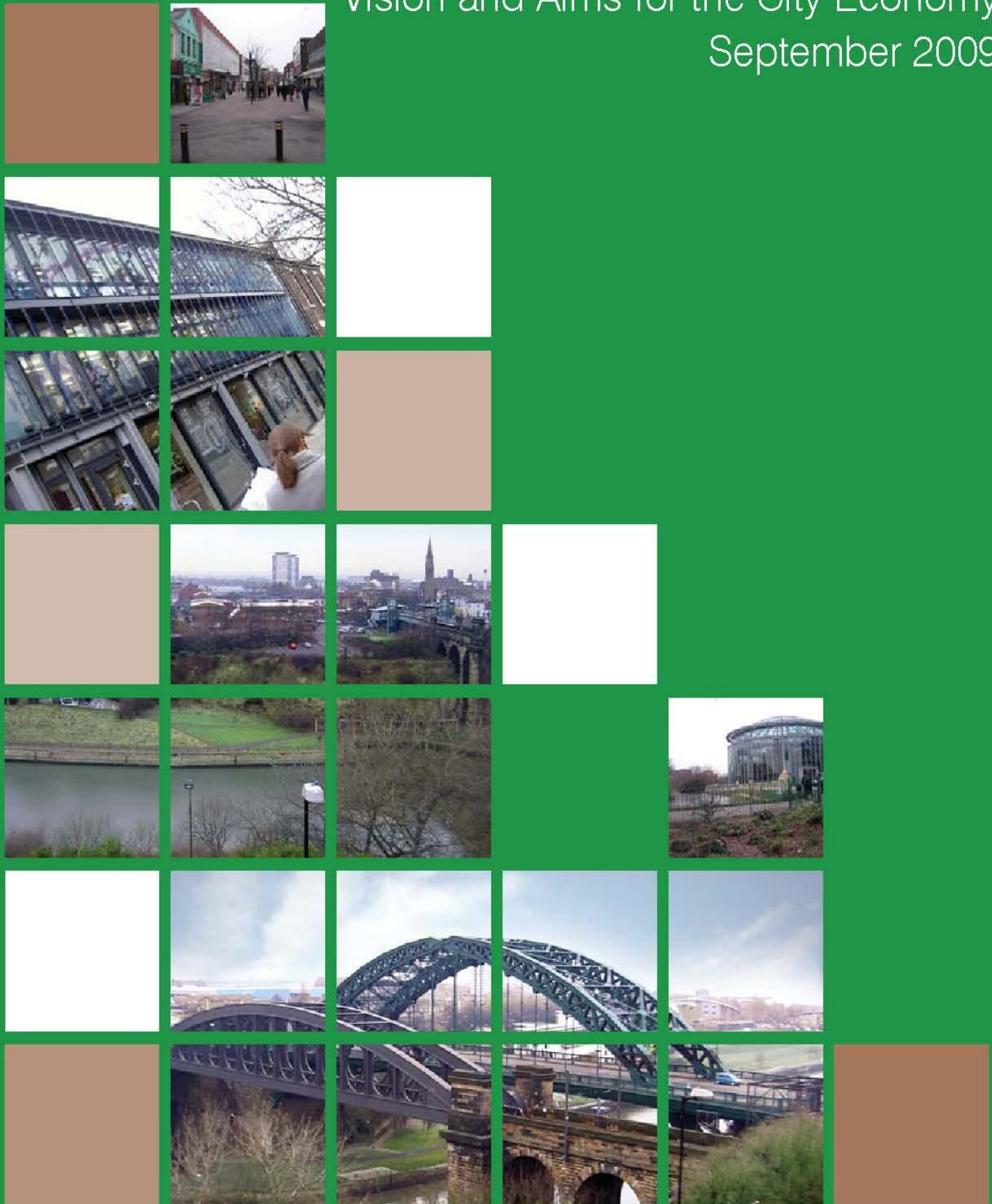


# Sunderland Economic Masterplan

Vision and Aims for the City Economy  
September 2009



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- 2. Developing a 'blended' vision and strategic aims**
- 3. Developing the Masterplan Aims**

Draft

# 1. Developing an economic direction for the city

## 1.1 Preamble

Following completion of the baseline review and the outcome of the 'Economic Transformation Workshop' and 'Strategic Charrette', three scenarios were developed to provide a framework for considering the future direction and shape of the city economy. These reflect varying degrees of focus on the city's key strengths and assets highlighted through the baseline process.

Against the economic performance indicators and assets review of the city presented in the baseline review, the purpose of the scenarios has been to facilitate debate around **economic possibilities** for the city - **they are not intended as a 'menu' from which to choose**. Rather, they offer a basis on which the risks and implications of alternative trajectories for the city can be examined.

The scenarios explore the link between economic and spatial outcomes for the city. Under each scenario the analysis has sought to consider:

- ❑ What kind of a city could evolve?
- ❑ What kind of economy could be sustained?
- ❑ What institutional arrangements would be required?

## 1.2 Scenario 1 – A Northern Gateway

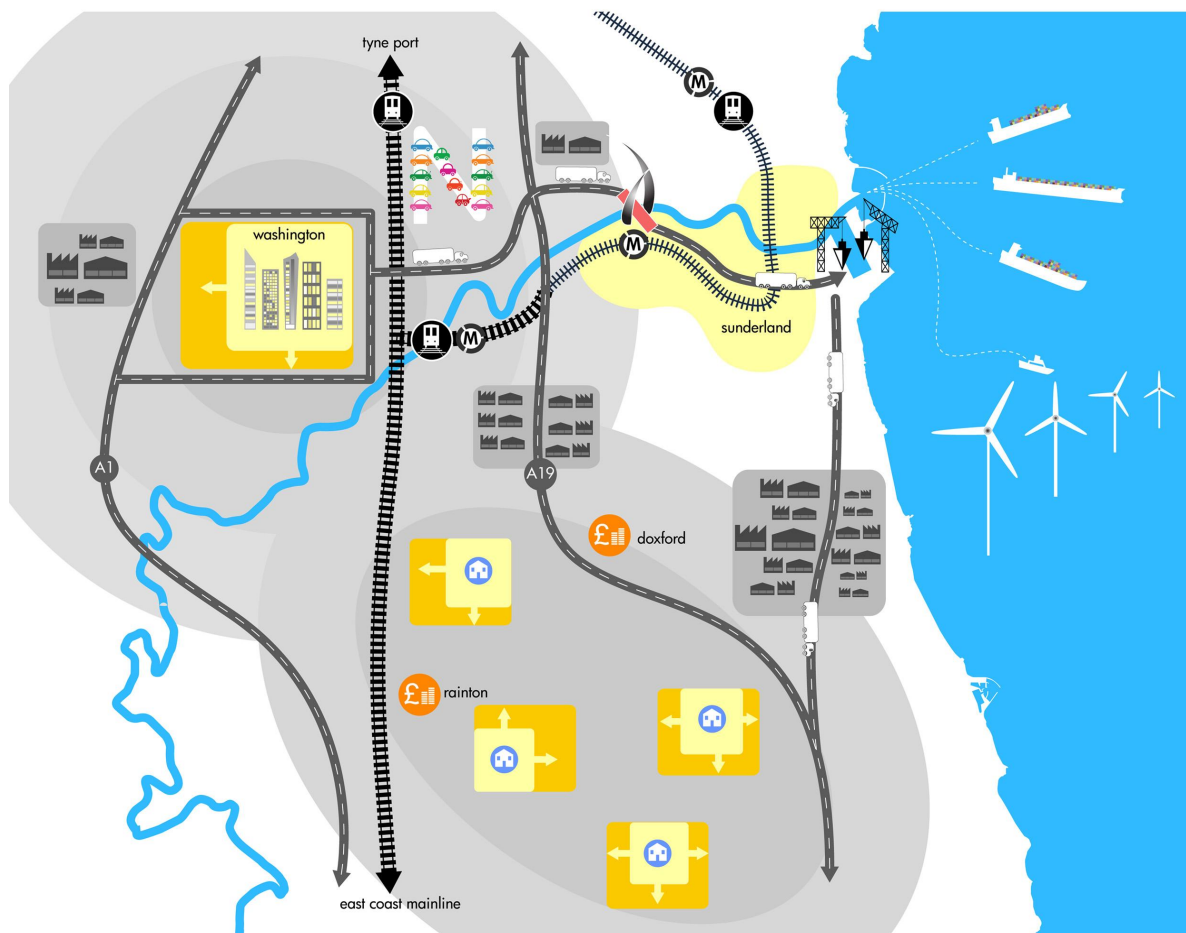
Under this scenario Sunderland's economy would be developed based on its strengths in terms of strategic location in the region and its potential as a 'trading city', with port and strategic road access. It would position Sunderland as a 'city serving the region', developing enhanced connectivity regionally, nationally and internationally to support its function as a trading gateway for the north. This is, in effect, a 'market-led' growth scenario for the economy, reflecting the city's success in developing economic activity in the strategic road corridors of the A19/A1. It promotes an economy that is focused on volume growth in employment, and less on higher value added activity. The focus would be on high growth in logistics / distribution activity and high volume financial services / contact centres, requiring accessible locations to tap into a regional labour pool and high bandwidth connectivity. It would require the port to become a stronger trading asset for the economy, extending its role from bulk to more value added activity.

Spatially, this scenario would encourage a continuation of a multi-centred, dispersed pattern of development, driven by market demand for space in the area near to the A19 & A1 box, with a gravitational shift towards Washington. Out of town locations such as Doxford and Rainton Bridge would be further developed to meet demand from businesses requiring easy access to the strategic transport network. Given the emphasis on attracting labour from a regional pool, from an economic perspective the requirement would be for a diverse housing offer across the region, not specifically in Sunderland.

The city would seek to attract further inward investment based on its assets as an accessible regional gateway, located in the south of the Tyne & Wear City Region, close to the Tees Valley City-Region. Regional gateway features, such as the proposed new bridge over the River Wear would be prioritised to support this Northern Gateway emphasis.

As a regional city complementing the other major economic centre in the north-east, the city would be responsive to economic leadership and direction from the region / city region, with less autonomy over its future economic role. This scenario thus implies a requirement for support from regional institutions, particularly to support national and international trading links.

## Northern Gateway. Entrepot - Trading City



EXTENDED INTERNATIONAL  
PORT FACILITY



EXPANDED OFFSHORE //  
RENEWABLES INDUSTRY



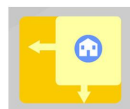
INTERNATIONAL TRADE



NEW METRO EXTENSION AND  
LEAMSIDE RAIL LINE



ICONIC BRIDGE - REGIONAL  
GATEWAY



REGIONAL + LOCAL  
MULTI-CENTRIC HOUSING  
FOCUSED ON WESTERN  
SETTLEMENT



INTERNATIONAL TRADE CENTRE  
AND DEVELOPMENT FOCUSED  
ON WASHINGTON



REGIONAL MULTI-CENTRIC  
ECONOMIC DEVELOPMENT  
ON STRATEGIC ROUTES



UPGRADED PORT ACCESS

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### **1.3 Scenario 2 – An Entrepreneurial, Nimble City**

Under this scenario Sunderland would place emphasis on its assets as an international 'producer city', building on its heritage and current strengths in high value manufacturing and related services, growing the city's indigenous productive assets. This is a 'smart-based' growth scenario requiring the city to step-up on local enterprise and innovation as drivers of economic growth. It requires a more responsive, dynamic and visible approach to developing and growing local skills, enterprise and economic development delivery at all levels in the city. The emphasis is on higher value economic activity, supporting higher value jobs, rather than a focus on volume growth in local employment. The Software City initiative would be a key sectoral focus under this scenario, as would high value added opportunities in emerging innovative sectors, including advanced automotives and off-shore energy. This clearly implies the need for a skills strategy that can maximise the prospects for local residents to compete for future opportunities.

This scenario would promote a more city centric economy, with a higher order enterprise and innovation support system. This system would involve a more formalised enterprise and innovation strategy, better integrating the existing range of agencies. The University would play a lead role as the hub in this system, becoming an 'entrepreneurial University' with much greater emphasis on its civic reach rather than its research / teaching strengths. Target economic sectors would be those with most potential for innovation and added value, led by existing strengths in the University – advanced automotives, software and creative industries. Stemming the outflow of young people from the city would be an explicit goal under this scenario.

Spatially, the emphasis is on recreating the city's urban offer to support the retention and attraction of higher skilled, knowledge workers. The city centre would need to be strengthened markedly, to create a 'University City' feel to support knowledge worker attraction and retention and inspire more innovation in the city. The Port would need to adapt to complement this qualitative shift in the city centre. With an emphasis on higher skills to drive economic growth, the city's housing offer (including in the city centre and 'city villages') would need to diversify to support the retention and attraction of higher skilled workers.

This scenario would require strong strategic leadership from within the city to promote a culture of, and reputation for economic development delivery efficiency and 'nimbleness'. It would require greater partnership working, with practical collaboration between agencies. The University would be positioned as a leading entrepreneurial agent for change in the city. This scenario promotes Sunderland as 'a new kind of University City'.

# Entrepreneurial / Nimble City



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## **1.4 Scenario 3 – A Creative Park City**

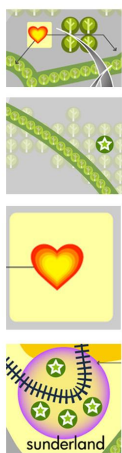
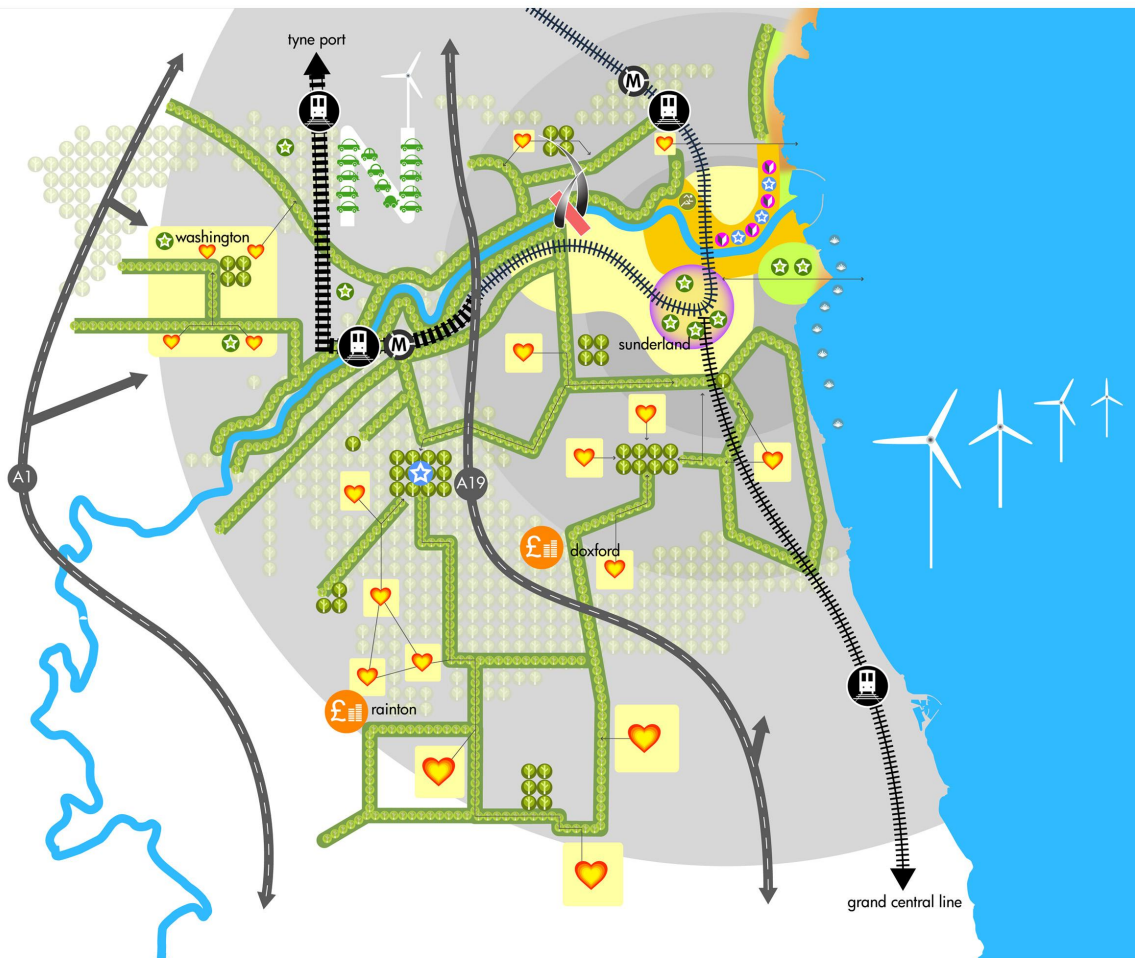
Under this scenario the key drivers of the economy would be focused around low carbon technologies, creative industries and lifestyle sectors. The emphasis would be on capitalising on the city's environmental assets and promoting a greener, lifestyle-based economy. This is a 'slow, highly sustainable, low carbon based' growth model, which is primarily inward-looking but complementary to the offer elsewhere in the region. It acknowledges the major challenge faced by Sunderland in achieving sustainable levels of long term economic growth, sufficient to meet all of the city's employment needs. This could be accelerated if major investment in low carbon vehicle production is attracted to Sunderland.

The low carbon economy focus would require a strong emphasis on innovation and indigenous business growth. Creative business activity would be encouraged to flourish alongside quality of life enhancements. The outcome sought would be a cleaner, greener city, pioneering low carbon productive technologies, with wide engagement from local communities, including through social enterprise. A network of green infrastructure would be promoted to provide links between neighbourhood centres and the city centre, improving access to new employment opportunities across the city.

The spatial emphasis would be on an improved city centre, showcasing low carbon technologies in new developments, complemented by qualitative improvements across all the 'city village' centres to improve local access to employment and enterprise opportunities. The 'city village' concept seeks to reflect a step-change in the quality of the city's diverse neighbourhoods, using pioneering approaches to low carbon as a theme for environmental improvement and local enterprise development. A ladder of business accommodation would be promoted, including high quality city centre space complemented by 'city village' workspace to stimulate indigenous enterprise. The city centre offer would focus on leisure and mixed use development, taking full advantage of the river and seafront – a new waterfront zone would be promoted as an adjunct to the city centre to provide a focus for new lifestyle activities and associated creative enterprise. The Port area would evolve as a mixed use / leisure-based waterfront resource, extending the Park City waterfront as the distinctive feature of the city's offer.

This scenario would again require strategic leadership from within the city, as under scenario 2, but with enhanced devolution to increase local participation in economic development initiatives, including an enhanced role for the 3<sup>rd</sup> sector.

# Creative Park City : Green City - Green Economy

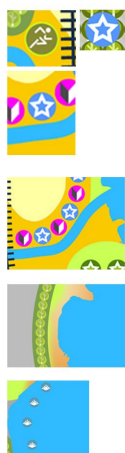


SUSTAINABLE TRANSPORT -  
FOOT/CYCLE/BUS

GREEN INFRASTRUCTURE -  
HEALTH, ECOLOGY, ECONOMIC  
FRAMEWORK

CITY VILLAGES -  
NEIGHBOURHOOD  
ENTREPRENEURSHIP

CITY CENTRIC FOCUS

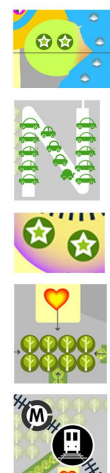


LEISURE FOCUS - STADIUM VILLAGE  
2018, HERRINGTON COUNTRY  
PARK EVENTS, ST PETERS WORLD  
HERITAGE SITE

WATERFRONT CITY - GLASS  
CENTRE, MIXED USE/LEISURE

BEACH CITY - REINVIORATION

ECO COAST - BIODIVERSITY  
EMPHASIS



PORT - REFOCUS, LEISURE AND  
MIXED USE

GREEN AUTOMOTIVE  
MANUFACTURE

GREEN THE CITY - NEW AND  
UPGRADED PARKS, DISTINCTIVE  
LANDSCAPE GATEWAYS

KEY PARK ASSETS -  
CONSERVE AND DEVELOP

NEW METRO EXTENSION  
+ HEAVY RAIL EXTENSION

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Draft

## 2. Developing a 'blended' vision and strategic aims

The scenario process and debate led by the Steering Group and Sunderland City Council Cabinet around the central propositions has provided a preferred direction for the city economy. There is no magic solution to city economic development and ultimately the masterplan must reflect a balanced response to the assets, aspirations and realistic opportunities of the city. Perhaps inevitably there is a desire to pursue a 'blend' of the scenarios as the framework for the strategy. The lead scenario, based on stakeholder responses, is the *'Entrepreneurial, Nimble City'* but integrated with elements of the other scenarios, notably the regional-facing inward investment drive reflected in the 'Northern Gateway' and the low carbon economy and green/blue asset focus of 'Creative Park City'. The central propositions need to be reflected in the formulation of a strategic vision and deliverable aims for the city.

During the scenario testing process a key announcement has been made regarding Nissan's European Centre for Battery Manufacture for electric vehicles coming to Sunderland, coinciding with the Government's announcement that Sunderland will become a national focus for a **'Low Carbon Economic Area'** to develop electric vehicle production. This offers a major opportunity for the city and regional economy and has a major influence on the focus and direction of the economic masterplan.

There was also a strong steer that the masterplan needed to embrace the whole city and to promote economic opportunity at all levels, rather than an exclusive focus, for example, on the knowledge economy. Building on Sunderland's strengths as a 'producer city' would provide opportunities to grow employment in terms of both volume and value. A focus on aims with a realistic prospect of driving cultural as well as economic change was also encouraged.

The following vision and related aims are proposed as the foundation of the economic masterplan:

### **'An entrepreneurial University City at the heart of a low carbon regional economy'**

#### ***Sunderland will be:***

**Aim 1 '...a new kind of University City'**

**Aim 2 '...a national hub of the low carbon economy'**

**Aim 3 '...a prosperous connected waterfront city centre'**

**Aim 4 '...a whole-life inclusive city economy'**

**Aim 5 '...entrepreneurial in economic leadership'**

## 2.1 The key messages

The masterplan 'vision statement' seeks to convey a number of central messages:

- ❑ The **'entrepreneurial University City'** reference explicitly takes its lead from the 'Entrepreneurial, Nimble City' scenario. It seeks to convey a clear message about an enhanced role for the University in the city's economic development strategy and to express a level of ambition for the city to develop the attributes conventionally associated with a University City – quality of place, urban centric assets, a city for young people, a place of learning, great sights and activities, a dynamic, enterprise-driven urban culture.
- ❑ The **'heart of a low carbon economy'** reflects the reality of Sunderland's recently announced position in a designated 'Low Carbon Economic Area' – it is the first time a national economic policy designation has been put to the city based on its positive assets and opportunities rather than problems and needs. Covering South Tyneside, Sunderland and Easington literally puts the city at the spatial 'heart' of the area.
- ❑ The **'low carbon'** reference also enables other aspects of 'Creative Park City' to be encapsulated in the strategy, particularly in terms of the opportunities this offers to develop green infrastructure to support economic development across the city and also other low carbon business sectors, including off-shore energy and Software City.
- ❑ The **'regional economy'** reference promotes the sense that Sunderland's drive for an entrepreneurial low carbon future supports a regional rather than purely local ambition. This denotes a collaborative, outward-looking vision for the city's economy. Notably, this vision for Sunderland is very distinct from, but overtly complementary to Newcastle's emerging vision of a 'Great Northern European City'.

The masterplan 'aims' express a set of outcomes that the economic masterplan seeks for the city. Aims 1 and 2 flow directly from the narrative in the vision statement. Aim 1 'new kind of University City' conveys an acknowledgment that this is not an attempt to emulate the roles of Newcastle and Durham Universities as leading research institutions – Sunderland University's role is to much more about its relationship to enterprise and innovation facilitation in the city, a hands-on enabler and a driver for a new learning ethic.

Aim 2 'national hub of a low carbon economy' emphasises the city's national exemplar potential on this agenda and the need to promote showcase projects, including electric vehicles but also in other low carbon technologies and lifestyles. The potential of the Low Carbon Economic Area to act as a major driver of new economic activity in the city needs to be grasped fully by the city.

Aim 3 'prosperous connected waterfront city centre' reflects the importance of the city centre, but also seeks to emphasise the importance of the city's waterfront position as an economic and place-making driver. The connectivity reference applies at both macro and micro levels – external connections to improve its credentials as a business location, internal connections to improve the efficiency and quality of the user experience.

Aim 4 'whole-life, inclusive city economy' provides the link to the Working Neighbourhoods Strategy, particularly its enterprise components, which link well with

the 'entrepreneurial' vision, but also ensure that the strategy provides a framework for delivering economic interventions that directly contribute to improving access to opportunity for all sections of the community and reducing worklessness. The 'inclusive' reference seeks to convey a message about linkage and accessibility from communities to new economic foci as well as using the economic agenda to address social exclusion. 'Whole life' refers to all ages but also seeks to pick up the health and lifestyle messages from Park City.

Aim 5 'entrepreneurial in economic leadership' reflects the 'Nimble' reference and is deliberately positioned as a central theme rather than relegated to the 'governance' section of the masterplan. It points to the need to a determined approach to raising the game in terms of economic leadership in the city through a range of mechanisms.

### **3. Developing the Masterplan Aims**

Each of the masterplan aims has been developed to provide a fuller narrative explanation of their rationale and key components. These narratives and the principles and programmes they advance will provide the basis for establishing a delivery framework for the masterplan. They also provide a framework defining a spatial response, illustrating how the sequence of change in the city will unfold over the 15 years of the masterplan.

The following sections present the detailed narrative on each of the masterplan aims and the final section presents initial graphic representation of the 'sequenced spatial response'.



## **Aim 1 .....‘a new kind of University City’**

### **A rationale**

Sunderland, like many other urban areas, has undergone an extensive process of industrial restructuring over the last twenty years. Whilst this process is not complete and the future trajectory of the city remains subject to uncertainty, the economic future of the city is inherently tied to its ability to build a more knowledge-based economy as basic production and automated services are increasingly concentrated in low cost locations. The generation, application and reproduction of know-how and know-what are now critical to competitive advantage of both producer and service industries. As ‘knowledge’ becomes an increasingly important part of urban and regional innovation and development processes, the role of Universities has come to the fore.

Universities are widely acknowledged as one of the important drivers of knowledge-based city development. As institutions, Universities have been generally recognised as core city-building assets for some time now - through the major contribution they can make to high level skills in the local labour market if graduates can be retained; and through wider processes of innovation and wealth creation, where University research and technological developments can be commercialised in local industrial collaboration or by the spinning out of new start up enterprises.

Perhaps most importantly in the context of the Sunderland economic masterplan, Universities can also drive cultural change in cities through links into all levels of learning and community involvement. The nature and extent of such university linked outcomes vary enormously, and are highly dependent on the capacities and cultures of individual institutions, the characteristics and structure of local industries, and the prevailing government funding and policy regimes.

The notion of a University City also embodies a spatial and physical sense of attractiveness and cultural appeal. A recent review and ranking of the best ‘University Cities’ in the UK made references to:

- ❑ great sights, sounds and activities, good value, and an up-beat all-round atmosphere;
- ❑ clued-up urban culture with fine domestic architecture, an enviable waterfront complete with postcard-friendly icons
- ❑ a quietly self-confident city – not large but blessed with an appealing intimacy;
- ❑ more than its fair share of green spaces and a whole raft of diverting entertainments;
- ❑ reinvigorated districts and great visitor assets, put the beat into a unique cityscape;
- ❑ district wrapped in green parkland and peppered with quirky cafes, restaurants and independent pubs;
- ❑ big enough to feel like a proper city and small enough not to overwhelm;

- ❑ the place screams special as soon as your train pulls in;
- ❑ the compact, walkable centre is a must-see part of urban Britain.

The notion of a 'University City' can therefore generate positive perceptions of a city's offer not only for students, but also visitors, local businesses and prospective investors. Notably, these impressions say less about the nature of the institution and much more about the type of city that the economic masterplan seeks to promote.

The 'New Kind of University City' proposed reflects the fact that for Sunderland this ambition is about developing the University to become an economic and culture changing asset, with a strong civic role aligned to supporting the process of economic transformation in the city. This aim envisages Sunderland taking several bold steps to enable Sunderland University to evolve a proactive, entrepreneurial role in capacities beyond teaching and research, in partnership with other key institutions, particularly the City Council and Sunderland College.

The 'New Kind of University City' envisaged under the economic masterplan for Sunderland is based explicitly on a new collaboration between the public sector, private enterprise, the University and other related institutions. This may require new hybrid organisations to act as intermediaries, hubs for new networks and centres of innovation/entrepreneurship. In particular the focus is on the ability of the University to take on an even more prominent role in the city economic development agenda, not only through its links with the business community but also through disseminating the knowledge it generates amongst the resident population and by proactively supporting the process of cultural and physical change in the city.

There are four components to this Aim:

1. Utilisation of assets for wealth and job creation
2. Promoting brand and repute
3. Building entrepreneurial institutions
4. Fostering cultural change

## **1. Utilisation of Assets for Wealth and Job Creation**

***The 'New Kind of University City' proactively utilises the assets within and generated by the higher and further education sectors to drive forward enterprise, innovation and business development.***

This component requires the design and delivery of coherent enterprise and innovation strategies. In Sunderland the University City is firstly and immediately about business / enterprise -related programmes, requiring a new collaboration between the University and other city institutions, notably the City Council and Sunderland College. In some programmes the University would act as lead partner, in others as a supporting asset. All programmes would, however, be underpinned by the 'University City' brand and values. A new '**City Enterprise & Innovation Strategy**' and associated executive resource should be hosted by the University – this would give a strong message of a new model for promoting entrepreneurship and innovation in the city and of practical collaboration between the City Council, University and other business support / learning organisations in the city.

Sunderland University is particularly well placed for this role since it is already widely regarded as an 'entrepreneurial university' – it has an entrepreneurial orientation and set of attitudes. The university is a key focus for R&D and innovation in Sunderland and is a well-regarded institution by local business and government.

An integrated strategy for enterprise and innovation could include:

***Enterprise prospecting and incubation*** – a network of facilities across the city to assist students, graduates and local residents into business. This would form part of the city's business growth infrastructure linked to the 'Low Carbon Technopole', promoted under Aim 2.

***Enterprise advice and support*** – a formal network of business advisory and support activities, with the University as the 'hub'; a Centre / Network where SMEs can access support in, more or less, all the technologies related to the city and region's priority sectors and clusters; a 'China Venture': to build on the University's relationship with Chinese universities and university expertise in international trade to enable businesses to access low cost and low risk mechanisms for entering the Chinese market;

***Enterprise skills and training*** - to assist SMEs via managerial and employee training – through short courses, customised-training, increasingly offered at the business' premises;

***Enterprise in schools*** – delivery of programmes to help raise the profile of the 'enterprise agenda' in schools in order raise the ambitions and aspirations of young people. The aim will be to develop the next generation of Sunderland entrepreneurs, innovators and 'business leaders'.

## **2. Promoting Brand and Repute**

***The 'New Kind of University City' builds and promotes its brand and repute on the activities and achievements of its higher and further education sectors and presents a distinctive physical offer to change perceptions and expectations of investors and key decision makers.***

A major theme of 'University City' is to give long term and strategic vision to the development outcomes sought by the city, and one that effectively challenges current perceptions held within the city, within the region and potentially more widely in an international sphere. This will require a series of differentiated strategic positions and offers to the regional and national scales, to different sectors, and to the variety of investors, and project collaborators sought as partners in the delivery of the Economic Masterplan – in effect, a refreshed and **refocused inward investment strategy and service**.

This is not an easy task given the current market perception held of the city and the intense and growing competition from other small and medium sized cities throughout Europe in particular, who are seeking to position themselves in a similar way. The 'New Kind of University City' brand and offer from Sunderland must be clearly distinctive, evidenced on success and outcomes, offering 'it can be done stories' rather than simply hopes, aspirations and intents 'to be different'. The University and the City Council already has such evidence, and this needs to be presented to re-position the Sunderland 'entrepreneurial University City' offer within the wider promotion of the North-East as a region, with Newcastle as a Science City and a region with a set of strong University based assets. The 'entrepreneurial

University City' in Sunderland must complement these regional offers. This brand and repute for the city must be disseminated, and those involved in current and future innovative and creative knowledge-based activities in the city should themselves become ambassadors, champions and flag-bearers to support and spread a focused and strategic vision of this New Kind of University City.

### **3. Building Entrepreneurial Institutions**

***The 'New Kind of University City' establishes entrepreneurial institutions and partnerships to capture and reproduce creativity and innovation.***

Successful University Cities are able to adapt over time in response to economic, technological and cultural changes. Underpinning this must be a set of entrepreneurial systems and institutions that support creativity and innovation – systems to capture thinking, problem-solving and doing from within individual entrepreneurs and firms, clusters and networks within the city, and the amalgam of different organisational relationships that make up the city itself. The city then must create and promote appropriate spaces, places, venues and events that give clear signals to how the Economic Masterplan supports such creativity as an ambition for the city.

A coordinated approach should be advanced to identify and grow the contribution of innovative practices and creative activities in the private, community and public sectors, particularly in relation to key areas such as education, targeted industrial sectors, science and technology and high order professional organisations. **Sunderland Software City** provides an example of this in practice in Sunderland.

Delivery of this component of the strategy can not rely on planned and 'directed' interventions. Many of the most successful initiatives in other cities have, to a large extent, relied on the combination of 'bottom up' ideas and enthusiasm and a supportive environment - and luck. Critically, it requires leadership, and champions will need to be identified to drive this agenda.

Pilot projects and experiments should be encouraged, and then successes and good practices shared and used to learn further within the networks of institutions aspiring to deliver the New University City. This component has a primary aim of bringing people together physically, socially or virtually within the city - but such networking and connections may also extend beyond the city into the region or even further afield, such as supply chains and business clusters, and links to assets and key change agents not present in the city, such as venture capitalists.

### **4. Fostering Cultural Change**

***The 'New Kind of University City' gives expression to transformation towards a knowledge-based economy through its built environment and the aspirations of its people, businesses and leaders to foster cultural change.***

The ambition of 'University City' is to secure a sustained transformation that extends to the city as a whole. The 'New Kind of University City' must be a shared aspiration, and become visible to all. This will require 'symbols of change', such as pioneering projects in the city centre (see Aim 3), innovative approaches to carbon reduction (see Aim 2) and community engagement through outreach activities, such as wider entrepreneurship education programmes (see Aim 4) - embedding entrepreneurship within undergraduate curricula; by developing a suite of high quality entrepreneurship

modules for wider consumption in the city; and Enterprise in Schools branded as part of the University City.

A concerted effort should be made to generate 'University City' place characteristics in Sunderland through physical changes, particularly in the city centre (See Aim 3). This would include both extended influence of the University campuses over the physical make-up of the city centre, but also through a focused approach to creating the places and spaces in which a University City culture and atmosphere can be cultivated. This physical manifestation of the 'University City' will support the process of cultural change that needs to underlie the economic transformation sought by the city, acting as a force for raising learning aspirations at all levels in a city and a focus for business engagement and wider innovation.

The University brand should also be integrated throughout the city's education system. This would help to establish an expectation in every child within the district that this is the level of education that they can achieve, be it at the University of Sunderland, another Higher Education institution or in the workplace. This approach could involve a dedicated room, programme or building in each secondary and primary school branded 'University of Sunderland' in which learning and motivational activities can take place and which are linked in to the activities of the University.



## **Aim 2 .....‘a national hub of the low carbon economy’**

### **A rationale**

Aim 2 seeks to establish Sunderland as a recognised lead UK city in low carbon technology and production, and to support the wider region in developing a sustainable low-carbon based economy.

During the summer of 2009 the Government issued a comprehensive plan to move Britain onto a permanent low carbon footing and to maximise economic opportunities, growth and jobs. The Low Carbon Transition Plan plots out how Britain will meet emission reduction targets by 2020. Simultaneously, Nissan Sunderland announced its intention to invest in a new facility to pioneer electric vehicle battery production and the Government announced that the UK's **Low Carbon Economic Area (LCEA)** for Electric Vehicles will be centred on Sunderland.

This provides Sunderland with a unique opportunity to place itself at the forefront of the delivery of the UK's most significant national policy in recent times and, as such attracting attention, respect, and prospects of international investment. It is the first time a national economic policy designation has been put to the city based on its positive assets and opportunities rather than problems and needs. Covering South Tyneside, Sunderland and Easington literally puts the city at the spatial 'heart' of the LCEA. It offers up the prospect of presenting the city as a national exemplar, promoting showcase projects, including electric vehicles but also in other low carbon technologies and lifestyles. With the emergence of a cross-Whitehall Office for Low Emission Vehicles (OLEV), the City has the opportunity to take a leadership role in policy and strategy development based on pioneering local experience in Sunderland.

This aim has 6 components:

1. Pioneering a low carbon economy.
2. Sector development plans for a low carbon economy.
3. Promoting a low carbon sector skills strategy.
4. A 'Low Carbon Technopole' – sites and premises for the LCEA.
5. Energy for a low carbon economy.
6. Embedding Low Carbon Economy principles.

### **1. Pioneering a low carbon economy**

Encouraging early development of the Electric Vehicle sector (and market) will allow Sunderland to gain pioneering advantage. Many new industries will evolve in the early stages of electric car technology and production. Electric batteries, telematics and informatics, charging point technology, 'Smart Grid' integration, and 'payment options' all give rise to business investment opportunities in the city. Software City will play a major role in the development of the informatics and telematics markets.

More widely, 'the low carbon economy' should become a cross-cutting theme in all policies and projects, particularly high profile new developments in the city centre which should become a 'showcase' for low carbon design and construction technologies and low carbon transport – (see Aim 3). Linked to this, opportunities to promote low carbon housing and more effective use of green infrastructure should be exploited across the city. New approaches to the regeneration, growth and connectivity of local communities, though **pioneering, low carbon 'city villages'** should be developed, engaging local communities in this defining agenda for the city economy.

As with any major shift in economic activity, the move towards a low carbon economy will have social as well as economic and environmental implications. For Sunderland this will require clear leadership to ensure that the emerging new economic opportunities and their implications for local people are taken forward on an inclusive basis.

## **2. Sector development plans for a low carbon economy**

The Electric Vehicles (EVs) sector and related supply-chain activities will be advanced through a coordinated 'sector development plan'. Central to this will be a combination of infrastructure, skills, enterprise and inward investment activity seeking to promote Sunderland as a 'world centre' for EV technology. The EV sector development plan will be one of a range of priority sector-focused plans, which will include: advanced manufacturing (incorporating EV), Software City, offshore wind energy generation, creative industries and health & well being, all of which have a potential role in advancing a low carbon economy.

Target sectors have been selected on the basis that they offer realistic potential for growth in the city, in both employment and GVA terms, and can build on a combination of known city assets and strengths as well as responding to identifiable market opportunities to which the city is well placed to respond.

### ***Advanced engineering (including EVs)***

A focus on this sector builds directly on the city's established strengths in manufacturing and strong growth in GVA in this sector in Sunderland. In employment and GVA terms, this sector is projected to increase at a greater rate in Sunderland than regionally, with important emerging opportunities in automotive manufacture associated with electric vehicles. The city has an established manufacturing supply-chain linked to Nissan, Rolls Royce etc that can be further developed to respond to new opportunities.

### ***Software / Business Services***

This sector is projected to grow ahead of the regional pace, albeit from a comparatively low base. It reflects the global drive towards more knowledge intensive activities and associated technology and builds on the established 'Software City' initiative which seeks to develop the city's recognised strengths in software production and applications.

### ***Energy for a low carbon economy***

Establishing Sunderland's role in renewable energy production forms a key element in supporting the low carbon economy. Major global shifts are occurring in the energy sector, with a strong focus on low carbon energy sources, including off-shore wind

power generation. While the traditional utilities sectors are projected to decline in employment significance, the city is well placed to capture regional economic activity associated with low carbon energy including the North Sea off-shore wind energy programme. The combination of manufacturing skills, port capacity and the experience of developing the Nissan supply-chain, offers real opportunities for Sunderland in this sector. Links between new forms of energy, electric vehicle specialisms and Software City could create significant opportunities for added value activities associated with energy production and utilisation.

### ***Health & well-being***

Business activities associated with health and well-being are projected to grow strongly in the city, both in employment and GVA terms. This is already a strong sector in the city economy and its growth would respond to increasing market opportunities around healthy living but also the drive to tackle ill-health and economic inactivity. There is a clear link between growing this sector and the need to radically improve the city's labour market competitiveness. Sunderland has the potential to capture an increasing share of regional growth in this sector with direct relevance to wider city agendas.

### ***Creative industries***

This sector is more difficult to define but generally comprises a range of activities associated with artistic pursuit and design technology and production. While it is not possible to be precise about growth prospects in Sunderland, the combination of assets including University facilities and specialisms, the Music City initiative, programmes linked to the National Glass Centre etc, offer a base from which this sector could become a stronger feature of the city economy. It fits well with the drive for a more distinctive, waterfront city centre under Aim 3, where more visible creative activity and associated events programmes could support retention of younger population, improve the external perceptions of the city and thus enhance its broader business investment appeal.

**A targeted inward investment strategy and service** will be required to focus on attracting EV and Offshore Wind supply-chain operations and other related activities associated with low carbon technologies.

The City Council could provide leadership through policy guidance to encourage the **local demand for electric vehicles**, including:

- Financial incentives - to encourage fleet uptake or power supply infrastructure. Free parking for EV users in designated areas.
- Use of the planning regime / Green Travel Plans to encourage provision of EV infrastructure in new developments and to build in capacity for future growth in the sector.
- Declaration of Low Carbon Neighbourhoods – with certain streets eventually becoming only available to EV and/or certain bus routes only for EV buses.

The growth of the EV sector in Sunderland will need to take into account the emergence of other power technologies, including fuel / hydrogen cells, which are the subject of R&D investment by the Government's Technology Strategy Board. It will be important that the agencies leading the LCEA for Sunderland, including the University, make links to this research.

### 3. Promoting a low carbon sector skills strategy

The University and College will play a key role in an **EV sector skills strategy** to deliver appropriately trained and skilled workers on an ongoing basis. This should include hosting a 'National Skills Academy' for EVs. University and College level courses in fields relevant to development of electric vehicle technology should be established, in collaboration with the main industry players. This links directly to 'University City' in terms of innovation and a more entrepreneurial approach to the city's economic development.

Research and development for the sector will be critical. The potential for a **bespoke R&D centre** should be considered. Newcastle University possesses recognised specialisms in transport infrastructure and a collaborative approach should be promoted through Sunderland University and the College. This should include a collaborative approach to addressing key issues such as battery development, energy storage, power networks etc.. Future opportunities could include the establishment of joint MSc courses in (for example) Electric Vehicle Technology, and joint promotion of research funding applications. Similarly college courses (offering BTec, HND qualifications) should be created/amended to include EV-related content. Networks with industry and wider agencies should be promoted as part of the sector development plan.

Skills strategies will also need to be developed for each of the priority sectors for which sector development plans are formulated.

### 4. A 'Low Carbon Technopole' – sites and premises for the LCEA

A coherent sites and premises strategy will be developed to create a dispersed '**Low Carbon Technopole**'<sup>1</sup>. Initially, this will focus around Nissan and the new battery plant, including Turbine Park, but will ultimately link with other employment centres across the city, notably the city centre (Software City) and other key locations where the range of target sectors identified above will be supported. The Technopole should also develop research links with the University of Sunderland and the other North East Universities as part of University City and new business incubation facilities promoted in the 'city villages' under Aim 4.

Land and premises strategy to support the Low Carbon Technopole will be supported by wider infrastructure provision. This will include power supply, ICT Networks and

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<sup>1</sup> Technopoles are combined technological and business locations specifically established to exploit R & D and business growth around key sectors and to promote business networking and collaboration. They combine large and small companies which seek synergetic relationships to support business growth opportunities through sharing know-how, supply chains and technological competence. Focus is usually placed on the existence of the following factors:

- a mix of production and R&D facilities which carry out research in relevant areas and which have established the appropriate infrastructure.
- access to university institutions in order to link research and commercialisation.
- the presence of leading edge companies in target sectors as a source of demand for R&D competence and "users" of know-how generated through the Technopole
- sufficient land and infrastructure immediately adjacent to grow technology-oriented start-ups and spin-offs and extend the local supply-chain.

transport. This offers links into low carbon energy production and the city transport strategy, including low carbon public transport and the re-opening of the Leamside Line to support Nissan's growth. The development of the network technologies, including the software to support EV growth should be a priority for Sunderland Software City. Innovative solutions to manage the network issues could prove to be an international differentiator. Software City is seen as an obvious leader in the delivery of network technologies and ITC requirements of electric vehicle transport.

## **5. Energy for a low carbon economy**

A recent study of the potential for Sunderland to play a role in the development of the offshore wind energy generation industry in the North East has identified a number of important opportunities for the city economy. While the scale of the opportunity for the region remains uncertain, it is clear that this could be a major new industry with wide ranging business and employment opportunities which Sunderland could be well placed to capture. The Port is a key asset in this respect and could provide an important base for activity across the spectrum from turbine assembly and installation to maintenance and management. Given the site requirements for turbine assembly, the Port of Sunderland in its current configuration may be better placed as a base for installation support and ongoing maintenance. Moreover, the city centre's proximity to the port could present locational advantage for the wide range of office-based support services that will develop as the offshore wind sector evolves. Irrespective of where in the North East turbine assembly is ultimately focused, Sunderland's established business and skills base in advanced manufacturing and its experience of building a supply-chain around Nissan as a major new industry, gives the city a strong platform from which to capture wide ranging economic benefits from the offshore wind energy industry as it develops in the region.

At a wider level, developing a raft of renewables approaches and providing pilots/showcases will generate interest, good performance data and, ideally, demand. ONE NorthEast has acknowledged the need to develop a low carbon energy source to supplement the offer provided from a planned 100megawatt power generating station in Northumberland. More locally, a Biomass power station with pellets and woodchip fed from the Leamside line is under consideration. The project is at an early development stage and further assessments and site identification should be carried out to gain advantage over competitor areas.

Using a "Smart Grid" - a dynamic demand approach should be investigated and developed in Sunderland to optimise the efficient use across the local supply network. This would require development of computerised control networks, which provides a potential link with Software City.

## **6. Embedding Low Carbon Economy principles**

### ***Sustainable transport***

The development of electric vehicle technology and production will provide a significant benefit to the City's economic growth. This 'new market' will evolve from the Government's Low Carbon Transition Plan which aligns with other national policies on planning and transport at the national, regional, and local level. Promoting more sustainable transport choices and reducing travel needs should be promoted as key principles guiding the spatial components of the economic masterplan and the LCEA.



EV will make a significant contribution to sustainable transport of private and light goods by road. Research into the feasibility of enhancing the existing Metro rail infrastructure, or electrification of existing freight lines (within and beyond the LCEA boundary) to further reduce carbon production should be advanced.

### ***Developing the existing transport infrastructure***

Sunderland is served by a generous transport corridor network – mainly populated by road and light rail forms of transport. Current proposals are reexamining the potential to re-open a section of the Leamside Line as a freight line from Nissan to the Port of Tyne by 2012. This will provide opportunities for businesses to be developed at existing locations and at new sites along the route. Further work may consider the wider opportunities and implications in connection with the Leamside line.

In addition, the reinstatement of the short length of rail line to the east of Brockley Whins Metro station would improve the network, providing a direct Metro link between Sunderland and South Shields.

A commitment to a major extension of the Metro or the development of passenger-rail networks is likely to depend on committed funding from Central Government, Europe, and contributions from private operators/users. Alternatives could include guided busways and strategic bus corridors to connect the more remote areas of Sunderland to major transport hubs and the Technopole sites, including the City Centre.

The proposed Strategic Transport Corridor (STC) will realise access and regeneration potential on the south bank of the river Wear at Pallion, and provide connectivity between the A19 and the port. The route of the strategic transport corridor will need to be considered in relation to the development of the city centre – linked to Aim 3 and the low carbon objectives of the economic strategy.

### ***Digital Strategy***

Recent advancements in communications technology will have a major role in the transition to a low carbon economy. One Northeast is developing a Digital Strategy for the region and the CBI is currently working on proposals on how the UK can tackle the long-term challenges of congestion on the road network. Proposals will need to be integrated into Sunderland's pioneering drive towards a low carbon economy.

A digital strategy for Sunderland will include direct actions such as enhanced and increased broadband coverage and extended ICT networks. It will also consider how ICT can influence travel journey times and routing, and play an important role in both journey and transport mode selection. Wider issues such as the promotion of "home-working", and breaking the "9 to 5" model of business should be promoted.

### ***Showcasing low carbon buildings***

Sunderland will become a 'showcase' for low carbon buildings as part of the LCEA. Gentoo's pilot development - *Passivhaus* - provides an exemplar project for low and "zero" carbon housing. This type of construction/operation philosophy should be developed formally across the city. This should include retrofitting activity in the existing stock. This will create important new construction training and employment opportunities across the city.

Planning and design processes in the city should seek to impose high standards in new commercial/ institutional construction as a pre-requisite to development within the City.

### ***Green infrastructure for the LCEA***

Sunderland's network of green infrastructure provides a key asset in supporting the transition to a low carbon economy. It provides the potential to create improved cycling and pedestrian links across the city and to support healthier lifestyles, linked to reducing barriers to work for target neighbourhoods – (see Aim 4). It also supports the promotion of Sunderland as a 'Park City', as part of both improving the quality of the city environs and the city's external image.

### ***Low carbon Education***

As part of University City, the programme of cultural change should embrace low carbon education (see Aim 1). This should include school curricula as well as adult education programmes in low-carbon living. It is critical that schools are embedded firmly within this agenda through the delivery of enhancement and enrichment activities to raise the profile of the low-carbon agenda and future employment opportunities. The University and College will become champions of low carbon knowledge transfer and for engagement with businesses to develop R&D opportunities around the low carbon agenda.

## Aim 3 ‘.....a prosperous connected waterfront city centre’

### A rationale

City centres are widely recognised as critical drivers of city economic competitiveness. They provide not only a concentration of business, retail, leisure and institutional activity but are often the preferred location for knowledge businesses, advanced business services and high quality urban tourism assets. City centres generate ‘proximity’ between people, business and institutions, creating opportunity for social interaction, ideas exchange and innovation through facilities, networks and collaborations. They are the focus for consumption by city residents and visitors and reflect the lifestyle of a city. Perhaps most importantly, city centres can provide the ‘postcards’ of a city in promoting external messages regarding city identity and investment opportunity.

Sunderland city centre will be a primary focus for the new city economy, supporting both the ‘University City’ and ‘Low Carbon Economy’ aims. Aim 3 of the vision seeks to protect, reinforce and develop Sunderland city centre’s position as a sub-regional centre in the northern city hierarchy. This Aim has three key components:

1. **A complementary city centre** - focuses on equipping the city centre to boost regional economic performance and national competitiveness by strengthening the city centre’s offer / assets and developing its principal role as an employment centre and retail / leisure draw, complementing other regional city centres.
2. **A distinctive waterfront city centre** – seeks position the city centre as a pioneering centrepiece of the new economy, developing the city centre as a ‘showcase’ for the new city economy through exemplar projects for ‘University City’ and the ‘Low Carbon Economic Area’ and capitalising on the city centre’s waterfront proximity - river and sea, as a distinguishing feature of the city and a locational asset for economic activity.
3. **A connected city centre** – promotes more efficient linkage of city centre users and city centre assets. This cross-cutting emphasis on connectivity reflects the need for better linkage and integration of places and assets within the city centre as well as improvements to external linkage to improve city centre access for communities and strategic links between the city centre and wider region.

The strategy recognises the scale of the challenge in Sunderland city centre. Substantial change can only be achieved through a major shift in levels of private investment. Thus, the strategy is based on the sequenced delivery of change in a limited number of targeted locations, where a) there is the greatest potential to lever private investment and b) the impact on external perception of the city can be maximised. The sequenced approach to the delivery of city centre change is reflected in the spatial framework for the combined delivery of the masterplan Aims.

## 1. A complementary city centre

The role of Sunderland city centre as an economic driver for the city and wider region will be strengthened across a range of functions – as a business hub, as a visitor draw, as a learning centre and as an image former of the city. Its mix, quality and range of business, retail, leisure and institutional facilities need a radical improvement if the city is to punch its weight in the regional economy. It must become recognised as a vibrant and attractive northern city centre, with truly distinctive assets, complementing other regional cities. It should become a complement to the network of northern cities, particularly its nearest neighbours of Durham and Newcastle.

Sunderland city centre has a critical role in supporting the realisation of the **'University City'** vision under Aim 1:

- ❑ It is the place where the most visible, physical contribution of the University as a city institution will be made.
- ❑ It is where, through improved linkage between the University estate and the commercial areas of the city centre, the benefits of a significant student population can drive demand for new and innovative city centre facilities, spaces and activities – a stronger sense of a University City not just a city with a University.

### ***a. A regional business and retail centre***

The city centre must become regional in 'pulling power' through an improved retail offer, including a better mix and quality of multiple and independent operators and new anchor stores leading to high quality retail provision.

The city centre needs to become 'job rich' – more, higher value jobs, particularly in business services. The city centre lacks a critical mass of office activity. The site of the former **Vaux Brewery** and **Farringdon Row** will secure the role of the city centre as the principal location for office-based business services in the city. This will create a high quality new business district, attractive to the producer-services that will support wider business activity across the city. Office-based business services at Vaux will support inward investment drawn in by the Low Carbon Economic Area, and the supply-chain associated with higher value production activity, including in advanced automotives and new forms of energy generation. The new Business district will also create highly attractive opportunities to accommodate the new generation of software production and associated services as 'Software City' takes root in the city. It can also accommodate the extension and improvement of city institutions, including the Justice Service and other areas of public sector service provision.

The continued regeneration of **Sunniside** as a city centre business location will complement the new business district. Together, these locations offer a diversity of city centre business accommodation capable of attracting a wide range of business types and scales. Vaux and Sunniside must be planned and marketed in a complementary fashion to ensure mutual reinforcement.

The combination of a new business district and retail quarter will signal the starting point of a new image for the city centre. The momentum generated will then need to be sustained in progressing other focused, high quality development and public realm schemes. This must include radical improvements to the physical appearance

of the rail station as a city gateway. The ambition must be to use Vaux and Holmeside as a springboard to achieve a wider and more comprehensive enhancement of the city centre offer.

### ***b. Place-made for people***

The city centre must offer more inspirational spaces for people and business – a city centre ‘buzz’ must be stimulated, ‘place-made’ for people. The creation of memorable, city-scale areas of public realm in key locations in the city centre will support the inward investment appeal of the city as a whole and support the retention and attraction of young people in the city. It forms a key element of a new ‘City Enterprise and Innovation Strategy’.

Improved public spaces will act as a focus for celebrating culture through existing and new assets / activities. The setting and appeal of key cultural buildings and facilities, including the Empire Theatre and Minster, should be enhanced to radically upgrade the visitor experience in the city centre. The excellence of Mowbray Park as a city centre ‘green asset’ needs to be more fully exploited through further linkage / integration into the central area.

The potential for creative industries to grow and develop in the city centre must be fully exploited, building on existing strategies and assets, including the Music City strategy, the Glass Centre and the University’s portfolio of creative learning opportunities. While the city centre will become a hub location for the creative industries sector, the opportunity to link into creative businesses in the ‘city villages’ should be developed. (see Aim 4).

For the city centre to evolve as a focus for city visitors, the quality and range of hotel and other visitor accommodation must be improved. Such provision needs to be supported as part of major mixed use schemes.

Getting more people living in the city centre will contribute to vitality. Making the city centre a residential ‘hot-spot’ thus has a strong economic rationale. As with business accommodation, city centre housing will be encouraged to meet diverse needs but with emphasis on target markets to support the economy – knowledge workers, graduates, family builders. This will support the ‘whole life, inclusive city economy Aim (Aim 4).

## **2. A distinctive waterfront city centre**

### ***a. A waterfront city centre***

The greatest unexploited opportunity for the city centre remains its relationship to the waterfront - river and the sea. As a ‘Waterfront City Centre’ Sunderland can claim genuine distinctiveness. Distance probably limits the case for a ‘Seaside City’ – but the proximity of the seafront to the city centre offers an asset that should be exploited as far as possible to support the city’s long-term re-positioning.

The riverside offers more immediate strategic potential. Topographically, the city centre lies at a point where the river gorge is at its most extreme. While creating physical dislocation, the gorge should be exploited for its visual splendour through, for example, an innovative lighting attraction, and through an extended role as a strategic bridging point between the north and south riversides, connecting the strategic leisure assets of Stadium Village with the city centre. To the east, on the



north bank, the combination of assets in proximity to the city centre is impressive, but must become better integrated with the city centre. A prospective World Heritage Site at St Peter's, a University campus, a national visitor centre, a marina and some of the most distinctive vistas of sea and city, already offers a truly city-scale asset mix. The aspiration must be to complete the regenerative process in this former dockside area, create better links to the city centre and establish the city centre's North Riverside as a 'special quarter' of the city centre. This area of the city offers the greatest opportunity to establish a sustainable and credible physical expression of the 'University City' offer reflected in Aim 1. With additional bridging, this could spread longer term regeneration advantage to the southside, linking to the Port area and an improving housing offer to the east of the city centre.

### ***b. A city campus***

The University is a key institution within the city centre. The combination of the Chester Road and St Peters' Campus' are critical to the University City aim and can play a stronger role as city centre assets. Future growth of the University should embrace the wider city centre, including the location of new institutional facilities, such as research centres, within the core city centre area.

The Minster Quarter is a key interface between the University and city centre and can become a centrepiece for the 'city campus', through improved public realm and accessibility, reducing the barrier-effect of the inner ring road.

The University will increasingly act as a focus for creative industries and new enterprise space in the city centre must be developed as part of the University City agenda and to support the growth of target sectors.

### ***c. A low carbon exemplar and civic innovator***

The city centre will become the 'showcase' for change in the city economy. Building on achievements to date, critical projects including Vaux and Holmeside must be delivered. These schemes offer major opportunities to deliver physical transformations in two key parts of the city centre and to bring about fundamental change in the business and retail offer of the city centre. Their importance cannot be overstated.

Quality and innovation must be at the core of the design and delivery approach for both schemes – this probably goes without saying. But they also offer critical opportunities to 'showcase' Sunderland's new role as an exemplar in the low carbon economy - a deliberate and positive demonstration of how Sunderland's status as a *Low Carbon Economic Area* is being reflected across the city. The use of pioneering materials and energy efficient building technology will enable the city centre to become a low carbon 'showcase', acting as a catalyst to higher ambitions for other schemes.

The city centre should become a showcase for electric vehicles, through strategic positioning of charging points or new showrooms, for example. Low carbon business acceleration must become a feature of the city centre through new business facilities and linked support / R&D services, particularly associated with the business service supply-chain for Nissan and the emerging offshore wind energy sector.

Low carbon best practice will become visible in all aspects of service delivery in the city centre. This must include innovative approaches to public realm, including low energy lighting use of recycled materials for hard landscaping where appropriate.

### 3. A connected city centre

Connections to and within the city centre should be enhanced:

- ❑ to improve the physical linkage between currently disparate components of the city centre.
- ❑ to better link Sunderland's 'city village' communities to the new economic opportunities in the central area;
- ❑ to improve strategic connectivity to wider regional markets supporting the centre's credentials as a business location, and:

Connectivity improvements in and around the city centre will more effectively bind together the key city centre footfall drivers and make the centre more legible and efficient for users. Key linkages should include the route between the transport interchange, Holmeside and Vaux, and between the University's city and St Peter's campuses. Proposals for high bandwidth fibre optic infrastructure serving the city centre should be progressed to enhance business connectivity. The potential for a city centre wi-fi zone should also be developed as part of the Software City initiative.

A planned approach to creating and reinforcing better links, by all modes of transport, from the 'city villages' into the centre will serve to maximise local expenditure retention and access to city centre employment opportunities. A network of 'green infrastructure' and quality bus infrastructure will encourage low carbon movement and strengthen Sunderland's Park City credentials, aligned with the Low Carbon Economic Area objectives (see Aim 2). Key gateways and corridors will be radically upgraded to support a focus on better linkage, particularly by public transport, to the city centre and other employment foci in the LCEA Technopole (see Aim 2).

To complement improved intra-city links, opportunities to improve strategic access needs to be advanced to enable the city centre to function more effectively as a Northern Gateway and business location. Priorities should include delivery of the planned Sunderland Strategic Transport Corridor in a manner which reflects the qualitative shifts envisaged for the city centre, 'express' Metro services to and from Newcastle and the airport and, as far as possible, more efficient links to London via mainline rail services.

## **Aim 4 ‘.....whole-life inclusive city economy’**

### **A rationale**

The vision of a whole-life, inclusive city economy reflects the importance of a coherent and consistent approach to removing barriers to residents achieving their full potential and maximising their contribution to the city's growth and competitiveness. This links directly to the cultural shifts envisaged through 'University City'. It also supports a deliberate effort to increase the retention of young people in the city and to drive economic opportunity in the low carbon economy from the lifestyle benefits of the city's green infrastructure.

The process of economic change needs to deliver tangible benefit to city residents. Economic growth can only be sustained if it demonstrably improves access to opportunity and improved life chances. There are major, recognised challenges for Sunderland in terms of high levels of worklessness, which is explicitly linked to poor levels of health and well-being evident across the City. Consequently, the economic masterplan forms an integrated part of the wider public policy response to removing barriers to employment.

But there is also a need to equip those in work to compete for higher value employment opportunities both within the city and elsewhere in the region. Ensuring that local residents can benefit from the new forms of economic activity promoted through 'University City', the 'City Centre' and the 'Low Carbon Economy' aims should be reflected in target sector development plans and associated enterprise and skills strategies.

There are four components to this Aim:

1. Engaging neighbourhoods in the new economy
2. Prospecting and developing city enterprise
3. A strategic approach to raising skills
4. Retaining young people in the city

### **1. Engaging neighbourhoods in the new economy**

This aim of the economic strategy builds on the wide range of current programmes and activities operating in the city that seek to improve access to opportunity, including skills, enterprise, transport and healthy living. The Working Neighbourhoods Strategy provides an established mechanism for advancing this Aim. It promotes a set of locally based initiatives, including engagement activity and the provision of intensive levels of support for people in the early stages of their 'journey' off benefits and into employment.

The strong emphasis on skills development and enterprise under this Aim supports the delivery of sustained improvement in disadvantaged communities across Sunderland's 'city villages'. It contributes to the cultural shifts promoted through the vision of a 'New Kind of University City' – one in which highest levels of ambition are

promoted, where learning and skills are supported at all levels and where entrepreneurship is developed and supported at all life stages. In an 'entrepreneurial University city' the systems are in place to ensure that there are no barriers to all individuals realizing their full potential.

The Working Neighbourhoods Strategy should be progressed to a second phase that will implement a range of measures to support people back into work and into better paid jobs. The economic strategy will complement a range of other social and health related policies and programmes targeted on reducing worklessness, recognizing that routeways back to work for hard to reach individuals involve overlapping issues and a coordinated approach. The strategy would aim to provide:

- ❑ an **'end to end' approach** taking the hard to reach through engagement, motivation, training, job readiness to a job and support whilst in work. This will require a core Employability Service supplemented by specialist providers, reflecting the multiple barriers to progression into employment, learning or self-employment. These barriers are complex and to overcome them requires specialist support. Through the Working Neighbourhoods Strategy it is proposed that suitable lead delivery partners will be appointed to work alongside the core Employability Service.
- ❑ **employer brokerage and signposting** through Job Linkage services to support a demand-led approach to reducing barriers to work and into better paid jobs. These services will support, as far as practical, the focus on target sectors that are to be prioritised for the economic masterplan. However, the strategy acknowledges that under this Aim a flexible approach will be required. A regular city-wide *employer needs survey* would support this demand-led approach.
- ❑ a complementary, **strategic approach to reducing transport barriers** between 'city villages' and centres of employment. This should include a public transport strategy linking the 'city villages' to the city centre, other existing key employment nodes and emerging centres of employment across the Low Carbon Technopole. Local links to employment centres within the 'city villages' should also be developed as part of a low carbon transport strategy. This network of 'city village / employment centre' links will create opportunities to reinforce and create a green infrastructure network to encourage walking and cycling, encouraging healthy lifestyles as well as a low carbon city economy.
- ❑ **Innovative approaches to service integration**, linking learning & skills, health & well-being and employment / careers services, to respond to the multiple barriers to work experienced by a significant proportion of city residents. Sunderland is already recognised as a 'beacon' city in terms of its approach to the delivery of integrated service provision to improve access to health and well-being services (e.g. Bunny Hill). The city must build on this success through further flagship projects to pioneer an integrated response to worklessness in the city.

## 2. Prospecting and developing city enterprise

For the 'entrepreneurial University City', a city-wide Enterprise Strategy is a pre-requisite. This should be a multi-layered strategy addressing enterprise and entrepreneurship deficits at all levels. It would promote a range of programmes linked to the 'University City' and 'Low Carbon economy' aims, and associated sector development plans. For the 'whole-life, inclusive city' aim the focus of the enterprise

strategy would be on a more coordinated and focused approach to 'prospecting for enterprise' within the city villages, improving routeways to self-employment. This agenda however, goes beyond self-employment outcomes. It must focus on developing an 'enterprising culture' and improving employability by equipping local people with the 'entrepreneurial' attitudes, skills and competencies which employers will increasingly seek. The aims would be to:

- ❑ To develop and embed **an enterprise culture across the 'city villages'**, supported by programmes developed through 'University City'. This would build on the enterprise related components of the Working Neighbourhoods Strategy. All programmes would be branded as part of 'University City'.
- ❑ To make **entrepreneurship a component of learning** at all levels across the city, starting in schools. As part of 'University City', programmes would be developed and targeted at schools across the city to support a positive enterprise culture from early ages.
- ❑ To improve **coordination between enterprise support agencies** across the city and the adoption of more **enterprising and innovative approach to service delivery**. This should include more formal arrangements between existing agencies in terms of enterprise prospecting, signposting and growth. Support agencies will also have to be more enterprising in their approach to engaging with hard-to-reach communities, requiring the adoption of new, innovative approaches to service delivery.
- ❑ To enhance **support for social and green enterprise**, particularly linked to the low carbon economy and the development and maintenance of green infrastructure across the city.
- ❑ To create **a network of city enterprise hubs** providing accessible and highly visible business accommodation across the city. The enterprise hubs would become a focus for enterprise within the 'city villages', with coordinated enterprise support services, branded as part of 'University City'. The 'city village' enterprise hubs would also link to wider sector focused business centres, such as Software City and the LCEA Technopole to capture opportunities for high growth enterprise.

The enterprise strategy should be supported by strong leadership and a set of clear and consistent messages regarding its importance in supporting sustainable economic development in the city and enabling widespread participation in the growth of the new city economy.

### **3. A strategic approach to raising skills**

An inclusive city economy for Sunderland requires a focussed approach to workforce skills – one that reflects the diversity in both the capabilities of city residents and the needs of the new economy. A comprehensive skills strategy for the city should be developed. It should be multi-layered and geared towards skills progression in line with the higher value emphasis of the target sectors. It must address basic skills needs to support entry level into work but also facilitate a 'skills staircase' to equip those in work to compete for higher value employment opportunities as they grow in the city.

Skills provision involves a range of existing agencies and institutions. Under the 'University City' aim Sunderland University should play a lead role in championing the

learning and skills culture in the city, in partnership with Sunderland College and other skills providers.

The aims of the skills strategy should therefore be:

- ❑ To **review the skills needs for the city economy** and develop a city-wide skills needs assessment. Mechanisms should be established for regular collaboration between skills providers and businesses to develop a clear picture of current and projected skills deficits across the city with a 1-5 years time horizon. Given the ambition of developing Sunderland's role as a 'complementary' northern city, it is critical that the skills strategy complements and adds value to wider City-Region skills priorities.
- ❑ To **develop fit for purpose skills programmes** responding to identified needs. Programmes should link with the 'engagement' agenda to contribute directly to addressing worklessness and with the 'sector development plans' to respond to identified opportunities to support the growth of target sectors, including those related to the low carbon economy.
- ❑ To **embed a learning culture** across the city linked to the 'University City' agenda.

#### 4. Attracting and retaining young people in the city

A 'whole life, inclusive city economy' is dependent on retaining young people in Sunderland. While the strategy will create opportunities for all age groups, and the 'whole-life' principle reflects this aim, the economic strategy prioritises a strategic approach to retaining and attracting young people to live and work in Sunderland. Young people provide a rich source of innovation and enterprise, provide the foundation of a sustainable city labour pool and should be positive drivers of city culture. These attributes all support the other aims of the strategy.

Under this aim, the strategy should focus on:

- ❑ **Proactive engagement with schools.** Programmes and initiatives should aim to increase the opportunities for engaging young people, regardless of background, so that they embrace the excitement, importance and career opportunities associated with STEM<sup>2</sup> subjects and enterprise. The strategy will focus effort on encouraging business and organisations to engage with schools in order to support young people and raise awareness of STEM and the enterprise agenda, linked to the national and regional agenda.
- ❑ Maximising **productive, entrepreneurial opportunities for young people.** Facilities and programmes should be encouraged to support the growth of creative industries in the city, including inspirational workspaces with flexible approaches to management and growth.
- ❑ Exploiting the **'great outdoors'** and the potential of 'green and blue' assets to offer opportunities for outdoor leisure pursuits higher quality lifestyle opportunities. The potential of the city's green infrastructure to offer attractive living, working and leisure environments needs to be fully developed.

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<sup>2</sup> Science, technology, engineering & mathematics

- ❑ Creating **an inspirational city centre**, with 'special places' supporting cultural assets and fostering central area 'buzz'. The University City and Waterfront City Centre aims of the strategy link directly to the young people agenda for Sunderland.
- ❑ A **diverse housing and place offer** supporting access to good quality, affordable housing for young people, graduates and knowledge workers, and offering a ladder of provision in high quality neighbourhoods to encourage retention in the city. This includes city centre living, improved family housing and a wide range of type, tenure and price of housing. Quality residential neighbourhoods in which aspirational young people can build families and be attracted to Sunderland will support sustainable economic growth.

## Aim 5 ‘.....entrepreneurial in economic leadership’

### Rationale

The economic vision and aims for Sunderland are ambitious and challenging, but achievable - they build directly on existing assets, strengths and opportunities. Driving ambitious city agendas requires clear, strong, entrepreneurial leadership around which resources and appropriate governance arrangements can be assembled. The ‘leadership requirement’ should not be underestimated – it needs to be purposeful, delivery orientated and outward-looking.

Capitalizing on the regional and national opportunities presented through the Low Carbon Economic Area announcement and making the ‘University City’ proposition a reality on the ground in Sunderland will undoubtedly require a well orchestrated and effectively led approach to institutional and resourcing priorities within the city as well as external relationships at regional and national level. These are national and regional agendas against which Sunderland has the potential to show clear leadership and develop exemplary approaches.

### Some issues to consider

- ❑ A leadership strategy for the Economic Masterplan will need to evolve from within existing mechanisms rather than through some ‘quick-fix’ formula. **A high level debate needs to commence between key stakeholders in the economic masterplan to develop shared understanding and a sense of ‘common purpose’ around the vision and aims.**
- ❑ New mechanisms for **developing ‘economic leadership capacity’ within the city**, should be considered, including through focused leadership programmes to drive more innovation and entrepreneurship in civic and business leadership at all levels in the city.
- ❑ An assessment should be made of **the operation and effectiveness of the existing ‘economic leadership’ system in the city. The options for new institutional arrangements to champion the masterplan**, achieve engagement from delivery partners and secure synergy with, and leverage from, complementary strategies should be assessed at a high level in the city.
- ❑ Embedding the principles of University City and the Low Carbon Economy at all levels across the economic development ‘community’ in the city will require **consistent messages about the new economic direction for the city**. It should be reflected corporately within the City Council and the University and become a feature of linked strategies and programmes promoted through agencies such as Sunderland Partnership, Sunderland arc, the Chamber of Commerce, skills bodies and business support agencies.
- ❑ Consideration should be given to the need for **coordinated executive resource to support the development and delivery of the masterplan Aims**. For example, a ‘*Low Carbon City Economy*’ team could bring together the key skill sets to drive this agenda, combining sector specialists, land use planners, transport planners, inward investment & marketing specialists, skills



experts and business support coordinators. A similar approach should be considered for each of the Aims of the masterplan.

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