

At a meeting of the ECONOMIC PROSPERITY SCRUTINY COMMITTEE held in the CIVIC CENTRE, SUNDERLAND on TUESDAY 3RD DECEMBER, 2019 at 4.30 p.m.

Present:-

Councillor D. Turner in the Chair

Councillors Blackburn, Blackett, M. Dixon, Fagan, Foster, Jackson, Jenkins, Scullion and Thornton

Also in attendance:-

Mr Jim Diamond, Scrutiny Officer, Sunderland City Council
Mr Paul Wood, Principal Governance Services Officer, Sunderland City Council
Mr Jonathan Walker, Assistant Director- Policy, North East Chamber of Commerce
Mr Daniel Hattle Regeneration Manager, Sunderland City Council

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

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Marshall and Taylor.

Minutes of the Last Ordinary Meeting of the Scrutiny Committee held on 5th November 2019

A copy of the minutes of the last ordinary meeting of the Scrutiny Committee held on 5th November, 2019 was submitted.

(For copy report – see original minutes).

1. RESOLVED that the minutes of the last ordinary meeting of the Scrutiny Committee held on 5th November, 2019 (copy circulated), be confirmed and signed as a correct record.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest made.

North East England Chamber of Commerce - Update

The Director of People, Communications and Partnerships submitted a report (copy circulated) to provide the Committee with an update from the North East England Chamber of Commerce on the economic opportunities and challenges facing the city in the years ahead.

(For copy report – see original minutes)

Mr Jonathan Walker, Assistant Director - Policy, North East England Chamber of Commerce presented the report and was on hand to answer Member queries.

In response to Councillor Jackson's comment that it appeared there were a number of small independent businesses opening which had been very encouraging, Mr Walker advised that this trend had been helped by those owners embracing social media/online presence and also a change in lifestyles as people don't just go to High Streets to shop. Independent retailers also want to be part of a wider network now with some being ran by younger people it was a very positive story.

In response to Councillor Blackburn's query over issues of larger companies taking longer to pay invoices, Mr Walker advised that he had seen no evidence of that but clearly there were challenges and issues involved with larger companies paying their invoices on time and was something they encouraged those businesses to accept a greater responsibility over.

With regards to Councillor Blackburn's query if it was difficult to represent businesses that had differing thoughts over Brexit, Mr Walker commented that they did not feel it was their place to advocate one way or the other so they had consulted their members to find out which outcome was most preferred and it was found that a high 80 – 90% of Members wanted a presence in a Customs Union arrangement to maintain a trading arrangement with no deal to be avoided.

Councillor M. Dixon requested clarity in relation to the Software Centre, which was losing money yet had still been mentioned as a positive story. Mr Walker advised that businesses located within the Software Centre have had several success stories.

Councillor M. Dixon enquired if there had been instances where our businesses dealing in exports have had difficulties with their European partners being reluctant to trade with us due to the uncertainty of Brexit. Mr Walker commented that the issue had been more with the delay and companies being reluctant to invest in new equipment and training whilst there was still this uncertainty and holding off until the outcome was known.

Councillor M. Dixon enquired if their Members had taken the opportunity to look beyond Europe. Mr Walker advised that this had been a positive of the uncertainty, with international trade now more in focus, the Chamber of Commerce offered advice on how to break into foreign markets and this was seen from both angles at seminars and such like.

Mr Walker advised that the distinction between the north east regions of Sunderland, Newcastle and Middlesbrough were that Sunderland was very good at digital, creative media but was also particularly exposed to the automotive industry. When they tested business confidence, the fact that Teesside has had a significant amount of attention of late it was in the national conscience which had rubbed off on the businesses out there, the reverse of this was true for Sunderland as the press generally focussed on the area when they wished to report on stories of economic decline when discussing Brexit.

Councillor Blackburn enquired if the companies within the Software Centre that had shown to be a success, would have been able to achieve this without the help of Sunderland City Council support. Mr Walker advised that whilst he could not comment on individual companies, it had been more noticeable in Sunderland due to a cluster of firms working within the same building, interacting with one another and learning lessons from each other that had been beneficial.

In response to Councillor Scullion's question on if firms had found difficulties in recruitment due to Brexit, Mr Walker commented that absolutely this had been the case in high skilled areas such as engineering and academia there were real concerns and he knew of people who had lost staff due to feeling unwelcome. The Chamber of Commerce was quite keen to work with the Home Office to highlight that the regional labour network was different to the National Network.

Mr Walker also advised that there was a particular concern in relation to major infrastructure works nationally, as these tend to entice a lot of the labour away from the region.

Having fully considered the report, the Chairman thanked Mr Walker for his attendance.

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

Coastal Communities Round 5 Project

The Executive Director of City Development submitted a report (copy circulated) to provide the Committee with an update on the delivery of the Coastal Communities Round 5 Project.

(For copy report – see original minutes)

Daniel Hattle, Regeneration Manager presented the report and PowerPoint presentation and was on hand to answer Members queries.

Councillor Jackson referred to the recent Cabinet Report and the plans for capital investment in Roker Park, namely the Lodge and enquired if there were any plans for the Trust to incorporate the Park.

Mr Hattle advised that there were not any plans at this time. The Lottery commission were not supportive at the time of the bid and it was felt there wasn't enough detail or clear idea on paper. It was felt the Trust could do a number of things longer term but just not at present.

Councillor Blackburn referred to the beach huts proposed and how similar structures in the south have changed hands at costly figures and also queried what the target date for transfer to the trust would be and if they could change the condition of lease/length once transferred. Mr Hattle advised that these would be for rent only so would be accessible to all. The Council would have to include a condition on the lease as an additional control as landowner and they would not transfer over until the Council was happy with the Business Plan and set up properly to travel in the right direction that we required. The target date would ideally be 2021/2022.

Councillor M. Dixon referred to the Bungalow Café which was privately owned and queried if officers had spoken to them about their interest in taking over the refurbished toilet block. Mr Hattle advised that an officer had made contact with the owners about expanding but the tenant in the current building had no aspirations to take over the toilet block. Ultimately all assets would go out to market for interested parties to come forward, which the bungalow café tenants could do so if they wished.

Councillor M. Dixon enquired if any plans had been considered to encourage a greater use of Recreation Park or looked at the area of land. Mr Hattle informed the Committee that they had looked at upgrades to infrastructure, footpaths, power points and gates to make better space for events and are then trying to get communities to do more with that infrastructure but nothing in the timeline was coming forward.

In response to Councillor M. Dixon's query as to the Government's opinion about the make up of the trustees and if they had any concerns, Mr Hattle advised that generally the Government did not get involved with the Coastal Communities as this was a light touch that they were comfortable with what we were trying to achieve.

Councillor Fagan referred to the assets to be transferred and highlighted that the Pods were not mentioned. Mr Hattle informed that the Pods had come under the first major projects, two were leased to a charity and one leased to a private owner that was not intending to renew. Conversations have been had about transferring these over to the Trust but not in the immediate future as the Trust needed to grow.

In response to Councillor Fagan's suggestion of more promotion for camping at Seaburn Camp, Mr Hattle advised that the Council did not promote this at all as the caravan club take the space and promote to their Members, but it was something the Trust could promote more in the future once they have the opportunity to grow.

Councillor Foster commented that he found it disappointing no funding had been sourced for Roker Park and felt we were missing a trick in this regard. Mr Hattle confirmed that as a Team they were not doing anything around Roker Park at present but did think there was opportunity for the Seafront Trust to do a lot more but as they were not yet set up, we could not overload them with too much at the start and would take time.

Councillor Jackson commented that she was pleased the issue of the Pods had been raised and wished to add for Members information that the friends of Roker Park had reformed and were working closely with SEED and having discussions about how the Pods were used.

Having fully considered the report the Chairman thanked Mr Hattle for his attendance

3. RESOLVED that the Committee considered and noted the delivery of the proposals set out in the report.

Annual Work Programme 2019-20

The Director of People, Communications and Partnerships 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.

In response to Councillor Blackett's enquiry, Mr Diamond advised that he would confirm as to which meeting of the Committee the International Strategy would be coming to.

3. RESOLVED that the information contained in the work programme for 2019-2020 be noted.

Notice of Key Decisions

The Director of People, Communications and Partnerships 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 11th November, 2019 (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.

4. 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.