

CABINET MEETING – 16 JULY 2014

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

International Strategy – Annual Report April 2013 to March 2014

Author(s):

Chief Executive

Purpose of Report:

This report provides an overview of activity undertaken from April 2013 to March 2014 in relation to the city's International Strategy, highlights the benefits this has generated, and identifies the outline Work Programme for the year 2014/15.

Description of Decision:

Cabinet is requested to:

- note the level and nature of activity developed under the International Strategy during 2013/14
- endorse the series of actions proposed for 2014/15

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

It was agreed to report annually on the International Strategy both to Cabinet and the Economic Leadership Board. Following its consideration by Cabinet, the attached report will be considered by the Economic Leadership Board at its meeting on 28 July 2014.

Alternative options to be considered and recommended to be rejected:

No alternative options have been considered.

Impacts analysed;

Equality Privacy Sustainability Crime and Disorder

Is this a “Key Decision” as defined in the Constitution? No

Is it included in the Forward Plan? No

Scrutiny Committee

INTERNATIONAL STRATEGY – ANNUAL REPORT APRIL 2013 TO MARCH 2014

REPORT OF THE CHIEF EXECUTIVE

1.0 Purpose of the Report

- 1.1 This report provides an overview of activity undertaken from April 2013 to March 2014 in relation to the city's International Strategy, highlights the benefits this has generated, and identifies the outline Work Programme for 2014/15.

2.0 Description of Decision

- 2.1 Cabinet is requested to:
- i) note the level and nature of activity developed under the International Strategy during 2013/14
 - ii) endorse the series of actions proposed for 2014/15.

3.0 Background

- 3.1 The Sunderland Partnership's first International Strategy was endorsed as a consultative draft in October 2006 to provide a co-ordinated and strategic approach to international working within the city. Following revision of the Sunderland Strategy, the International Strategy was updated and endorsed by the Partnership Board and City Council's Cabinet in October 2008 to run in parallel to the Sunderland Strategy for the period 2008 to 2025.
- 3.2 The overall aim of the International Strategy is 'to ensure the City's international engagement supports the Sunderland Partnership in achieving its vision for Sunderland, maximising the opportunities and benefits for the city and its residents'.
- 3.3 This overall aim of the International Strategy is underpinned by five Key Areas of Activity. These Key Areas of Activity focus on: attracting and retaining investment and supporting business growth; including an international dimension in the city's educational and cultural activities; sharing good practice with cities facing similar challenges; influencing EU policy and legislation; and raising the city's profile.
- 3.4 Implementation of the International Strategy is overseen by a Partnership-wide Steering Group, chaired by the Vice-Chancellor of the University and supported by the City Council's International Team.

- 3.5 An annual report is prepared each year. This is the seventh annual report and the third to be considered by the Economic Leadership Board as well as the City Council's Cabinet. In previous years the annual report was prepared for the Partnership Board and City Council's Cabinet.

4.0 Current Position

- 4.1 The Annual Report for 2013/14 is attached as Annex A. This has been prepared drawing on information provided by members of the International Strategy Steering Group, including City Council officers, as well as additional partners involved in Task Groups during the year.
- 4.2 The Annual Report summarises key developments within each of the city's formal international partnerships and networks in Section 6, and in Section 7 it highlights key developments against the three primary areas of activity identified for 2013/14. It then includes a summary in Section 8 of ways in which the International Strategy has supported the City Council and a range of partner organisations in their individual activities. Key developments from each of these sections of the Annual Report are summarised below in paragraphs 4.3 to 4.9 (international partnerships and networks), 4.10 to 4.13 (three primary areas of activity), and 4.14 to 4.17 (impact on individual partner's activities). Finally, the Annual Report sets out the proposed work programme for 2014/15 in Section 11.
- 4.3 Sunderland's Friendship Agreement with Washington DC continued to generate opportunities. Software and technology companies who have set up offices in the Washington DC area since the Agreement was signed continued to expand with other companies who have taken part in trade missions continuing to pursue business opportunities. A selection of work by Sunderland and DC creative businesses was exhibited together in Sunderland, Edinburgh and London, following the wider joint exhibition in Washington DC last year, and one creative business spent three months on a residency in the DC area. One University lecturer spent four weeks as a visiting lecturer in the Engineering Faculty at Maryland University, a member of the Consortium of Universities in the Washington Metropolitan Area, and University representatives were asked to present a paper at the University of the District of Columbia's American Society for Engineering Education conference. Materials developed to support the temporary exhibition of several volumes of George Washington's Writings last year were adapted to become part of Washington Old Hall's permanent display, and the National Society of the Washington Family descendants donated a full set of the Writings to Washington Old Hall to create a new permanent resource as a legacy of the exhibition

- 4.4 Sunderland's co-operation with China was strengthened with an incoming visit by Harbin Head teachers and Education Bureau officials in December as part of the well-established school to school partnerships. An application to the British Council for further funding, which will support incoming and outgoing visits by 8 teachers to take place in the next reporting year was also successful. A representative from the University's Glass & Ceramics Department gave a guest lecture at Harbin University in March, and two students from the University took up an invitation to attend a two week international summer school at Harbin Institute of Technology which is one of the top ten universities in China. Discussions have also taken place with a number of Chinese businesses considering UK or European operations.
- 4.5 A series of activities took place to celebrate the 60th anniversary of our twinning partnership with Saint-Nazaire. An exhibition on both cities and the partnership was developed for display at the Sunderland Festival in June, and later toured to several other locations in the city as well as going on display in Saint-Nazaire. Part of the new southern radial route was named 'Saint-Nazaire Way' and Freedom of the City was granted to the outgoing Mayor of Saint-Nazaire who was a keen advocate for both the twinning relationship and engagement with British Veterans throughout his three decades as Mayor. Four schools continued to explore Fairtrade matters together, as part of the two year EU funded education project which will be completed this summer. Sunderland companies and the University's Institute of Advanced Manufacturing Automotive Practice again hosted work placements for Saint-Nazaire Masters-level Engineering students in the summer of 2013. An increased business dimension was also introduced to the twinning relationship during this year with representatives of the Port of Sunderland meeting with a range of key partners at the Nantes-Saint-Nazaire port to share experience which will help the Port as it continues to develop its market.
- 4.6 A Sunderland company hosted a four-week long work placement for an Essen young person over Easter as part their continued engagement with a programme organised by Essen's Economic Development Company, and a new school partnership was established. Initial discussions also took place to consider the potential for some collective work involving Sunderland and Essen alongside other local authorities in the North East who also have twinning partners in the Ruhr District. Proposals would be developed under the umbrella of the Association of North East Councils. Areas under consideration include urban regeneration, sustainable development, and the creative economy (drawing on experience in Essen and the Ruhr District as a result of their time as European Capital of Culture in 2010).

- 4.7 The EU-funded Cascade project, involving both the City Council and the University and led by Eurocities, was completed this year. Recommendations identified during the Peer Review visit earlier in the project are being taken forward through a series of projects including: development of a Transport Strategy for the city which will include clear aims and objectives linked to sustainable transport; a three-year research project with the University to monitor vehicle usage and impact on carbon reduction of Electric / Low Carbon Vehicles in public services; and partnership working with private bus operators to introduce buses which generate lower emissions into their fleets.
- 4.8 Membership of Eurocities also provided opportunities this year to share experience particularly in ICT. The Sunderland-chaired EUROCITIES eInclusion Working Group produced an eInclusion guide for cities which Sunderland has been using to benchmark its own position and undertake a gap analysis to inform the Community IT Strategy and action plan. The Council's Information Strategy, which is being developed as part of the Intelligence Hub project, has also drawn on the Open Data guide. Both Essen and Saint-Nazaire joined Eurocities this year, which is expected to create additional opportunities for co-operation in the future.
- 4.9 The City Council signed the Green Digital Charter developed by Eurocities, committing to using ICT to increase efficiency and reduce ICT-related Carbon emissions by 30% within 10 years. This will contribute to achieving the city's targets as a Covenant of Mayors' signatory. In addition, Sunderland submitted an Expression of Interest to be re-designated as a World Health Organisation (WHO) European Healthy City under Phase VI in March. A full application will be developed in the summer to address a range of themes including tackling major health challenges such as obesity, public health and integration of health and social care, a focus on health particularly in early years and later life, as well as broader health determinants. The Leader of the City Council's role as a member of the EU's Committee of the Regions also continued to provide an opportunity to seek to influence policy development from within the UK delegation.
- 4.10 Collective work during this year was focussed more tightly on three primary areas of activity, in parallel to continuing to develop the city's engagement within its international partnerships and networks. These three areas (set out in paragraphs 5.1.1 to 5.1.3 of the annual report) focus on: supporting businesses to access global markets by harnessing the untapped resource of the international student community; increasing the international dimension in education and supporting integration within the city by increasing the social and cultural volunteering opportunities for international students; and developing a more co-ordinated approach to work in the city linked to Africa. Key developments in these three areas are summarised in turn in paragraphs 4.11 to 4.13 below.

- 4.11 Activity was undertaken within individual organisations to start to increase knowledge about existing exporters of goods and services, as well as to strengthen relationships between partner organisations engaged in promoting and facilitating exporting and raise awareness of business engagement opportunities involving University staff and students (in Sunderland and London). The University also focussed on increasing information on its international alumni with a view to assessing the potential contribution of alumni to the business life of the city. Seventeen international students from the University took part in paid projects with a range of companies and organisations as part of their studies between August and February. As part of a longer-term approach to skills development, eleven internationally-owned businesses within the city were among 35 companies who took part in Work Discovery Week 2013 creating a total of 1,837 places for young people in the city to take place in activities.
- 4.12 Over thirty events and activities, involving 2,000 people, were organised by the Students' Union as part of the University's Diversity Month programme in November in partnership with organisations ranging from Show Racism the Red Card to AgeUK, University of the Third Age and Sunderland-based charity Book Aid for Africa. In one event, forty people attended the University of the Third Age's Travel Group, held at the Bangladeshi Centre, with presentations by fifteen students about their countries. 23 International students took part in volunteering opportunities organised through the University's Sunderland Futures section, with placements including Sunderland Museum & Winter Gardens, and twelve International Students Ambassadors worked as part of a new approach piloted this year with pupils from three schools during the year, including one Sunderland school. Many schools within the city continued to take part in a range of international activities, with strong clusters of activity facilitated by the City Council as part of the partnerships with Harbin and Saint-Nazaire. Over 1,000 children from 25 of the city's primary and secondary schools took part in activities using artefact boxes and storybags with an international dimension on loan from Library Services.
- 4.13 A new partnership was developed with 'Friends of the Drop-In' to involve members of the city's resident black community in October's Black History Month activity this year. A digital resource – Sunderland's Black History - was developed by a Sunderland-based software company, with funding from Library Services, as a free online education resource available through the Learning Hub to support school and community learning. Featuring information on Sunderland and the North East's connection with slavery, the city's black history, as well as the African American connection linked to the Friendship Agreement with Washington DC, it also includes information on the city's current links with Africa to encourage people to get involved. A book of condolences, opened following the death of Nelson Mandela, was signed by residents and city Ambassadors, and young people from Sunderland secondary schools had the opportunity to hear from South African national Zola Zembe and Sunderland resident Paul Andrew first-hand about their personal involvement in the anti-apartheid movement at an event at the

National Glass Centre in February. Gentoo Green launched the Nuru Fund, a charitable society offering micro-finance via partner agencies to individuals to own a solar lamp with mobile phone charging ability. At the end of 2013/14, 364 lamps had been distributed in Tanzania, Kenya and Malawi, the welfare of 2,184 individuals had been improved, and 14.2 tonnes of carbon had been saved. Sunderland AFC continued to develop links with Africa focusing primarily on Ghana, Tanzania and South Africa. The Chief Executive of the Nelson Mandela Foundation visited Sunderland several times, taking the opportunity during his October visit to also meet partners involved in city-wide activity, with the President of Tanzania visiting the city in January.

- 4.14 It is important to note that partners continue to engage in international activity in areas of their core business outside of the International Strategy Steering Group. These include inward investment, overseas marketing, student recruitment, and development of in-country delivery for further and higher education.
- 4.15 For the City Council, the exercise to explore the impact of the International Strategy in relation to individual partner activities again identified support in relation to economic development as a major priority for the City Council. This includes supporting companies to survive and thrive within the city, retaining and potentially securing repeat investment among inward investors, and supporting local businesses to access overseas markets and grow. Equally, it identified support in relation to equipping young people with the skills and competences needed by employers operating in a global environment, raising aspirations and increasing knowledge and understanding of other cultures, as well as to improving service delivery in parallel to achieving savings.
- 4.16 During 2013/14, a total of 22 projects by overseas companies has brought 1,200 new jobs and £30 million of investment to Sunderland. Automotive manufacturing has continued to perform strongly, with Nissan's workforce reaching 7,000 for the first time as the company introduced new versions of its popular Qashqai and Note models, and began gearing up for production of the Infiniti Etheria. The local supply chain has benefited, with expansion projects by Gestamp (Spain), Faurecia (France) and Johnson Controls (USA), as well as by Japanese companies Calsonic Kansei, Sanoh and Mi-King. At the same time as increasing production to meet demand from Nissan, there is a growing trend for companies based in the city to supply into other motor manufacturers located elsewhere in the UK and overseas. For example, IAC (International Automotive Components) of Luxembourg has expanded its Sunderland plant following the success of the Range Rover Evoque, for which it produces interior parts. At the same time, Gestamp's Sunderland plant has increased production to meet growing demand from BMW Mini.
- 4.17 Other sectors have also seen significant successes. For instance, European crane manufacturer Liebherr has created a number of high quality design jobs linked to the introduction of a new product. French energy provider EDF has increased its workforce and upgraded the facilities at its Doxford contact centre, as well as establishing a new office at Rainton Bridge for its renewable energy division. This facility project-manages wind energy developments

across the UK, and has brought very high quality jobs to the City. Also on Rainton Bridge, energy provider RWE Npower (which has its global HQ in Sunderland's twin town of Essen, Germany) has increased its overall headcount, with the site now operating at capacity, hosting around 2,200 staff, making this one of the city's biggest employers. On the same business park, USA-owned UK Independent Medical has continued to expand its workforce. From its base at Rainton Bridge it provides medical evidence services to the legal and insurance industries, and now employs around 120 people, with plans for further growth.

- 4.18 Joint working with regional and national partners in supporting city businesses to engage internationally has continued to be developed during this year. Equally the city's engagement with the British Council as a key national partner in promoting the international dimension in education has continued to open up opportunities, particularly for co-operation with China. Relationships with relevant overseas Embassies, Honorary Consular Offices with responsibility for North East England, and the Japan Local Government Centre have also been strengthened during 2013/14. Opportunities to increase co-operation will continue to be explored.
- 4.19 The generation of economic benefits and the contribution the international dimension can bring to the economic wellbeing of the city in the short, medium and longer term remains at the heart of the proposed work programme. The landscape within which the Steering Group and its constituent partner organisations operate continues to be influenced by policy developments at national level by the coalition government and significant reductions in public expenditure. The proposed work programme for 2014/15 does not therefore introduce any new areas of activity. It seeks to channel collective resources for a second year around the same three primary areas of activity identified for 2013/14, to increase the Steering Group's impact in these areas, in parallel to continuing to develop the city's engagement within its international partnerships and networks. .
- 4.20 The seven proposed actions, thematic and geographic, which will form the Work Programme for 2014/15 in terms of collective priorities, are set out in section 11 of the Annual Report.
- 4.21 Increased linkages between the work of the Education Leadership Board and Economic Leadership Board, and the introduction of the Economic Leadership Board's three results groups (vibrancy, sector strengths growth, and infrastructure) are expected to create additional opportunities for the international dimension to contribute to core city priorities. In addition it is hoped to strengthen the health dimension where there are opportunities for an increased contribution within the proposed work programme. This reflects potential opportunities through the Friendship Agreement with Washington DC, linked to City Hospitals, the Clinical Commissioning Group, and the University, as well as within the World Health Organisation's European Healthy Cities Network.

- 4.22 Individual organisations will continue to take forward their own specific mainstream areas of international business during 2014/15. Information will continue to be shared within the Steering Group on individual partners' activity to enable linkages or wider benefits to be explored where appropriate and where resource levels permit.

5.0 Reasons for the Decision

- 5.1 It was agreed to report annually on the International Strategy both to Cabinet and the Economic Leadership Board. Following its consideration by Cabinet, the attached report will be considered by the Economic Leadership Board at its meeting on 28 July 2014.

6.0 Alternative Options

- 6.1 No alternative options have been considered.

7.0 Relevant Consultations

7.1 Financial Implications

There are no financial implications.

8.0 Background Papers

- 8.1 The following background papers are available from the Office of the Chief Executive:
International Strategy
International Strategy Progress Report 2013/14