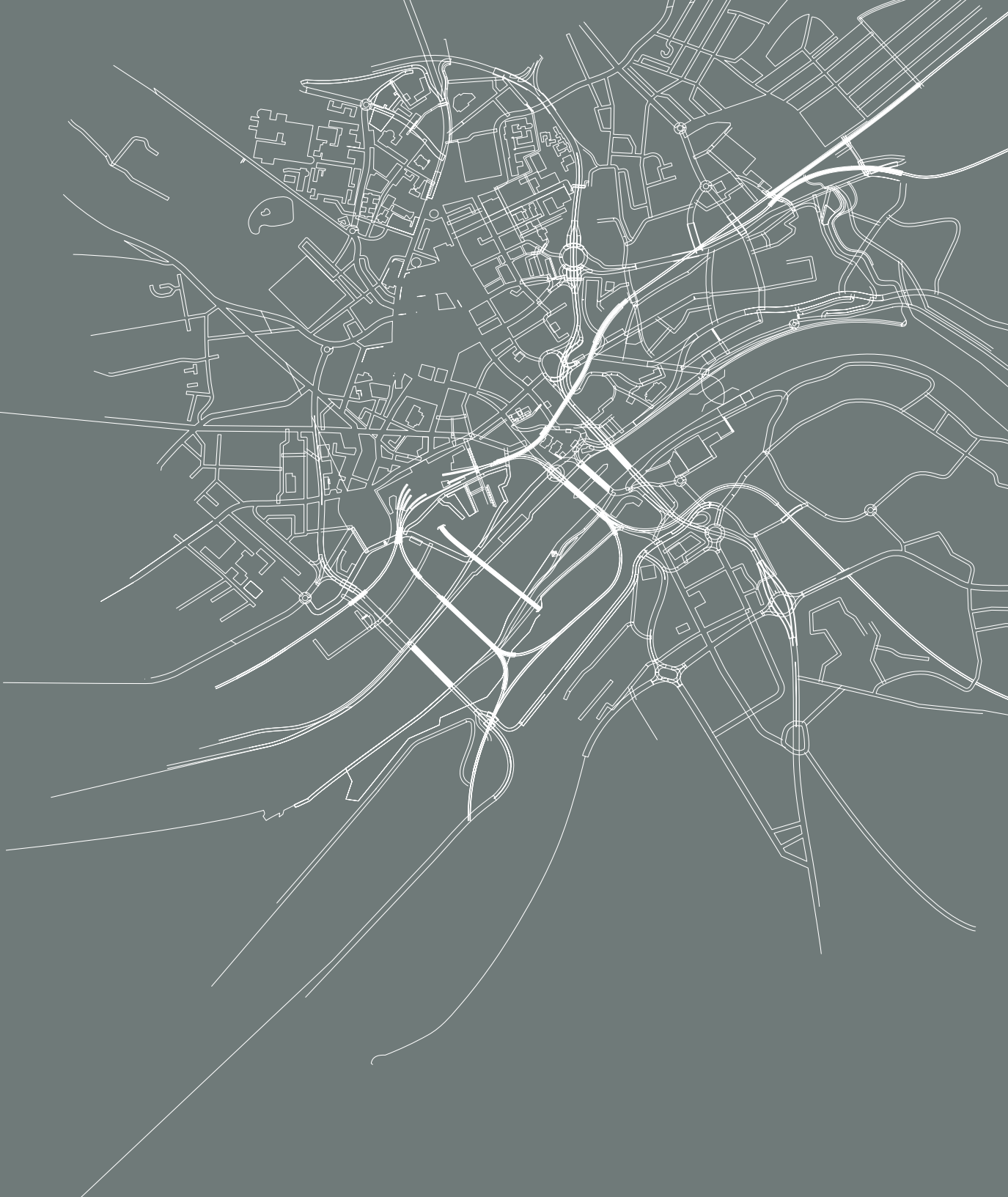


**An economic and spatial strategy
for NewcastleGateshead**



This document has been produced by 1NG on behalf of the 1PLAN core partners, One North East, Gateshead Council, Newcastle City Council and the Homes and Communities Agency.



An economic and spatial strategy for NewcastleGateshead

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Introducing the 1PLAN

Welcome to the 1PLAN. This is a groundbreaking document – the first joint economic and spatial strategy for NewcastleGateshead.

It sets out the themes and priorities that will drive our economic development and regeneration effort in the next 20 years.

The 1PLAN was commissioned by Gateshead Council, Newcastle City Council, One North East and the Homes and Communities Agency (HCA). It has been developed on our behalf by the new city development company, 1NG. All our organisations have endorsed the 1PLAN and we have made a commitment to work together – with businesses, investors and other organisations in NewcastleGateshead – to deliver the agenda set out in the following pages. The Gateshead and Newcastle Partnership has agreed to champion the 1PLAN and to monitor and report on progress and to ensure it is delivered.

In 2006, the Organisation for Economic Cooperation and Development (OECD) published its review of the economy of NewcastleGateshead and the wider city region. It was a challenging report that argued that we needed to develop areas of knowledge-based specialisation in order to prosper and match the performance of the most successful city-regions.

The decision to commission this strategy is evidence of our determination to grow the knowledge economy, building on our valuable assets – great businesses, outstanding universities and colleges, world-class research centres, attractive business locations and a pool of talented people.

The 1PLAN reflects that spirit of confidence. It sets out our vision of prosperity, fairness and sustainability, together with a programme for turning that vision into reality. It describes the 4 Big Moves and the 10 Key Steps which will provide the framework for action, underpinned by an exciting placemaking strategy for the urban core of NewcastleGateshead.

The world has changed a great deal since we first began work on the 1PLAN. Then we had lived through a decade of growth, and sustained public and private investment in urban renaissance. Now we are emerging from a prolonged recession, investor confidence is at a low ebb and we are facing cuts in public expenditure. But none of this has changed the essential features of the strategy. We know we are heading in the right direction, though we may have to work even harder and more creatively to achieve our goals.

We hope you will find the 1PLAN interesting and inspiring reading. If you want to play a part or find out more, please get in touch. You will find contact details at the back of this report.

Preface

A vision of prosperity, fairness & sustainability

In the industrial age, Newcastle and Gateshead changed the world. We worked at the leading edge of technology and innovation; global cities, exporting our products and skills around the world.

We are proud of our remarkable history, and at the start of the 21st century we have been reinventing the tradition of scientific, creative and technological excellence, producing world-leading research in the life sciences, healthcare, molecular engineering, marine technology, transport, environmental sciences, architecture and design.



The growth of NewcastleGateshead in the next 20 years will be driven by science, technology and innovation. We will produce a new generation of products and services which will address the global challenges of economic, demographic and environmental change. Science, creativity, skills and enterprise will transform NewcastleGateshead and the wider region, energise the business base, drive new firm formation, attract inward investment and provide high levels of employment. We will lead the way in creating a low carbon economy.

NewcastleGateshead will be an open, cosmopolitan, international place, connected to the circuits of the knowledge economy.

NewcastleGateshead has the most dramatic and memorable setting of any place in England, and townscape of exceptional quality: natural, historic and contemporary icons provide the setting for our daily lives. We will build on these assets to create a fitting gateway at Central Station, reconnect a revived Gateshead town centre to the quayside and make exciting new spaces and places. The urban core of NewcastleGateshead will be lively, civilised and liveable with a new generation of family-friendly neighbourhoods.

We will pioneer a new model of sustainable urbanism. By encouraging people and businesses to return to the urban core, delivering the best in public transport and giving streets back to people, we will break the link between economic growth and miles travelled by private car. We will end the cycle of child poverty, low aspirations and worklessness that has blighted so many lives for so long.

NewcastleGateshead will be a confident, cosmopolitan and tolerant place where everyone has the opportunity and motivation to fulfil their potential and live a good life.

Urban renaissance

NewcastleGateshead has changed beyond recognition in the past 20 years. We have earned a world-wide reputation as leaders in cultural regeneration, and the Angel of the North is one of the defining images of 21st century Britain. Newcastle tops the 2009 UK Sustainable Cities Index; our universities and hospitals are producing world-leading research in fields that will be vital to the health and wellbeing of the world, and the response to climate change. In the decade before the credit crunch and the recession, NewcastleGateshead had achieved strong growth much faster than the wider region in jobs and output. Unemployment was reduced by half from its 1993 peak. We believe that NewcastleGateshead has been one of the success stories of urban regeneration in the past 15-20 years. But the 2006 OECD report was a reminder that there is still a great deal to be done.

The 1PLAN has been prepared by the city development company, 1NG, on behalf of Gateshead Council, Newcastle City Council, One North East and the Homes and Communities Agency, to set out a blueprint for the future of NewcastleGateshead as an even more attractive, prosperous, equitable and sustainable place to rank alongside other great European cities. It aims to build on the achievements of the recent past and to address the persistent problems and challenges that we still face.

After the recession

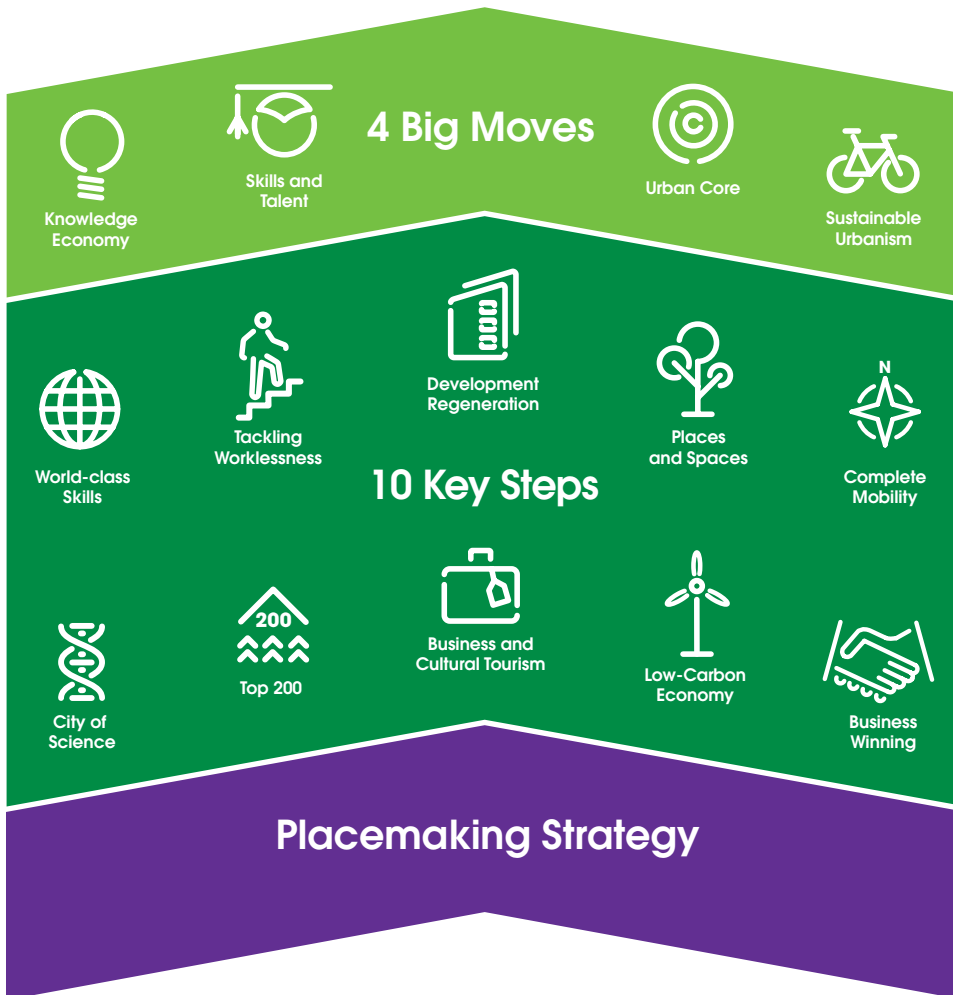
The 1PLAN has been written at a challenging time. The benign economic climate of the first half of the decade has evaporated. For many people the credit crunch began in NewcastleGateshead with the traumatic collapse of Northern Rock. Years of employment growth have come to a halt and unemployment is rising. The effects are most severe in disadvantaged communities and among the unskilled. Business confidence is low, the volume and value of deals have slowed dramatically, and the property market has stalled across all sectors. The consensus of opinion is that the recovery, when it comes, will be slow. There is no realistic prospect of a return to the rapid growth and easy credit of the recent past. In NewcastleGateshead, like other northern cities, the public sector – government, education, healthcare – is a key economic player, and the threat of severe cuts in public sector expenditure is a real concern.

That is the context in which we will launch the strategy set out in the following pages. The events of the past year have not fundamentally changed our analysis of the strengths and weaknesses of the NewcastleGateshead economy, or of the attributes of the place. We do not believe that we can delay action on sustainability because we are in a recession. In some ways what has happened has been a shock to the system that has caused us to think hard about what is most important, and to focus on the things we need to do to speed economic recovery and to sustain it. One of the key lessons of this recession is that, while nowhere is immune from the effects of a global economic crisis, the cities that have coped best are those with skilled workforces and knowledge-based economies.

But it is important to stress that, while we have learned lessons from the harsh realities of recent events, we are not at all despondent. Indeed, we believe that the achievements of recent years have shielded us from some of the worst effects of the recession. NewcastleGateshead has great companies and institutions and we have a pool of skilled and talented people. This is a remarkable, stunning place that we are proud of, and that excites visitors. There is a lot to build on and we can look to the future with optimism.

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Figure 1.1: The 1PLAN: 4 Big Moves, 10 Key Steps, Placemaking



**The 1PLAN:
economy, people, place and sustainability**

The 1PLAN sets out a 20-year economic and spatial strategy for NewcastleGateshead. It presents our analysis of the challenges and opportunities and it maps out a strategy based on three key elements:

- **4 Big Moves** which establish the key themes of our approach – economy, people, place and sustainability
- **10 Key Steps** which describe the practical actions we are going to take in the next three to five years, and the priorities for action
- **A placemaking strategy** which shows how we will promote sustainable urbanism and transform the urban core.

How the 1PLAN will change NewcastleGateshead

How will we make our living in the future? No one can say precisely what the economy of NewcastleGateshead will look like in 2030, but the vast majority of jobs created in the UK were in the knowledge economy, and most experts expect that trend to continue. We see our task as creating an ecosystem in which knowledge-based businesses will flourish. The knowledge economy places a premium on skills at every level, including entry level jobs in retail, tourism, and other sectors. These are some of the key sectors which will drive our future prosperity:

- **Low-carbon:** NewcastleGateshead's continuing strengths in advanced manufacturing, marine and subsea engineering mean that we are well placed to play a leading role in developing low-carbon technologies for the world. North East England will be a leader in low carbon vehicle production, and NewcastleGateshead will play a key role in the regional supply chain.
- **Science and technology:** our universities will focus on the great societal challenges of our time. We are already generating world-leading research on stem cells and the science of ageing, and we are producing outstanding graduates and research scientists. World-class science will be the catalyst for a new generation of start-up businesses, and a magnet to attract UK and international businesses and key individuals. The universities will promote product and service innovation in the north east business base.
- **Culture and creativity:** the key elements are in place: some outstanding cultural venues; top research, education and training; a generation of smart design, creative and digital media businesses. In the coming years, and using the Northern Design Centre as a catalyst, the creative economy will take a big step forward: strengthening links with the manufacturing sector, expanding into international markets and growing businesses of scale.
- **Business services:** NewcastleGateshead will reclaim its role as the natural centre for business and professional services in the north east. A great regional capital needs a choice of top quality office space in a dynamic central business district. The recent trend for office employment to drift out to suburban locations is unsustainable, and by weakening the urban core it damages the whole region. We will re-establish NewcastleGateshead as the location of choice for high quality service sector jobs.
- **Tourism:** NewcastleGateshead will become one of the UK's top business tourism destinations. The International Conference and Exhibition Centre (ICEC) will attract major international scientific and academic conventions. The ICEC will create demand for new top quality hotels and bring hundreds of millions of extra expenditure to the region. NewcastleGateshead will host major events, festivals and cultural celebrations.

What kind of place will NewcastleGateshead be?

The 1PLAN treats economy and place together. In the knowledge economy, place matters, and our proposals will have a transformational effect on NewcastleGateshead. It will become a more compact, accessible and sustainable place, much less dependent on the car. It will be a fairer place, with a better quality of life for all. And the places left behind by the decline of traditional industry or blighted by bad development and big roads will have been transformed. We will pioneer new forms of sustainable urbanism:

- **The shape of the city region:** the 1PLAN will reverse a long-trend which has seen jobs, homes, shopping centres and leisure facilities migrate to the suburbs of NewcastleGateshead and the wider region. We can't change this overnight, but our long-term goal is to stem the tide of suburbanisation, and plan for a return to the urban core as the first choice for office and retail development – and as a great place to live. Out-of-town employment locations still have a role to play, but they need to develop from single-use locations into multi-purpose communities.
- **Knowledge hubs:** the 1PLAN will create a network of knowledge hubs – places where the key industries of the future will co-locate and grow, and where teaching, research, specialist services and businesses of all sizes will come together. We will market the knowledge hubs to attract investment and new businesses. Key sites include: Science Central (sustainable industries); Northern Design Centre (digital/design); the Campus for Ageing & Vitality (ageing and health); and the International Centre for Life (stem cells and regenerative medicine).
- **Central business district:** a key part of the return to the urban core will be a revival in the fortunes of NewcastleGateshead's under-performing central business district. The regeneration of Gateshead Quays and East Pilgrim Street will create attractive new mixed use quarters with modern office space for professional, business and financial services.
- **The north bank of the Tyne** is already home to key employers in the marine and energy sectors, and this part of the city has the infrastructure – and the skills base – to play a lead role as a low-carbon manufacturing centre in the next 20 years.

- **Urban neighbourhoods:** we want more people to come back to the heart of NewcastleGateshead, families as well as singles and empty-nesters. As in Edinburgh and Bristol, this should be the most prestigious place to live. A resident population of high earners will sustain local shops and services, and create greater vitality. The 1PLAN calls for the development of new neighbourhoods in the urban core.
- **Places and spaces:** we will establish a programme to enhance some of our most important streets and public spaces and invest in the green infrastructure. We want to make NewcastleGateshead a better place to walk and cycle. We will transform some of the motorway scale major roads that fragment the urban core, turning them into attractive streets and boulevards.
- **Access and movement:** we will work together to deliver essential investment for the city-region, including high-speed rail, super fast broadband and an improved strategic roads network. Stemming the tide of suburbanisation will help to break the link between economic growth and miles travelled by road, but this needs to be matched by investment to make public transport services more comprehensive, integrated, efficient and attractive.



■ Business winning

Key industries and knowledge hubs will provide the building blocks for a new approach to business winning in NewcastleGateshead. For a generation, the north east has sold itself on the basis of cost-based advantage, but we need to tell a different story – of our scientific excellence, our pioneering work in the low carbon economy, our skilled and talented workforce and great engineering tradition. The knowledge hubs will provide dedicated locations for wealth-creating sectors.

Making it happen: implementing the 1PLAN

We have been working on the 1PLAN for more than a year and we have received enthusiastic support from the people and organisations we have consulted. They welcome the idea of a single economic and spatial strategy for NewcastleGateshead, and they want to see the messages in this document reflected in the joint Local Development Framework Core Strategy and the Single Investment Plan.

But the message has been clear: the 1PLAN partners will be judged not by the words in this document, but by what we do. In the next few months, we will develop detailed action plans for each of the Key Steps. A project manager has been appointed to lead this process and to ensure the implementation of the plans. The Gateshead and Newcastle Partnership will oversee the implementation of the 1PLAN, monitor progress and publish regular reports.

In the heart of NewcastleGateshead, the places left behind by the decline of traditional industry or blighted by bad development and big roads will be transformed.



The Sage Gateshead, Gateshead