

At a meeting of the ECONOMIC PROSPERITY SCRUTINY COMMITTEE held in COMMITTEE ROOM 1, CITY HALL on TUESDAY 11TH JULY 2023 at 4.30 p.m.

Present: -

Councillor Burrell in the Chair

Councillors Ali, Dixon, Edgeworth, Fagan, Foster, Leonard, Mordey, O'Brien, Reed and Warne.

Also in attendance: -

Mr James Diamond, Scrutiny Officer, Sunderland City Council
Mr Paul Wood, Principal Governance Services Officer, Sunderland City Council
Ms Gillian Robinson, Area Co-ordinator, Sunderland City Council
Mr Graham Scanlon, Assistant Director of Housing Services, Sunderland City Council
Ms Katherine Corfield, Housing Strategy Manager, Sunderland City Council

Members of the Press

The Chairman welcomed everyone to the meeting.

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillor Watson

Minutes of the last ordinary meeting of the Committee held on 4th April, 2023

A copy of the minutes of the last ordinary meeting held on 4th April, 2023 were submitted.

(For copy reports – see original minutes).

1. RESOLVED that the minutes of the last ordinary meeting held on 4th April 2023 (copy circulated), be confirmed and signed as a correct record subject to the amendment of the typo on Page 4 – Para 9 – should be Councillor Reed and not Councillor Redd.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest.

Empty Properties Update

The Assistant Director of Housing and Communities submitted a report (copy circulated) to provide an update on long term empty properties across the city and the measures being taken to support and enable the reduction in the number of empty properties in the city, together with plans for the future.

(For copy report – see original minutes)

Graham Scanlon, Assistant Director of Housing Services and Katherine Corfield, Housing Strategy Manager, presented the report along with a PowerPoint presentation and were on hand to answer Members queries.

Councillor Mordey referred to the presentation slides and enquired if it was known why the St Peters Ward percentage of Empty Homes within the area were so out of step with the others. Mr Scanlon advised that it was not known yet and they were trying to understand the profile of the stock. The Council Tax data used did not allow for them to scrutinise in depth and there was a piece of work ongoing to address this but the fact that these figures had shown for so long indicated that it was not just a blip and had been a trend over time. Mr Scanlon added that Officers were on the case and they would let Members know once they had further info.

Ms Corfield informed that they also analyse caseloads that the team were working on and score each report which was how they produced their levels of priority.

Councillor Ali referred to Hendon Ward having the highest percentage and commented that this was a big problem and whilst Back on the Map and Ward Members were doing a really good job it was something that needed more proactive thinking to tackle.

Mr Scanlon advised that they had visited the area with the Chief Executive, and it was believed that the problem needed more of a regeneration intervention which was something they need to push on with. There needed to be a conversation about Homes England funding and the challenges that needed to be tackled. Mr Scanlon added that Compulsory Purchase Orders were not the short quick win approach but may be the only way forward.

In response to Councillor Reed's query over the geographical focus and if this was being done on a street basis as well as Ward level and also if they could breakdown by property (apartments/houses etc), Mr Scanlon advised that they did have that level of data but due to GDPR they could not share that.

Ms Corfield commented that as it was not their data they were limited to what they could see but she suspected that they could see property breakdowns in the raw data.

Councillor Fagan enquired as to how our statistics compared to other North East Authorities and also those Nationally. Mr Scanlon advised that we were performing favourably in comparison to others and all authorities were experiencing the same sort of issues.

Councillor Dixon commented that the St Michaels figures were standing out as very good, and queried as some properties within this ward were very big and could have 13/14 people living in them with flats within houses, and if this was considered when empty properties were being assessed.

Ms Corfield informed that in terms of HMO's, these were dealt with by Environmental Health and therefore were dealt with under different data. Mr Scanlon advised that they would look to get a breakdown of this data also.

Councillor Ali commented that he felt the figures for St Michael's should be taken with a pinch of salt as this was one of the better areas to live and the need was to focus on areas such as Hendon, suggesting that Compulsory Purchase Orders were the better route to go down.

Councillor Dixon informed that St Michaels Ward included all bedsits going up to Park Lane and the area very much needed to be considered. Mr Scanlon commented that the market faced a massive challenge with mortgages up, rents were being increased and it was becoming very difficult, and they couldn't get away from the fact that they had a real diverse stock challenge.

Councillor Fagan made the observation that St Peters Ward had introduced a restriction on HMO's and suggested that this may hold a correlation and had possibly impacted the data. Mr Scanlon advised that this was possible and that he would get the data on this but he hoped it was the case as it would show the policy was working.

Councillor Foster enquired if the regeneration in Sunnyside would have any affect on Hendon in terms of attracting money etc. Mr Scanlon commented that it wouldn't attract money directly but it may impact indirectly with people wanting to invest more.

Mr Scanlon also informed that Thirteen Group have an application pending proposing to build affordable homes which was great, however there was also a worry of a displacement issue that this could cause as residents move to these homes and create more empty properties.

Councillor O'Brien suggested that this would be good for the market however if residents were able to obtain better affordable housing in the area then the current owners of the remaining properties would need to improve their offer to be more competitive. Mr Scanlon advised that this could happen but sometimes the owners just decide to move the property on instead. Mr Scanlon added that some of the stock down there possibly needed a new solution but these decisions had not yet been made.

In response to Councillor O'Brien's query over the financial assistance, Ms Corfield advised that there were conditions included so that the recipient couldn't sell for 3 years afterwards, or if they did, there was a charge for this.

Councillor Ali referred to the rise in interest rates on mortgages and commented that this was really hurting landlords at the moment, some who were already struggling and felt that there were more problems to come.

In response to Councillor Leonard's queries, Ms Corfield confirmed that they were working really well with the Environmental Health Team. Regular meetings with the Case Officer were taking place along with joint training sessions including Environmental Health and Planning so they were almost one and the same team. Ms Corfield also confirmed that they did follow up on noncompliance with regards to the Section 16 notices.

Councillor Dixon enquired as to the relationship the team had with Letting Agents and if they found that the same agents were representing a lot of the Landlords. Ms

Corfield confirmed that it did tend to be the larger firms of Letting Agents and the Team had a very good relationship with these but also acknowledged that there was still more to do, and they could possibly send invitations to their next event to improve this beyond the normal letting agents.

In response to Councillor O'Brien's query, Mr Scanlon advised that they did not have any unused stock from social providers, the only properties were those in partnership with Thirteen Group but these weren't empty properties.

Councillor Edgeworth referred to the Case Studies on repossessions and enquired if it was common for them to take years to sell. Ms Corfield confirmed that it can take a long time depending on the market conditions and each case could differ. Mr Scanlon commented that they recognised with the cost of living and inflation that it was a perfect storm therefore the Government didn't want us to pursue a hard line on repossessions in the current climate.

Councillor Reed referred to previous statements about the Council becoming a Housing Provider, to fill the gaps in the market and enquired if we were any further forward in how the Council expected this to play out within the Sector. Mr Scanlon commented that the Council was not immune to cost pressures so they were currently managing these with the Finance Department. In terms of addressing gaps in the market the Council were supportive of this and there were independent providers coming forward also. The Council had brought properties on stream for housing victims of domestic abuse for instance. Mr Scanlon added that it was a mixed economy and they had to be smart about what they delivered with the financial pressures.

In response to Councillor Dixon's query on long term empty properties and the length of time before a change in tactics would be made, Ms Corfield advised that it was a time factor but also the condition of the property and if ASB was being created etc. If a scenario met those key pieces of legislation in order to take formal action. Ms Corfield also advised that they had a preventable focus so the trends of long term empty properties were quite stable but she would look at the data and send this over.

Councillor O'Brien requested that a breakdown of the incentives given out be circulated also. Ms Corfield commented that this was means tested and she would circulate the Policy which included the detail on this.

There being no further questions or comments, the Chairman thanked Mr Scanlon and Ms Corfield for their attendance and it was:-

2. RESOLVED that the report be received and noted.

Annual Work Programme 2023-24

The Scrutiny and Members Support Co-ordinator submitted a report (copy circulated), to consider and agree a work programme for the Committee for the municipal year 2023/24.

(For copy report – see original minutes).

Mr James Diamond, Scrutiny Officer presented the report for Member's information highlighting the details of issues considered for the work programme as discussed at a recent workshop session the Committee held.

Councillor Edgeworth referred to the item on Culture Sector and the Local Economy scheduled for February and commented that the issue of the Glass Centre was still outstanding, and it would be a good opportunity to consider this, suggesting that the new manager of Culture House be invited to Committee to discuss this.

Mr Diamond advised that the Committee had previously agreed that once the Universities plans were known that they would be invited to a meeting to discuss this. Councillor Edgeworth commented that the February meeting may be too late to influence any key decisions that may have been made by them and he would prefer this be brought forward if possible. The Chairman advised that this would be given consideration.

In response to Councillor Dixon's request for an item on the Business Centres, Mr Diamond advised that they didn't have a date for this as yet but it was on the Work Programme and he would speak with Officers about confirming a date.

Councillor Mordey requested that the Portfolio Holders be invited to an early meeting of the Committee as Scrutiny did a lot of good work but felt it was always reactive and if discussions could be had with Portfolio Holders earlier they could maybe influence and affect more throughout the year. It was also suggested that discussions may be held under Part 2 of the agenda should there be financially sensitive information. Councillor Reed wished to second this suggestion.

3. RESOLVED that the Committee agreed the draft Annual Scrutiny Work Programme for 2023/24 and would incorporate emerging issues as and when they arose throughout the forthcoming year.

Notice of Key Decisions

The Scrutiny and Members Support Co-ordinator submitted a report providing Members with an opportunity to consider the items on the Executive's Notice of Key Decisions for the 28-day period from 14th June, 2023 (copies circulated).

(For copy report and notice – see original minutes).

Mr Diamond reminded Members to get in touch if they required further information on any of the items included in the notice.

4. RESOLVED that the Notice of Key Decisions be received and noted.

The Chairman thanked everyone for their attendance and closed the meeting.

(Signed) M. BURRELL,
Chairman.