

At a meeting of the ECONOMIC PROSPERITY SCRUTINY COMMITTEE held in the CIVIC CENTRE, SUNDERLAND on TUESDAY, 7TH FEBRUARY, 2017 at 5.30 p.m.

Present:-

Councillor David Snowdon in the Chair

Councillors Blackburn, Curran, M. Dixon, Essl, G. Galbraith, E. Gibson, Marshall, Porthouse, Taylor, Turner and W. Turton.

Also in attendance:-

Councillor Dianne Snowdon, Vice Chairman of the Scrutiny Co-ordinating Committee

Mr Jim Diamond, Scrutiny Officer

Ms Jill Laverick, Corporate Affairs Manager

Mr John Seager, Chief Executive of Siglion

Mrs Christine Tilley, Community Governance Services Team Leader

The Chairman welcomed everyone to the meeting.

Apologies for Absence

Apologies for absence were submitted on behalf of Councillor N. Wright, Chairman of the Scrutiny Co-ordinating Committee.

Minutes of the Last Ordinary Meeting of the Scrutiny Committee held on 10th January 2017

A copy of the minutes of the last ordinary meeting of the Scrutiny Committee held on 10th January, 2017 was submitted.

(For copy report – see original minutes).

1. RESOLVED that the minutes of the last ordinary meeting of the Scrutiny Committee held on 10th January, 2017 (copy circulated), be confirmed and signed as a correct record.

In response to Members comments regarding a recent article in the local press informing of the costs associated with running the Software Centre, the Chairman advised that a further report on the Council's Business Centres would be submitted to the Committee for consideration as previously requested, which would address the queries Members had raised in this respect.

Declarations of Interest (including Whipping Declarations)

Item 4 – Siglion – Progress Report

Councillors Porthouse and M. Dixon made open declarations of interest as Members of the Planning and Highways Committee and Development Control Sub-Committees of the Council which deal with planning applications, advising that any subsequent applications from the Company would be dealt with on the merits of the applications.

Siglion – Progress Report

The Chief Executive of Siglion, submitted a report (copy circulated) on progress being made in delivering the regeneration of a number of key sites within the city.

(For copy report – see original minutes).

Mr John Seager, the Chief Executive of Siglion provided the Committee with a presentation on the plans for the former Vaux Brewery, Seaburn and Chapelgarth sites in the city.

In addition to the information which was included in the report and presentation, Mr Seager advised in respect of the former Vaux Brewery site that the number one task was to deliver a mixed use master plan and that in the first phase of the development the commercial building would be completed by May-June 2018. The proposed promontory feature or Launch was to be completed by May 2018 in time for the Tall Ships Races taking place in the city. Work was well on the way to delivering an extensive list of occupiers to go on the development at different stages.

In response to Members' questions, Mr Seager advised that there was a mixture of interest from retailers and companies in respect of office space on the Vaux site. He was convinced that pre-lets would be in place towards the end of the year to occupy the building. Planning consent limited the height of the building to 7 maybe 8 stories. However a crucial factor was cost; taller buildings cost more and incurred additional costs in terms of the need for additional fire escapes etc. Another point to bear in mind was that they were creating an office market which did not already exist. They were dealing with tight building costs with an aspiration to make the buildings look good, however they needed to be at a price they could afford to rent them out. The buildings needed to be efficient to run and have lower service charges so that the rentals could be higher. There was firm interest in building number 1 and they were talking to people in the longer term in respect of buildings 2, 3 and 4.

Mr Seager advised that a paper would be reported to the Siglion Board in the near future to determine the square footage of building 2, for which there was an extensive interest list. The Council had 4 seats on the Board and was currently represented by Councillors P. Watson and Speding and the Chief Executive as the Council had a vacant seat. There were three potential occupiers for building 3 for which heads of terms were being discussed and would be on site by 2019. Once the first building was up, people would be able to see the tone of the design. £2.5m had been allocated for the first design. Board Members had been overwhelmingly positive of the design and what it would mean to the city, as well as the need for it to be iconic and recognisable. It would bring to completion the Keel Line, a momentous

thing to see. The idea had been presented to the Youth Parliament who had been very excited about the development.

With regards footfall from the city centre to the site, there was already a crossing in place over the highway which would become a super crossing to channel people across and back again. In response to whether there was a name change proposed for the site, Mr Seager stated that it was something to consider but it needed to be born in mind that 'Vaux' was a strong and remembered brand.

In relation to the public art to be incorporated into the site, Mr Seager advised that a professional engineering firm that specifically looked at buildings with structures with moving parts had undertaken the design and it was as simple a structure as it could be to reduce the risk of mechanical failure. Added to this a number of tests had been completed to ensure it was robust. There were no plans to have a public walking bridge from one side of the river to the other at this stage but there was potential to do something at a later date.

Mr Seager confirmed that the Vaux site had been included in wind studies and that the wind would vary and depend on the size and shape of the buildings that were put on the site. The proposals for the development had not as yet been affected by 'Brexit' as they were still talking to the people they were talking to prior to this. Mr Seager also confirmed that they were talking to partners in the City such as the Music, Arts and Culture Trust and those responsible for the Culture Bid.

With regards to car parking, Mr Seager's experience was that companies wanted offices in the city centre so they did not have to use cars, their staff could use the metro or buses and that workers did not want to have to drive into the city centre wherever possible.

In respect of the Seaburn site, Mr Seager advised that the company was looking to obtain consent to the outline planning application around March time and discussions were on-going with the market.

In response to Members' questions, Mr Seager advised that plans for the site included the aspiration for an iconic hotel as it was considered that it would be difficult to attract a major hotel chain. It was an interesting location and it was felt that someone with a more local knowledge would understand what would work well as a concept. There were no plans to include a caravan park in the development.

The Chapelgarth site, which amounted to 112 acres adjacent to the A19, was to be regarded as an exemplar site to which they were looking to attract aspirational families. Planning consent had been approved in August 2016 and there was an agreement with a housing developer wanting to submit a planning application later in the year. Detailed designs were being pulled together for different levels of housing. There were up to 750 houses to be built on the site which would take a number of years to develop out and consideration would need to be given to the possibility of needing to build a new school. It would be important to ensure an amount of green space was kept. The development would evolve and take a number of years to complete.

Mr Seager invited Members to call him or come into his office if they needed any further information on any of the development sites.

Full consideration having been given to the report and the Chairman having thanked Mr Seager for his presentation and attendance, it was:-

2. RESOLVED that the contents of the report and the information detailed above be received and noted.

Key Cities Group – Progress Report

The Chief Executive submitted a report (copy circulated) providing an update on the work and progress of the Key Cities Group, of which Sunderland is Secretariat.

(For copy report – see original minutes).

Ms Jill Laverick, Corporate Affairs Manager briefed the Committee on the Key Cities Group, the reasons why it had developed, the work it had carried out to date, as well as providing information on the Core Cities Group and the joint work the two Groups had undertaken together.

In response to Members' questions Ms Laverick advised that the Key Cities Group helped to position its member cities so they were not overlooked and commented that without it Sunderland would not have been successful in achieving the City Deal for Sunderland in partnership with South Tyneside as part of the second wave of City Deals and that this funding would have gone elsewhere.

Ms Laverick stated that it was hard to measure the value of Key Cities in terms of inward investment but there was an increasing awareness of the Group. In the last two years it had closed the gap between it and the Core Cities Group in these terms and was trying to compete with it, although the latter did have a much bigger budget.

The Chairman commented that the Scrutiny Panel had looked at the Group a couple of years ago and now further down the line it appeared to have a lot of political influence with more interest being shown by MPs than ever before.

Members expressed concern that the Key Cities Group did not have a fulltime secretariat to which Ms Laverick replied that the Group had been set up at a difficult time for Local Authorities in terms of the budgetary pressures they were facing. Resources were pulled in from other sources however, Newcastle University had approached the Group for example and some of the other Councils were proactive in terms of providing support. The Group did lobby and commission support and sometimes it was better if someone was talking to people on a number of issues. Ms Laverick added that down the line, the Group would look to have a fulltime secretariat but for the moment, she carried out more of a Project Management role in looking after it. No-one else from another Council had put themselves forward to carry out the role and the members were grateful for the work undertaken.

Ms Laverick stated that where it was beneficial for the Key Cities Group to work with the Core Cities Group, they did this. However where the Key Cities Group had a stronger case on their own because of the sectors they represented they didn't work with the Core Cities Group.

Full consideration having been given to the report, it was:-

3. RESOLVED that the contents of the report, progress being made by the Key Cities Group and the information detailed above be received and noted.

Annual Work Programme 2016/17

The Head of Member Support and Community Partnerships submitted a report (copy circulated), attaching for Members' information, a copy of the current work programme for the Committee's work during the 2016-17 Council Year.

(For copy report – see original minutes).

Mr James Diamond, Scrutiny Officer invited Members to contact him with any further items to add to the work programme.

Full consideration having been given to the report, it was:-

4. RESOLVED that the information contained in the work programme be received and noted.

Notice of Key Decisions

A report providing an opportunity to consider the items on the Executive's Notice of Key Decisions for the 28 day period from 10th January 2017 (copy circulated), was submitted.

(For copy report – see original minutes).

A further Notice issued 1 February 2017 was tabled at the meeting for Members consideration.

Mr James Diamond, Scrutiny Officer invited Members to raise any issues on the items coming forward to the Cabinet for consideration and he would endeavour to provide further information.

Full consideration having been given to the report, it was:-

5. RESOLVED that the Notices of Key Decisions be received and noted.

The Chairman then closed the meeting having thanked Members and Officers for their attendance.

(Signed) D. SNOWDON,
Chairman.