

**At a meeting of the ECONOMIC PROSPERITY SCRUTINY COMMITTEE held in the CIVIC CENTRE, SUNDERLAND on TUESDAY 4<sup>TH</sup> DECEMBER, 2018 at 4.30 p.m.**

**Present:-**

Councillor Blackburn in the Chair

Councillors M. Dixon, Galbraith, E. Gibson, Jackson, Marshall, O'Brien and Taylor

Also in attendance:-

Ms Victoria French, Head of Events, Sunderland City Council

Mr John Seager, Chief Executive, Siglion

Mr Jim Diamond, Scrutiny Officer, Sunderland City Council

Mrs Christine Tilley, Governance Services Team Leader, Sunderland City Council

**Appointment of Chairman**

As both the Chairman and Vice Chairman had submitted their apologies, it was moved and duly seconded that Councillor Blackburn take the Chair for this meeting of the Committee and it was:-

1. RESOLVED that Councillor Blackburn be appointed Chairman for this meeting of the Committee only.

The Chairman welcomed everyone to the meeting.

**Apologies for Absence**

Apologies for absence were submitted on behalf of Councillors Curran, Foster, D. MacKnight and Turner.

**Minutes of the Last Ordinary Meeting of the Scrutiny Committee held on 6<sup>th</sup> November 2018**

A copy of the minutes of the last ordinary meeting of the Scrutiny Committee held on 6<sup>th</sup> November, 2018 was submitted.

(For copy report – see original minutes).

2. RESOLVED that the minutes of the last ordinary meeting of the Scrutiny Committee held on 6<sup>th</sup> November, 2018 (copy circulated), be confirmed and signed as a correct record.

**Declarations of Interest (including Whipping Declarations)**

There were no declarations of interest made.

## **Siglion – Progress Report**

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

(For copy report – see original minutes).

The Chairman welcomed Mr John Seager, the Chief Executive of Siglion and invited him to present his report to the Committee.

Mr Seager provided the Committee with a presentation highlighting that Siglion was formed in 2014 between Sunderland City Council and Carillion (Maple Oak) Developments Ltd and that although Carillion (Maple Oak) Developments Ltd was a subsidiary of Carillion Plc, it was not currently in liquidation. Mr Seager advised that the Siglion Partnership did not rely on any continued financial investment from either partner to continue delivering upon its business plan.

Mr Seager briefed Members on progress on the Vaux site following the recommencement of the work after a retender process and advised that Phase 1 was scheduled for completion in March 2019. In addition to Phase 1, work had been progressing on the final designs for 'The Hub'.

In response to Councillor Marshall, Mr Seager advised that 'The Hub' was a multi-occupied public sector building planned to house a mix of parts of the Council, NHS Trust and Government services. Mr Seager referred Members to the development strategy set out on page 10 of the report for the Vaux site which was based on a comprehensive mix of uses comprising predominantly business-space and homes but also including leisure, ancillary retail and cultural spaces phased across the whole site.

In response to Councillor Dixon, Mr Seager stated that it was all about demand, there was no existing market. They had been talking to a lot of public sector occupiers which ranged from parts of the Council, the Department of Work and Pensions to NHS Trusts to local GP surgeries and some private sector occupiers about taking office space in the first building on the site which had always been intended for the Public sector and some were considering moving into it. They were hoping to get someone to sign a lease and he was not ruling out someone moving in on the day the building was completed. They were creating an environment and within the next few months he would expect decision making to become firmer.

Mr Seager advised that he would be happy to organise a tour of the building for Members of the Committee to view the building.

In response to the Chairman, Mr Seager advised that they had not caught up with any of the work whilst the site had been closed down for six months, when the main contractor had terminated work on the site in January 2018 and work had recommenced under the main contract with Tolent Construction in June 2018. In fact, there had been some deterioration of the site, which they had had to put right. Mr Seager was incredibly positive that someone would sign up to lease the building, which he pointed out was not ready to occupy at the moment and therefore he did not expect anyone to have signed up for it as yet.

In response to Councillor Jackson, Mr Seager advised that no one was lined up for the hotel yet.

In response to a question from Councillor O'Brien about timescales for finishing the site and leases for the building currently there, Mr Seager stated that there was an expectation that it would take a few years and that they would be keen to get a tenant as quickly as possible, although he hoped that it would be let by day one. Mr Seager reiterated the point that they were creating a market for this kind of premises and people would not even be looking in the city centre if this building was not there.

Councillor Dixon enquired whether the news that the Council, which was a big employer, would be moving to the Vaux site, had helped to create more interest from other people and what the benefits would be, as well as what the situation was with regards to the 'Launch'.

Mr Seager advised that there had been a couple of people which they had talked to who had been concerned that they would be the only occupants on the site for some time. All of the time they had been progressing with the public sector hub building the outline design for this building had been important for them to tell the story that the site was ever evolving and there would be lots of people there. The relocation of the Civic Centre would mean there would be another occupant on site and this together with the ground floor occupiers, a coffee shop and a restaurant for example would help create a better dynamic and atmosphere. The Launch was currently on hold.

In response to Councillor Dixon and the Chairman, Mr Seager advised that a mix of high quality housing was intended for the site. This had not been designed yet but would be developed out by Siglion.

Mr Seager went on to brief the Committee on the development plans for Seaburn. He advised that the master plan was being revised and that the first phase was to develop a 3\* boutique hotel to complement the 4\* hotel which was already there. Proposals in respect of house building were also being reconsidered and it was likely that the final delivery was going to be considerably less than the figures stated in the outline planning consent.

Councillor Jackson asked for assurances that residents' views were being looked at and enquired what consultation they would have to assure Members that reasonable suggestions were being considered.

Mr Seager advised that the master plan had been revised and consultation would be undertaken with some of the groups Councillor Jackson had identified.

In response to Councillor Dixon, Mr Seager reported that the previous plan did not specify the leisure aspects and therefore there had not been any changes made. There had been some elements which had been suggested which were unsustainable and not deliverable. They had spoken to lots of leisure operators and none had said that they would provide a swimming pool for example.

Mr Seager confirmed to Councillor Jackson that comments and suggestions from residents had been considered, taken on board or dismissed and feedback provided. There was not a big team to deal with this and therefore they could not reply every

day to queries and comments in detail, however they did let the person know they had received their enquiry and that it was being looked at.

Mr Seager advised in respect of the Potters Hill Development that Miller Homes were already on site developing the first phase which consisted of 160 homes some of which would be 5 plus bedrooms.

Councillor Gibson commented that there had been a lot of opposition from residents already living in the area who had concerns with regards to the demand for services and demands on the road infrastructure. There were plans to build a new school on Burdon Lane but there were no firm dates for this. Heavy machinery had arrived on site and was causing a disturbance for residents. In addition to this there were parking issues and mud on the road.

Councillor Marshall enquired who was responsible for any issues arising from the Potters Hill site.

Mr Seager advised that he was happy to provide contact details at Miller Homes or for people to contact him and that he would do his best to assist with any issues.

Councillor Marshall advised that the heavy site traffic was now being rerouted past Portland School.

Mr Seager advised that the enforcement of traffic routes was an issue for the Enforcement Officer at the Council. He would look into the matter however and report back to Councillor Marshall.

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

3. RESOLVED that the contents of the report and the information brought out during the discussion be received and noted.

### **Major Events – Economic Impact**

The Head of Events submitted a report (copy circulated), providing feedback on the Tall Ships Race and the Sunderland Airshow 2018.

(For copy report – see original minutes).

Ms Victoria French, Head of Events provided the Committee with a presentation giving an assessment of the economic impact on the City of the Tall Ships Races and the 30<sup>th</sup> Anniversary of the Sunderland Airshow held in July.

The presentation provided details of the media coverage, social media activity, the visitor profile including what they liked and would like improved and spend per person at the events by both visitors and Sunderland residents.

Councillor Dixon congratulated Ms French on the success of both the Tall Ships event and the Sunderland Airshow. He queried why more people did not attend the Airshow from outside of the area.

In response to the above Ms French explained that the Tall Ships event had provided an international reach with people either travelling specifically for the event or visiting as part of an already booked holiday. There was a perception that the Airshow was an event for Sunderland residents and there was a need to change this and attract people from outside of the area and improve on visitor numbers. Ms French added that the recent Sunderland illuminations had attracted a lot of non-residents coming from Stockton, Middlesbrough and Darlington. It was anticipated that there would be £6m-£8m generated by the city illuminations which were staged in October and November. Ms French offered to bring a report back on the illuminations event to the Scrutiny Committee.

Ms French advised that the Communications Plan for the Tall Ships had included leaving flyers at service stations nationally, providing them to coach companies and hotels where the Tall Ships event had been held before and advertising on Radio Newcastle which was one of the Council's major partners.

Councillor Jackson congratulated Ms French on the parking management for the Tall Ships and Sunderland Airshow events.

Ms French advised that the Park and Ride for the Airshow had kept the major traffic away from the area very well and the Metro rail service to Seaburn had also been well used. The Park and Ride had been enhanced for the Tall Ships Event with additional Park and Ride sites at Herrington Country Park for example.

In response to Councillor Jackson's enquiry regarding merchandise around the Tall Ships Event, Ms French confirmed that this was being looked into. There were thousands of images they needed to get together which people would in time be able to purchase in the City's Gift Shops.

In response to Councillor O'Brien, Ms French advised that approximately 2 thirds of visitors rated the Sunderland Airshow 7 or 8 out of 10 and the other third rated the event 9 or 10 out of 10. There had been £70,000 spent on advertising.

In response to Councillor Dixon, Ms French advised that Sunderland Business Improvement District produced a book of vouchers to encourage people to spend in the city whilst attending the events. There were a lot of food concessions in the city centre and people did stay longer at the events.

Councillor Jackson commented that there had been a wonderful event at St Peter's Riverside and enquired whether there were plans to build on this for next year.

Ms French commented that there were plans to build on the riverside event and utilise the space and that the St Peter's Zone had been very successful.

In response to Councillor O'Brien, Ms French advised that there had been £10,000 in profits from merchandise from the Tall Ships Event. Events had been bundled to capture as many people as possible while they were here to visit other things.

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

4. RESOLVED that the report be received and noted and that an update on the Sunderland Illuminations be submitted to a future meeting of the Committee.

## **Annual Work Programme 2018-19**

The Head of Member Support and Community Partnerships submitted a report (copy circulated), setting out the current work programme of the Committee for the 2018-19 Municipal year.

(For copy report – see original minutes).

Mr Jim Diamond, Scrutiny Officer advised that Mr Jonathan Walker, Assistant Director at the North East England Chamber of Commerce would be attending the next meeting of the Scrutiny Committee and asked Members to let him know of any issues they wanted to raise with him so as they could be addressed at the meeting. The following issues were suggested by Members to be added into the Work Programme:-

- Update on Libraries
- Homelessness Policy
- Winter Gardens Investment
- Sunderland Business Improvement District

Councillor Jackson advised the Committee that following a meeting with representatives of Stagecoach it had been agreed for a temporary period that buses would stop at the bus stops in St Mary's Way which was closer to the Sunderland Empire Theatre rather than in John Street.

Members welcomed the above development.

5. RESOLVED that the information contained in the work programme for 2018-19 and detailed above, be noted.

## **Notice of Key Decisions**

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 13<sup>th</sup> November, 2018 (copy circulated), was submitted.

(For copy report – see original minutes).

Mr Jim Diamond, Scrutiny Officer reminded Members to contact him if they required further information on any of the items included in the notice.

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

The Chairman thanked Members and Officers for their attendance and participation and closed the meeting having wished everyone a Merry Christmas and a Happy New Year.

(Signed) J. BLACKBURN,  
Chairman.