance of Aldi foodstores across the authority area (and to a lesser degree the Lidl foodstore on Boldon Lane in South Shields) suggests that the market could support more discount foodstore provision. In this regard, we note that both Aldi and Lidl have further requirements for new stores across South Tyneside as of Autumn 2023, and therefore additional proposals for such development could come forward in the short term. In this regard, the capacity assessment on a centre basis presented above also demonstrates that there is capacity for additional convenience floorspace within Hebburn town centre in particular.
- 9.9 In considering future proposals, it is important to recognise that this Study has not identified any quantitative need for additional convenience goods floorspace in the short term, and any additional proposed food supermarkets should be considered on their merits in accordance with relevant policy tests. Most particularly, planning applications which seek to provide additional food retail provision should be considered having regard to potential sequential alternative sites, and with reference to the magnitude of impacts arising at any defined centre. The potential qualitative benefits associated with any improvement in customer choice can also be afforded weight in the decision-making process.
- 9.10 Furthermore, in light of the need to reoccupy vacant units, careful consideration should be given to proposals for any further comparison goods floorspace which could impact on the vitality and viability of South Tyneside's defined centres.

### Key Findings: Commercial Leisure

- 9.11 Our assessment of future leisure needs is in two parts.
- 9.12 In terms of food and beverage floorspace, we have undertaken a quantitative assessment which identifies available expenditure and takes account of the need for existing businesses to increase their turnover to remain viable.
- 9.13 Our assessment has identified that at 2040 there is a requirement for 600 sq.m of restaurant and café floorspace and for 300 sq.m of licensed premises floorspace (this equating to a total of 900 sq.m of food and beverage floorspace). We anticipate that this floorspace will comprise of relatively small-scale cafés, restaurants and bars which would generally be accommodated within the three principal centres and to a lesser extent, the district centres.
- 9.14 Once again, the quantum of floorspace identified is less than the total quantum of vacant floorspace identified across South Tyneside's Accordingly, we recommend that this floorspace requirement is directed towards South Tyneside's defined centres in order to secure the re-use and repurposing of vacant floorspace.



**Table 9.2: Quantitative Capacity for Restaurant and Café Floorspace and Licensed Premises Floorspace in the South Tyneside Authority Area**

Year	Restaurant and Café Floorspace Requirement (sq.m)	Licensed Premises Floorspace Requirement (sq.m)	Total Food and Beverage Floorspace Requirement (sq.m)
2023	0	0	0
2025	-100	0	-100
2030	-100	-100	-200
2035	500	300	800
2040	600	300	900

Source: Tables 5a, 5b, 10a and 10b of Appendix 5

Note: Assumes constant market share (21.3%) of Study Area expenditure claimed by facilities in the South Tyneside authority area; allows for changes in benchmark turnover sales efficiency in accordance with Figure 2 of Experian Retail Planner Briefing Note 20 - Leisure; in 2021 prices

- 9.15 We have undertaken a quantitative benchmarking exercise to identify general requirements in respect of large format leisure uses.
- 9.16 This has identified quantitative capacity which equates to a requirement across the South Tyneside authority area at 2040 for:
- -1.2 bingo halls;
  - -1.4 cinema screens;
  - 0.0 ten pin bowling lanes; and
  - 0..3 casinos.
- 9.17 The requirement in respect of casinos does not equate to a single facility and, in any event, it is highly unlikely that such an operator would prioritise securing a new facility in South Tyneside.
- 9.18 We do not anticipate there to be operator demand to bring forward larger format leisure uses in South Tyneside over the plan period to 2040. The exception to this could be if there were potential for a cinema screen with the authority area as part of a flexible arts venue or as a single screen independent to secure the re-use of an existing building, particularly in light of the dominance of the Cineworld at Boldon Colliery. However, we believe that any such opportunity would be operator or venue-led and we do not believe that it is necessary for the Council to proactively plan to accommodate any such use in practice.

## Key Findings: Principal Centres

### Town Centres

- 9.19 The Study has reviewed the vitality and viability of defined town and district centres across the authority area. Our assessments have been undertaken with reference to the town centre healthcheck indicators set out at paragraph 006 of the Town Centres PPG.
- 9.20 We set out the overarching conclusions in respect of South Tyneside’s principal centres below.
- 9.21 **South Shields town centre** is the principal retail and leisure destination within South Tyneside, being the largest of the Borough’s three defined town centres. The town centre, as defined by Experian/Goad, accommodates a total of 387 units, which collectively provide 104,090 sq.m of gross floorspace.

- 9.22 In keeping with its role as the principal shopping centre, South Shields is a focus for large-format national multiple retailers, especially in the comparison sector, offering a wide degree of consumer choice. It also benefits from a variety of convenience operators with a reasonably good day-to-day offer that meets the needs of local residents. Another strength of the town centre is the food and drink leisure offer, centred around Ocean Road, which capitalises on the visitor/tourist trade driven by South Shields' seaside location. These uses contribute to an evening economy which brings activity to this part of the centre until late into the night.
- 9.23 Over the past decade, South Shields has enjoyed significant public and private investment including the development of the new Transport Interchange, The Word cultural facility, and public realm improvements including the remodelled Market Place. As a consequence, the area is accessible and the pedestrianised part of King Street provides a particularly attractive shopping environment with high footfall. The current ongoing regeneration initiatives, including the relocation of South Tyneside College, are anticipated to build on these successes and provide a new focal point for the town centre which will bring new trips, activity, footfall and spend.
- 9.24 Currently, key challenges for South Shields include an oversupply of small-scale retail premises, resulting in a unit vacancy rate that is substantially higher than the national average (although the floorspace vacancy rate is broadly comparable to the UK average). The town centre would benefit from the introduction of more evening leisure uses, particularly food and drink outlets, to the western part of King Street and the secondary frontages in the south of the centre. This would allow all parts of the town to capitalise on the success of Ocean Road and ensure that the centre as a whole feels vital and safe after daylight hours. Additionally, Fowler Street/Westoe Road in the southern part of the centre could benefit from improved public realm and cycle/pedestrian links, as highlighted in the South Shields Masterplan & Vision Document of July 2023.
- 9.25 **Jarrow town centre** is the second largest of the Borough's three town centres, providing for 108 retail, leisure and service units amounting to 25,850 sq.m gross. The focal point of the town centre is the Viking Centre, a 1960s-style shopping precinct that provides for a number of national multiple retailers in the comparison and convenience sectors.
- 9.26 Jarrow generally performs well in fulfilling the retail needs of local residents. The Morrisons superstore and adjacent Viking Centre are key anchors, with the latter providing for a reasonably good variety of national multiple comparison operators including B&M, Boots and New Look.
- 9.27 This offer is complemented by a range of independent non-food retailers trading from small-scale units within the Viking Centre and on Ellison Street, which includes charity shops, a chemist, clothes stores, a mobile phone shop and a pet shop. The 2018 South Tyneside Town and District Use Needs Study considered that Jarrow had '**a number of good quality independents**'. Non-multiples continue to make up 40% of Jarrow's retail provision, although more recent representation is also weighted towards the lower end of the market.
- 9.28 Jarrow Focus is a significant asset to the leisure offer. The town centre also benefits from its accessibility by public transport. Its linear layout and compact nature make it easily navigable for visitors travelling on foot, and the shopping environment is well-maintained and generally pleasant, especially in the pedestrianised part of the Viking Centre.
- 9.29 However, the town centre's unit vacancy rate is double the national average. Given that the floorspace vacancy rate is actually slightly below the UK average, it is clear that Jarrow suffers from an oversupply of vacant former retail space. The resulting inactive street frontages detract from the environmental quality of the centre, particularly on Grange Road where the effect is exacerbated by the takeaway operators which are shuttered during the day.

- 9.30 Nonetheless, the recent purchase of the Viking Centre by Evolve Estates demonstrates that the town centre continues to inspire investor confidence, even in light of the challenges currently facing retailers nationwide. The purchase also represents an opportunity for the reconfiguration and repurposing of Jarrow's vacant units.
- 9.31 There is potential to further develop the town centre's evening economy through the introduction of a more diverse range of late-opening uses, especially restaurants, and/or the creation of a focal point to encourage food and drink operators to be mutually reinforcing. To this end, we note that Policies SP20 and 26 of the Draft Local Plan promote Jarrow as a principal location for main town centre uses, including leisure and entertainment uses (which would make a positive contribution to the evening economy and to the overall vitality and viability of the centre).
- 9.32 **Hebburn town centre** is the smallest defined town centre in South Tyneside, with 65 units amounting to 10,270 sq.m of commercial floorspace. The Mountbatten Shopping Centre is a 1960s retail precinct which forms the heart of the town centre, with additional commercial frontages located on Station Road and Victoria Road. The modern Hebburn Central development and Aldi supermarket attract high levels of footfall to the north of the centre.
- 9.33 Hebburn functions as a convenience shopping destination that plays an important role in providing for the daily needs of local residents. The Aldi foodstore is a key anchor that draws trade from a fairly wide residential catchment, and is complemented by additional mid-sized national multiple grocery retailers and a range of smaller convenience retailers offering a very good level of choice for a centre of this size. Retail services provision in the town centre is also strong, supporting its role in meeting the day-to-day needs of a localised catchment. Hebburn is easily accessible by a variety of sustainable transport modes, and benefits from high levels of pedestrian traffic especially in the northern part.
- 9.34 In recent years, Hebburn has been positively impacted by regeneration initiatives led by the Council and supported by significant private-sector investment. Another major anchor is Hebburn Central, which, together with adjacent public realm improvements, has had a catalytic effect on the centre by encouraging new private-sector investment, footfall and activity.
- 9.35 However, as with the other town centres in South Tyneside, Hebburn suffers from a high unit vacancy rate despite its floorspace vacancy rate being roughly in line with the national average. The unoccupied units are generally small in scale and concentrated within the Mountbatten Shopping Centre. In addition, Hebburn's late-opening operators are lacking in diversity and number, with the centre having no restaurants and few national multiples. Given that the Shopping Centre is currently for sale, there is a real prospect of future private-sector investment that will result in the reconfiguration and repurposing of its vacant floorspace for food and drink purposes, which would help to strengthen the overall vitality and viability of Hebburn.

### District Centres

- 9.36 The six district centres in the South Tyneside authority area typically serve a more localised role and provide catchments with their day-to-day retail and service needs. Four of the district centres have a unit vacancy rate lower than the UK average (Baldon Lane, Dean Road, Frederick Street and Harton Nook), whereas two of them have vacancy rates above average (Baldon Colliery and Westoe Bridges). We summarise the key findings for each of the district centres below:
- Baldon Colliery is the smallest of the district centres and is dominated by its Asda superstore, which is the largest supermarket in the entire Borough. The Asda draws trade, particularly main food shopping trips, from across the Study Area, generating footfall that supports the smaller, predominantly independent retail service and leisure uses which make up the rest of the district centre. Although the unit vacancy rate is above

the UK average, if only one vacant space were filled then the rate would be comparable to the national average due to the modest size of the centre. Overall we conclude that Boldon Colliery is reasonably vital and viable and meets the majority of the daily needs of local residents.

- Boldon Lane district centre is anchored by the busy Lidl supermarket in its west, which supports linked trips with the smaller, primarily independent commercial operators on Boldon Lane and Stanhope Road. In addition to Lidl, there is a very good variety of non-food shops for a centre of this size and role and reasonably strong provision of retail services and food and drink. The district centre enjoys low vacancy rates. There are no financial and business service units within Boldon Lane, with this 'gap' in provision meaning that local residents have to travel to elsewhere in the Borough in order to meet these needs. The centre could also benefit from measures to enhance its environmental quality. Nevertheless, we conclude that Boldon Lane performs reasonably well in its role as a district centre that meets the majority of the local community's day-to-day retail and service needs.
- Dean Road district centre comprises clusters of commercial units within a primarily residential terrace. Both the convenience and comparison shopping provision reflect the proximity of the higher order retailers in South Shields, which is within walking distance of the district centre. Thus, the offer is generally fairly small in scale and predominantly independent, with the foodstores primarily catering for top-up shopping and with the non-food stores including specialist operators. Vacancy rates are below average. The public realm is generally appropriate for the centre's form and function, but suffers from the impacts of takeaway units that are shuttered during the day and from a lack of tree planting or other decoration. Overall, however, we consider Dean Road to be reasonably vital and viable. The centre is adequately performing its role as a small-scale retail, leisure and service centre that meets the day-to-day needs of a localised catchment.
- Frederick Street is a relatively constrained district centre anchored by a Lidl foodstore to the north and benefitting from a higher-than-average proportion of convenience floorspace and units. The vacancy rate is below average both in terms of floorspace and proportion of units, with some former vacancies in the southern part of the centre having been repurposed in recent years to provide new homes. While the conversion to residential use is positive in terms of ensuring properties do not remain vacant for long periods, it does remove some active ground floor frontages and it would be prudent for the local authority to ensure that there is a general consideration over the proportion of residential units within the centre in the future. There are also some opportunities for significant aesthetic enhancements to Frederick Street's shop frontages. We consider that the on-street car parking is a detractor to the centre, particularly given that there is plentiful off-street car parking to the north and east. Overall, however, Frederick Street district centre is in reasonable health, with a good offer to meet residents' day to day needs.
- Harton Nook district centre is long and linear in nature, comprising terraces of commercial units to the north of Prince Edward Road and being divided in half by the Sunderland Road/Prince Edward Road roundabout. Harton Nook is the best performing district centre within South Tyneside, as it was in 2018, with no identified vacant units or vacant floorspace. The centre's offer is anchored by the Tesco Express to the west which includes an ATM, alongside a range of independent operators. The variety of comparison shops is excellent for the area and there is also good leisure and retail service provision. We consider Harton Nook to be vital and viable, providing a good overall commercial offer to meet the needs of its catchment.
- Westoe Bridges is a relatively small, linear district centre comprising terraced retail and service accommodation interspersed with houses within easy walking distance of South Shields town centre. The centre comprises small-scale units, with no real 'anchor' store like that typically found in the other district

centres. However, an edge-of-centre Aldi provides local residents with main and top-up convenience shopping opportunities. The offer within the centre is focused heavily on retail service provision, particularly health and beauty operators. While the centre’s environmental quality is good overall, the dominance of the A1018 and associated traffic movement does detract from the feeling of safety and ease of movement in some parts and there may be opportunities to enhance the pedestrian footpaths and crossing to further encourage footfall on either side of the busy road. Overall, we consider Westoe Bridges to be vital and viable.

## Future Retail and Centres Strategy

### Mix of Uses

9.37 We provide an overview of the mix of uses evident within the centres below at Table 9.3 and 9.4. The principal centres are generally multi-functional, focused on day-to-day retail and service needs with a more extensive offer in the larger centres of South Shields and Jarrow. These centres retail a reasonably good range of comparison goods retailers and are the focus for national multiple operators.

**Table 9.3: Mix of Uses Across the Authority’s Town Centres**

Land Use	Units (%)			Floorspace (%)		
	South Shields	Jarrow	Hebburn	South Shields	Jarrow	Hebburn
Comparison	19.4%	18.5%	21.5%	32.7%	30.3%	11.9%
Convenience	7.0%	12.0%	12.3%	14.9%	29.7%	36.9%
Financial and Business	8.8%	8.3%	4.6%	5.8%	5.9%	3.2%
Leisure Service	31.5%	16.7%	16.9%	25.6%	14.5%	20.8%
Retail Service	12.7%	16.7%	24.6%	6.5%	6.5%	13.1%
Vacant	20.7%	27.8%	20.0%	14.5%	13.1%	14.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Note: Composition of centres derived from Nexus Planning survey of 2023

**Table 9.4: Mix of Uses Across the Authority’s District Centres**

Land Use	Units (%)						Floorspace (%)					
	Boldon Colliery	Boldon Lane	Dean Road	Frederick Street	Harton Nook	Westoe Bridges	Boldon Colliery	Boldon Lane	Dean Road	Frederick Street	Harton Nook	Westoe Bridges
Comparison	9.5%	32.4%	15.1%	24.6%	27.8%	20.0%	0.8%	20.4%	24.7%	17.1%	20.2%	22.1%
Convenience	14.3%	5.9%	9.4%	19.7%	17.7%	16.0%	88.7%	43.2%	11.0%	33.7%	31.4%	16.1%
Financial and Business	4.8%	0.0%	5.7%	1.6%	6.3%	8.0%	0.6%	0.0%	3.9%	0.8%	4.6%	8.6%
Leisure Service	23.8%	38.2%	26.4%	24.6%	24.1%	12.0%	4.7%	22.9%	22.1%	27.9%	28.4%	11.6%
Retail Service	28.6%	17.6%	34.0%	18.0%	24.1%	28.0%	3.3%	10.2%	31.4%	12.3%	15.4%	29.6%
Vacant	19.0%	5.9%	9.4%	11.5%	0.0%	16.0%	2.0%	3.3%	6.9%	8.1%	0.0%	12.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Note: Composition of centres derived from Nexus Planning survey of 2023

9.38 It is also notable that the centres of Boldon Lane and Harton Nook secure good representation from comparison goods retailers. These centres are able to support some independent and specialist retailers which appreciably add to their identity and their overall offer.

- 9.39 Notwithstanding this, it is evident that the comparison goods function of centres has markedly reduced over the past decade. Whilst this is symptomatic of wider retailing trends, it will be particularly important to retain a critical mass of comparison goods retailers in the authority's centres in order to maintain their ongoing function. Small to medium sized centres are particularly susceptible to the loss of comparison goods retailers as national multiples are increasingly serving the country from fewer stores (often relying on online to serve rural customers and secondary locations). It will be important to ensure that that retail offer of centres is not further diminished.
- 9.40 In planning policy terms, this can be assisted through policies to resist loss of town centre retail floorspace through changes of use, and by the careful consideration of proposals for out of centre floorspace and the refusal of planning permission where unacceptable impacts would arise. There is a clear need for any retailer interest to be directed to in-centre locations (and the vacant premises lying therein) in the first instance.
- 9.41 All principal centres in South Tyneside support a range of convenience goods retailers. For the most part, large format grocery retail has developed in proximity to the core of principal centres; this can play an important role in driving footfall and allowing other operators to benefit from linked trips. Most of the principal centres are served by a large in-centre foodstore operated by either one of the 'big four' supermarket operators or by Aldi or Lidl. The exceptions to this are Dean Road, whose largest convenience shop is a Morrisons Daily, and Westoe Bridges, which is served by an edge-of-centre Aldi.
- 9.42 The provision of main food shopping destinations within and around defined centres is a key strength of centres across the authority area and the benefit of retaining this should be given substantial weight when considering future convenience goods retail proposals.
- 9.43 In terms of service sectors, financial and business transactions have increasingly moved online and 'bricks and mortar' financial service provision has significantly reduced as a consequence. This trend will not be reversed. It will be important to ensure that premises previously put to such use are repurposed and brought back into active use. By way of example, former bank and building society premises can often be made into attractive bars and restaurants which are able to enhance a centre's wider offer (including the evening economy).
- 9.44 Whilst the economic picture is currently challenging for hospitality operators, we consider that further potential exists to expand the leisure sector offer within South Tyneside's centres across the medium to longer term.
- 9.45 Regarding hospitality, we find that:
- South Shields benefits from a strong food and drink leisure offer focussed on Ocean Road. There are also a number of hotels and guesthouses, reflecting the town centre's seaside location which attracts regular visitors/tourists. The centre provides for a number of high quality restaurants and takeaway operators, which drive an evening economy centred around Ocean Road and, later into the night, the public houses and nightclubs clustered around Mile End Road. In contrast, the western part of King Street and the secondary frontages in the south of the town centre have few late-opening leisure operators. These areas would therefore benefit from the introduction of additional evening leisure uses, particularly food and drink outlets, to capitalise on the success of Ocean Road and ensure that all parts of the town centre feel vital and safe after daylight hours.
  - Jarrow and Hebburn both provide opportunities to develop their currently limited evening economies through the reoccupation and repurposing of the vacant former retail floorspace with which they are currently oversupplied. A more diverse range of late-opening uses, especially restaurants, would benefit both centres and complement the Jarrow Focus and Hebburn Central developments which have significantly boosted both towns' daytime leisure offers.

- The leisure service offer in the district centres is more functional and, whilst opportunities to improve their provision should be taken, their potential is clearly more limited.

- 9.46 There is a significant differential in respect of the level of retail service provision apparent in centres. Boldon Lane has the lowest proportion of units dedicated to retail service uses (17.6%), with Dean Road having the greatest incidence (34.0%). This contrast in the prevalence of retail service uses reflects the different roles played by the various district centres; Boldon Lane is anchored by a Lidl store that draws trade from a fairly wide catchment, while Dean Road functions more as a day-to-day retail and service centre catering primarily to its local residential catchment. This is reflective of retail services often being undertaken close to home (e.g. post offices, hairdressers, dry cleaning, and so on). Such services cannot generally be replicated online and they will continue to fulfil an important role in supporting centres. Additional retail service provision should be encouraged in all centres, particularly where vacancy rates are above average and vacant properties can be brought back into active use.
- 9.47 It is highly unlikely that there will be substantial comparison goods retail development coming forward within South Tyneside across the plan period. In practice, some such in-centre retailers may close. This is consistent with the overall position set out at Section 7 of this report, which identifies a negative overall requirement for comparison goods retail floorspace when account is taken of commitments. This could open up town centre space for convenience retailers, and for the growth of the leisure and retail service sectors. In particular, food and drink operators are a critical component of a modern town centre, and the future success of these operators is inextricably linked to centres' overall vitality. Improved local leisure provision will mean a reduced need to travel further afield to eat, drink and socialise. This reduces carbon emissions and accords with sustainable development principles (particularly as a rounded retail and service offer should encourage linked trips and reduce travel).
- 9.48 A critical element of a successful strategy relates to the need to ensure that centres retain their role as a focal point for convenience goods retailing, ideally through accommodating main food shopping destinations as part of their offer.

### Meeting Retail Needs

- 9.49 Convenience goods retailing in both authorities is generally located close to defined centres and typically has an important role in underpinning the vitality of centres, particularly for the town centres and the larger district centres. This Study does not identify any capacity which would support additional convenience goods floorspace in the authority area in the period to 2040.
- 9.50 However, due to the over trading of the existing provision within Hebburn, we have identified some capacity within the town centre to accommodate additional convenience goods floorspace. There may therefore be an opportunity to promote additional convenience goods operators as part of any future redevelopment of the town centre which could widen consumer choice for residents. However, any additional convenience floorspace within the centre should be treated carefully so as to not negatively impact on the existing operators within Hebburn and effectively degrade their offer and overarching business.
- 9.51 Indeed, should further convenience goods retail proposals come forward on edge or out of centre sites, then these will need to be considered carefully with reference to the key retail sequential and impact tests.
- 9.52 Notwithstanding the overall position in respect of capacity, the delivery of local convenience goods provision serving the day-to-day needs of new residents will generally be appropriate to provide for sustainable shopping patterns.



- 9.53 We do not anticipate a need to build out any further comparison goods floorspace over the plan period and recommend that any planning applications which support such a use are carefully considered in respect of their compliance with the sequential and impact town centre policy tests.

### Meeting Commercial Leisure Needs

- 9.54 As Section 8 demonstrates, we do not identify any capacity for large format leisure floorspace within the authority area. We do identify a small level of floorspace capacity for restaurants, cafes and other licenced premises but this is not at a level which we consider should be reflected in policy.

- 9.55 We consider it to be unlikely that there will be any other form of large format traditional commercial leisure provision. New ten pin bowling alleys are principally supported in higher order centres, which are able to physically accommodate the space for a bowling alley. Casino and bingo hall development is a relatively rare occurrence and we do not anticipate any significant operator interest in the authority areas.

- 9.56 However, commercial leisure continues to be an important element of the overarching offer of centres and is one of the key attractors which draws in footfall both during the daytime and evening. Therefore, particularly within the larger centres in the authority area, a recognition that such uses play an important role in helping to support the future vitality and viability of centres should be included in planning policy. In this regard, we note Policy 31 of the Draft Local Plan seeks to promote the diversification of the evening and night-time economy within South Shields in particular, which we agree with and consider to be a priority for the Council. However, we would recommend that such uses are also encouraged within Jarrow and Hebburn town centres too where appropriate, to help further diversify the offer and support the centres moving forward.

## Planning Policy Recommendations

### General Policy Approach

- 9.57 The draft South Tyneside Local Plan 2021-2039 promotes a 'town centre first' policy approach which is broadly consistent with the general requirements of paragraphs 86 to 91 of the NPPF.

- 9.58 This Study identifies that the proportion of vacant units in all three principal town is above national average level, equating to over 20% of units in each case. As such, there will be a benefit in reducing the level of vacancies to improve centres' offer and visual attractiveness, and to support additional activity. Accordingly, it will be important to try to direct additional development within centres (or, failing that, in sustainable locations which are able to support linked trips to defined town centres).

- 9.59 In this regard, we note that paragraph 018 of the Town Centres PPG indicates that proposals for edge and out of centre retail and leisure developments should be considered with reference to the health of centres that would be impacted by development. Paragraph 018 states that:

**'A judgement as to whether the likely adverse impacts are significant can only be reached in light of local circumstances. For example, in areas where there are high levels of vacancy and limited retailer demand, even very modest trade diversion from a new development may lead to a significant adverse impact.'**

- 9.60 In this context, we agree that it is important for the new local plan to clearly set out the importance of the sequential and impact tests and explain the local circumstances which frame how they will be applied in practice. The sequential and impact tests will need to be applied in a robust manner in order to provide for the re-use of vacant units and to support centres which retain a strong retail function as well as a diverse range of other uses.



Whilst non-retail uses will be an important component of the mix of land uses in principal centres moving forward, there is still a requirement to accommodate new retailers and secure additional retail floorspace within defined centres wherever possible in accordance with the requirements of the NPPF.

- 9.61 Is it important that the local plan clearly identifies that all three centres should remain a focus for both convenience and comparison goods retail and that such uses remain important in driving footfall. Whilst the role of all three centres is impacted by the character of large scale retail provision in Newcastle and Sunderland in particular, each has been able to continue to support a significant quantum of comparison goods retailers (generally focused around day-to-day household comparison goods shopping and independent retailers). It is important that this offer is maintained. Policy 26 of the Draft Local Plan seeks to ensure that the defined centres are the focus for main town centre uses, which we agree with.
- 9.62 Notwithstanding this, it is evident that fundamental changes in the retail sector – largely resulting from the shift to online retail, which has been accelerated by the Covid-19 pandemic – have had a permanent impact on land use on the high street. As such it is critical that defined centres continue to diversify in order to provide access to jobs, leisure, culture, services, and social connection. In this regard, there may be a requirement to relax Policy 26 in some cases to ensure that flexibility in centres is promoted.
- 9.63 In the context of the current vacancy rate and national planning policy requirements, we recommend that the new local plan policies are sufficiently flexible so as to allow for an appropriate range of town centre uses beyond retail, and reflect the need to repurpose historic, sometimes outdated retail stock in order to accommodate new residential, leisure and community uses. To this end, we note that paragraph 86 of the NPPF states that planning policies should:
- ‘...recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.’**
- 9.64 The local plan should also consider the effects of the expanded Use Class E and the consequences of the additional flexibility which Class E provides for outside of town centres. The authorities may wish to consider applying restrictive conditions to planning permission for Class E development which is delivered outside of town centres to restrict the authorised use to that which has been justified in the application submission. This will help ensure that unacceptable impacts do not arise within town centre as a consequence of future Class E development.

## Boundaries

- 9.65 Paragraph 86 of the NPPF requires local plans to **‘define the extent of town centres and primary shopping areas’**.
- 9.66 National planning policy no longer explicitly prescribes the designation of primary and secondary frontages. The Government has confirmed that the removal of this requirement reflects the general need to be flexible in planning for the future of town centres due to the rapid changes taking place in the retail and leisure industries. Whilst the removal of the requirement does not preclude local planning authorities from identifying primary and secondary shopping frontages where supported by local circumstances, we do not believe that this is merited in this instance. There is a clear need to repurpose and reoccupy centres across both authority areas in the manner that Use Class E generally provides for. In this context, the separate designation of both primary and secondary frontages would serve no useful purpose. Instead, where appropriate, we recommend a single defined ‘primary shopping area’.
- 9.67 Annex 2 of the NPPF indicates that a primary shopping area is the **‘Defined area where retail development is concentrated’**.

9.68 Annex 2 also identifies that a town centre is the:

**‘Area defined on the local authority’s policies map, including the primary shopping area and areas predominantly occupied by main town centre uses within or adjacent to the primary shopping area. References to town centres or centres apply to city centres, town centres, district centres and local centres but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in the development plan, existing out-of-centre developments, comprising or including main town centre uses, do not constitute town centres.’**

9.69 Annex 2 further defines main town centres uses as:

**‘Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).’**

9.70 In this context, it is important to note that, although there is the opportunity to define separate primary shopping area and town centre boundaries, there is no general requirement to do so unless the specific characteristics of the subject centre support such an approach. Government policy specifically encourages the diversification of centres. Whilst retail will (in most cases) be a key element of a town centre, the majority of lower-order centres are diverse and uses are typically distributed throughout the centre. Such centres may not have a particular concentration of retail uses at their core.

9.71 Furthermore, it is also important to recognise the purpose of defining both a primary shopping area and town centre boundary. In planning policy terms, distinguishing between the primary shopping area and town centre boundary is of principal merit in terms of identifying the area of relevance in applying the sequential and impact tests to retail development. The particular relevance of the primary shopping area to retail planning proposals is confirmed by Annex 2 of the NPPF.

9.72 We have reviewed the current and proposed boundaries of the defined town and district centres and provide our commentary on a centre-by-centre basis at Table 9.3 below.

9.73 As identified above, we believe that any existing primary and secondary frontages should not be maintained going forward given the provisions of Class E of the Use Classes Order and the Government’s general objective that there should be greater flexibility on the high street.

**Table 9.3: Summary of Boundary Recommendations for Defined Centres**

Centre	Recommendations
South Shields	<p>We have reviewed the currently adopted town centre boundary and primary shopping area and the proposed boundaries as provided at Map 27 of the Draft Local Plan. Overall, we agree that both a town centre boundary and a primary shopping area should be designated within South Shields town centre.</p> <p>We agree with the Council’s recommendations in terms of the town centre boundary, but recommend that the draft primary shopping area is extended westwards to include the western half of King Street in light of its comparison retail focus, and that there is the potential to include Waterloo Square and the Asda supermarket too.</p>
Hebburn	<p>We agree with the recommended town centre boundary for Hebburn, as provided by Map 29 of the Draft Local Plan. We also agree that in light of the composition of the centre, there is no requirement to differentiate the town centre boundary from the primary shopping area.</p>
Jarrow	<p>We note that Map 28 of the Draft Local Plan only recommends a town centre boundary for Jarrow town centre and therefore does not recommend defining a primary shopping area.</p>

Centre	Recommendations
	We are of the view that there is still merit in providing a separate primary shopping area in light of the strong concentration of retail uses within the centre of Jarrow, and have recommended boundaries as such. The primary shopping area includes the Viking Centre and the Morrisons foodstore, alongside the Home Bargains to the west. In accordance with Annex 2 of the NPPF, this is the area within which the retail uses are concentrated.
Boldon Colliery	We agree with the recommended boundary for Boldon Colliery district centre as outlined at Map 35 of the Draft Local Plan. We note the proximity of Cineworld and associated leisure uses to the west, which comprise main town centre uses. However, we do not consider that sufficient linkages exist between the district centre and the leisure offer to warrant the expansion of the district centre boundary.
Boldon Lane	We agree with the recommended boundary for Boldon Lane district centre as set out at Map 31 of the Draft Local Plan.
Dean Road	We agree with the recommended boundary for Dean Road district centre as outlined at Map 34 of the Draft Local Plan.
Frederick Street	We broadly agree with the recommended boundary for Frederick Street district centre, as set out at Map 33 of the Draft Local Plan. However, we would suggest that Ahmed’s International Foodstore is brought into the boundary, alongside the potential development opportunity to the north, to ensure there is consistency and to provide future opportunities for growth within the centre.
Harton Nook	We have reviewed the recommended boundary for Harton Nook as provided by Map 32 of the Draft Local Plan and consider there to be the potential to extend the boundary north along Sunderland Road to include the commercial uses along the road, including the Farmfoods unit. This would also join the two halves of the centre together, resulting in one continuous boundary.
Westoe Bridge	We agree with the recommended boundary for Westoe Bridge district centre as outlined at Map 30 of the Draft Local Plan.

## Hierarchy

- 9.74 Paragraph 86 of the NPPF identifies that local planning authorities should define a network and hierarchy of town centres. However, very little detail is provided in this regard and, notably, neither the NPPF nor the Town Centres PPG differentiates between different types of town centre and the role each serves.
- 9.75 The most recent definitions provided by the Government were provided by Planning Policy Statement 4: Planning for Sustainable Economic Growth (‘PPS4’), which was published in December 2009 (and was superseded by publication of the original iteration of the NPPF in March 2012). Whilst PPS4 should be considered on this basis (i.e. it is not up to date practice guidance), in the absence of any other definitions it is of some relevance to the consideration of a retail centres hierarchy.
- 9.76 Annex B of PPS4 identified that:

**‘City centres are the highest level of centre identified in development plans. In terms of hierarchies, they will often be a regional centre and will serve a wide catchment. The centre may be very large, embracing a wide range of activities and may be distinguished by areas which may perform different main functions. Planning for the future of such areas can be achieved successfully through the use of area action plans, with masterplans or development briefs for particular sites. In London the ‘international’ and ‘metropolitan’ centres identified in the Mayor’s Spatial Development Strategy typically perform the role of city centres.**

**Town centres will usually be the second level of centres after city centres and, in many cases, they will be the principal centre or centres in a local authority’s area. In rural areas they are likely to be market towns and other centres of similar size**

and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability. In London the ‘major’ and many of the ‘district’ centres identified in the Mayor’s Spatial Development Strategy typically perform the role of town centres.

District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.

Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.

Small parades of shops of purely neighbourhood significance are not regarded as centres for the purposes of this policy statement.’

- 9.77 Draft Local Plan Policy SP20 sets out a three-tier centres hierarchy with South Shields, Jarrow and Hebburn at the top as the town centres, followed by the six district centres and the five local centres.
- 9.78 As Section 4 of this report demonstrates, South Shields is by some distance the largest centre in the Borough with its 387 commercial units supporting a total of 104,090 sq.m of commercial floorspace. The centre has a rounded offer that incorporates significant grocery provision, significant retail and leisure service provision, and community facilities. In particular, the leisure service offer provided in South Shields is appreciably greater than that supported in the other two town centres. South Shields is therefore clearly the principal centre within the authority area.
- 9.79 However, it is noted that both Jarrow and Hebburn serve important catchments and meet needs of residents elsewhere in the authority area, and that differentiating South Shields from the other two town centres would not help to support their future vitality and viability. Instead, it is recommended that whilst all three are retained as town centres in the hierarchy, the supporting policy text continues to acknowledge the different roles the centres provide and cater for.
- 9.80 In terms of the six district centres, again it is noted that these are in varying scales and offer, with Westoe in particular providing a lesser offer than the others. However, this is likely to be a direct consequence of its’ proximity to South Shields town centre and it still serves an important retail, leisure and service role for its’ residential catchment, and therefore continues to perform the role of a district centre overall.
- 9.81 We are aware that South Tyneside’s five local centres are materially smaller in scale. We have reviewed the extent of each and note that they generally provide a significantly lower number of commercial units which serve a localised catchment. Many customers will travel on foot to these centres, which are focused around top up food shopping and localised services. On this basis, we believe that the current hierarchy should be maintained and confirm this structure below at Table 9.4.

**Table 9.4: Confirmation of Three Tier Hierarchy for South Tyneside**

Tier	Centre(s)
Main Town Centre	South Shields, Jarrow and Hebburn are the principal locations for retail, leisure, entertainment, cultural facilities and services
District Centre	Westoe Bridges, Boldon Lane, Harton Nook, Frederick Street, Dean Road, Boldon Colliery service localised needs through the provision of shops as well as other non-retail services such as cafes, financial services and post offices

Tier	Centre(s)
Local Centres	Cleadon Village, East Boldon Village, Harton, Westoe Road, Whitburn serve the everyday needs of local communities and are the focus for small scale shops and services accordingly

## Thresholds

- 9.82 Paragraph 90 of the NPPF indicates that it is appropriate to identify thresholds for the scale of edge of centre and out of centre retail and leisure developments which should be the subject of impact assessment. Any such threshold policy applies to the impact test only (all planning applications for main town centre uses which are not in an existing centre and not in accordance with an up-to-date development plan should be the subject of the sequential test<sup>29</sup>).
- 9.83 The purpose of applying an impact threshold within the development plan which deviates from the national threshold of 2,500 sq.m is to allow the Council to retain appropriate control in respect of the potential for development to impact on the future health of defined centres within the authority area. In applying a lower threshold, applications for developments which could potentially have a harmful effect on the overall vitality and viability of a defined centre, will need to be supported by a proportionate impact assessment which sets out the potential trade diversion impact assumptions.
- 9.84 Paragraph 015 of the Town Centres PPG provides specific guidance in relation to floorspace thresholds and states:
- ‘The impact test only applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold it will be important to consider the:**
- **scale of proposals relative to town centres**
  - **cumulative effects of recent developments**
  - **whether local town centres are vulnerable**
  - **likely effects of development on any town centre strategy**
  - **impact on any other planned investment.’**
- 9.85 Using the above guidance, we set out the justification to support our view that a lower threshold should be applied across the hierarchy of centres within the authority area. To note, the current adopted policy does not provide a locally set threshold for impact assessments.
- 9.86 In considering the setting of a local impact threshold, it is important to give consideration to the type of development (relating to convenience and comparison goods retail uses, and leisure uses) which would, in practice, provide space for key operators who could act to ‘anchor’ a centre. Should one of these anchor units or operators leave a centre, there will likely be the potential for a significant adverse impact to arise.
- 9.87 As such, where there is genuine potential for an application proposal to divert a material level of expenditure away from a defined centre, or potentially remove a key tenant from that centre, there will likely be a requirement to consider the impacts arising from the proposal in detail.
- 9.88 In respect of lower order centres, the introduction of even a small convenience store nearby (of the type operated by Sainsbury’s Local or Tesco Express) may have the potential to impact on the ongoing viability of key operators. Small convenience stores operated by national multiple grocers can generate a relatively substantial turnover. If

<sup>29</sup> With the exception (in accordance with paragraph 89 of the NPPF) of small scale rural office proposals and other small scale rural development.

this is diverted from existing retailers in defined centres, the impact on the overall vitality and viability through the loss of spend and footfall, could be of a significant adverse magnitude.

- 9.89 Therefore, in implementing a local threshold policy, it is considered more appropriate to apply a range of thresholds in accordance with the type of centre the proposed development is proximate to. The thresholds should not only apply to new floorspace, but also to changes of use and variations of condition to remove or amend restrictions on how units operate or trade in practice.
- 9.90 We note that there are a relatively limited number of units greater than 500 sq.m in the town centres, with less than 10% of the total stock of commercial units in each of the three town centres having a greater floorspace than 500 sq.m (9.3% in South Shields, 8.4% in Jarrow and 6.3% in Hebburn. This includes a number of larger format leisure units, as well as retail units which accommodate national retailers.
- 9.91 In terms of policy recommendations relating to the impact policy threshold, this relates to the defined centre, which for the purposes of retail development comprises the primary shopping area, and for all other main town centre uses comprises the town centre boundary.
- 9.92 In this context, our initial recommendation is that the impact threshold of relevance to the town centres is set at 500 sq.m for both retail and leisure proposals. This threshold would effectively be the default to be applied authority-wide.
- 9.93 The above recommendation is also reflective of the town centre vacancy rates and the potential for out of centre retail developments to become even stronger in the future at the expense of centres' vitality and viability. The existing out of centre commercial destinations all offer a range of comparison goods, which traditionally would have been sold from town centres. As such, the recommendation is reflective of the need to safeguard against the out of centre retail destinations becoming even stronger at the expense of the health of defined centres.
- 9.94 The district centres are generally anchored by one or two national multiple convenience stores. These operators underpin the function of these centres, drawing in custom and encouraging linked trips to the other parts of the centre. Should the viability of such stores be impacted, there is a real risk of the role of the wider centre being undermined. There are relatively few units substantially larger than 300 sq.m in any of the district centres and the level of retail floorspace is considerably less than within the town centre. As such, to lose an occupier of this magnitude could have a significant adverse impact on the centre as a whole. Accordingly, in the local context, 300 sq.m constitutes a significant unit for the district centres.
- 9.95 The above recommendation is also reflective of the district centre vacancy rates and the potential for out of centre retail developments to become even stronger in the future at the expense of centres' vitality and viability. The existing out of centre commercial destinations all offer a range of comparison goods, which traditionally would have been sold from centres.
- 9.96 We note that Policy 28 of the Draft Local Plan provides a tiered approach to defining local impact thresholds, which we consider to be an appropriate approach overall. However, we would not typically consider the application of separate thresholds for convenience and comparison proposals to be appropriate, and would be keen to discuss the approach further with the Council.
- 9.97 Where an application proposal is above the respective stated impact threshold, we would recommend that the applicant discusses and agrees the scope of the retail impact assessment with the Council prior to submission. The lower threshold of 300 sq.m for the district centres is considered appropriate due to potential for convenience stores of even a relatively small nature to substantially impact upon the performance of existing operators, due to

the potential higher sales densities of such proposals. This would ensure that particular protection of these smaller centres is considered appropriately.

9.98 For the purpose of drafting future planning policy, it is important to qualify the area to which each local impact threshold will apply. We recommend that the lower impact threshold of 300 sq.m would be applicable within 800 metres of the boundary of the relevant centre

9.99 The distance of 800 metres is broadly commensurate with the potential walk-in catchments of smaller centres and is identified by Guidelines for Providing for Journeys on Foot (The Institution of Highways & Transportation, 2000) as being the 'preferred maximum' acceptable walking distance to a centre. We consider it to be appropriate for the higher threshold of 500 sq.m to apply authority- wide (i.e. beyond 800 metres of these centres), due to the lesser likelihood of significant adverse impacts arising from retail and leisure development.

9.100 It is important to emphasise that, whilst the locally set threshold would require the submission of an impact assessment for all edge-of-centre and out-of-centre developments exceeding the thresholds, national guidance states that the impact test should be undertaken in a proportionate and locally appropriate way, commensurate to the scale of development proposed. The level of detail would typically be agreed with planning Officers during the pre-application process in order to avoid overly onerous requirements that may otherwise restrict and delay development opportunities from coming forward.

9.101 Based on the above, we are of the view that an impact assessment will be necessary to accompany proposals for retail and leisure uses (including those relating to mezzanine floorspace and the variation of restrictive conditions) which are not located within a defined centre where:

- the proposal provides a gross floorspace in excess of 500 sq.m gross; or
- the proposal is located within 800 metres of a district centre and is in excess of 300 sq.m gross; or
- the proposal is located within 800 metres of a local centre and is in excess of 200 sq.m gross.

9.102 In our experience, it will only generally be development of a scale greater than these thresholds which could lead to a 'significant adverse' impact, which could merit the refusal of an application for town centre uses in accordance with the provisions of paragraph 91 of the NPPF.

9.103 The setting of a 'tiered' threshold is consistently accepted by Inspector's at Local Plan Examination and, in our view, acts to appropriately ensure that only those proposals which could genuinely result in an unacceptable impact are the subject of an impact assessment.

## Appendix 1: Study Area



## Appendix 2: Household Survey Results

## Appendix 3: Detailed Healthcheck Assessments

## Appendix 4: Quantitative Retail Capacity Assessment

## Appendix 5: Quantitative Leisure Capacity Assessment

## Appendix 6: Boundary Recommendations

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