

At a meeting of the ECONOMIC PROSPERITY SCRUTINY COMMITTEE held in COMMITTEE ROOM 1, CITY HALL on TUESDAY 8TH NOVEMBER 2022 at 4.30 p.m.

Present: -

Councillor D. Snowdon in the Chair

Councillors Ali, Dixon, Edgeworth, Fagan, Laws, Mordey, and Reed,

Also in attendance: -

Mr James Diamond, Scrutiny Officer, Sunderland City Council

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

Ms Sharon Appleby, Chief Executive, Sunderland BID

Mr Stephen Savage, Assistant Director of Regulatory Services, Sunderland City Council

Councillor Linda Williams, Portfolio Holder Vibrant City, Sunderland City Council

Members of the Press

The Chairman welcomed everyone to the meeting.

Apologies for Absence

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

Minutes of the Last Ordinary Meeting of the Scrutiny Committee held on 11th October 2022

A copy of the minutes of the last ordinary meeting of the Scrutiny Committee held on 11th October, 2022 was submitted.

(For copy report – see original minutes).

1. RESOLVED that the minutes of the last ordinary meeting of the Scrutiny Committee held on 11th October 2022 (copy circulated), be confirmed and signed as a correct record.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest.

Business Improvement District (BID) – Annual Update

The Scrutiny and Members Support Co-ordinator submitted a report (copy circulated) which provided the Committee with progress on the work of the Sunderland Business Improvement District (BID).

(For copy report – see original minutes)

Sharon Appleby, Chief Executive, Sunderland BID presented the report along with PowerPoint presentation on the work of the BID, providing information on what had been delivered so far and the key projects for 2022/23 and was also on hand to answer Members queries.

Councillor Laws thanked Ms Appleby for the report commenting that there appeared to be a lot going on within the City. Councillor Laws referred to the Street Ranger and enquired if only one was enough to tackle the different challenges and issues that would occur, possibly over more than one working pattern.

Ms Appleby advised that they did originally have two street rangers but lost one staff member due to the time schedules, however they had managed up to now with one Ranger who was a brilliant member of the team. They were looking at contracting someone else in but at present, they were doing alright.

Stephen Savage, Assistant Director of Regulatory Services also advised that due to the problems in Sunniside there had been an increased Police presence with an additional four Officers providing more security, making people feel safer and they had some excellent feedback and had been welcomed by businesses and residents.

Councillor Laws referred to the Communications on some of the events as there was a great deal more of events took place than he was aware of and commented that as a number of the events were geared towards families, if we had engaged with Schools in promoting these.

Ms Appleby advised that they did advertise with schools, along with Raring to Go and the Sunderland Echo. It was difficult to get the cut through on Social Media so communications was key and it was about how they used social media along with different ranges of media such as radio for example.

Mr Savage commented that they had engaged with Metro Radio as it was important to extend their reach beyond their boundaries. Ms Appleby advised that as the City developed there was a need to spread our message wider and using the Empire Theatre statistics, these showed that they were getting much more visitors from Teesside for example.

Councillor Edgeworth referred to the figures on safety within the City Centre and commented that this was encouraging and enquired, with Tesco closing, if there were any discussions about Supermarkets opening later at night within the city centre, as many residents were requesting this.

Ms Appleby advised that this wasn't within her remit but she believed the Bridges and the Local Authority would be talking to people on this.

In relation to Councillor Edgeworth's query over lessons learned on the Sunderland Food Festival, Ms Appleby advised that they shouldn't have used Plot 12 and the engaging of a contractor hadn't worked as well as hoped so there had been a lot of learning for all of us.

Councillor Dixon enquired as to how the great number of businesses worked with the BID, if this was done by Committee and if the relationship was one of “us and them” in terms of the sizes of businesses.

Ms Appleby informed that the smaller businesses didn't pay the levy but still received a service as good will but they had to find a balance between those and the levy payers. There had been a City Centre Traders Association in the past but these had not met a whole amount since before Covid. At the moment, there was a Board which had the Leader and Deputy on along with a range of different businesses.

Ms Appleby added that they were looking at potentially increasing the rateable threshold to be a levy payer and then forming an independent group, the BID would then work with individual businesses. This happened currently in other areas such as Ipswich and Cambridge. Ms Appleby commented that she felt the service levy payers received was a very good one and what they gained access to was quite significant.

In response to Councillor Dixon's enquiry over the Council's financial support, Ms Appleby advised that they received a £40,000 grant and then the Council was also a levy payer.

Councillor Dixon referred to the extension of Restaurant week city wide and queried if it had been a slight disappointment that some well-known restaurants didn't buy in. Ms Appleby informed that there were now 56 restaurants on board now. The offer wasn't as strong in the City Centre when it first started and the whole of the City offer was important and it was disappointing if some businesses didn't want to take part but as they start to see the benefits they do start to get on board. Ms Appleby informed that Newcastle also had these issues and had taken them ten years to get to the point they were at now.

In response to Councillor Dixon's query over the feeling of the pocket of businesses around the Cinema at Sunnyside, Ms Appleby advised that the feeling was the area would come back into its own as the City Centre developed. There was interest from other organisations and new restaurants etc.

Councillor Dixon informed that he had attended a recent business event at the Stadium of Light and enquired if any links had been made with the club since their change of ownership. Ms Appleby advised that the Chief Operating Officer of the Club was on the BID Board and the Club were keen to engage, were much more supportive and had a much stronger relationship than the previous owners.

Mr Savage advised that they had monthly conversations with the Chief Operating Officer and they helped advertise the whole area, not just the club. The working partnership and dialogue was excellent now.

Councillor Dixon enquired if Officers felt the to link the University with the City Centre could be improved upon, something which he believed worked very well in cities such as Leeds for example where there was a vibrancy between the City Centre and its students.

Ms Appleby commented that she felt there needed to be more quality student accommodation on offer in order to improve upon this. The university had some

amazing courses on offer now along with the medical school to attract students from further afield and we needed to develop more of an offer to help keep students in the City.

Councillor Ali commented that he felt the efforts made over the City Centre had to be a long term project and the fight was to change peoples perception of Sunderland and those that would only go to Newcastle for example. Councillor Ali added that Sunderland had faced the additional issue of its functions being spread out across the City and he felt the increased restaurant offer was the definite way to progress forward as these would attract people into the Centre that wouldn't normally come. Councillor Ali enquired as to the status of the recent announced restaurants such as the Botanist and Rio.

Mr Savage advised that the Botanist was aiming for an Easter opening, the Hotel, the firsts week in December, things were happening but had just slowed down due to Covid etc and Rio was expected to be looking at next Summer to open.

Ms Appleby commented that she felt there was a more of a need to connect the City Centre up to the offer of the Seafront rather than focussing on comparing ourselves to other regions as we had a completely different offer to give.

Councillor Ali agreed, commenting that once successful places such as the Botanist opened, others would follow and enquired what thoughts had been given about the larger department stores for the City.

Ms Appleby advised that the larger department stores tended to be situated mainly in central London and the South East and even brands such as Selfridges were thinking about their operating model now but she would love to see such brands as IKEA providing a more localised offer.

In response to Councillor Ali's suggestion of the Debenhams site being used like the Gate in Newcastle, Ms Appleby advised that the Crowtree site was proposed for that type of offer of leisure/auditorium.

Councillor Ali raised the concern of Convenience stores in the City that were really suffering and enquired if there was anything being done to bring these fringe businesses into the BID. Ms Appleby advised that they needed to be within the boundary of the BID but requested that if this was the case, that Councillor Ali help them engage with these businesses.

Councillor Ali referred to the Bridges and the spaces getting rented out which he felt were all the same offer such as Cards shops and queried if there was any way to help smaller businesses into the Bridges. Ms Appleby advised that there wasn't much empty spaces in the Bridges and they were working with the Business Investment Team looking at empty properties, around the Mackies Corner area etc, where there were reasonable rents so it was not just all focussed in the Bridges. Councillor Ali wished to acknowledge the brilliant job being done by the team so far.

Councillor Reed wished to raise the view of the geographical lop-sidedness of where the events were taking place, with most being around Keel Square and queried why areas such as Park Lane weren't utilised more. Ms Appleby advised that Keel Square had been designated as a Public Space whereas Park Lane required Road

closures, which attracted a lot of negative comments from the public when this occurred. Ms Appleby advised that Park Lane was a great space but it was not easy to organise events around.

Mr Savage advised that the new traffic scheme planned would pedestrianize Park Lane for the better and would help allow more events to take place as a result.

Councillor Reed informed that there were five businesses within St Michaels Ward and Park Lane area that he knew had said they would all love for Park Lane to be pedestrianized. Mr Savage advised that plans were being considered and discussions were ongoing.

Councillor Reed enquired if the BID acted as a collective voice of businesses or if consultations were carried out. Ms Appleby advised that it depended on the subject, Holmeside for example, consultation was carried out with the Street Ranger delivering leaflets and the BIDs Manager took feedback so there was a process that needed to be worked through.

In response to Councillor Reed's enquiry on if the BID embarked on Capital Projects, Ms Appleby advised that they had not applied for funding for that so far but it was not to say they wouldn't in the future. It wasn't a massive fund but they could potentially look at grants for Capital Projects depending on what people wanted.

Councillor Reed enquired what the thought process was behind the criteria for Events and did this include reach or growth for example. Ms Appleby advised that thought was given to what works in Sunderland, what had worked before and what was working elsewhere. Research was carried out with the consumer to find what they wanted also so there was a whole range of different things taken under consideration.

Councillor Reed enquired if they worked with the Councils East Sunderland Area Committee, which covered the City Centre. Ms Appleby advised that they probably did not work with the Area Committee as much as they would like or should do and this was definitely something they needed to look at.

Councillor Mordey wished to thank the Officers for a brilliant presentation and commented on how far the City had moved forward in the last 10-12 years and how Ms Appleby being in post over the last 5-6 years had really driven that growth and that the Team had a real passion for the City Centre. Councillor Mordey added that he was really excited about the future and that he did not think it would take another 12 years to see another significant improvement but when it did, it would be phenomenal.

Ms Appleby commented that 2024 would be key with some really big developments such as the Culture House coming to fruition and other types of operators coming on board we were starting to have different conversations, opening up new opportunities which was a massive change.

Mr Savage advised that the perspective had changed just over the last 6-9 months with the ambition looking forward was just incredible.

The Chairman thanked Ms Appleby for her attendance and for sharing such a positive report/presentation.

Having discussed the report, it was:-

2. RESOLVED that the Committee considered and discussed the progress so far and its comments be noted.

Events – Update Report

The Assistant Director of Regulatory Services submitted a report (copy circulated) which provided an update on the Events held in the City.

(For copy report – see original minutes)

Stephen Savage, Assistant Director of Regulatory Services presented the report and was on hand, along with the relevant Portfolio Holder, Councillor Linda Williams to answer Members queries.

Councillor Edgeworth enquired if there was plans for engagement with residents on the vision going forward such as a Let's Talk for example and with the cancellation of the Air show whether they would ask for suggestions for replacements.

Councillor Williams commented that they needed to recognise the wider boundaries that the City had and they as Councillors needed to get into the communities to find out what their residents wanted, to look at work of the Area Committees and what they were doing as they had the best links to their people.

Councillor Edgeworth referred to the decision of cancelling the air show and queried the reasons and how these were released to the public. Councillor Williams advised that the City Plan included environmental considerations therefore the Carbon usage had to be taken into account, however this wasn't the only consideration. The Air show had been a very expensive event to put on and had accounted for around 70% of the events budget. Councillor Williams also advised that over the last 30 years, around 10 years had been affected by the weather so there was an element of a risk factor and it was now about how we managed all these factors, how we met the City Plan targets alongside the City's events.

Councillor Edgeworth commented that if more detail had been given as to the budgets and included as the reason for cancelling, the public could have accepted these reasons more, but the using of carbon omissions as the main reason will have been a shock to the public and Councillor Edgeworth enquired if officers could talk through the decision making on carbon usage and how much carbon was expected to be saved etc as there were no figures included in the reason given at the time, which gave the perception that this had just been an excuse.

Councillor Williams commented that the cancellation of the air show had been a difficult decision to take and however it had been justified it would have been seen as an excuse. Mr Savage added that it was important to take residents views on board also as to what events they wished to see the airshow replaced with and this could lead to an increased level of smaller events.

Councillor Fagan commented that if reasons had been clear that money was tight then people would've appreciated the decision more and enquired if consideration had been given to reducing the amount of days the air show ran over, to meet in the middle, as people were devastated this event had been cancelled which raised the profile of the City.

Mr Savage advised that to mobilise for one day would probably be two thirds more expensive than running the event for three or four days due to the infrastructure that was needed.

Councillor Fagan referred to the Illuminations event and enquired if surveys were carried out on this as the comments she had received from people were that they were finding the event tired and unvaried, especially when they were paying to attend now.

Councillor Williams disputed that the illuminations were unvaried as they had to hire in the lights now so they were different themes each year and it depended on which residents were spoken to as she had received feedback which had been positive about the new themes.

Mr Savage commented that at present the event was £3 per head. If there was to be an increased offer then the cost of the ticket would also have to increase which would further antagonise residents therefore a balance was needed between delivery and quality. Mr Savage also advised that surveys would be carried out once this year's event had finished. In further response to Councillor Fagan's enquiry, Mr Savage advised that the Illuminations cost in the region of £150,000-£200,000 to put on.

Councillor Fagan commented on the new focus seemingly being on attracting sporting events to the City, and as the Council could not say when these would take place or what time of day, they could result in road closures, as the cycling events had for example and had also brought large entourages. These would have included large carbon footprints and whilst would not compare with the Air shows, Councillor Fagan queried if the Council was giving consideration to each of the events and their carbon footprints.

Mr Savage agreed that the Cycling event had created a number of obstacles and in the future more consideration would be given to these and the economic impacts whilst trying to find a balance against the raising of the City's profile.

Councillor Williams advised that there was a need to consider all events on their carbon footprint going forward.

In response to Councillor Reed's enquiry Mr Savage advised that their definition of a profile event was the triathlon that took place, something that gained the City a profile nationally.

Councillor Reed questioned if the Council were putting all eggs in one basket with sporting events that may not come and needed to be bid for, such as the Rugby or Triathlon's, in place of the air show which happened every year.

Mr Savage advised that the annual cost was different for one off events rather than pillar events and it was important to have Sunderland specific events such as summer streets etc and to develop our own identity.

Councillor Reed enquired if the Air show was run at a loss for the Council but if it had been positive financially for the local businesses. Mr Savage advised that the cost to run the air show was around £600,000 to £700,000. Ms Appleby informed the Committee that absurdly, the airshow killed the trade for City Centre businesses during it's run.

In response to Councillor Reed's enquiry, Mr Savage advised that there was no ability to "de-risk" the event. It was a four day festival and they couldn't obtain that level of revenue needed from vendors as they couldn't take such a risk due to the weather considerations. Ms Appleby advised that sponsorship was incredibly difficult to obtain also.

Councillor Reed referred to the recent attendance to this Committee by Catherine Auld in relation to Carbon reduction measurers and that this decision hadn't been mentioned therefore enquired if the decisions would be made on a case by case basis or had this calculation been made by the Leadership.

Councillor Williams advised that their had been a review within the Senior Team which had resulted in a fresh take and fresh sets of eyes with more Health focussed Officers taking over different responsibilities therefore making more environmentally and economic focussed decisions. Mr Savage advised that decisions would be made with regards to carbon neutrality but also had to factor in the risk and cost to the Council.

Councillor Reed commented that as the Council did not record Carbon capture, he found it difficult to believe that the Leaderhip had the statistics available to make such a decision over the air show and also commented that with the intention to hold more local events in Wards then there needed to be more help to groups who would be organising these. Councillor Reed informed of a local group which had been charged recently during their preparations and felt that unnecessary obstacles had been put in their way by the Council.

Mr Savage advised that for 2023/24 they were working with people in order to facilitate and help reduce costs and that if Councillor Reed gave him the details of the local group mentioned he would look at this further.

Councillor Laws commented that given the information supplied, the cancellation of the air show was probably the right decision, with jets travelling around 25 miles during the show and their carbon omissions on top of the costs to run the event, Councillor Laws enquired if the £600,00 to £700,000 cost was to be saved, if this would be allocated into other places.

Councillor Williams advised that they did not know what the budgets for events would be as yet but some would already be going into the Triathlon events already scheduled. Mr Savage advised that the £600k-£700k cost was based on 2019 figures, and since then the events budget had been reduced alongside costs having gone up so it was more of a squeeze. If the air show had gone ahead then there would be very little money for anything else to be implemented.

Councillor Laws commented that if there were any funds to be reallocated he would like to see these be given to the Area Committee's to look at producing new events whilst also helping the existing events they fund.

Councillor Williams agreed and pointed to the Houghton Feast events which had been a bargain in terms of the turnout that achieved and provided local entertainment.

Councillor Laws advised that there was massive potential in Washington to deliver in areas other than the City Centre. Councillor Laws also referred to profile events and queried what impact the Netflix show, Sunderland 'Till I Die had upon the City.

Mr Savage advised that internationally, he felt the show had a significant affect upon the City and that events going forward would include the 50th anniversary of our cup final win. Mr Savage also commented that such shows, whilst giving the City a profile can sometimes also be a risk, reputationally, but he did not feel that was the case in this instance.

Councillor Mordey referred to the Air show and commented that any change was difficult when something beloved was taken away but he accepted the reasons of aiming for carbon neutrality. However some websites and forums had angry postings and Councillors were stating they had received complaints, therefore enquired if Officers had been passed information of such complaints by Members, with a response requested to the residents.

Mr Savage advised that he was not aware of any such requests to follow up on directly but he couldn't say whether this had gone directly to the Chief Executive.

Councillor Mordey agreed that if they could partner with the Area Committee's in future that this was the way forward as they already had a model that worked and the key was to provide good community events and if the groups could get 5-6 years continuous funding to get off the ground this would be the way forward.

Councillor Dixon commented that he usually liked to be positive where he could but did feel that the Council could be better at advertising its events and queried if Nissan had ever provided sponsorship. Ms Appleby advise that Nissan had not provided any sponsorship and they were approached regularly.

Councillor Dixon commented that residents appeared to oppose parking at the seafront recreation park and it didn't seem to get used and enquired if it could be utilised more. Mr Savage advised that Cliffe Park was preferred for the way it was structured.

Councillor Dixon referred to the City's previous world cup bid and enquired if they had their time again, if they would have done more homework before committing money to the bid. Mr Savage advised that at that time, each Council had been required to commit £250,000 and that going forward in the future those commitments were no longer required and that it would be a massive decision not to bid now.

Councillor Ali commented that he had a great deal of nostalgia for the Airshow and that whilst they may tend to initially see things from the residents point of view he

was mindful that children nowadays were not as keen on attending the event and as a Councillors view he could understand the decision as the event wasn't profitable anymore. However Councillor Ali commented that there was a need to find something to replace the event with, for the businesses who would be losing out due to this decision and enquired if there was anything that could be done in those 4 days as a replacement that would benefit those businesses.

Mr Savage advised that the aim was to put on smaller but more frequent events as a replacement.

In response to Councillor Dixon's suggestion, Mr Savage advised that there absolutely was a need to focus more on multicultural events and to pick up more on those.

Councillor Laws suggested events tied into the Afghan and Ukrainian integration schemes, this was an opportunity not just from an economic perspective but also gave an angle to help with integration to the community.

The Chairman commented that he would like to see more sponsorship and see the City get behind some of these events and hopefully this would change over the next few years. The Chairman thanked Councillor Williams and Mr Savage for their presentation.

Having discussed the report, it was:-

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

Annual Work Programme 2021-22

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

Councillor Mordey informed the Committee of the breaking news of the proposed film studios at the former Pallion Shipyard site and suggested that this be added to the workplan for more detail to come forward.

In response to Councillor Edgeworth's query over an update on Public Transport, Mr Diamond advised that this was still on the work plan and that he would speak with Mark Wilson as to when this update could be expected.

Councillor Dixon wished to place his thanks on record to Steve Wearing in Licensing for the detailed information he had provided on reduction of taxi drivers statistics which would have involved a great deal of work.

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 12th October, 2022 (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.