

## **Economic Prosperity Scrutiny Committee**

**Chair: Cllr David Snowdon**

**Vice Chair: Cllr Harry Trueman**

**Committee Members: Councillors Usman Ali, Michael Dixon, Paul Edgeworth, Heather Fagan, Stephen Foster, Sean Lawes, Michael Mordey, Lyall Reed, Lynda Scanlan and James Warne**

During the year, the Committee's work programme has focused on a range of issues affecting the economic prosperity of the city and the opportunities and challenges we face in the future.

In relation to regeneration, the Committee received an update on the progress being made by Siglion on a number of sites within the city. We heard that the main priorities for Siglion were to improve the concentration of new economic activity in the city centre, create a city centre that supports higher value job creation, bring back into use dormant areas such as the former Vaux site, offer a wider choice of housing to the market and position Sunderland as a place to invest.

We also heard about two major sources of funding available for the regeneration of the city; the Future High Street Fund and the UK Shared Prosperity Fund. The UK Shared Prosperity Fund (UKSPF) is intended to replace the previous European Structural and Investment Funds. The total amount of funding allocated to Sunderland is £16.57m over three years from 2022/23 – 2024/25. The funding will support projects across three investment priorities: communities and place, supporting local business and people and skills. As the lead designated authority, the Council is responsible for the development, management and monitoring of the Fund. We heard in detail about the development of the programme in Sunderland which will reflect the priorities set out in the City Plan and the processes by which funds will be allocated.

The Future High Street Fund is a Government initiative intended to renew and reshape high streets in order to drive growth, improve user experience and ensure sustainability. In 2021, the Council was awarded £25m through the Fund; one of only three cities to be granted the maximum award. We heard that the Council has taken a targeted approach, using the funding where it will make most difference and act as a catalyst for change for the rest of the city. This includes flagship projects such as the Culture House and Crowtree Place and contributing to other key projects including St Mary's Boulevard, Elephant Tea Rooms and Keel Square hotel fit out.

In 2021, the Committee set up a Working Group to consider the regeneration of the Sunnyside area. The Group considered that the challenges facing Sunnyside were highly complexed and deep rooted and that there was no single solution to the issues faced. Any long-term sustainable improvement would depend on progress across a range of issues; including tackling antisocial behaviour, improving the quality and mix of housing, repopulating the area and increasing footfall and economic activity.

However, the report did highlight a number of positives and opportunities. The area has the potential for improvement. It is an attractive area close to the city centre. It possesses an attractive historic core. It is a small area in which resources can be

targeted. It is proving attractive to social enterprise, early stage businesses and an emerging cultural and creative services sector. The Group considered that recent work to develop a Masterplan for the area will be central to its improvement and we look forward to reviewing progress in the years ahead.

Rebecca Ball, Chief Executive of Sunderland Culture outlined the important contribution of the cultural sector and its major venues to the economic prosperity of the city. For the future, we heard that the opening of the Culture House and the Museum redevelopment should substantially improve the cultural offer in the city, though it could be several years before we see attendance figures back up to pre covid levels.

At the start of the year the Committee asked for a report on development of screen industries in Sunderland. We heard that early in 2021, the BBC had announced that it would invest up to £25m in the region, with regional partners seeking to commit £11.4m over a five year period. A new North East Screen Industries Partnership (NESIP) has been developed and with the support of North East Screen (formerly Northern Film and Media) a number of new productions have been developed or filmed in Sunderland. The Committee also heard about exciting plans for the potential development of Crown Works Studios at Pallion. Though still at an early stage, the further development of a screen industry in Sunderland clearly has considerable potential for future growth and we look forward to hearing more in the future.

In November 2022, Sharon Appleby of the Sunderland Improvement District (BID) updated us on their work in supporting local businesses in the city. This included events such as the Summer Food and Drink Festival and the March Restaurant Week, together with a summer and seasonal programme of family activities. It was hoped that following the Covid pandemic, footfall and retail spending in the city centre would begin the process of recovery and that the proposed development of Sunderland Riverside would provide an impetus for the growth of the independent retail sector. Ms Appleby commented that 2024 would be a key year with major developments such as the Culture House coming to fruition.

The Committee also received an update on major events in the city; an area that had been adversely affected by the Covid pandemic during the last few years. It was noted that in future greater emphasis would be placed on smaller community based events with a wider geographical spread, that were less at risk at cancellation and were often more cost effective. The Council would also look to work closely with the BID in making the most of the resources available.

In December 2022, members visited the Port of Sunderland to meet with the Port Director, Matthew Hunt and discuss plans for the future. These included the major development of the East Shore and a number of new businesses attracted over the past 12 months, the most recent being Scandinavian energy start-up Wastefront. It was hoped that this latest expansion, together with the development of the Hendon Sidings site will help make the Port an even more attractive proposition for investors.

The promotion of new business start-ups plays a significant part in securing the city's long-term prosperity and diversifying the local economy. We heard about the progress being made by city's three business centres in encouraging growth in areas of the

economy, such as IT and software. It was recognised that the pandemic period had seen a fall in occupancy levels across the three centres. Whilst the business centres operated at an overall loss during 2021/22, the current projection for 2022/2023 was for a significantly reduced deficit. We also heard about the measures being taken to promote the centres and improve their marketing, operation and efficiency.

In terms of the development of housing in the city, the views of the Committee were sought on a refresh of the Council's Housing Strategy. The new Strategy sets out three priorities for housing in the city; maximising housing growth and increasing the choice of housing; making the best use of existing homes and supporting vulnerable people to access and maintain housing. The Committee was also consulted on the Council's Homelessness and Rough Sleeping Strategy which has been developed across four strategic pillars – the prevention of homelessness, intervention when homeless, recovery to reduce repeat homelessness and partnership working across the city.

The Committee met with representatives of gentoo, Thirteen Group and Bernicia to consider the challenges facing the city and discuss any operational issues relating to housing management. The key issues raised included the treatment of and responsiveness to complaints, the effect on residents of the cost of living crises, anti-social behaviour, stock condition and damp and mould. We heard that increases in building costs had also had an impact; it was now considerably more expensive to build houses and it was becoming increasingly difficult to attract and retain skilled workers. Substantial investment was being made in the sustainability agenda, with there being a drive for greater energy efficiency and reduced carbon emissions.

Members stressed the importance of ensuring clear lines of communication between housing associations and their tenants and also between housing associations and local councillors. It was noted that partnership working between housing associations was good and that the Council's housing team was now holding formal group meetings in order to discuss housing issues in the city.

The Committee received a report on the refugee provision available in the city. We heard that this provision presented a challenge for the Council in terms of resourcing and staffing. Considerable effort was made to support the people involved and help them to settle into the local community. The Committee commended staff on their hard work in what was a very challenging situation.

In setting its work programme for the year, the Committee asked for an update on operation of environmental services within the city and its plans for the future. We heard that the Covid pandemic had proved a major challenge but that the situation was now beginning to return to normal. The Pallion Household Waste & Recycling Centre had now opened and was proving a great success. The Refuse Electric RCV had begun operations and the fleet service had introduced 24 new refuse collection vehicles during the year. Cemetery regulations have been improved and remedial works to cemetery lawn sections were ongoing.

The Committee was consulted on proposed changes to the Council's Statement of Private Hire and Hackney Carriage Licence policy; including the introduction of a new code of conduct for licensed drivers, a driver improvement programme, a revised convictions policy and changes to the current arrangements regarding vehicle age

limits and emissions standards. We heard that there had been a significant fall in the number of drivers operating in the sector and noted the measures that were being taken to try to encourage the entry of new drivers.

In March 2019, Sunderland City Council declared a climate emergency. In response, a city-wide 2030 Shadow Board was established, bringing together partners from across the city, with the ambition of the city becoming carbon neutral by 2040 and the Council carbon neutral by 2030. The Committee received a report on the progress being made on the Low Carbon Framework and Action Plan that reflected the importance of fully involving partners from throughout the city if the goals are to be achieved.

All in all, it has been a very busy and productive year for the Committee. I would just like to take this opportunity to thank members of the Committee and everyone else involved for their hard work and commitment.

**Councillor David Snowdon**  
**Chair of the Economic Prosperity Scrutiny Committee**