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Dear Planning Policy Team,

METROGREEN AREA ACTION PLAN: SUBMISSION DRAFT (REGULATION 19)

1. Thank you for consulting with the Home Builders Federation (HBF) on the Submission Draft of the MetroGreen Area Action Plan (AAP) (Regulation 19).
2. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.
3. The HBF outlines its comments on the AAP and the soundness of its policies below. The HBF is keen to work with the Council to ensure that it produces a sound local plan which provides appropriate policies for the area.

Overall Comments

4. Once adopted, the MetroGreen AAP would provide the planning policy framework for the comprehensive development of 994 homes, 25,500sqm of leisure and ancillary, a hotel and community facilities.
5. As a large brownfield site on the south bank of the River Tyne, the HBF generally supports the development of this site for new homes and can recognise the potential of this to drive meaningful regeneration in the area. However, we have significant concerns over the deliverability of the site and the timescales within which it will come forward.
6. The AAP makes clear that it is prepared pursuant to the policies contained in the adopted Core Strategy and Urban Core Plan (CSUCP, adopted in March 2015) which was jointly prepared with Newcastle City Council (see Section 1 of the AAP). The Council presented a paper to its Cabinet on 18 March 2025 to consider whether the policies of the CSUCP were still up to date and to establish if they needed reviewing. The Cabinet approved the position that the policies which

relate to the level of housing growth within the CSUCP are now out of date as a consequence of changes undertaken to the National Planning Policy Framework (NPPF) in December 2024. The report to the Cabinet also confirmed that the Council had already commenced work alongside Newcastle City Council on a new Local Plan.

7. As this is the case, the HBF would question whether undertaking an AAP for the area is the most effective way to seek to deliver the site, given the status of the CSUCP and that it has a plan period that runs only to 2030 (compared to the plan period of this AAP which is to 2045). Nevertheless, if this is to be the case, then the HBF believes that MetroGreen should be considered entirely separately to the new emerging Local Plan and would object to the Council using the housing requirement of this AAP to dilute its emerging housing requirement in its new Local Plan.

Policy MG1 Spatial Strategy for Comprehensive Development

Policy MG1 is not considered to be sound as it is not effective, justified or consistent with national policy for the following reasons:

8. This policy states that this location will deliver 994 homes at an average of 40 dwellings per hectare (dph). It also provides a list of the requirements a development must meet including improved pedestrian and cycle accessibility, integrated infrastructure to manage fluvial, tidal and surface water flooding, a new public green space to serve the new residential community and the protection and enhancement of biodiversity through on and off-site mitigation.
9. Whilst the HBF supports the ambition of bringing forward residential development as part of MetroGreen, the policy, as currently drafted, will clearly face significant delivery issues (thereby undermining its effectiveness). The Stage 5 Viability Assessment (September 2025) undertaken by Cushman and Wakefield demonstrates significant viability challenges in bringing forward development, with the only scenario showing viable development across the site being that which assumes no abnormal costs and 100% market homes (Table 7.4) and even then, the Riverside East area is only marginally viable. Whilst all the scenarios in the Viability Assessment are hypothetical, it is unlikely that no abnormal costs would be encountered on such a large site and it is clearly an undesirable policy outcome to not deliver any affordable homes at MetroGreen as housing need in the area would then not be entirely fulfilled.
10. In Section 8, the Viability Assessment suggests exploring a number of areas to mitigate viability risk. This includes:
 - Value engineering.
 - Implementing schemes on a 'subject to a viability' basis.
 - Seeking public sector funding packages for infrastructure.
 - The use of grants.
 - Public sector led housing delivery (including affordable housing).
 - Collaboration with landowners.

11. Given the policy requirements of MG1 (along with other policies in the AAP) there does not appear to be sufficient flexibility to allow for value engineering or implementing of schemes 'subject to viability'. This further reinforces the comments we make with regards to the policies below (alongside this policy) in terms of the need to demonstrate additional flexibility (namely to Policies MG7, MG8, MG9, MG12 and MG19). Whilst paragraph 10.6.3 of the AAP mentions the need for flexibility, there is a clear disconnect between this and the actual requirements of the policies of the plan.
12. Irrespective of this, the Viability Assessment clearly shows that there is going to be a need for some degree of public sector funding to support development at MetroGreen. The Council fully acknowledges this in paragraph 10.6.2 of the AAP. The HBF therefore strongly considers that it would be beneficial for the Council to explore all of the possible sources of public sector funding that could be used to support the delivery of this area, so as to demonstrate at the examination stage that the AAP is deliverable and can provide the homes which are needed in this area of the Borough (including affordable homes).

Policy MG6 Housing Sites Allocation

Policy MG6 is not considered to be sound as it is not effective, justified or consistent with national policy for the following reasons:

13. This policy provides the allocations for approximately 994 homes over the plan period. The MetroGreen Area Action Plan Spatial Framework & Design Guide (Stage 5, July 2025) provides more details about the sites. Section 3.2 in particular provides additional detail regarding the distribution of the residential parcels and the quantum of development in each parcel. This table is replicated on the next page.
14. The HBF notes that in the table, the proposed average densities and the number of homes proposed do not take account of the net developable area and assume that the whole of the site is developed in order to achieve the average density proposed. The HBF considers that these sites will not be deliverable at the rates proposed, as this does not appear to allow for other planning requirements such as biodiversity net gain, Sustainable Drainage Systems (SuDS), open space, landscape buffers etc
15. Consequently, the HBF considers that such proposed densities would be difficult to achieve whilst being able to fulfil all policy and regulatory requirements as well as delivering a sufficient range of housing types, sizes and tenures to ensure housing need as a whole is met. The Spatial Framework & Design Guide therefore needs to reexamine each parcel to establish more realistic site capacities.

INDICATIVE RESIDENTIAL USE SCHEDULE

Parcel No.	Short/Medium/Long Term	Proposed Land Use	Area (ha)	Proposed Average Density (Dph)	No. of Homes
Residential (Short/Medium Term)					
1A	Short/Medium	Residential	6.50	35	228
2A-1	Short/Medium	Residential	7.20	40	288
2C-2	Short/Medium	Residential	2.00	40	80
2D	Short/Medium	Residential	1.40	40	56
2E	Short/Medium	Residential	1.80	40	72
2H-2	Short/Medium	Residential	2.26	35	79
2J-2	Short/Medium	Residential	1.55	35	54
2K-1	Short/Medium	Residential	0.96	45	43
2K-2	Short/Medium	Residential	2.08	45	94
SUB TOTAL			25.75		994
Residential (Long Term)					
2F-1	Long	Residential	5.18	35	181
2F-2	Long	Residential	0.77	40	31
2G-3	Long	Residential	3.15	35	110
2G-4	Long	Residential	6.19	35	217
2H-3	Long	Residential	1.39	35	49
2I-1	Long	Residential	6.70	35	235
SUB TOTAL			23.38		823
TOTAL			49.13		1,817

Policy MG7 Housing Density

Policy MG7 is not considered to be sound as it is not effective or justified for the following reasons:

- This policy states that new housing development located within 400m of the Public Transport Interchange or within the MetroCentre boundary will have a net density of at least 40dph.
- The setting of residential density standards should be undertaken in accordance with the NPPF (Section 11) where policies should be set to optimise the use of land. However, the HBF considers that it is also important for effectiveness that the policy itself is sufficiently flexible to allow developers to take account of the evidence in relation to site specific conditions, aspirations, deliverability, viability and accessibility.

18. There is also a need to take into account policy requirements such as open space provision, SuDs, tree provision, biodiversity net gain, cycle and bin storage, highways infrastructure, parking provision, accessible and adaptable dwellings and internal space standards, all of which can also have an impact on densities.
19. Currently the policy does not offer this flexibility and so will need to be amended to incorporate this.

Policy MG8 Sustainable Travel Infrastructure

Policy MG8 is not considered to be sound as it is not effective, justified or consistent with national policy for the following reasons:

20. The HBF is supportive of the Council encouraging the use of sustainable travel as this will be important in ensuring the development of MetroGreen is successful.
21. Part 3 of the policy requires walking and cycling infrastructure to be designed in accordance with the standards set out in LTN 1/20, or other subsequent guidance, with cyclists and pedestrian routes separated from road traffic and each other.
22. The HBF considers that this is an entirely laudable aim and should be encouraged, however it may not be possible in all instances to design specifically to LTN 1/20 standards owing to site constraints, existing highway infrastructure or viability. Furthermore, the wording of the policy seeks to give LTN 1/20 development plan status when it is guidance, not policy.
23. Therefore, the HBF suggests that the wording of this policy should change to:

“Where practical, feasible and viable, the Council will encourage the walking and cycling infrastructure to be designed in accordance with the standards set out in LTN 1/20, or other subsequent guidance, with cyclists and pedestrian routes separated from road traffic and each other.”

24. This will ensure that the policy is justified, effective and consistent with national policy.

Policy MG9 Management of Parking

Policy MG9 is not considered to be sound as it is not justified or consistent with national policy for the following reasons:

25. Part 2(b) of the policy states that residential development will provide electric vehicle charging points for each residential unit. Where additional visitor and or communal parking spaces are provided, additional electric vehicle charging infrastructure is to be considered as part of a wider

assessment. It also states that car club vehicles must have access to an electric vehicle charging point.

26. The Council will be aware that Part S of the Building Regulations covers infrastructure for the charging of electric vehicles. For consistency, this is the standard that the Government considers should be followed for all developments. As paragraph 16(f) of the NPPF states that planning policies should avoid unnecessary duplication of policies found elsewhere, this part of the policy should be deleted.

Policy MG12 Place-Making

Policy MG12 is not considered to be sound as it is not effective, justified or consistent with national policy for the following reasons:

27. This policy states that proposals for MetroGreen must demonstrate compliance with the design principles set out in the MetroGreen Spatial Framework and Design Guide.
28. The HBF has concerns in relation to the reference to '*demonstrate compliance with*'. The HBF does not consider it appropriate to require a development to demonstrate compliance with the Spatial Framework and Design Guide given that it is not itself, a development plan document. As any requirements within these documents will not have been tested and examined in the same way as the AAP itself, they should not be elevated to having the same weight as the development plan.
29. The HBF therefore considers that the wording should be amended to:
- "Proposals for MetroGreen **should give consideration to/have regard to** the design principles set out in the MetroGreen Spatial Framework and Design Guide".*

Policy MG18 - Biodiversity

Policy MG18 is not considered to be sound as it is not effective, justified or consistent with national policy for the following reasons:

30. The HBF notes the introduction of mandatory Biodiversity Net Gain (BNG) which came in for large sites on 12 February 2024, and for small sites from 2 April 2024. This was accompanied by an updated PPG which details how BNG should apply in both the development management and plan-making processes.
31. With regards to plan-making in particular, the PPG is clear that Councils do not need to include policies which duplicate the detailed provisions of the statutory framework and not seek a higher percentage than the statutory objective of 10% biodiversity net gain, either on an area-wide basis or for specific allocations for development unless justified (Reference ID: 74-006-20240214).

32. In light of this, the HBF considers that this policy is superfluous as it simply states what is a statutory requirement which is already covered in existing legislation and guidance. However, if it is retained, then to accord with the PPG, the wording of the policy needs to change from 'a minimum of 10% Biodiversity Net Gain' to simply '10% Biodiversity Net Gain' as the AAP does not provide any justification for seeking net gain above 10%.
33. The accompanying explanatory text (paragraph 9.6.5) references that the development of MetroGreen will result in residual adverse impacts on priority habitats and species and a net loss of biodiversity necessitating the provision of offsite ecological and biodiversity net gain compensation measures.
34. From the evidence provided which supports the AAP, namely the Ecological Report (July 2022), the pre-development baseline biodiversity units within the MetroGreen AAP area were calculated to be 986.53 biodiversity units, relating to the presence of Open Mosaic Habitats on PDL, lowland meadows and pastures and broadleaved woodland. The report goes on to state that based on the current understanding of future development, the likely loss of biodiversity units within the MetroGreen AAP (as a result of habitat loss) is anticipated to be in the region of 665.85 biodiversity units. It is unclear whether further evidence has been prepared which updates this position.
35. Given that Open Mosaic Habitats in particular are difficult to replicate on sites and there is a push to provide a development of a higher density, it is likely that the majority of BNG will need to be provided off-site. The HBF also notes that the latest version of the Viability Assessment (Stage 5, September 2025) provides an estimate of £13m for BNG and other ecological work/mitigation. The Council will need to provide further analysis as to whether this provides sufficient funds to address mandatory BNG so that delivery of the site can be appropriately evidenced. The HBF notes that statutory credits start at £42,000 per credit and two credits are required per biodiversity unit (£84,000).

MG19 – Phasing and Implementation

Policy MG19 is not considered to be sound as it is not effective, or consistent with national policy for the following reasons:

36. This policy outlines that development proposals must demonstrate compliance with the Phasing Strategy and Infrastructure Delivery Plan for MetroGreen and that all proposed development shall demonstrate delivery of required mitigation of environmental impacts.
37. Given the significant viability challenges identified in bringing forward development at MetroGreen (see our comments in relation to Policy MG1), it is considered that this policy needs to provide more flexibility in how development may come forward (including phasing and timing of infrastructure provision) so as to facilitate delivery of the wider site. This approach is supported

by the Viability Assessment which highlights flexibility in implementation as a way in which site viability can be mitigated.

Monitoring Framework

The Monitoring Framework is not considered to be sound as it is not effective for the following reasons:

38. The Monitoring Framework is found in Appendix 2 of the AAP. The HBF notes that the Council has helpfully provided information on how policies are to be monitored and provides some potential remedies in the event that policies fail to deliver as envisaged.
39. This is broadly supported by the HBF, albeit it is considered that further detail could be provided in relation to the remedies put forward and timescales provided for such action. This will provide greater certainty that problems with delivery are identified early and acted on swiftly.

Future Engagement

40. I trust that the Council will find these comments useful as it continues to progress the AAP. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.
41. The HBF would like to be kept informed of all forthcoming consultations relating to the AAP and associated documents. Please use the contact details provided below for future correspondence.
42. At present the HBF does not consider that the AAP is sound, as measured against the tests of soundness set out in the NPPF, and as set out in our representations above. The HBF would therefore like to participate in any hearing sessions associated with the AAP and related to our representations, as this will allow the HBF to represent the industry and to address any relevant points raised at the examination. The HBF would like to be kept informed of the submission and examination of the AAP.

Yours sincerely,

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