

At a meeting of the ECONOMIC PROSPERITY SCRUTINY COMMITTEE held in the CIVIC CENTRE, SUNDERLAND on TUESDAY 11TH FEBRUARY, 2020 at 4.30 p.m.

Present:-

Councillor D. Turner in the Chair

Councillors Blackburn, Blackett, M. Dixon, Fagan, Jackson, Jenkins, Marshall, Taylor and Thornton.

Also in attendance:-

Mr Jim Diamond, Scrutiny Officer, Sunderland City Council
Mr Paul Wood, Principal Governance Services Officer, Sunderland City Council
Ms Louise Sloan, Strategic Plans and Housing Manager, Sunderland City Council
Mr Gary Baker, Planning Policy Team Leader, Sunderland City Council
Mr Peter McIntyre, Executive Director of City Development
Ms Catherine Auld, Assistant Director of Economic Regeneration

The Chairman welcomed everyone to the meeting and introductions were made.

Apologies for Absence

Apologies for absence were submitted on behalf of Councillor Foster.

Minutes of the Last Ordinary Meeting of the Scrutiny Committee held on 14th January 2020

A copy of the minutes of the last ordinary meeting of the Scrutiny Committee held on 14th January, 2020 was submitted.

(For copy report – see original minutes).

1. RESOLVED that the minutes of the last ordinary meeting of the Scrutiny Committee held on 14th January, 2020 (copy circulated), be confirmed and signed as a correct record subject to the following amendment to Page 3 Paragraph 5:-

Councillor M. Dixon wished to thank the Officers for the plan as a lot of work had gone into this which they should be congratulated on, even if some of the contents people didn't agree with.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest made.

Reference from Cabinet – 11 February 2020 Supplementary Planning Documents

The Assistant Director of Law and Governance submitted a report (copy circulated) which sought the views of the Committee on a report considered by Cabinet on the 11 February 2020 which sought approval to undertake consultation on draft Supplementary Planning Documents (SPDs) covering the South Sunderland Growth Area and Planning Obligations, and draft Scoping Reports for SPDs in relation to Biodiversity, and Homes in Multiple Occupation (HMOs).

The report also sought Cabinet approval of interim Development Management Planning Guidance, whilst new SPDs were prepared to replace aspects of planning guidance previously set out within the Development Control Guidelines, Household Alterations and Extensions SPD and Residential Design Guide SPD.

(for copy report – see original minutes)

Ms Louise Sloan, Strategic Plans and Housing Manager and Mr Gary Baker, Planning Policy Team Leader presented the report, highlighting the key points arising and addressing questions and comments thereon.

In response to an enquiry from Councillor Blackburn over how this would affect current HMO's in operation and the current planning process which was difficult to refuse on grounds of concentration, Ms Sloan advised that this document did look at concentration as well as impacts of licensing, but this was only on new HMO's that required planning permission.

In response to a query from Councillor Fagan over the final consultation, Ms Sloan advised that they would write to everyone on the Local Plan database who had expressed a wish to give their views and it would also be advertised through social media and other avenues.

With regards to the Chairman's query as to how confident officers were that they had made enough provision for School places and Health services, Ms Sloan advised of the work carried out with the CCG and Education services which had been on a case by case basis.

Having fully considered the report, the Chairman thanked Ms Sloan and Mr Baker for their attendance.

2. RESOLVED that the Committee received and noted the report.

Business Centres Overview – Progress Report

The Assistant Director of Economic Regeneration submitted a report (copy circulated) to provide the Committee with a progress report on Evolve Business Centre, Sunderland Software Centre and Washington Business Centre, including an update on latest developments in relation to strengthening the business centre offer and building on the achievements to date.

(for copy report – see original minutes)

Ms Catherine Auld, Assistant Director of Economic Regeneration and Mr Peter McIntyre, Executive Director of City Development presented the report, highlighting the key points arising and addressing questions and comments thereon.

Councillor Blackett referred to paragraph 4.5 of the report and noted the difference between the budget income and running costs, how occupancy was at the highest it had ever been but there was still a 10% discrepancy and queried if the Centre would still make a loss if at full capacity.

Ms Auld advised that she could not confirm this as any surplus made on the centres would be reinvested as they were not commercial operations.

Mr McIntyre commented that the aim was to be breaking even around the 80% occupancy, but occupancy levels weren't the only factor to consider in making a return and office rents in Sunderland were lower than they would like them to be so ultimately the aim was for these to be pushed up.

Councillor Blackett made the Committee aware of questions that he had raised with Officers outside of the meeting and offered to circulate to Members the answers received which he wished for further clarity over. After a short discussion, it was agreed that due to the nature of confidentiality of some of the questions and the possible organisations involved, Ms Auld and Mr McIntyre would arrange a meeting with Councillor Blackett to discuss his queries further.

Councillor Taylor queried if a business within one of our centres was to outgrow their current location, did the Council have alternative larger premises that they could be relocated to. Ms Auld advised that the Council kept a list of vacant premises and worked with letting agencies as well as our Siglion Portfolio as they did see the importance of keeping these businesses within the City if possible.

In regard to Councillor Taylors suggestion of applying for grants that were available towards installing solar energy to the buildings, Ms Auld advised that whilst she was not an expert on solar, there was work to be done on this and she would liaise with Property Services to see if there were any schemes available for consideration.

Councillor Fagan referred to the Software Centre and it's leaking roof and queried if the building was only 8 years old, would this not be under warranty. Ms Auld advised that she did not believe this was covered under the terms of the warranty, but she could find out.

In response to Councillor Fagan's query over the amount of Council staff based in the Software Centre, Ms Auld advised that only the Business Investment Team were based there and she would check to see if these had been included in the figures of the report.

Councillor M. Dixon commented that it was great to see occupancy levels of 70% and referred to the changes/repairs made and queried, with respect, if these should not have been made earlier. Ms Auld advised that this had been a staged process with major infrastructure being prioritised first which then had a knock-on effect for the smaller pieces of work.

In response to Councillor M. Dixon's query over the Council's flexibility on rents if an organisation was interested in the premises, Ms Auld advised that they do negotiate in relation to rents but we had to have a baseline.

Councillor M. Dixon queried if there were any firm proposals to tackle the difficult situation in relation to the parking issues around the Software Centre. Ms Auld commented that they were focussing hard to encourage more use towards public transport but there were wider plans towards the City Centre and the management of parking spaces.

Mr McIntyre commented that he appreciated Councillor Dixon's point and that geographically it was a very difficult issue for a building of that size.

In relation to a query from Councillor M. Dixon for further information on the relationship of Creative Space Management and who they were, Ms Auld advised that they were a company that run a number of different business centres that we had previously worked with on the Beam, people with different expertise that we could draw from and they would be developing a work plan with the Council team.

Mr McIntyre advised that Creative Space Management were recognised experts throughout the country.

Councillor M. Dixon queried if Officers were optimistic looking ahead, due to the shortfalls in expenditure. Ms Auld commented that they were optimistic, tempered with realism as there was an incremental increase. The number of companies doing business with each other was growing and it did give officers confidence. Working with Creative Space Management, it was hopeful that we could stabilise our position and push forwards.

Councillor Blackburn queried if the introduction of the IAMP would have an effect on the Washington Business Centre and commented that it appeared to stand out on its own as a lonely building therefore he was not surprised it had less occupancy.

Ms Auld advised that Washington Business Centre catered for smaller units, whereas the IAMP were of the larger scale and it may be that those businesses that outgrew the business centre could move on to the IAMP. In relation to the Washington Business Centre seeming isolated, this could be helped by the IAMP as it grows, the Washington Centre would start to feel more part of an ecosystem.

In relation to Councillor Jackson query over the progress with St Thomas Centre, Ms Auld advised that she would find out and report back to the Councillor.

Councillor Taylor referred to paragraphs 2.3-2.5 and the competition from surrounding Local Authorities and enquired if the Amazon application at Follingsby Park to be built, bordering the IAMP would have any effect on our plans and if there were existing planning applications similar to our units.

Mr McIntyre advised that the Amazon unit at Follingsby Park was to be a distribution Centre, which we were not seeing that market in Sunderland as we aim our investments to different parts of the sector.

Having fully considered the report the Chairman thanked Ms Auld and Mr McIntyre for their attendance and commented that it was nice to see new jobs being created in Sunderland.

3. RESOLVED that the Committee received and noted the contents of the report.

Annual Work Programme 2019-20

The Scrutiny and Members Support Co-ordinator submitted a report (copy circulated), setting out the current work programme of the Committee for the 2019-20 Municipal year.

(For copy report – see original minutes).

Mr Jim Diamond, Scrutiny Officer presented the report for Members information and advised that in relation to Councillors M. Dixon and Jackson's requests, he would liaise with Officers to chase up the Housing Strategy report and also find out if the homelessness update report would be included in this or if it would be a separate item.

Councillor Taylor suggested that it may be helpful for the Committee to visit the Recycling Centre in Pattinson in preparation for the Recycling/Enforcement – Public Engagement Report. Mr Diamond advised that he would speak with Colin Curtis to consider this.

4. RESOLVED that the information contained in the work programme for 2019-2020 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 13th January, 2020 (copies circulated).

(For copy report and notice – 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.

In response to Councillor Blackett's request, Mr Diamond advised that he would enquire as to the decision taken by Cabinet with regards to item no 191212/429 The Scrutiny Review into Oral Health.

Councillor M. Dixon suggested that it may be worth incorporating Empty Properties update into the Homelessness report requested earlier.

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. TURNER,
Chairman.