

At a meeting of the ECONOMIC PROSPERITY SCRUTINY COMMITTEE held in COMMITTEE ROOM 1, CITY HALL on TUESDAY 4TH APRIL 2023 at 4.30 p.m.

Present: -

Councillor D. Snowdon in the Chair

Councillors Ali, Dixon, Fagan, Foster, Mordey, Reed and H. Trueman.

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 Neil Guthrie, Development Director, Sunderland City Council
Mr Anthony Crabb, Project Director, 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 Councillors Edgeworth, Laws, Scanlan and Warne

Minutes of the Extraordinary Meeting of the Scrutiny Committee held on 27th February 2023 and the last ordinary meeting held on 7th March, 2023

A copy of the minutes of the extraordinary meeting of the Scrutiny Committee held on 27th February and the last ordinary meeting held on 7th March, 2023 were submitted.

(For copy reports – see original minutes).

1. RESOLVED that the minutes of the extraordinary meeting of the Scrutiny Committee held on 27th February and the last ordinary meeting held on 7th March 2023 (copy circulated), be confirmed and signed as correct records.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest.

Siglion Progress Report

The Executive Director of City Development submitted a report (copy circulated) to provide an update on the progress being made in delivering the regeneration of a number of key sites within the City

(For copy report – see original minutes)

Neil Guthrie, Development Director provided the report along with a PowerPoint presentation and was on hand to answer Members queries.

Councillor Foster commented that the presentation was excellent and the work couldn't be faulted but queried the exact location of the Potters Hill development and also referred to the Vaux housing development, raising concerns that this could become a playground for people using the scooters, causing antisocial behaviour.

Mr Guthrie advised that Potters Hill was situated in Ryhope/Doxford and was part of the South Sunderland Growth Area. In relation to the Vaux site Mr Guthrie informed that a strategy for the public realm was important to address such things and would be managed by the relevant people brought in. It was important to also get the Community involved so there was a real ownership of the area who would then look after the space.

Councillor Reed referred to the land ownership of the Seaburn Inn site and queried the rationale behind this and also as the land had been sold for such a low premium, how they intended to win the trust of the public. Mr Guthrie advised that this had gone through a competitive procurement process with valuations completed at that time. Siglion had been selected to take this forward and he would refer to recent responses given to Questions to Council for the detail on that. Mr Guthrie advised that he was speaking on behalf of Siglion and these matters were for the Council so he could not answer for them however an independent valuation process was done and whilst the public may have a perception, there was a clear audit process carried out.

In response to Councillor Dixon's query, Mr Guthrie informed that the Board of Siglion included the Leader, Deputy Leader and Chief Executive and that the mechanisms to scrutinise the decisions they took, included this Committee, there were business plans submitted through Cabinet which required approval and there was also an Audit process.

With regards to Councillor Dixons query on if they had greater involvement on Nile Street/Villiers and why things had been more quiet around the Seaburn area, Mr Guthrie advised that they had helped with the development strategy and the levelling up funding to drive the Nile Street/Villiers project on. In relation to Seaburn over the last 12 months the residential development had been provided and there was now the bedding in period for the Stack and surrounding developments and they were working with the Council on the seafront with the next stage being the leisure development on the former Seaburn Centre site but he did acknowledge that the pace was not as quick over the last 12 months.

Councillor Dixon referred to a recent event at Pop Recs and enquired if the consultancy firm had been actively involved. Mr Guthrie advised that there had been extensive engagement with developing conversations with the Police and new conversations coming in and the makings of a place analysis report. A set of working groups was to be created with lots of activity going on and he would get in touch with Members over this.

Councillor Dixon referred to the recent demise of Tolent and enquired if this had been something Siglion was aware of at the time and if there was any information they could give on their replacement. Mr Guthrie advised that they did have some

visibility on the issue when it occurred and were able to take steps in order to protect the Council. The work Tolent had been doing had been great up to that point and they were in discussions with 3 to 4 possible replacements that were going through the proper processes.

Councillor Ali commented that he had been impressed by all of the detail presented to the meeting and queried if with the collapse of Tolent, any monies had been lost due to them going into Administration and that he hoped if they had prior knowledge of the event that protections had been made. Mr Guthrie advised that due to confidentiality he could not say due to the possibility of compromising the administration process, however certain levels of protections had been put in place.

Councillor Ali commented that it was currently a very difficult time for construction companies due to the increase in costs for raw materials and queried if Siglion was having to reduce its profit margins as a consequence and how they were managing/dealing with this.

Mr Guthrie informed the Committee that inflation was putting huge pressures on the construction industry and every Local Authority and Developer was having to manage those pressures. In terms of Siglion, it was not set up in order to make profit margins as all monies made were then put back into regeneration and reinvestment into the area.

Councillor Ali commented that he believed the Seaburn Inn to be a brilliant facility and raised rumours of the Stack struggling as the smaller businesses within were dealing with the cost of living crisis and queried if we should be concerned. Mr Guthrie commented that the Stack would be the best people to answer this question but as far as he was aware the facility was very well attended.

Councillor H. Trueman referred to the Development of the Vaux area and queried how they would accommodate charging of electric vehicles with few charging stations around the area. Mr Guthrie advised that from a development perspective it was on the edge of the City Centre so they were aiming to create a medium density development and not everyone would have a car as we moved towards a sustainable community and transport model. The new multistorey car park along with St Marys Car Park were at the edges of the development which contained electric charging points along with the potential for the residential homes to have charging points also.

Mr Guthrie advised that they were looking at solutions and power availability and this was at the forefront of what they were doing along with the much bigger national challenge.

Councillor Fagan referred to the speed calming measures at Chapelgarth and queried why there had been a delay in implementation and also commented that Members had received very little feedback, they hadn't received the final designs and had been very much kept out of the loop which was disappointing.

Mr Guthrie advised that whilst it was due to be implemented in Phase 1 originally, it was felt that putting the infrastructure in at that point may damage the development. They had engaged with the Community and it was very much split between those for and against but now they have a scheme which the majority support. Mr Guthrie

also commented that now that an Officer was dealing with this it was hoped that Members would receive much more support now they were in place.

Councillor Mordey commented that it was great to see the progress made over the last couple of years and as someone who had been involved with Siglion previously he could state that they had all acted with the utmost integrity financially. In terms of the three priorities this company had been set up to achieve, the presentation showed that those objectives had been met and the regeneration had really accelerated thanks to Siglion and was a benefit to the City and taxpayers so he felt it was a job well done and he looked forward to the future to see how this progressed further.

In response to Councillor Dixon's query over Tolent and who inherited the building certificates etc and if there was anything Siglion had done with them where they had inherited any of their liabilities. Anthony Crabb, Project Director advised that he was not aware of any works within the City Centre where this were to be the case.

The Chairman referred to Section 106 funding and commented that this Committee had looked at this six years ago, on the structure behind it and set up a process where Members were supposed to be consulted with on how the s106 was to be spent. The Chairman advised that this didn't seem to be happening still and Members weren't getting the consultations agreed. Mr Guthrie advised that Section 106 monies was not within his remit but he would pass this on to the Planning Department.

There being no further questions or comments, the Chairman thanked Mr Guthrie for his report and it was:-

2. RESOLVED that the report be received and noted.

Future High Street Fund Update

The Executive Director of City Development submitted a report (copy circulated) to provide an update on the Future High Street Fund (FHSF) and its implications for Sunderland

(For copy report – see original minutes)

Anthony Crabb, Project Director presented the report along with a PowerPoint presentation and was on hand to answer Members queries.

Councillor Reed commented that the Future High Street Fund was a fantastic initiative and queried if there was much engagement with existing businesses and if they had much communication with them. Mr Crabb confirmed that they did have ongoing conversations with the existing businesses and they also worked very closely with Sunderland BID. The challenge was being able to give as much info as possible in a timely manner whilst adhering to confidentiality etc.

Councillor Redd referred to the presentation and queried if the images of St Mary's Boulevard were current projections or artists impressions as there were a number of

current businesses omitted from the drawings. Mr Crabb confirmed that these were artists impressions of a future time and there was still detail to go through on these.

Councillor Reed commented that the projects were fantastic and in particular the works to the Elephant Tea Rooms which was sorely needed and thanked Officers for their work.

Councillor Ali also wished to comment that he felt the fund was being used very well and that he had been pushing for better brands to be pursued to come to the City and enquired as to what support was given to the Botanist in order for them to stay long term. Mr Crabb advised that they had signed a contract and the development was progressing and that this was a long term lease. The ambition of the City was giving businesses confidence to invest which was bearing fruit.

In response to Councillor Dixon's query of other examples of FHSF Cities being used, Mr Crabb confirmed that they did look at other cities models, such as Manchester, whose growth had been exponential so they were looking to provide the same quality of offer, they were keen to encourage new start businesses also.

The Chairman commented that as the City was one of only three cities to obtain the full £25 million funding, it said it all about the proposals we had and thanked officers for their work.

There being no further questions or comments, the Chairman thanked Mr Crabb for his report and it was:-

3. RESOLVED that the report be received and noted.

Sunniside Working Group Findings

The Scrutiny and Members Support Co-ordinator submitted a report (copy circulated) to provide feedback on the findings of the Sunniside Working Group

(For copy report – see original minutes)

The Chairman presented the report for Member's information and to comment on further, advising that a number of measures had already been started since the working groups investigations had started, including more police input and ship funding and more support in relation to the supported accommodation issues affecting the area.

Councillor Mordey, as a Hendon Ward Member wished to thank Members of the working group for their work on collecting all of the evidence which gave the Committee something to monitor and this was much appreciated.

Councillor Ali commented that the recommendations from the findings were brilliant but there were some issues which he would still like to be addressed in particular in reference to the supported accommodations issues as these would need to be tackled before we could attract people to live in this area.

Mr Guthrie acknowledged that this was a valid point however the Sunnyside area was a complex set of circumstances, which was why this Committee produced the report. It did have an over predominance of HMO's/Hostels which they did need to consider and they were working with colleagues in Health and Housing and on the Housing Support Strategy.

Mr Guthrie commented that it was about getting the support in the right places and moving those in supported accommodation out was one of the potential options but didn't always solve the problems. They did need to work closely with their stakeholders but this wouldn't be solved quickly and would be a long term fix.

The Chairman commented that the supported living in the area was supposed to be a short term solution, which did not happen and this was going to be looked at.

Councillor Dixon commented that a lot had happened since the start of this investigation of a complex area and there were no easy solutions however he found this to be a meaningful report which he was pleased to be a part of and the working groups had been chaired well by Councillor Snowdon and by the help of Mr Diamond.

Councillor Reed commented that there had been a good consultation over this and it had come up with a philosophy which was what the Committee should be about.

In response to Members queries Ms Robinson advised that in terms of what happens next, it was for the Committee to decide if they wished to monitor and receive further updates and she would need to take advice as to if this could be sent to Cabinet for their information. The Chairman suggested that this should be included on the future Work Programmes also.

There being no further questions or comments it was:-

4. RESOLVED that

- That a masterplan and vision for the Sunnyside area be prepared which involves all partners and the local community;
- That an implementation plan and delivery structure is put in place to ensure joint working between the Council and its partners;
- That the Council and its partners continue to develop strategies for dealing with the immediate problem of anti-social behaviour in the Sunnyside area, including the siting of additional CCTV cameras;
- That the Council continue to investigate options for improving the quality of Supported Accommodation and improving the housing mix in the Sunnyside area over the medium and long term;
- That the Council investigate the potential of using planning and licensing regulations to work with landlords to improve the quality HMOs in the area;

- That the Council work with partners to develop more local events such as food festivals/markets and the promotion of themed nights in local bars and restaurants to bring greater footfall into the area and improve levels of vibrancy;
- That the Council consider measures to improve linkages and the public realm to encourage greater footfall into the Sunnyside area;
- That the Council look to promote the development of a leisure offer in the city and seek to ensure that existing facilities are maintained and expanded upon;
- That the Economic Prosperity Scrutiny Committee continue to monitor progress on the recommendations set out in the report and receive further update reports

Scrutiny Annual Report

The Scrutiny and Members Support Co-ordinator submitted a report (copy circulated) for Members to approve the Economic Prosperity Scrutiny Committee report as part of the overall Scrutiny Annual Report 2022/23 that was to be presented to Council

(For copy report – see original minutes)

Mr James Diamond, Scrutiny Officer presented the report for Member's information and requested if there were any further comments/amends which they wished to make.

The Chairman advised that he had received comments from Members that could not be here today and suggested that if there were any more suggestions that they be emailed to Mr Diamond.

In response to Councillor Mordey's query, Mr Diamond advised that the full Scrutiny report would be taken to Full Council rather than Cabinet.

There being no further questions or comments it was:-

5. RESOLVED that the report be approved for inclusion in the Scrutiny Annual Report 2022/23.

Annual Work Programme 2022-23

The Scrutiny and Members Support Co-ordinator submitted a report (copy circulated), to provide options, provide support and advise Members on the development of the scrutiny work programmes for 2022/2023

(For copy report – see original minutes).

Mr James Diamond, Scrutiny Officer presented the report for Member's information

Ms Gillian Robinson, Area Co-ordinator advised that an extra session would be arranged to discuss the Work Programme for the upcoming year.

6. RESOLVED that the information contained in the work programme for 2022-2023 be noted.

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 15th March, 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.

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

The Chairman wished to thank all involved for their hard work over the past year and thanked Members and Officers for their attendance.

(Signed) D. SNOWDON,
Chairman.