

Washington Area Committee

4th March 2010

Report of the Chief Executive

Washington - a Prosperous Area Summary

1. Why has it come to Committee?

1.1 At its June meeting, the committee agreed its work plan for the 2009/10 municipal year and it was agreed to discuss and consider the Prosperous theme at the final themed meeting in the municipal year.

1.2 The City's prosperous vision from the Sunderland Strategy is 'Sunderland will be an enterprising city with a strong and diverse economy providing high quality jobs. The City will play its unique part in the regional economy, where people, through learning and fulfilling their potential, are skilled, motivated and wealth creating and still enjoy a balanced way of life.'

1.3 Committee should consider and discuss what the City's vision means to Washington, and how can we deliver the vision to benefit local residents and businesses who live or who are located within the area.

2. Description of Decision (Recommendations)

2.1 Area Committee is asked to:-

- Note the 7 **actions** identified in Annex 1
- Discuss and agree which of the following **options** will be developed whilst considering the issues outlined in section 3 and Annex 1.
 - Review of Services: to work smarter, streamline services, to be focused and targeted.
 - Call for Project: identify a project to deliver, ring fence an amount of SIB funding to allocate, call for applicants to submit proposals to deliver project and allocate funding to address gap.
 - Escalate issue to LSP or Scrutiny: issue or problem affects more than the East area of the City, therefore there is a need to escalate problem to LSP or Scrutiny.

3. Background

3.1 Across Washington unemployment levels are highest in the Washington North ward at 7.2%. The city average is 6.4%. Washington East ward at 4.4%, Washington South is 3.3%, Washington West is 3.8%, and Washington Central 4.1% are all lower than the City average. (Washington LAP)

3.2 There are a number of factors that impact on residents' ability to work - more residents are economically inactive (which means they aren't looking to work e.g. residents looking after a home, retired, students etc.) in Washington North at

36.68% which is slightly less than the City average of 39.36%. Contributory factors are the higher rates of permanently sick and disabled residents - other wards in Washington are below the City average.

- 3.3 The percentage of benefit claimants in Washington is 16.3%, which is below the City average of 20.2%. All wards are lower than the City average with the exception of Washington North where 22.7% of residents claim benefits. The percentage of incapacity benefit claimants is 8.7% which is lower than the City average of 10.9%. All wards in Washington have a lower rate than the city average with the exception of Washington North which is 11.1%.
- 3.4 Washington remains one of the regions key locations for manufacturing industry. Nissan employs 5,000 people and another 5,000 people are employed in key suppliers in the City, many of them located in Washington. The site had been selected as the location for the company's new battery plant. Nissan will invest £200 million in the plant over the next five years, employing 350 people and producing 60,000 lithium-ion batteries annually.
- 3.5 The City Council has been instrumental in facilitating the development of the 45 acre Turbine Business Park. This was previously part of the Nissan's site, and has scope for 600,000 sq.ft of workspace and 4,000 jobs.
- 3.6 There are a number of large employment sites in the area, e.g. Pattinson Industrial Estate is home to Asda's regional distribution centre and HM Revenue & Customs, which has its Child Benefit Centre at Waterview Park.
- 3.7 BAE Systems confirmed that it would be relocating 300 staff from its Royal Ordnance site in Birtley to a new £33 million, 280,000 sq ft plant at Radial 64 at the 44 acre former Dunlop site in Washington. At the same time, Rolls Royce is to move 350 staff from its Pallion site to a new plant at Radial 64. Work starts on the 150,000 sq.ft. aero engine facility in 2010, with the new site being fully operational by 2016.
- 3.8 Following the extensive programme of consultation with members, partners, community stakeholders and the wider community, the agreed priorities for this theme are:
 1. Promote and develop un-used business units and attract new businesses
 2. Help people get a new job by providing suitable work-related training courses
- 3.9 Who has been involved?
 - Business Investment Team
 - Strategic Economic Development Team
 - Corporate Policy Team
 - Health Housing and Adult Services
 - Community Services
 - Job Linkage

3.10 Key Dates

- Aug 09: Initial meeting held with key partners to discuss priorities, what services are being currently delivered, any gaps, and general comments
- October 09: Progress review
- 03.02.10 : Pre meeting for Area Committee
- 23.02.10 : Report deadline for Area Committee
- **04.03.10 : Area Committee, discuss and agreed recommendations**
- 06.04.10 : Deadline for End of year report for Area Committee
- 15.04.10 : Area Committee End of Year report presented

4. Background papers

- Sunderland Strategy Delivery Plans
- Local Area Agreements Delivery Plans
- Washington Local Area Plan
- Information provided by partners and officers at a Prosperous workshop event August 2009 and one to one meetings
- Information provided by partners and Officers at a Prosperous working group meeting November 2009

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Annex 1a: Washington Prosperous Area Summary
Annex 1b: Developing an Economic Masterplan for Sunderland
Annex 2: Business Advisor Starts from April 09 – Dec 09
Annex 3: LSOAs where 25% of more of the population claim out of work benefits –
May 09
Annex 4: Sunderland Progression Pathways