



Sunderland Leisure Needs Study

September 2016



ELG

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REVISION RECORD					
Rev	Description	Date	Author	Checked	Approved
0	Draft	15/06/16	GJS	IHL	IHL
1	Revised Draft	11/07/16	GJS	IHL	IHL
2	Revised Draft [2]	24/08/16	GJS	IHL	IHL
3	Revised Draft [3]	07/09/16	GJS	IHL	IHL
4	Final	21/09/16	GJS	IHL	IHL

1. INTRODUCTION

Purpose of Study

- 1.1 ELG Planning have been commissioned by Sunderland City Council to prepare a Leisure Needs Study, which will provide a quantitative and qualitative need assessment for a range of main town centre uses (excluding retail) that contribute to the vitality and viability of centres over the plan period. The assessment should be read in conjunction with the Sunderland Retail Needs Assessment 2016 that has been prepared by Holliss Vincent.
- 1.2 The key purpose of the Leisure Needs Study is to provide a robust evidence base to underpin the policies for main town centre uses in the emerging Core Strategy and will deliver the following key outputs:
- Planning Policy Context;
 - Review of Leisure, Entertainment & Cultural Trends and Potential Implications for Sunderland;
 - Quantitative & Qualitative Need for Main Town Centre Uses;
 - Potential Development Sites / Areas for Main Town Centre Uses;
 - Local Impact Thresholds

2. POLICY CONTEXT

National Policy Context

National Planning Policy Framework (NPPF)

- 2.1 The NPPF was published in March 2012 and sets out the Government’s planning policies for England and how these are expected to be applied. The presumption in favour of sustainable development is at the heart of the NPPF and should be seen as a golden thread running through both plan-making and decision-taking.
- 2.2 A key objective of the NPPF is to ensure the vitality of town centres and it indicates that planning policies should be positive, promote competitive town centre environments and set out policies for the management and growth of centres over the plan period. In drawing up Local Plans, the NPPF advises that LPAs should:
- Recognise town centres as the heart of their communities and pursue policies to support their viability and vitality;
 - Define a network and hierarchy of centres that is resilient to anticipated future economic changes;
 - Define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary frontages in designated centres, and set policies that make clear which uses will be permitted in such locations;
 - Promote competitive town centres that provide customer choice and a diverse retail offer and reflect the individuality of town centres;
 - Retain and enhance existing markets and, where appropriate, reintroduce or create new ones, ensuring that markets remain attractive and competitive;

- Allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centres. It is important that needs for retail leisure, office and other main town centre uses are met in full and are not compromised by limited site availability. LPAs should therefore undertake an assessment of the need to expand town centres to ensure a sufficient supply of suitable sites;
- Allocate appropriate edge of centre sites for main town centre uses that are well connected to the town centre where suitable and viable town centre sites are not available. If sufficient edge of centre sites cannot be identified, set policies for meeting the identified needs in other accessible locations that are well-connected to the town centre;
- Set policies for the consideration of proposals for main town centre uses which cannot be accommodated in or adjacent to town centres;
- Recognise that residential development can play an important role in ensuring the vitality of centres and set out policies to encourage residential development on appropriate sites; and
- Where town centres are in decline, LPAs should plan positively for their future to encourage economic activity.

2.3 The NPPF also advises that LPAs should have a clear understanding of the business needs within the economic markets operating across their area and should use this information to assess the needs for land and floorspace for economic development, including both the quantitative and qualitative need for all foreseeable types of economic activity over the plan period, including for retail and leisure development.

National Planning Practice Guidance (NPPG)

2.4 The NPPG was published in March 2014 to provide accompanying guidance to the NPPF and is a 'live' resource which is updated regularly.

- 2.5 The NPPG confirms that LPAs should plan positively, to support town centres to generate local employment, promote beneficial competition within and between town centres, and create attractive, diverse places where people want to live, visit and work. The NPPG states that *'local planning authorities should assess and plan to meet the needs of main town centre uses in full, in broadly the same way as for their housing and economic needs, adopting a "town centre first" approach and taking account of specific town centre policy.'*
- 2.6 The NPPG emphasises that a positive vision of strategy for town centres, articulated through the Local Plan, is key to ensuring successful town centres which enable sustainable economic growth and provide a wide range of social and environmental benefits. Any strategy should be based on evidence of the current state of town centres and opportunities to meet development needs and support their viability and vitality.
- 2.7 The NPPG advises that not all successful town centre regeneration projects have been retail-led or involved significant new development. Improvements to the public realm, transport (including parking) and accessibility, as well as other measures promoted through partnership can also play important roles.
- 2.8 The NPPG confirms that it may not be possible to accommodate all forecast needs in a town centre, there may be physical or other constraints which make it inappropriate to do so. In those circumstances, LPAs should plan positively to identify the most appropriate alternative strategy for meeting the need for these main town centre uses, having regard to the sequential and impact tests. This should ensure that any proposed main town centre uses which are not in an existing town centre are in the best locations to support the vitality and vibrancy of town centres, and that no likely significant adverse impacts on existing town centres arise.

Development Plan

Sunderland Unitary Development Plan (adopted 1998)

2.9 The Sunderland UDP was adopted in 1998 and set out the City Council's requirements for land use, improvement and protection of the environment and management of transport over the plan period to 2006.

2.10 'Saved' Policy S1 of the UDP is a general shopping policy that seeks to enhance the City's shopping service in the region and ensure that it meets local needs by encouraging a wide range of attractive, well-distributed facilities to meet future shopping needs. Policy S2 of the UDP defines a hierarchy of designated centres comprising of three Strategic / Town Centres and six Local Centres, as follows:

Strategic / Town Centres	<ul style="list-style-type: none"> ▪ Sunderland City Centre; ▪ Washington Town Centre; ▪ Houghton Town Centre
Local Centres	<ul style="list-style-type: none"> ▪ Chester Road; ▪ Doxford Park; ▪ Southwick Green; ▪ Sea Road; ▪ Concord; ▪ Hetton

2.11 In addition, the adopted Sunderland UDP also identifies the following Other Local Centres:

- Hylton Road;
- Ryhope;

- Pallion;
- Hendon;
- Grangetown;
- Thorndale Road;
- Pennywell;
- Silksworth;
- Monkwearmouth;
- Shiney Row;
- Market Street, Hetton;
- Fencehouses;
- Easington Lane

Sunderland UDP Alteration No. 2 (Central Sunderland)

2.12 The Sunderland UDP Alteration No. 2 (Central Sunderland) was adopted in 2007 and sets out a policy framework for '*Central Sunderland*' which is a 600ha area, including the following:

- Sunderland City Centre (including the Vaux Brewery);
- The Port of Sunderland;
- Existing and former industrial areas along the southern bank of the River Wear (including the former Groves Cranes factory) and at Hendon;
- Partially regenerated areas on the north bank of the River, including Stadium Park, Bonnersfield and the University area at St. Peter's.

2.13 Alteration No.2 confirms that the Council will be supportive of proposals for major regional developments within Central Sunderland, particularly within the City Centre. It is also suggested that, within the City Centre Retail Core, retail uses should continue to be predominant, although other uses have their full part to play. The City Centre should also provide the main location for

leisure, entertainment facilities, sport and recreation uses, offices, arts, culture, tourism and housing.

- 2.14 Policy EC10A confirms that the City Council will support the regeneration of Central Sunderland and, within this area, will seek to maximise investment in employment, housing, leisure, tourism and education and strengthen the retail function of the City Centre retail core.
- 2.15 Policy S2A of Alteration No.2 outlines the approach towards retail development and other town centre uses and identifies that the Retail Core together with the Local Centre on the former Grove site must be the focus for the majority of additional new floorspace in Central Sunderland. Where retail development cannot be accommodated in these locations, then it should be accommodated in edge-of-centre locations and, only where there are no suitable and available sites in edge-of-centre locations, in out-of-centre locations which are highly accessible by public transport.
- 2.16 Policy SA74A relates to '*Evening Economy Development in the City Centre*' and confirms that the City Council will support the diversification of licensed premises within the City Centre in order to create an evening economy for all groups.

Supplementary Planning Documents

Sunderland City Centre Evening Economy SPD

- 2.17 The Evening Economy SPD was adopted in 2008 and aims to develop a strategy to improve and manage the evening and night time economy within Sunderland City Centre by regulating the location and type of licensed premises and hot food takeaways, to ensure harm is not caused to the physical and functional character of areas or to nearby residents. Specifically, the SPD provides detailed advice on the application of Policy SA74A of Alteration No.2 when making decisions on planning applications for licensed premises and hot food takeaways within the city centre.

Emerging Development Plan & Evidence Base

Sunderland Local Plan: Core Strategy & Development Management Policies Draft Revised Preferred Options (August 2013)

- 2.18 The Sunderland Local Plan Core Strategy will contain a range of city-wide strategic policies together with a suite of Development Management policies that will help to deliver the spatial vision and aims for the City over the plan period to 2032.
- 2.19 Policy CS3.1 confirms that the City Council will facilitate sustainable economic growth in the city through various means, including promoting the development of the tourism, leisure, heritage and cultural sectors (including the evening economy in the City Centre).
- 2.20 Policy CS5.1 of the emerging Core Strategy confirms that the City Council will continue to support the role of its centres to ensure that they remain as thriving and viable destinations consistent with their scale and function. The emerging policy identifies a hierarchy of centres comprising of the City Centre and two Town Centres, three Major District Centres, three District Centres and 14 Local Centres.

Sunderland Growth Options Consultation (May 2016)

- 2.21 Following consultation on the previous draft of the Core Strategy in 2013, a number of new developments have taken place in the City and new opportunities have arisen, including an emerging proposal to develop an International Advanced Manufacturing Park near the existing Nissan factory. On this basis, the City Council are seeking to review and update the Core Strategy with new evidence having been prepared on the city's population and economy in order to support the review. The Growth Options Consultation therefore sought the views of local residents and other stakeholders on potential options for growth in Sunderland in the period to 2033.

Sunderland Retail Needs Assessment 2016

2.22 Holliss Vincent was instructed by Sunderland City Council in January 2016 to undertake a Retail Needs Assessment to provide a robust evidence base to underpin the retail and town centre policies in the forthcoming Publication Draft Core Strategy. The key findings of the Retail Needs Assessment are summarised below.

Sunderland City Centre Health Checks

2.23 Holliss Vincent has undertaken an assessment of the current health of Sunderland City Centre having regard, in particular, to the health checks in the NPPG. The Retail Needs Assessment concludes that the NPPG's health check indicators provide mixed messages in relation to the changes in the vitality and viability of the City Centre since 2009, when the previous Retail Needs Assessment was prepared. On the positive side, Holliss Vincent highlight the following:

- **Diversity of Uses:** the diversity of uses is set to improve as a result of ongoing and planned investments, which include the City Centre Campus for Sunderland College, Sunderland University's Enterprise and Innovation Hub, the Music, Arts and Culture Quarter initiative, the third and fourth phases of the Bridges Centre, which is set to attract a major fashion retailer and a range of food and beverage outlets, and new hotels at the site of the former Joplings store, the proposed Holiday Inn near Keel Square and the Hilton hotel by the Stadium of Light.
- **Accessibility:** the accessibility of the City Centre, which is already a strength has been, and is being improved as a result of the realignment of St. Mary's Way (Phase 1 of the Sunderland Strategic Transport Corridor SSTC), the new Wear crossing, as part of Phase 2 of the SSTC and the proposed revamp of Sunderland Railway Station.

2.24 On the negative side, however, Holliss Vincent would emphasise the following:

- **Zone A Rents:** there has been a substantial fall in Zone A rents since 2008, although the decline has been less than in Middlesbrough.
- **Vacant Street Level Property:** the proportion of floorspace which was vacant in the City Centre in September 2015 was higher than the UK average. The reoccupation of the former Primark store on Fawcett Street and the proposals for the former Joplings store were noted, however, these reductions in vacancy are offset by the recent closure of BHS.
- **Retailer Representation and Intentions to Change Representation:** Sunderland City Centre's retail offer is mid to down market and the City Centre has secured representation from only 66 of the basket of 100 traders that would be expected to be seen in a sub-regional centre. Furthermore, the Perfect Information Property Database reveals only four specific retailer and leisure operator requirements in May 2016, although the recent opening of Flannels is an encouraging sign.
- **Food and Drink Offer:** there is a distinct qualitative deficiency in high quality restaurants and drinking establishments that are needed to attract higher spending customers to the City Centre and to retain workers in the evenings.
- **Usually Resident Population:** It is estimated that the usually resident population within the City Centre is currently less than 2,000 and there is clearly a need to attract more residents, particularly in the higher socio-economic groups, so as to improve retail and leisure spending power.
- **Perception of Safety and Occurrence of Crime:** there appears to have been a decline in perceptions of safety and a perceived increase in the occurrence of violent crime, although crime data are inconclusive.

2.25 However, Holliss Vincent identify a series of benefits that, if fully realised, will enhance the City Centre's overall offer and attractiveness, although reference is made to the Sunderland Economic Masterplan 2015, which highlights that the city centre is underpowered as an economic driver and

'the scarcity of jobs has hindered the development of better shopping and leisure facilities, leaving the centre insufficiently attractive to residents and businesses alike' and, accordingly, '..the city centre does not serve its purpose economically or socially.'

2.26 The Retail Needs Assessment highlights a number of partnerships and groups that have been formed to address the concerns set out in the Economic Masterplan, which aim to showcase local business, encourage new start-ups and improve the City Centre's overall profile. Holliss Vincent suggest that the drive of these groups / partnerships, as well as recent and planned investments, are likely to have a very positive impact on Sunderland City Centre's overall profile, attractiveness and health. The Retail Needs Assessment suggests that, if the planned investments in the City Centre are delivered, it is likely to result in a marked improvement in the provision of facilities, services and attractions that will entice the higher income demographic to the City Centre, both in terms of visitors and residents. In addition, a noticeable improvement in investor and operator confidence in the City Centre is expected, which together with an up-to-date and flexible development plan, can ensure that there is every prospect of a reduction in the high number of vacancies over the short to medium term, and a discernible improvement in Sunderland City Centre's overall health.

Town & District Centre Health Checks

2.27 ELG Planning (formerly England & Lyle) prepared *'Health Checks Assessments of Town, District & Local Centres and Local Parades of Shops'* on behalf of Sunderland City Council in January 2015. The Retail Needs Assessment provides a review of ELG Planning's assessment of the health of the Town and District Centres, as identified in Policy CS5.1 of the Core Strategy and Development Management Policies Draft Revised Options consultation document.

2.28 The Retail Needs Assessment confirms that Holliss Vincent is in broad agreement with ELG Planning's Town & District Centre Health Check findings. However, Holliss Vincent have a more

positive view regarding the health of Hetton District Centre and Doxford Park District Centre. Holliss Vincent also consider that Southwick Green’s weaknesses are now more pronounced, as reflected by the significant increase in the number of vacant units in the centre. Holliss Vincent also recommend that the Council adopts a cautious approach in relation to change of use applications, particularly to non-retail uses (such as takeaways) within Concord District Centre and Southwick Green District Centre, as they already contain a worryingly high number of takeaway units.

2.29 The table contained below compares ELG Planning’s findings and Holliss Vincent’s more recent health check review, in order to compare and contrast the health of each of the relevant centres during the different assessment periods:

Comparison Health Check Assessment of Sunderland’s City Centre, Town Centres & District Centres		
Centre	ELG Planning (January 2015)	Holliss Vincent (June 2016)
Sunderland	No health check carried out	Moderately healthy, but showing some signs of weakness
Washington	Healthy	Healthy
Houghton-le-Spring	Healthy	Moderately healthy but showing some signs of weakness
Concord	Healthy	Healthy
Sea Road, Fulwell	Healthy	Healthy
Hetton	Vulnerable, showing acute signs of weakness	Moderately healthy but showing some signs of weakness
Southwick Green	Moderately healthy with signs of weakness	Moderately healthy, but showing more pronounced signs of weakness
Chester Road	Healthy	Healthy, but showing some signs of weakness
Doxford Park	Moderately healthy with signs of weakness	Healthy

Retail Spending Patterns

2.30 The Retail Needs Assessment identifies that there has been a reduction in the proportion of comparison goods expenditure retained within the survey area, so that the current retention level has fallen to 49.8%. It is suggested that much of the additional leakage of expenditure is accounted

for by special forms of trading (SFT), however, there is also evidence of further polarisation, with increased leakage to both Newcastle City Centre and the Metro Centre.

- 2.31 The Retail Needs Assessment indicates that Sunderland City Centre's comparison goods market share has fallen from 27.9% in 2009 to 19.1% in 2016 and the City Centre's estimated comparison goods turnover has fallen from £335m at the time of the 2009 Retail Needs Assessment (2014 prices) to £272m (2014 prices). In contrast, Washington Town Centre's comparison goods market share has decreased only marginally from 9.0% at the time of the original SRNA in 2009 to 7.8% in the 2016 assessment, with the centre having an estimated comparison goods turnover of £111m. Houghton-le-Spring's comparison goods turnover is estimated at only £8.7m, whereas retail parks and freestanding stores have an estimated aggregated comparison goods turnover of £171.3m, which represents a total market share of 12.1%.
- 2.32 The aggregate retention rate for convenience goods spending is 82.1%, which represents a static position since 2009. The Retail Needs Assessment does however identify that there is a much improved localised retention rate in Sunderland North following the development of new foodstores and it is only the Coalfield sub-area that has an unacceptably low localised convenience goods retention rate, although this will be improved following the opening of a Lidl store in Houghton-le-Spring and the development of a foodstore in Philadelphia.
- 2.33 Washington Town Centre is highlighted as the most important destination for convenience goods spending, with an estimated aggregate convenience goods turnover of £117.5m, compared to a convenience turnover of Sunderland City Centre of £32.8m. The freestanding food superstores continue to enjoy the highest levels of convenience goods turnover, together with the food superstores at Doxford Park District Centre and at Boldon Colliery District Centre. Boldon Colliery lies within the Study Area, although is within the administrative area of South Tyneside. It is also noted that Aldi and Lidl are eating into the market shares of the superstore operators, with the Aldi stores at St Mark's Road and at the Hylton Riverside Retail Park having particularly high convenience turnovers.

Quantitative Need

- 2.34 Holliss Vincent have undertaken an assessment of quantitative need in both the convenience and comparison sectors in the period upto 2035. The approach has considered a **base scenario** utilising Experian's population projections, which are based on the ONS 2012 sub-national projections, as well as a **sensitivity scenario** utilising revised population projections, which are the LPA's Objectively Assessed Need (OAN) identified through the SHMA Update 2016.
- 2.35 In the comparison goods sector, Holliss Vincent adopt three assumptions in relation to the retention level – a static retention at 49.8%; a gradual reduction in the retention level from 49.8% in 2015 to 47.8% by 2035; and a gradual increase in the retention level from 49.8% in 2015 to 53.8% by 2035. Under the base scenario, Holliss Vincent estimate the comparison goods floorspace requirement for the survey area as a whole in the ten years up to 2025 is in the range of 2,800 sq.m to 17,900 sq.m (gross). Over the longer period up to 2035, the potential capacity in the comparison goods sector increases substantially to a range from 37,500 sq.m to 76,500 sq.m (gross). Under the sensitivity scenario, Holliss Vincent estimate that the comparison goods floorspace requirement for the survey area as a whole up to 2025 is in the range of 5,500 sq.m to 20,800 sq.m (gross). This increases to a range from 44,700 to 84,900 over the longer period to 2035.
- 2.36 In the convenience goods sector, Holliss Vincent adopt two retention scenarios – a static retention rate at 82.1%; and an increase from 82.1% in 2015 to 84.1 by 2035. Under the base scenario, the assessment shows a negative residual convenience goods expenditure capacity in the period up to 2035, which is in the range minus £110.2m to minus £91.6m. The negative residual estimates translate to a negative floorspace requirement in the range of minus 14,000 sq.m (gross) to 16,900 sq.m (gross) in the period up to 2035. In the shorter term period up to 2025, the negative residual requirement is in the range of minus 15,500 sq.m (gross) to minus 16,900 sq.m (gross). Under the sensitivity scenario, the negative floorspace requirement is reduced to in the range of minus

13,400 sq.m (gross) to minus 10,400 sq.m (gross) in the period up to 2035 and in the range of minus 15,300 sq.m (gross) to minus 13,900 sq.m (gross) in the shorter term period up to 2025.

- 2.37 The Retail Needs Assessment then goes onto provide advice on the potential distribution of the net gain in comparison goods retail stock across the Core Strategy Sub-Areas.

Qualitative Need

- 2.38 The Retail Needs Assessment also includes an analysis of the qualitative needs of each of the three centres.

- 2.39 Holliss Vincent have identified a qualitative need for a number of improvements in Sunderland City Centre, including a diversification of uses in the Secondary and Tertiary Shopping Frontages; greater retailer representation in the middle and upper-middle sectors; provision of accommodation to meet modern retailer requirements; a need to promote business development and the promotion of quality housing. The Retail Needs Assessment also identifies a need for future retail development in Sunderland City Centre to focus on the redevelopment / refurbishment / remodelling of existing accommodation, given that there is unlikely to be a qualitative need for a new shopping mall in the short to medium term future. Holliss Vincent therefore recommend that, in the short to medium term, the focus should be on the need to secure better connections between the Bridges and the remainder of the City Centre; a strategy for a reduction in long term vacant floorspace; land assembly in relation to the development opportunity areas identified within the Retail Needs Assessment; a reappraisal of the potential of the Sunnyside area; and further partnership initiatives of the sort achieved with Siglion in connection with the redevelopment of the former Vaux site.

- 2.40 The assessment identifies fewer qualitative needs in Washington, although the following are identified as being particularly important:

- Securing, as quickly as possible, the cinema and food / beverage investment for which planning permission has already been approved;
- The need to improve the comparison goods offer and secure representation from retailers such as Dorothy Perkins, Primark, River Island, TK Maxx, Topman, Topshop, Waterstones and WH Smith.
- The need for further public realm improvements to the external environment.

2.41 In Houghton-le-Spring, the assessment identifies that, whilst the redevelopment of the former Co-Op site to provide a Lidl store and extant consent for a foodstore in Philadelphia will help the localised convenience goods expenditure retention level, there remains a qualitative need for a further supermarket, at least medium in size, in order to reduce unnecessary levels of car travel. In the comparison goods sector, representation in Houghton-le-Spring is limited with very few national multiples present. However, the Retail Needs Assessment identifies that the biggest qualitative gap is in the clothing sector and, accordingly, the attraction of additional clothing retailers would help in an effort to secure an improved localised retention level in the comparison goods sector.

Other Recommendations

2.42 The Retail Needs Assessment also includes recommendations with respect to primary shopping areas, overall town centre boundaries, development opportunity areas and areas in need of diversification and improvement within each of the main three centres. These recommendations will be referenced, where appropriate, throughout this study.

3. REVIEW OF LEISURE, ENTERTAINMENT & CULTURAL TRENDS AND POTENTIAL IMPLICATIONS FOR SUNDERLAND

3.1 The commercial leisure sector has experienced significant growth in consumer and market demand since the mid-1990s. However, analysts have highlighted that the sector has reached saturation in some sectors, including tenpin bowling, bingo and multiplex cinemas. The sector also suffered in the face of the economic downturn, which restricted growth in leisure spending with consumers having less disposable income to spend on leisure activities. However, the economic recovery will drive an increase in leisure spending as levels of disposable income recover and growth in spending was forecast to be 2.2% in 2015.

Cinema

3.2 The cinema sector remains an important component of the UK commercial leisure sector and such facilities are key anchors for retail and leisure schemes, helping to drive footfall and generate linked trips with other uses, including food and beverage outlets. There has been significant growth in the multiplex cinema provision over the last 20 years with the majority of cinemas that opened in the mid-1990s being located on out-of-centre retail parks, acting as an anchor for a wider leisure offer including tenpin bowling, bingo, casinos and pubs / restaurants.

3.3 The UK cinema sector is comprised of a range of companies operating multiplex and / or smaller cinema sites. The UK Cinema Association confirm that there were 4,115 cinema screens in the UK in 2015 across 771 sites, which represents a 4.3% increase in screens and 3.8% increase in sites since 2014. The three largest cinema operators (Vue, Cineworld and Odeon) account for approximately 70% of total UK screens and the six largest operators collectively account for 85% of the sector in terms of number of screens.

- 3.4 Recent advances in cinema technology, including digital projection, have influenced a trend towards the development of cinemas with a reduced number of screens with a renewed focus on town centre locations. Town centre cinemas occupy smaller footprints than the out-of-centre multiplex cinemas delivered in the mid-1990s and tend to anchor wider mixed-use leisure schemes, which also include a range of food and beverage outlets. For example, the recently opened Feethams scheme in Darlington Town Centre includes a 9-screen Vue cinema and a number of national chain restaurants, including Nandos, Bella Italia and Prezzo.
- 3.5 A number of boutique operators such as Everyman and Curzon have entered the market in recent years with a diversified offer to appeal to different cinemagoers. The boutique operators are attempting to differentiate themselves from the standard format of the national operators by providing premium seating, fully-licensed bars, a quality food offer with table / seat service and a diverse film offer, including regular film festivals. Everyman have recently exchanged contracts to open their first site in the North East with a 3-screen, 384 seat venue on the Milburngate site in Durham City Centre.

Food & Drink Uses

- 3.6 The food and beverage sector forms an increasingly important component of the overall offer of town centres throughout the UK, with such uses helping to increase footfall, lengthen 'dwell' times and increase expenditure in centres. Eating and drinking out continues to dominate average household spending on commercial leisure services in the UK.
- 3.7 The restaurant and bar sector saw a 5.1% growth in like-for-like sales between 2014 and 2015 and the UK restaurant sector is expected to reach £52 billion in value by 2017¹, capitalising on a growing interest in food amongst consumers. National brands are continuing to perform strongly with the largest brands in terms of turnover and number of outlets being Pizza Hut, Nandos and

¹ Allegra Foodservice 'The UK Restaurant Market 2014'

Pizza Express. There has also been a recent increase in the opening of aspirational brands such as Carluccios, Giggling Squid, Loungers and Bill's in smaller towns and cities across the UK.

3.8 The pub sector has experienced widely publicised difficulties in recent years with an estimated 4,500 pub closures between 2009 and 2013 and pubs are continuing to close at a rate of 27 per week², as a result of a range of factors including the availability of cheaper alcohol in supermarkets. There has also been a trend in recent years towards the conversion of pubs to alternative uses, particularly convenience foodstores (e.g. Tesco Express, Sainsburys Local) using permitted development rights, although the Government has recently introduced changes to permitted development rights to prevent the loss of drinking establishments that provide benefits to local communities. However, national pub chains are still active in the market, predominantly seeking new build opportunities on prominent urban and suburban sites adjacent to main roads focused on a food-led offer. For example, Marstons opened 25 pub / restaurants in 2015, whilst disposing of 117 'wet-led' pubs.

3.9 There has been significant growth in the café and coffee shop sector since the late 1990s, with branded coffee chains dominating the market. Costa Coffee (1,992 outlets), Starbucks Coffee Company (849) and Caffè Nero (620) remain the UK's leading brands with a 53% share of the branded chain market. Costa Coffee added 171 outlets to its UK portfolio and experienced a sales growth of 14% in 2015. In addition to growth amongst the leading chains, there has also been a rise in the presence of artisan chains and independents across the sector in recent years. It is anticipated that there will be in excess of 30,000 coffee shop outlets across the UK by 2025 with a combined turnover of over £30 billion³.

² BBC News Report 31st March 2016 (<http://www.bbc.co.uk/news/magazine-35917816>)

³ Hospitality & Catering News 14th December 2015 (<http://www.hospitalityandcateringnews.com/2015/12/booming-uk-coffee-shop-market-heads-30000-outlets/>)

Health & Fitness

3.10 The health and fitness industry in the UK is worth an estimated £4.08 billion and there are estimated to be 6,312 fitness centres across the UK⁴. There are a number of national operators across the sector, including Virgin Active, Fitness First, David Lloyd Leisure, DW Fitness, Sports Direct and Bannatynes.

3.11 The value and budget sector has however experienced significant growth in recent years with the emergence of operators such as PureGym, EasyGym and Fitness 4 Less who have embarked on rapid expansion across the country. The budget operators tend to provide a more basic offer, which tends to exclude facilities such as swimming pools, personal trainers and fitness classes, and offer heavily discounted subscriptions and 24-hour opening. PureGym has recently opened at Sunderland Retail Park and appears to be proving popular, capturing 5.9% of gym trips from across the Study Area.

Ten Pin Bowling

3.12 Ten pin bowling in the UK grew rapidly in the 1960s followed by a period of decline during the 1970s, which saw the closure of approximately two-thirds of ten pin bowling alleys across the country. There was a sustained period of growth in the sector during the 1990s following the introduction of automated scoring systems and the development of new bowling alleys, predominantly on out-of-centre leisure parks as part of a wider offer, including cinemas, restaurants and nightclubs.

3.13 There are 315 ten pin bowling centres across the UK with a total of 5,300 lanes⁵ with a number of national operators represented in the sector, including AMF Bowling, Hollywood Bowl and Superbowl UK. There has also been a rise in the provision of smaller boutique venues in recent

⁴ 2015 State of UK Fitness Industry Report

⁵ Tenpin Bowling Proprietors Association

years, such as Lane7 in Newcastle, which offer ten pin bowling, a high quality food offer, karaoke rooms and bars.

Bingo

- 3.14 There were a total of 354 bingo halls in the UK in 2015⁶, although the sector saw a significant decline in visits between 2005 and 2014, having been affected by the introduction of smoking ban, the onset of the recession and the growth of online bingo sites including Tombola and Foxy Bingo. However, the Daily Telegraph reported in May 2015 that there was a stabilisation of the Rank Group's Mecca Bingo business in 2015 following a period of decline and Gala Bingo opened their first new build bingo hall in nine years in Southampton earlier this year. Mecca Bingo also announced earlier this year that they plan to open two new city centre bingo halls in Summer 2016. The proposed smaller clubs will not operate under the Mecca brand and aim to target a '*new generation*' of younger players through the provision of gaming machines, separate lounges, music and entertainment, as well as a food and drink offer.

Large-Scale Children's Play Centres & Indoor Activities

- 3.15 There has been a resurgence of large-scale indoor leisure activities in recent years and, in particular, there has been a marked increase in the number of indoor children's play centres across the Country in the last ten years. Indoor play centres were originally provided as part of the offer of national chain family pub / restaurants, such as Fayre & Square's Wacky Warehouse. However, in recent years the sector has been dominated by independent operators providing large-scale stand-alone venues accommodating large climbing frame equipment incorporating tunnels, rope bridges, giant slides and trampolines, as well as ancillary dining facilities.

⁶ Mintel 2015

- 3.16 A number of indoor trampoline park operators have also entered the UK leisure sector in recent years with Gravity Force opening the first trampoline park in Camberley in 2014. Gravity Force also opened the first trampoline park in Sunderland at Sunrise Enterprise Park in February 2016 and a planning application is currently under consideration for a trampoline park at Hertburn Industrial Estate, Washington (LPA Ref. 16/00780/FUL) to be operated by Jump 360. Elsewhere in the region, Infinite Air opened in Durham in July 2015 and Jump 360 opened in Stockton-on-Tees in late 2015. In addition, planning permission has recently been granted for 2 No. trampoline parks in North Shields and plans have recently been announced for a trampoline park at the Centre for Sport in Newcastle.
- 3.17 Other large-scale D2 activities are also entering the market, including laser tagging and adventure / crazy golf. However, the operators tend to be rent sensitive and require buildings in the region of 20,000 – 35,000 sq.ft with sufficient eaves height to accommodate the large-scale equipment associated with such uses.

Implications for Sunderland

- 3.18 It has been identified that certain sectors of the commercial leisure market have reached saturation point, including multiplex cinemas, ten pin bowling alleys and bingo halls. The analysis undertaken by ELG Planning within **Section 4** has identified no quantitative requirement for additional facilities over the Plan period subject to the extant permission for a multi-screen cinema in Washington being delivered. Notwithstanding this, there has been a recent trend towards the provision of *'boutique'* cinemas and bowling alleys amongst new operators that have entered the market and the national bingo operators have adopted a strategy of opening smaller City Centre sites aimed at attracting a younger market. Whilst no quantitative need has been identified for such uses taking account of existing commitments, it is clear that the provision of *'boutique'* and new format facilities could help diversify the existing offer and provide qualitative improvements to

the existing leisure offer and, accordingly, any proposals that come forward should be judged on their own merits in accordance with prevailing policies on main town centre use development.

3.19 It is anticipated that there will be further growth in the café and coffee shop sector over the course of the next ten years and such uses can help reduce vacancies in centres, drive footfall and increase 'dwell' times and expenditure within town centres. It is evident that recent changes in the retail sector, including the continued growth of on-line retailing and the focus of major retailers towards large flagship stores in prime locations, supplemented by smaller satellite stores and an on-line offer, will mean that food and drink related uses will play an increasingly important role in the future of centres and it is clear that planning policies in relation to main town centre uses should provide sufficient flexibility to enable individual centres to evolve and adapt to these trends. It is noted that the consultations with key stakeholders as part of the Retail Needs Assessment identified a need to improve the family leisure and food and drink offer available in Sunderland City Centre to encourage more people to remain in / visit the city centre in the evening. The Retail Needs Assessment identifies that, whilst there is a strong provision of cafés, takeaways and pubs, it does appear that the city centre has a qualitative deficiency in terms of representation higher order independents and national brand food and drink outlets. The health checks undertaken by ELG Planning in January 2015 also identify that the existing evening economy in Washington is underdeveloped with very few restaurants and pubs.

3.20 There is likely to be continued demand from operators for new large-scale indoor D2 activities across the City, including children's play centres, trampoline parks, laser tagging and adventure golf. However, such uses tend to require large-scale buildings in the region of 20,000 – 35,000 sq.ft with sufficient internal eaves heights and operators tend to be rent sensitive, which is likely to mean that opportunities to accommodate such uses within existing centres are limited. However, it is clear that such uses can enhance the overall leisure offer and accommodating such uses in appropriate locations within the Authority area may reduce the need for residents to travel elsewhere to access such facilities, in line with sustainability principles contained within the NPPF.



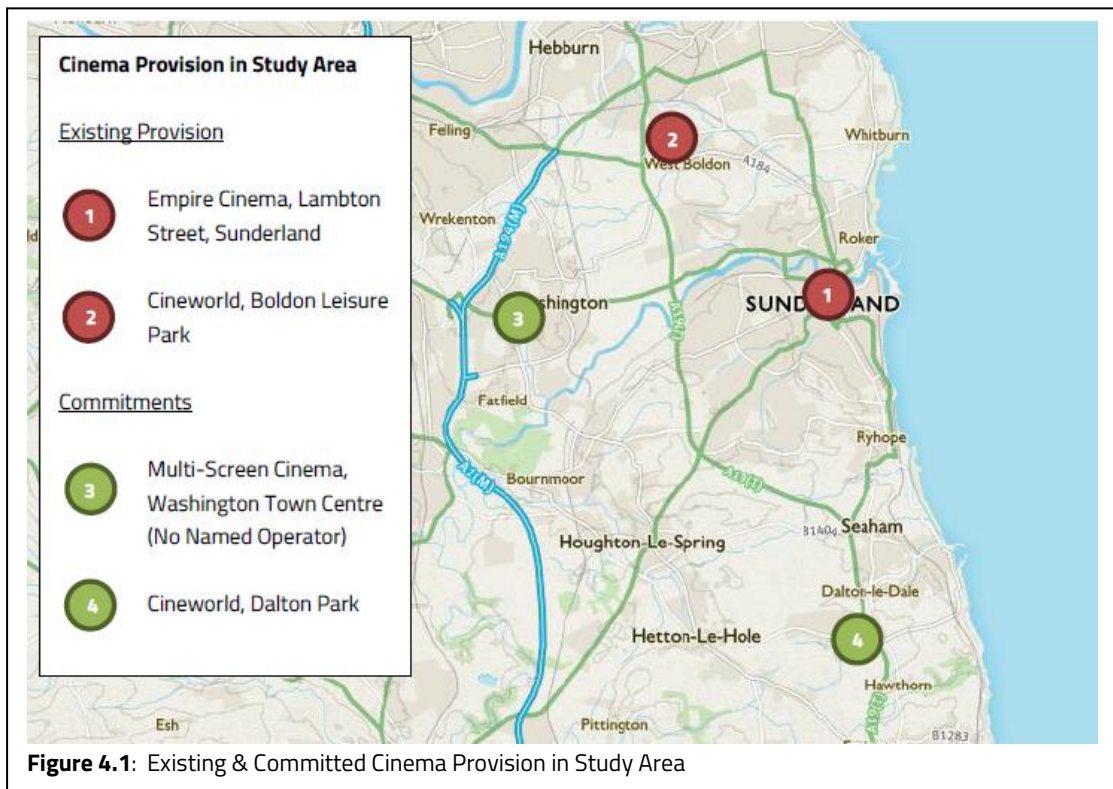
The Council should therefore take a pro-active approach and apply policies flexibly to accommodate developer requirements for such uses in appropriate circumstances.

4. NEED FOR MAIN TOWN CENTRE USES

- 4.1 Paragraph 23 of the NPPF confirms that, in drawing up Local Plans, local planning authorities should allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centres. The provision of a strong mix of leisure facilities plays a key role in maintaining the vitality and viability of individual centres, as such uses help to increase footfall, turnover and dwell times within centres, thereby making a significant contribution to both the daytime and evening economies.
- 4.2 The approach towards the assessment of quantitative need for other main town centre uses to complement the retail offer of individual centres is not as straightforward as that utilised to forecast the capacity for new retail floorspace for a number of reasons, including the limited availability of data and the fact that the commercial leisure sector is highly complex and dynamic. The assessment of the requirement for other main town centre uses therefore requires a greater degree of qualitative assessment as opposed to a heavy reliance on quantitative analysis.
- 4.3 The assessment will focus upon the commercial leisure uses that contribute to the vitality and viability of individual centres, including cinemas; indoor family entertainment centres; health and fitness facilities; cafes, restaurants and pubs; museums, galleries and places of cultural interest; and theatres, concert halls and live music venues. The assessments are based on two scenarios, with Scenario 1 assessing the need for further commercial leisure facilities across the entire Study Area based upon Experian's population projections. Scenario 2 forms a '*sensitivity test*,' which considers the need for further commercial leisure uses within the zones contained within the Sunderland administrative boundary (Zones 1-9) using revised population projections, which are the LPA's Objectively Assessed Need (OAN) identified through the SHMA Update 2016.

Cinemas

- 4.4 The existing cinema provision within Sunderland City comprises of the 12-screen Empire cinema in Sunderland City Centre, which provides a total of 2,177 seats. The cinema also has 4 No. VIP boxes each providing 8-12 seats. Planning permission was also granted for the construction of a multi-screen cinema and up to 6no. use class A1 - A5 units within Washington Town Centre on 30th January 2014 (LPA Ref. 13/02714/FUL), although development has not yet commenced.
- 4.5 In addition, there is an existing 11-screen Cineworld cinema at Boldon, which lies within the Study Area (Zone 11) but beyond the Sunderland administrative boundary. A 7-screen Cineworld cinema is due to open in September 2016 at Dalton Park, which again lies within the Study Area (Zone 12) but outside the Sunderland administrative boundary.



- 4.6 The household survey undertaken by NEMS identifies that 59.2% of respondents visit the cinema, with the Empire cinema in Sunderland City Centre capturing 41.4% of cinema trips from within the Study Area and Cineworld in Boldon also capturing a high proportion of market share (39.4%).
- 4.7 The Empire cinema in Sunderland City Centre currently attracts 89.5% of visits from residents in Zone 1 and a high proportion of market share from Zone 2 (64.6%), Zone 3 (57.9%), Zone 4 (56.8%), Zone 5 (65.5%) and Zone 6 (45.5%), which is likely to reflect the fact that Empire is the closest / most accessible cinema for the majority of residents within these zones. Cineworld in Boldon also captures high levels of market share from residents in these zones.
- 4.8 It is noted that the Empire cinema in Sunderland City Centre captures 80.12% of cinema market share from Zone 12, which encompasses towns in East Durham beyond the Sunderland administrative boundary including Seaham, Murton and Easington. There is currently no cinema provision within East Durham and, accordingly, residents in this area need to travel to cinema facilities in Sunderland. However, a 7-screen cinema is due to open at Dalton Park in September 2016 which will address the shortfall in provision in East Durham and reduce the need for residents in Zone 12 to travel to Sunderland to visit the cinema. The Dalton Park cinema is also likely to attract customers from other zones to the south of the Study Area, most notably Zones 6 & 13. The planned new cinema provision in Durham City Centre is also likely to attract custom from residents towards the southern extent of the Study Area.
- 4.9 In order to assess the quantitative need for additional cinema screens across Sunderland over the Plan period, we have sought to convert the forecast population of the Study Area into a total number of cinema screens based on the current national average, taking account of existing commitments. There were a total of 4,115 cinema screens across the UK in 2015⁷, which equates

⁷ UK Cinema Screens Association

to 15,823 people per screen based upon a total UK population of 65.1 million⁸. The cinema screen requirement across the Study Area is therefore calculated as follows:

Table 4.1 (Scenario 1 – Base Scenario)

	2015	2020	2025	2030	2034
Study Area Population	452,643	456,913	461,073	464,519	466,476
Screen Potential ¹	28.6	28.9	29.1	29.4	29.5
Existing Screens in Study Area	23	23	23	23	23
Washington Town Centre Commitment (Proposed Screens)	9	9	9	9	9
Cineworld, Dalton Park (Proposed Screens)	7	7	7	7	7
Screen Requirement	-10.4	-10.1	-9.9	-9.6	-9.5

¹ Population / 15,823 people per screen

Table 4.2 (Scenario 2 – Sensitivity Test)

	2015	2035
Zones 1-9 Population	285,406	305,592
Screen Potential ¹	18.0	19.3
Existing Screens in Zones 1-9	12	12
Washington Town Centre Commitment (Proposed Screens)	9	9
Screen Requirement	-3.0	-1.7

¹ Population / 15,823 people per screen

4.10 In Scenario 1, the analysis suggests that, following the delivery of the existing commitments at Washington and Dalton Park, there is an identified oversupply of cinema screen provision across the Study Area over the Plan period. The analysis also suggests that there would be a slight overprovision of cinema screens within Sunderland over the Plan Period following the delivery of the existing commitment in Washington Town Centre. On this basis, it is not considered that there is a requirement in quantitative terms for the LPA to proactively plan for further cinema facilities across the City and, in the short term, the focus should be on the delivery of the existing commitment in Washington, which would significantly enhance the evening economy offer of the town centre. ELG Planning would advise that, should proposals come forward for additional

⁸ ONS UK Population Mid-Year Estimates (23rd June 2016)

facilities, they should be judged on their own merits in accordance with prevailing policies on main town centre use development.

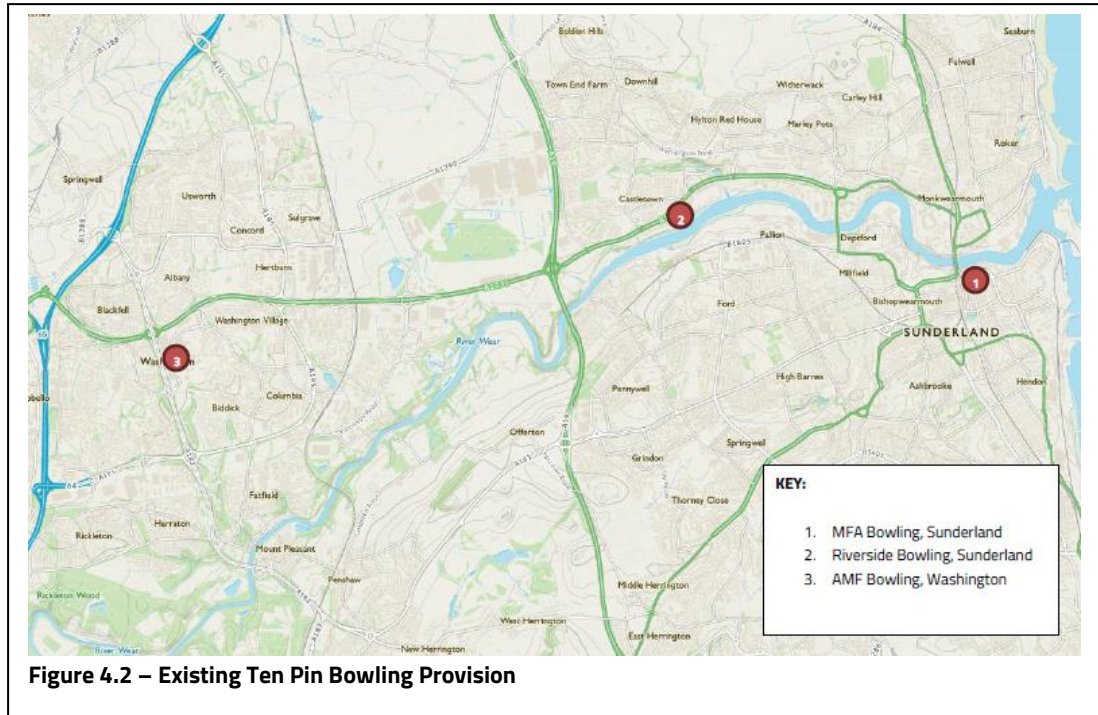
Indoor Entertainment Centres

- 4.11 The household survey conducted by NEMS identifies that 28.4% of respondents visit indoor entertainment centres, with venues within the Sunderland administrative boundary capturing 77.5% of market share. The most popular venues are AMF Bowling, Washington; MFA Bowling, Sunderland and Riverside Bowling, Sunderland, which capture 25.8%, 25.1% and 13.1% of market share respectively. The most popular indoor entertainment venues beyond the Sunderland administrative boundary amongst respondents are the Dunes Entertainment Centre, South Shields (5.2% market share); Metro Centre (3.7%); and Lane7, Newcastle (2.1%).

Ten Pin Bowling

- 4.12 The existing ten pin bowling provision in the Study Area comprises of MFA Bowling and Riverside Bowling in Sunderland and AMF Bowling in Washington and the household survey identifies that ten pin bowling facilities are the most popular form of indoor entertainment venue amongst respondents, with the existing bowling alleys across Sunderland capturing a high proportion of overall indoor entertainment market share.
- 4.13 MFA Bowling and Riverside Bowling in Sunderland collectively attract 81.1% of all indoor entertainment centre visits from residents in Zone 1, 56.4% from Zone 2, 84.6% from Zone 3, 85.7% from Zone 4 and 59.2% from Zone 5. The ten pin bowling facilities within Sunderland also attract a high proportion of indoor entertainment centre market share (72.8%) from residents in Zone 13. AMF Bowling in Washington attracts 55.6% of all indoor entertainment centre visits from residents in Zone 6, 59.4% from Zone 7, 60.5% from Zone 8 and 68.2% from Zone 9. AMF Bowling also

attracts a high proportion of indoor entertainment centre market share from residents in Zone 14 (66.7%) and Zone 15 (64.3%).



4.14 There are a total of 5,300 bowling lanes in the UK, equating to one lane per 12,283 people based upon a total UK population of 65.1 million. In order to assess the quantitative need for further ten pin bowling facilities across the Study Area, we have sought to apply the UK average lane per person to the forecast population in the Study Area, as detailed within Tables 4.3 & 4.4:

Table 4.3: (Scenario 1 – Base Scenario)

	2015	2020	2025	2030	2034
Study Area Population	452,643	456,913	461,073	464,519	466,476
Bowling Lane Potential ¹	36.9	37.2	37.5	37.8	38.0
Existing Lanes in Study Area	73	73	73	73	73
Lane Requirement	-36.1	-35.8	-35.5	-35.2	-35.0

¹ Population / 12,283 people per lane

Table 4.4: (Scenario 2 – Sensitivity Test)

	2015	2035
Zones 1-9 Population	285,406	305,592
Bowling Lane Potential ¹	23.2	24.9
Existing Lanes in Zones 1-9	73	73
Lane Requirement	-49.8	-48.1

¹ Population / 12,283 people per lane

- 4.15 It is therefore evident in each scenario that there is an oversupply of bowling lanes across the Study Area in quantitative terms and, accordingly, there is no requirement in quantitative terms for the LPA to proactively plan for further ten pin bowling facilities across the City and we would advise that, should proposals come forward for additional ten pin bowling facilities, they should be judged on their own merits in accordance with prevailing policies on main town centre use development.

Bingo Halls

- 4.16 ELG Planning research identifies that there are currently three large format bingo halls within the Study Area – Gala Bingo in Sunderland and Washington, and Mecca Bingo in Sunderland. It is also understood that the Top Ten Amusement Centre in Southwick Green provides bingo facilities as part of a wider offer.
- 4.17 The sector saw a significant decline in visits between 2005 and 2014, having been affected by the introduction of the smoking ban, the onset of the recession and the growth of online bingo sites including Tombola and Foxy Bingo. However, the Daily Telegraph reported in May 2015 that there was a stabilisation of the Rank Group’s Mecca Bingo business in 2015 following a period of decline and Gala Bingo opened their first new build bingo hall in nine years in Southampton earlier this year. Mecca Bingo also announced earlier this year that they plan to open two new city centre bingo halls in Summer 2016. The proposed smaller clubs will not operate under the Mecca brand and aim to target a ‘new generation’ of younger players through the provision of gaming machines, separate lounges, music and entertainment, as well as a food and drink offer.

4.18 There were a total of 354 bingo halls in the UK in 2015⁹, equating to one bingo hall per 183,927 people based on the UK population of 65.1 million¹⁰. In order to assess the quantitative requirement for new bingo hall provision, we have sought to convert the forecast population of the Study Area into a total number of bingo hall based on the current national average, as follows:

Table 4.5 – (Scenario 1 – Base Scenario)

	2015	2020	2025	2030	2034
Study Area Population	452,643	456,913	461,073	464,519	466,476
Bingo Hall Potential ¹	2.5	2.5	2.5	2.5	2.5
Existing Bingo Halls in Study Area	3	3	3	3	3
Bingo Hall Requirement	-0.5	-0.5	-0.5	-0.5	-0.5

¹Population / 183,927 people per Bingo Hall

Table 4.6 – (Scenario 2 – Sensitivity Test)

	2015	2035
Zones 1-9 Population	285,406	305,592
Bingo Hall Potential ¹	1.6	1.7
Existing Bingo Halls in Zones 1-9	3	3
Lane Requirement	-1.4	-1.3

¹Population / 183,927 people per Bingo Hall

4.19 There are currently three bingo halls serving the Study Area population of 452,643 and the existing level of provision would adequately cater for the requirements of the forecast increase in population over the Plan period based on the current UK average. On this basis, it is not considered that there is a quantitative need for the LPA to proactively plan for further bingo hall provision over the Plan period and, should any proposals come forward for new bingo halls, they should be judged on their own merits in accordance with prevailing policies on main town centre use development.

Indoor Children’s Play Centres & Trampoline Parks

4.20 There has been a marked increase in the number of indoor children’s play centres across the Country in the last ten years. Indoor play centres were originally provided as part of the offer of

⁹ Mintel, March 2015

¹⁰ ONS UK Population Mid-Year Estimates (23rd June 2016)

national chain family pub / restaurants, such as Fayre & Square's Wacky Warehouse. However, in recent years the sector has been dominated by independent operators providing large-scale stand-alone venues accommodating large climbing frame equipment incorporating tunnels, rope bridges, giant slides and trampolines, as well as ancillary dining facilities.

- 4.21 The existing indoor play centre provision in Sunderland comprises of Go Bananas in Seaburn. Elsewhere within the Study Area, Funshack operate a large-scale play centre at Seaham Grange Industrial Estate (Zone 12) and the company also operate a second play centre in Stockton-on-Tees. Beyond the Study Area, there are large-scale play centres located in Team Valley (Giant's Den) and Follingsby Industrial Estate, Gateshead (Mister Twisters).
- 4.22 A number of indoor trampoline parks have entered the UK leisure sector in recent years with Gravity Force opening the first trampoline park in Camberley in 2014. Gravity Force also opened the first trampoline park in Sunderland at Sunrise Enterprise Park in February 2016. Elsewhere in the region, Infinite Air opened in Durham in July 2015 and Jump 360 opened in Stockton-on-Tees in late 2015. In addition, planning permission has recently been granted for 2 No. trampoline parks in North Shields and plans have recently been announced for a trampoline park at the Centre for Sport in Newcastle.
- 4.23 ELG Planning are of the opinion that there is no requirement to proactively plan for new children's play centre and trampoline park facilities over the Plan period, however, the LPA should respond pro-actively to any proposals that come forward, where such proposals could encourage a greater proportion of locally generated leisure expenditure to be retained within Sunderland and contribute to more sustainable patterns of travel by reducing the distance local residents have to travel to access such leisure facilities.

Health & Fitness

- 4.24 There are a number of health and fitness facilities located across the Study Area, including representation from large format national operators such as DW Sports Fitness, PureGym and Virgin Active. The remaining health and fitness provision comprises of Council operated facilities, as well as independent and regional operators.
- 4.25 The household survey identifies a 29.5% participation rate in indoor health and fitness activities and, in the majority of zones, over 80% of health and fitness trips are retained within the Study Area, which indicates that people tend to look towards destinations close to home for health and fitness activities. The exceptions are Zones 10 (16.7% of trips retained in Study Area), 11 (11.5%), 12 (55.6%), 13 (15.4%) & 15 (47.4%). These zones lie to the periphery of the Study Area and it is therefore understandable that residents may look to health and fitness facilities in the closest towns outside the Study Area.
- 4.26 The household survey indicates that the most popular individual health and fitness facility in the Study Area is Silksworth Pool, Tennis & Wellness Centre, which attracts 10.3% of all trips, followed by Washington Leisure Centre (6.7%), Sunderland Aquatics Centre (5.9%), PureGym (5.9%), Houghton Sports Centre (5.2%) and DW Sports Fitness (4.9%).
- 4.27 The '*State of the UK Fitness Industry Report*' (2014) prepared by the Leisure Database Company estimated that the average number of members per club is 1,426, although larger fitness chains (Virgin, David Lloyd etc.) and budget chains (PureGym etc.) have higher membership numbers on average. Tables 4.7 & 4.8 set out the need for new health and fitness clubs across the Study Area over the Plan Period:

Table 4.7: (Scenario 1 – Base Scenario)

		2015	2020	2025	2030	2034
1.	Study Area Population	452,643	456,913	461,073	464,519	466,476
2.	Participation Rate	29.5%	29.5%	29.5%	29.5%	29.5%
3.	Total Participants	133,530	134,789	136,017	137,033	137,610
4.	Increase in Participants from 2015 base	-	1,259	2,487	3,503	4,080
5.	Average Members Per Club	-	1,426	1,426	1,426	1,426
6.	New Gym Requirement (4 ÷ 5)	-	0.9	1.7	2.5	2.9

Table 4.8: (Scenario 2 – Sensitivity Test)

		2015	2035
1.	Study Area Population	285,406	305,592
2.	Participation Rate	29.5%	29.5%
3.	Total Participants	84,195	90,150
4.	Increase in Participants from 2015 base	-	5,955
5.	Average Members Per Club	-	1,426
6.	New Gym Requirement (4 ÷ 5)	-	4.2

4.28 The analysis identifies that there is limited capacity for further gym provision in the short to medium term (i.e. to 2025). There is some quantitative capacity identified in both Scenarios 1 & 2 in the longer term, however, it is not considered that there is a need to proactively plan for new provision and any proposals that come forward should be judged on their own merits in accordance with prevailing policies on main town centre use development.

Cafes, Restaurants & Pubs

4.29 The household survey undertaken by NEMS identifies that Sunderland is the primary destination for restaurants and cafés for only 26% of respondents throughout the survey area and achieves a market share in excess of 10% in only six of the fifteen survey zones. Similarly, Sunderland City Centre was the primary destination for pubs, bars and nightclubs for only 15% of the respondents throughout the survey area. The health checks undertaken by ELG Planning in January 2015 also

identify that the existing evening economy in Washington is underdeveloped with very few restaurants and pubs.

- 4.30 Experian GOAD identify that approximately 18% of units across centres nationally are occupied by A3-A5 uses, which equates to approximately 14% of floorspace on average. ELG Planning have therefore sought to assess the capacity for new food and drink related floorspace assuming that 15% to 25% of the forecast capacity for new comparison goods floorspace identified within the Retail Needs Assessment undertaken by Hollis Vincent could support a range of food and drink uses, including cafes, restaurants, public houses / bars.
- 4.31 Hollis Vincent's approach has considered a **base scenario** in the comparison goods sector utilising Experian's population projections, which are based on the ONS 2012 sub-national projections. However, they have also undertaken a **sensitivity scenario** utilising population projections, which are the LPA's Objectively Assessed Need (OAN) identified through the SHMA Update 2016. Hollis Vincent have adopted three assumptions in relation to retention level – a static retention at 49.8% throughout the forecast period; a gradual reduction in the retention level from 49.8% in 2015 to 47.8% by 2035; and a gradual increase in the retention level from 49.8% in 2015 to 53.8% by 2035.
- 4.32 Tables 4.9 and 4.10 therefore set out the potential quantitative need for Class A3-A5 floorspace across the whole Study Area over the Plan Period:

Table 4.9: (Scenario 1 – Base Population)

	Decline in Retention			Static Retention			Uplift in Retention		
	Comparison	15% A3-	25%	Comparison	15% A3-	25%	Comparison	15% A3-	25% A3
	Goods Capacity (sq.m)	A5 (sq.m)	A3– A5 (sq.m)	Goods Capacity (sq.m)	A5 (sq.m)	A3– A5 (sq.m)	Goods Capacity (sq.m)	A5 (sq.m)	– A5 (sq.m)
2015-2020	-8,100	-1,215	-2,025	-5,900	-885	-1,475	-1,400	-210	-350
2020-2025	10,900	1,635	2,725	13,700	2,055	3,425	19,400	2,910	4,850
2025-2030	14,600	2,190	3,650	18,100	2,715	4,525	25,200	3,780	6,300
2030-2035	20,100	3,015	5,025	24,500	3,675	6,125	33,400	5,010	8,350
2015-2025	2,800	420	700	7,800	1,170	1,950	17,900	2,685	4,475
2015-2035	37,500	5,625	9,375	50,500	7,575	12,625	76,500	11,475	19,125

Table 4.10 – (Scenario 2 – Employment Led Population Sensitivity Test)

	Decline in Retention			Static Retention			Uplift in Retention		
	Comparison	15% A3-	25% A3	Comparison	15% A3-	25% A3	Comparison	15% A3-	25% A3
	Goods Capacity (sq.m)	A5 (sq.m)	– A5 (sq.m)	Goods Capacity (sq.m)	A5 (sq.m)	– A5 (sq.m)	Goods Capacity (sq.m)	A5 (sq.m)	– A5 (sq.m)
2015-2020	-6,900	-1,035	-1,725	-4,700	-705	-1,175	-200	-30	-50
2020-2025	12,400	1,860	3,100	15,200	2,280	3,800	21,000	3,150	5,250
2025-2030	16,500	2,475	4,125	20,200	3,030	5,050	27,500	4,125	6,875
2030-2035	22,700	3,405	5,675	28,300	4,245	7,075	36,600	5,490	9,150
2015-2025	5,500	825	1,375	10,600	1,590	2,650	20,800	3,120	5,200
2015-2035	44,700	6,705	11,175	58,100	8,715	14,525	84,900	12,735	21,225

4.33 In Scenario 1, the analysis identifies a need for between 420 sq.m and 4,475 sq.m of A3-A5 floorspace in the period 2015-2025; and between 5,625 sq.m and 19,125 sq.m in the period 2015-2035, assuming that 15% and 25% of the forecast capacity for new comparison goods floorspace identified in the Retail Needs Assessment could support a range of food and drink related uses. In Scenario 2, the requirement increases to between 825 sq.m and 5,200 sq.m in the period 2015-2025; and 6,705 sq.m and 21,225 sq.m in the period 2015-2035.

4.34 Holliss Vincent have taken a strategic approach to identifying the overall level of net gain to the comparison goods retail stock that is required across the whole of the Survey Area in the period up to 2035, including in centres such as Seaham, Chester-le-Street, Birtley and Boldon, which lie outside the administrative area of Sunderland. The Retail Needs Assessment then goes onto provide advice on the potential distribution of the net gain in comparison goods retail stock across the Core Strategy Sub-Areas. As a starting point, Holliss Vincent have considered a spatial distribution which is based on the amount of comparison goods expenditure currently retained by centres and freestanding stores in each of the four Sub-Areas and in Zones 10-15, which lie outside the administrative area of Sunderland. The net gain in occupied comparison goods floorspace requirement for each Sub-Area under the base population scenario and assuming a constant market share and the capacity for new food and drink related floorspace assuming that 15% to 25% of the forecast capacity for new comparison goods floorspace could support a range of food and drink uses is shown in Table 4.11:

Table 4.11 – Distribution of Comparison Goods and A3-A5 Floorspace by Core Strategy Sub-Area Based on Constant Market Share

Zones	Sub-Area	% Share	Net Gain in Comparison Goods Floorspace (sq.m gross)	15% A3-A5 (sq.m)	25% A3-A5 (sq.m)
1,2 & 3	Sunderland South & City Centre	55.7%	28,100	4,200	7,000
4 & 5	Sunderland North	7.5%	3,800	600	1,000
6 & 7	Coalfield	2.1%	1,100	200	300
8 & 9	Washington	19.3%	9,700	1,500	2,400
Sub-Total for SCC	Sunderland City Council Area	84.6%	42,700	6,500	10,700
10 - 15	Outside SCC	15.4%	7,800	1,200	2,000
Overall Total	Overall Survey Area	100.0%	50,500	7,700	12,700

NB. Figures round to nearest 100 sq.m (gross)

4.35 Holliss Vincent have also set out a 'reasonable alternative' in order to try and reverse the polarisation trend in the Sunderland Retail Hierarchy, which may see the following distribution:

Table 4.12 – Reasonable Alternative Distribution of Comparison Goods and A3-A5 Floorspace by Core Strategy Sub-Area Based on Constant Market Share

Zones	Sub-Area	% Share	Net Gain in Comparison Goods Floorspace (sq.m gross)	15% A3-A5 (sq.m)	25% A3-A5 (sq.m)
1,2 & 3	Sunderland South & City Centre	52.5%	26,500	4,000	6,600
4 & 5	Sunderland North	7.5%	3,800	600	1,000
6 & 7	Coalfield	5.0%	2,500	400	600
8 & 9	Washington	25.0%	12,600	1,900	3,200
Sub-Total for SCC	Sunderland City Council Area	90.0%	45,400	6,900	11,400
10 - 15	Outside SCC	10.0%	5,100	800	1,300
Overall Total	Overall Survey Area	100.0%	50,500	7,700	12,700

NB. Figures round to nearest 100 sq.m (gross)

- 4.36 It is anticipated that the majority of the forecast requirement for A3-A5 floorspace would be delivered as part of retail-led mixed-use developments and, accordingly, ELG Planning would recommend that any allocations for new retail floorspace proposed within the emerging Development Plan include provision for A3-A5 uses equating to approximately 15%-25% of the proposed retail floorspace.
- 4.37 In addition, it is considered that there is a clear qualitative need to enhance the restaurant, café and pub offer, particularly within Sunderland City Centre. It is evident that food and drink related uses will play an increasingly important role in the future of centres by helping to lengthen 'dwell' times and increase footfall and activity within centres providing clear and significant benefits for both the daytime and evening economies. The provision of food and drink uses can also help to secure the re-use of existing vacant premises within centres.
- 4.38 Sunderland City Centre is currently underperforming as a sub-regional centre in terms of the quality of the restaurant, café and pub offer and wider evening economy and this is borne out by the results of the NEMS household survey as part of the Retail Needs Assessment, which

highlighted that Sunderland City Centre was the primary destination for pubs, bars and nightclubs for only 15% of respondents throughout the Study Area and for only 26% of respondents for restaurants and cafes. The need to improve the family leisure and food / drink offer in the City Centre was also highlighted by several consultees and it is evident that there is scope to enhance the quality of the restaurant, bar and café / coffee shop offer of the City Centre, which in turn will attract high spending visitors and encourage people to remain in the City Centre for longer throughout the daytime and evening. ELG Planning would therefore advise that Sunderland City Council plan positively for such uses and adopt a flexible policy approach, particularly within the secondary and tertiary shopping frontages within the city centre, to facilitate the provision of food and drink related uses to help address the identified qualitative deficiency of such uses. The health checks undertaken by ELG Planning in January 2015 also identified that the evening economy within Washington Town Centre is underdeveloped and, in the short term, the focus should be on the delivery of the consented cinema scheme which includes the provision of food and beverage outlets and the identification of other areas within the town centre to accommodate A3-A5 uses.

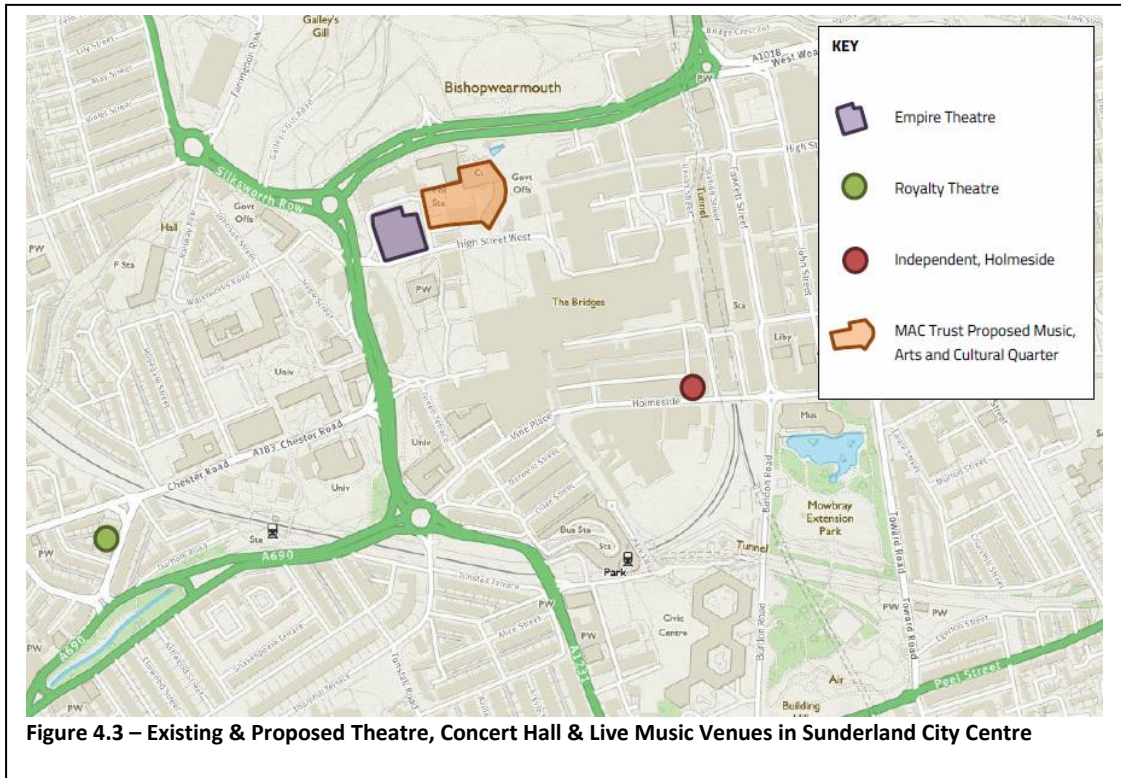
Museums, Galleries & Places of Cultural / Historical Interest

- 4.39 Sunderland is relatively well catered for in terms of museum and art gallery provision, although the overwhelming majority of facilities are located within the City Centre.
- 4.40 Sunderland Museum & Winter Gardens is located on Burdon Road and contains a museum, art gallery, exhibition space and Winter Gardens. The museum and art gallery has a particular focus on North East industrial and social history, natural history, glass and pottery produced on Wearside and 19th & 20th Century artwork, including a large collection of LS Lowry paintings. The Winter Gardens house a botanical collection of over 2,000 plants and trees.
- 4.41 The National Glass Centre is located on Liberty Way and provides exhibits on the origins, growth and legacy of glass making, as well as gallery space presenting the work of artists in ceramics and glass.

- 4.42 The Monkwearmouth Station Museum is located to the north of Wearmouth Bridge and is a Grade II* listed building that was originally the main railway station for the City. The museum provides a range of transport related interactive displays relating to the period when Monkwearmouth was the main railway station in Sunderland. It is however noted that the City Council announced earlier this year that the museum could be closed on a temporary basis due to falling visitor numbers. There are a number of other museums and art galleries across the City including Creative Cohesion Art Gallery, North East Aircraft Museum, Studio Q Art Gallery and Washington Art Centre.
- 4.43 The household survey conducted by NEMS identifies that 40.3% of respondents visit museums, art galleries and other cultural attractions, with facilities within the Study Area capturing 41.2% of trips made by residents. Sunderland Museum & Winter Gardens captures the highest proportion of trips made by residents (36.6%) based on the findings of the household survey. Museums and galleries in Newcastle and Gateshead capture 42.3% of such trips made by residents, including Centre for Life (4.2%), Discovery Museum (15.3%), Great North Museum (5.3%) and the Baltic Centre for Contemporary Art (8.1%). Beamish Museum is also a popular destination amongst respondents, capturing 8.1% of such trips.
- 4.44 Sunderland is relatively well catered for in terms of museums, art galleries and other cultural attractions, with facilities within the Study Area capturing 41.2% of trips made by residents. There is therefore no requirement to proactively plan for additional facilities over the Plan period, however, the LPA should respond pro-actively to any proposals that come forward, where such proposals could encourage a greater proportion of locally generated leisure expenditure to be retained within Sunderland and contribute to more sustainable patterns of travel by reducing the distance local residents have to travel to access such attractions.

Theatres, Concert Halls & Live Music Venues

- 4.45 The Empire Theatre opened in 1907 and is one of the Region's largest venues with capacity to accommodate up to 2,000 people. The theatre underwent a £4.5m refurbishment in 2004, which has enabled it to host a number of touring West End productions. The Royalty Theatre was established in 1925 and is one of the Region's oldest amateur theatre groups, performing six plays per season in addition to a family pantomime.
- 4.46 Independent on Holmeside is a live music venue with a capacity of 400 and there are a number of pubs that hold live music nights, however, there are no medium-large scale dedicated live music venues within the City. The Stadium of Light has however hosted a number of concerts outside the football season in recent years and planning permission was been granted for a mixed use development comprising free school, indoor and outdoor sports and leisure facilities, training facilities, event space, flexible office space, café and external play space known as the Beacon of Light at land adjacent to Sunderland Aquatics Centre in September 2015 (LPA Ref. 15/00643/HYB). The supporting documentation that accompanies the application suggests that the facility would potentially hold live music events with a capacity of 3,800 around 10-12 times per year.
- 4.47 In addition, Sunderland Music, Arts & Cultural Trust (MAC Trust) have outlined plans to develop a new music, arts and cultural quarter in the historic Edwardian quarter of the City Centre. Planning permission was granted in January 2016 for the change of use of the former fire station building to a mix of uses comprising dance / theatre studio and a café, bar and restaurant. It is understood that the next phase of the proposals involve the erection of an auditorium neighbouring the former fire station, which will be a new 420-seat venue for music, drama and dance. The proposals offer potential to enhance the cultural offer of the wider city centre and complement the recent regeneration of this part of the city centre and, accordingly, ELG Planning are of the opinion that the LPA should plan positively to encourage such uses.



4.48 The household survey identifies that 59.2% of respondents visit theatres and live music venues, with the Empire Theatre being the most popular venue capturing 50.4% of such visits by residents. The Royalty Theatre and other venues in Sunderland collectively account for 3.5% of visits. The household survey identifies that venues in Newcastle and Gateshead attract 38.5% of trips made by residents, including the Metro Radio Arena (12.4%), O2 Academy Newcastle (4.4%), Theatre Royal (13.0%) and Sage Gateshead (4.8%).

4.49 Sunderland is currently well catered for in terms of theatre provision, with the Empire Theatre being one of the largest venues in the Region. The City currently lacks a medium – large scale live music venue, although the Beacon of Light scheme may help to address this deficiency to an extent, although the site in question lies beyond any defined town centre boundaries and the live music facilities form part of a wider mixed-use facility. The proposals for the establishment of a new music, arts and cultural quarter outlined by the MAC Trust will also enhance the cultural offer of the City Centre and ELG Planning do not consider that there is any need to proactively plan for

additional theatre and live music venue provision. However, it is evident that theatres and live music venues can make an important contribution to the evening economy and the overall vitality and viability of centres. On this basis, it is considered that any applications that come forward for such venues should be considered positively, provided that they accord with the adopted Development Plan and prevailing national guidance at the time.

5. LEISURE USE STRATEGY

Potential Development Sites

- 5.1 The quantitative analysis contained within **Section 4** identifies that there is no requirement in quantitative terms for new cinema provision taking into account existing commitments and it is considered that the LPA should focus on supporting the delivery of the approved multi-screen cinema and associated A1-A5 units in Washington Town Centre, which will significantly enhance the leisure offer of the centre with resultant benefits for the daytime and evening economies.
- 5.2 ELG Planning have identified that there is no quantitative requirement to pro-actively plan for additional ten pin bowling, bingo or indoor play centre facilities over the plan period and the City is also generally well-catered for in terms of cultural facilities (i.e. museums, art galleries and theatres). There is limited capacity for further gym provision in the short to medium term (i.e. to 2025) and, whilst some capacity identified in both Scenarios 1 & 2 in the longer term, it is not considered that there is a need to proactively plan for new health and fitness provision and any proposals that come forward should be judged on their own merits in accordance with prevailing policies on main town centre use development
- 5.3 It is anticipated that the majority of the forecast requirement for A3-A5 floorspace would be delivered as part of retail-led mixed-use developments and Hollis Vincent have identified four key development opportunity areas (Holmeside Triangle; Bridge House site; former BHS / JJB stores; and former Crowtree Leisure Centre) within the Primary Shopping Area of Sunderland City Centre that could potentially accommodate retail or retail-led mixed use developments and, accordingly, ELG Planning would recommend that any allocations for new retail development on the identified sites include provision for A3-A5 uses equating to approximately 15%-25% of the proposed retail floorspace. Hollis Vincent have also identified three areas offering scope for a diversification of uses within and to the edge of the Primary Shopping Area of Washington Town Centre, including the site of the approved multi-screen cinema development. ELG Planning agree that the identified

sites are appropriate locations for main town centre uses and offer potential to address the current deficiency of food and beverage outlets within Washington Town Centre and help develop the evening economy. The Retail Needs Assessment identifies one development opportunity within Houghton-le-Spring located in the south eastern corner of the Primary Shopping Area, which represents an important entrance into the town centre. It is suggested that this part of the town is not meeting its full potential and offers scope to accommodate other main town centre uses thereby promoting diversification. ELG Planning would agree with this assessment, having previously highlighted the identified development opportunity as *'a cluster of vacant units towards the southern end of Newbottle Street (No's 1-2; 5; 6-7 & 8), which significantly detract from the appearance and general perceptions of this part of Houghton-le-Spring'* within the health check assessments undertaken in January 2015.

- 5.4 In addition, emerging trends in the commercial leisure sector may give rise to future operator demand for certain leisure facilities, including *'boutique'* bowling alleys and cinemas, as well as smaller format City Centre bingo halls. However, as outlined above, there is no need to pro-actively plan for such facilities and any developer-led schemes that come forward should be assessed on their own merits in accordance with prevailing policies on main town centre use development.
- 5.5 It is evident that recent changes in the retail sector, including the continued growth of on-line retailing and the focus of major retailers towards large flagship stores in prime locations, supplemented by smaller satellite stores and an on-line offer, will mean that commercial leisure uses will play an enhanced role in town centres in the future. A strong provision and choice of commercial leisure facilities can help to lengthen *'dwell'* times and increase footfall and activity within centres providing clear and significant benefits for both the daytime and evening economies. Planning policies relating to town centres should therefore provide sufficient flexibility to enable individual centres to evolve and adapt to market trends, including an increased focus towards retail service and commercial leisure uses, particularly within the secondary and tertiary frontages.

Local Impact Thresholds

5.6 Paragraph 26 of the NPPF confirms that when assessing applications for retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan, LPAs should require an impact assessment if the development is over a proportionate, locally set floorspace threshold. In circumstances where there is no locally set threshold, the NPPF confirms that the default threshold is 2,500 sq.m. PPG advises that, in setting a locally appropriate threshold, it will be important to consider:

- The scale of proposals relative to town centres;
- The existing vitality and viability of town centres;
- Cumulative effects of recent developments;
- Whether local town centres are vulnerable;
- Likely effects of development on any town centre strategy;
- Impact on other planned investment

5.7 The main centres across Sunderland are primarily dependent upon their shopping and service role, with a mix of commercial leisure uses forming part of the wider offer of the individual centres. ELG Planning advise that proposals for out-of-centre leisure development below the default national threshold of 2,500 sq.m are unlikely to have a significant adverse impact on the overall vitality and viability of individual centres in this context and, accordingly, it is considered that the national threshold of 2,500 sq.m is entirely appropriate in relation to leisure development not located within an existing centre and not in accordance with an up-to-date Local Plan.