

At a meeting of the ECONOMIC PROSPERITY SCRUTINY COMMITTEE held in COMMITTEE ROOM 1, CITY HALL on TUESDAY 7TH MARCH 2023 at 4.30 p.m.

Present: -

Councillor D. Snowdon in the Chair

Councillors Ali, Dixon, Edgeworth, Foster, Laws, Mordey, Reed and Warne.

Also in attendance: -

Mr James Diamond, Scrutiny Officer, Sunderland City Council

Mr Paul Wood, Principal Governance Services Officer, Sunderland City Council

Ms Catherine Auld, Assistant Director of Economic Regeneration, Sunderland City Council

Mr James Garland, Principal Funding and Commercial Officer, Sunderland City Council

Members of the Press and Public

The Chairman welcomed everyone to the meeting.

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Fagan, Scanlan and H. Trueman

Minutes of the Last Ordinary Meeting of the Scrutiny Committee held on 7th February 2023

A copy of the minutes of the last ordinary meeting of the Scrutiny Committee held on 7th February 2023 was submitted.

(For copy report – see original minutes).

1. RESOLVED that the minutes of the last ordinary meeting of the Scrutiny Committee held on 7th February 2023 (copy circulated), be confirmed and signed as a correct record.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest.

UK Shared Prosperity Fund - Update

The Assistant Director of Economic Regeneration submitted a report (copy circulated) to provide an update on the UK Shared Prosperity Fund (UKSPF) and its implications for Sunderland.

(For copy report – see original minutes)

Catherine Auld, Assistant Director of Economic Regeneration and James Garland, Principal Funding and Commercial Officer provided the report along with a PowerPoint presentation and were on hand to answer Members queries.

Councillor Edgeworth enquired as to what involvement they'd had with the Community Voluntary Sector in terms of commissioning, if they'd been considered for the Panel and what funding would be available to them. Ms Auld advised that they had been involved with the VCS and in terms of the Panel, the Sunderland Partnership was to put forward representatives and there would be a mechanism in place to deal with conflict of interest etc. In terms of funding for the VCS, Open Calls for Projects would be through open processes in terms of attracting the appropriate people to bid and they would all be assessed through the Panel so the VCS could apply for funding as well as any organisation in the City that met the qualifying criteria.

Councillor Edgeworth enquired if this would change if the Regional Mayor proposal was to be introduced. Ms Auld informed that Sunderland had a commitment for a three year period and they didn't expect that to change during that time.

Councillor Edgeworth queried if the VCS had been asked for expressions of interest and feedback, commenting that he had received concerns that their ideas had been taken for use by the Council without any feedback or consultation. Ms Auld commented that anyone within the City could express an interest and she was sorry that certain people may have felt this way however it was a very intensive piece of work to be able to provide feedback to all and it had not been compulsory to do this, however if some people were unhappy she certainly wanted to have a conversation with those.

Councillor Dixon enquired how this funding, given by Central Government and the procedures involved compared to that of previous funding provided through European funding. Was it better, worse or no different in terms of systems.

Ms Auld commented that it was difficult to say. European funding had been a regional allocation where everyone within that region had to apply for, whereas the Government funding was specific for Sunderland which was a positive. They were both relatively similar in terms of a lot being required in due diligence and responsibilities.

Mr Garland advised that it was still early days but in terms of priorities there was a broader range of interventions so more flexible and as it was early days on monitoring, the level of evidence projects would have to monitor was still to be determined so there was a degree of balance still to strike. Mr Garland also advised that the volume of guidance was less than the European funding to date and as it was still early days he could not say whether they had to report back with more frequency with this scheme.

Councillor Dixon referred to the presentation and the bullet point E5. Built and landscaped environment to design out Crime and queried if this was to be undertaken in the Sunnyside area. Ms Auld advised that there was a clear focus on ASB and they would look to see what came forward in that area of businesses.

In response to Councillor Dixons request for officers to expand on the response to the Cost of Living Crisis priority Mr Garland advised that they had been keen to

identify this priority with a plan that had an emphasis on households struggling to pay their bills, the VCS were dealing with these and it was about potential providers coming together to provide advice, building and expanding upon the work Citizens Advice were already doing. It was about looking for new ideas to build upon the work already being done.

In response to Councillor Reeds query over priority E1, Mr Garland advised that there had been a set list of 41 interventions and the criteria had been where the most impact could be had and identified strategic areas.

Councillor Reed queried the stated purpose of the divide between Capital and Revenue. Mr Garland informed that there had been no explanation by the government on the split but this was consistent nationally and there wasn't the level of EDRF Capital funding as this came through in other programmes such as levelling up etc.

Councillor Reed referred to Strategic Objective 3.1: Supporting economically inactive people and those furthest from labour market to overcome barriers to accessing sustainable work and learning and queried how this would work in practice and if the Council would be doing this in house.

Ms Auld advised that there would be a Call for projects and if the Council felt they could deliver this they would be involved in a bid or lead a project but ultimately, they were expecting organisations/most appropriate people to come forward on this.

Councillor Ali queried what level of businesses/criteria they would be dealing with as sometimes the smaller businesses got side-lined by the criteria. Ms Auld informed that in relation to the Community and Place Priority they had tried to put a minimum project size on and they were spending less money on lots of different projects so they were aiming at the smaller businesses working as consortiums for the larger sums.

Mr Garland commented that in terms of eligibility of who could apply, the Call for Project documents made clear who could apply and also took into account the nature of the activity/procurement. Businesses were to apply on a cost basis with no commercial gain and they had to build in compliance issues on the applications.

Councillor Dixon queried if there were enough officers to deal with all of this work as it appeared to be a vast programme. Ms Auld advised that it was a big piece of work and was challenging resources but they were working closely with Paul Wilsons Team and it was being kept under review as a priority.

The Chairman referred to previous European funding which had included a lot of paperwork which took time away from dealing with the actual people trying to help and queried if this scheme had taken that away. Mr Garland advised that the onus on financial reporting was still the same but the output reporting on activities was less so it was slightly more positive however monitoring was still evolving so in the future this may change.

The Chairman enquired if there was more or less money involved in this scheme in comparison to European funding. Mr Garland advised that it was difficult to say as European funding was based over a longer period, usually 7 years so there had

been more certainty albeit as part of a bigger geographical area. Ms Auld advised that there were broader issues that this money could be used on so it was difficult to compare.

There being no further questions or comments, the Chairman thanked the Officers for their report and it was:-

2. RESOLVED that the report be received and noted.

Screen Industries – Update

The Assistant Director of Economic Regeneration submitted a report (copy circulated) which provided an update on the development of screen industries in the City within the context of the North East Screen Industries Partnership.

(For copy report – see original minutes)

Catherine Auld, Assistant Director of Economic Regeneration presented the report along with a PowerPoint presentation and was on hand to answer Members queries.

Councillor Laws commented that this was quite an exciting announcement that was potentially massive for the region but queried if the footprint of the proposed studio and the largeness of its scale and its impact had been considered against the City's Low Carbon agenda.

Ms Auld advised that an assessment had not yet been made and this would be considered when the proposal came before the Planning process. In terms of the City's low carbon agenda there was a framework across the City and each individual partner was responsible to set out its targets and there was an expectation for them to take into consideration carbon omissions.

Councillor Laws referred to skills and in particular the Arts Centre Washington and enquired what way they could link up those groups with the massive productions companies and to attract the talent that already existed in the area. Ms Auld commented that there were mailing lists and she could certainly plug such groups into communications.

Councillor Laws suggested that with the creative change ongoing in the City, it was a perfect opportunity for a documentary to record the work underway.

Councillor Reed queried how much the BBC Screen Industries had spurred on the massive development of Pallion Shipyard and if they'd had any involvement in it. Ms Auld advised that it was difficult to answer as Screen Industries had meant to be a catalyst as it was a growth sector and we were very attractive in terms of the sector. Fulwell 73 had set up a regional office and people started looking at the region more so there was no direct cause and effect but we certainly became more attractive.

Councillor Reed enquired as to how the Screen Industries feed into the Government. Ms Auld advised that Hartlepool's was through the levelling up fund and that process was led by individual authorities/combined authorities but these Sunderland proposals were private led investments. Ms Auld added that overall they were

making sure they were working together with Hartlepool and Teesside University and the Screen Industries supported this bid.

In response to Councillor Dixon's query as to how Officers see their role as the Council on this and if it was about creating the right conditions, Planning/land ownership etc, Ms Auld commented that it was about enabling and creating the right environment by understanding their aspirations and seeing which parts of the jigsaw they can enable.

Councillor Dixon enquired how Officers felt we were doing in comparison to other North East Authorities and if we were ahead of the game. Ms Auld commented that we were in a very strong position with two major investment opportunities at the moment and a number of small production companies but different Local Authorities were doing different things so whilst we have had enormous progress in the last 18 months she was always cautious to make comparisons.

Councillor Laws referred to the major developments proposed and queried what had made them want to come to Sunderland rather than other areas. Ms Auld stated that she could not speak for those Companies and they would advise of their reasons for choosing Sunderland.

There being no further questions or comments, the Chairman thanked Ms Auld for her report and it was:-

3. RESOLVED that the report be received and noted.

Annual Work Programme 2022-23

The Scrutiny and Members Support Co-ordinator submitted a report (copy circulated), to provide options, provide support and advise Members on the development of the scrutiny work programmes for 2022/2023

(For copy report – see original minutes).

Mr James Diamond, Scrutiny Officer presented the report for Member's information

In response to Councillor Edgeworth's request that Nexus be invited to the meeting discussing Public Transport Update, Mr Diamond advised that Officers were waiting for the reply from DfT on proposals and as this hasn't been to Committee yet and suggested once this had that Transport North East be invited.

The Chairman commented that there was a great deal happening around Devolution at the moment also.

Councillor Edgeworth commented that it may be one for next year but there were serious questions for Nexus to be raised. Councillor Mordey suggested that Network Rail should be invited to the same meetings. Councillor Laws commented that Integrated Transport should be included as there was a wide range of issues to discuss.

Councillor Edgeworth raised the issue of the Glass Centre and requested consideration on how Members could ask questions on behalf of their residents. The Chairman informed that he knew Councillor Edgeworth had contacted David Bell on this and as it was a College/University Building it was important to give them time to obtain all the options, and to give them time to work on those before inviting them to Committee.

In response to Councillor Edgeworth's request for a way to submit questions, The Chairman suggested that Members forward these onto Mr Diamond who could write to the University and see what response is given.

4. RESOLVED that the information contained in the work programme for 2022-2023 be noted.

Notice of Key Decisions

The Scrutiny and Members Support Co-ordinator submitted a report providing Members with an opportunity to consider the items on the Executive's Notice of Key Decisions for the 28-day period from 15th February, 2023 (copies circulated).

(For copy report and notice – see original minutes).

Mr Diamond reminded Members to get in touch if they required further information on any of the items included in the notice.

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

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

(Signed) D. SNOWDON,
Chairman.