

**CABINET MEETING – 14 SEPTEMBER 2021**

**EXECUTIVE SUMMARY SHEET – PART I**

**Title of Report:**

MINUTES, PART I

**Author(s):**

Assistant Director of Law and Governance

**Purpose of Report:**

Presents the minutes of the extraordinary meeting held on 13 July 2021, Part I.

**Action Required:**

To confirm the minutes as a correct record.



At a Meeting of the **CABINET** held in the **CIVIC CENTRE (COUNCIL CHAMBER)** on **TUESDAY 13 JULY 2021** at **10.00 a.m.**

**Present:-**

Councillor G. Miller in the Chair

Councillors Farthing, K. Johnston, Rowntree, Williams

**Also present:-**

Councillors P. Walker, Hodson and Edgeworth

**Part I**

**Minutes**

The minutes of the meeting of the Cabinet held on 15 June 2021, Part I (copy circulated) were submitted.

(For copy report – see original minutes).

1. RESOLVED that the minutes of the Cabinet meeting held on 15 June 2021, Part I, be confirmed and signed as a correct record.

**Declarations of Interest**

The following Councillors declared the interests detailed and withdrew from the meeting during consideration of the reports:-

Item10 – Transforming Cities Fund (TCF) schemes update

Councillor G. Miller as a Substitute Member of the North East Joint Transport Committee  
Councillor Rowntree as a Member of the North East Joint Transport Committee

Item 14 - Proposed Extension of Empire Theatre Lease and Management Agreement

Councillor Williams as a Trustee of the Sunderland Empire Theatre Trust Limited

In addition, Councillor Williams declared an interest in Item 10, "Transforming Cities Fund (TCF) schemes update" as a Substitute Member of the North East Joint Transport Committee Audit Committee and was advised that she was not required to withdraw from the meeting.

### **Apologies for Absence**

Apologies for absence were submitted to the meeting on behalf of Councillors Chequer and Stewart.

### **Response from Scrutiny Coordinating Committee – 17 June 2021 - Revenue Budget Outturn 2020/2021**

The Assistant Director of Law and Governance submitted a report (copy circulated) to advise of the comments of the Scrutiny Coordinating Committee on a report of the Executive Director of Corporate Services that detailed the outcome of the Revenue Budget Outturn for 2020/2021.

(For copy report – see original minutes).

The Chair having been pleased to report that the Scrutiny Coordinating Committee had noted the contents and accepted the report, it was:-

2. RESOLVED that the comments of the Scrutiny Coordinating Committee be noted.

### **Performance Report – Quarter 4 2020/21 and 2020/21 year-end.**

The Chief Executive submitted a report (copy circulated) to provide performance information in relation to the Quarter 4 of 2020/21 and 2020/21 year-end.

(For copy report – see original minutes).

The Chair highlighted that the report set out the progress made during Quarter 4 2020/21 and 2020/21 year-end against a City Plan that spanned an eleven-year period through to 2030. He explained that the report had been aligned to the three key themes of the City Plan (*Dynamic City*, *Healthy City* and *Vibrant City*) as well as including additional Council indicators for organisational Health.

Consideration having been given to the report, it was:-

3 RESOLVED that the performance information in relation to Quarter 4 performance of 2020/21 and 2020/21 year-end be accepted and noted.

## **Capital Programme First Review 2021/2022 (including Treasury Management)**

The Executive Director of Corporate Services submitted a report (copy circulated) to provide details of:-

- the outcome of the First Capital Review for 2021/2022; and
- progress in implementing the Treasury Management Borrowing and Investment Strategy for 2021/2022.

(For copy report – see original minutes).

The Chair highlighted that the anticipated spend this financial year had increased by £4.0 million, which took into account the spend reprofiled in to 2021/2022 as reported in the 2020/2021 Capital Outturn position at the last month's Cabinet meeting. He reported that the overall increase also included:-

- the reprofiling of expenditure into future years primarily because of external influences outside of the Council's control, including as a result of impacts from Covid-19, or the realignment of projects to ensure best value was achieved; and
- the addition of new schemes or variations to schemes within the Capital Programme.

The attention of Cabinet Members was drawn to these variations set out in Appendix A. The Chair advised that the revised capital programme therefore had investment of over £277 million in the city this year. He added that also there was a proposed £4 million contribution in 2022/2023 to a new Farringdon Academy build, set out in paragraph 4.2 of the report.

Turning to the Treasury Management aspects of the report, the Chair reported that hopefully 2021/2022 would begin to see financial markets and the wider economy recover from the significant impact of the Covid-19 pandemic, although historically low interest rates were set to continue for the foreseeable future. He added that despite this, there continued to be positive performance in this area with investment returns above the benchmark rate, whilst still adhering to the prudent policy agreed by the Council.

Councillor Williams commended the report and the careful management of the Council's finances. She congratulated the Council for the investment in the Housing Innovation Construction and Skills Academy to level up skills across the city.

Councillor Farthing referred to the continued investment in school buildings while she had been the Portfolio Holder and reported that she was delighted to support the additional funding required to provide 150 additional school places required for the new build of Farringdon Academy where the Government would not fund the difference in the cost.

The Chair reported that these investment proposals for housing and education demonstrated that the Council was taking responsibility for its own issues.

Consideration having been given to the report, it was:-

4. RESOLVED that:-

- (a) in respect of the first capital review for 2021/2022, approval be given to the inclusion of additional schemes or variations to existing schemes for 2021/2022 detailed at Appendix A, as well as the funding arrangements set out in paragraph 4.2 for Farringdon Academy, as a variation to the Capital Programme; and
- (b) in relation to the Treasury Management Strategy, the progress in implementing the 2021/2022 Treasury Management Strategy and Prudential Indicators be noted.

### **First Revenue Budget Review 2021/2022**

The Executive Director of Corporate Services submitted a report (copy circulated) to detail the outcome of the Revenue Budget First Review for 2021/2022.

(For copy report – see original minutes).

The Chair highlighted that the financial position and cost pressures highlighted in the first review continued to be dominated by the consequences of the ongoing Covid-19 pandemic and continuing pressures on social care services. He drew the attention of Cabinet Members to the forecast of a £5.729 million overspend in overall terms and this was largely due to the additional costs and lost income arising from the pandemic impact and cost pressures associated with delivering adults and children's social care. The full details by Portfolio were set out in Appendix 1.

The Chair reported that the forecast overspend position relied on fully utilising the balance of the Covid Contingency, without which the forecast position would be significantly worse. He assured that the Council would continue, alongside regional and national colleagues to make the case for local authorities to be fully compensated by the Government for the financial impact of the pandemic and also to continue to argue for a fair level of resource to be provided by the Government to enable councils to deliver their social care responsibilities.

Cabinet Members were advised that Section 3.1.5 of the report outlined a number of targeted support initiatives currently being delivered through the Council to mitigate the impact of the pandemic. These were providing essential support to care homes, local businesses and to vulnerable residents in the City.

The Chair reminded Cabinet Members that the budget for this year was reliant on the inclusion of £6.2 million worth of savings initiatives. He reported that as noted in Section 3.3.2, of these savings plans, 77% of the savings had either been delivered or good progress was being made but at this stage 23% were considered undeliverable as planned and were factored into the budget forecast position.

In summary, the Chair reported that the Council would continue to seek to mitigate the overspend where possible, whilst ensuring the Council continued to play its full part in supporting residents and businesses through the current crisis.

Councillor Williams welcomed the detail in the report and that the Council would continue to pursue the Government to provide fair funding to enable the Council to deliver its social care responsibilities to the most vulnerable of its residents.

Councillor Farthing echoed the comments to ensure people were not living in poverty. She reported that the Government's reductions to Universal Credit were abhorrent and strained the relationships of those families relying on it. She found it hard to believe that the Government did not recognise that child poverty had increased at a greater rate in the North East and felt that it would continue to rise until a proper levelling up of funding took place.

The Chair reported that being disappointed was not a strong enough word to describe the position of funding to support the response to the pandemic and adult social care. He advised it had been eighteen months since the Government had promised councils to do whatever it took and they would provide funding to councils to deliver support as a response to the Covid-19 crisis to look after its residents and local businesses. He commented that added to that was the imposition of over ten years of austerity and budget cuts by the Government. He added that Sunderland and every other council had lost out and it was unacceptable. The Council had done the best that it could with reduced resources. He applauded the report and the work of the finance team to get the Council into the position it had, and he would continue to remind Government that they should pay councils their worth to keep people safe.

Consideration having been given to the report, it was:-

5. RESOLVED that:-

- (i) the contents of the report be noted; and
- (ii) the contingency transfers proposed at Section 3.4 be approved.

### **Procurement of Training Providers to deliver Apprenticeship Training**

The Executive Director of Corporate Services submitted a report (copy circulated) to seek approval to progress a procurement and award process to re-establish a framework which the Council will use to identify training providers to deliver apprenticeship training on behalf of the Council, its companies and maintained schools.

(For copy report – see original minutes).

Councillor Rowntree was delighted to present the report. She highlighted that following an open tender exercise in 2017, a Training Provider Framework was currently in place which the Council used to identify training providers to deliver apprenticeship training on behalf of the Council, its companies and maintained schools. She explained that as this was due to expire in March 2022, a procurement and award process was required in order for this to continue.

Cabinet Members were advised that it was proposed that a similar Framework was put in place for a further period of four years to February 2026.

Councillor Williams welcomed the report and opportunities of young people. She reminded Cabinet Members that whilst it was good news that the National Apprenticeship wage had been increased, it still fell short of the National Minimum or Living Wage rates.

Consideration having been given to the report, it was:-

6. RESOLVED to:-

- (i) agree to the procurement and award process to re-establish a framework to identify training providers to deliver apprenticeship training; and
- (ii) authorise the Executive Director of Corporate Services, in consultation with the Deputy Leader, to take all necessary steps to procure apprenticeship training in accordance with the Council's procurement procedure rules.

### **Riverside Sunderland Sustainable Drainage System**

The Executive Director of City Development submitted a report (copy circulated) to provide an update on the design and feasibility work carried out in relation to the construction of a new sustainable drainage system in Riverside Park to serve the wider Riverside Sunderland development and to seek approval to progress with the procurement of a construction contractor to deliver the project.

(For copy report – see original minutes).

Councillor Johnston presented the Cabinet report recommending the delivery of a Sustainable Drainage System project as the first of the improvement works planned in Riverside Park, as part of the Riverside Sunderland proposals. He reported that the planned redevelopment and activation of the Riverside Park would create a green urban community space that would support the Riverside Sunderland residential and commercial proposals. He explained that within the landscaping proposals for the Park, concept designs included a series of cascading water gardens that would promote biodiversity, create new habitats and enhance the entrance to the Park.

Cabinet Members were advised that the outline design of the proposed water gardens had identified areas of grassland that could also support accommodation of the surface water drainage from the proposed western area of Vaux and Farrington Row developments. Directing the surface water from these developments to the proposed water gardens would create a sustainable drainage system than would provide additional capacity and resilience within the existing Riverside Sunderland drainage system, as well as ensuring that the water gardens received sufficient quantum of held water to support biodiversity habitats and to allow a cascading effect as water levels rise.



Councillor Johnston reported that subject to Cabinet's approval, the water gardens could be installed prior to construction of the Riverside Sunderland Vaux Housing, Multi Storey Carpark and the proposed new Eye Infirmary, removing the need for costly drainage and attenuation systems for those developments. He added that in time, the design for the water gardens would also be able to accommodate future planned developments on Farringdon Row.

Councillor Johnston highlighted that installation of the sustainable water gardens in advance of the main Vaux construction works would allow the habitat creation and biodiversity to establish and mature in time for occupation of the developments. He explained that the sustainable drainage system would be created through a series of hard and soft landscaped cascading water gardens leading down into the Park, out falling into the River Wear under an Environment Agency permit. He advised that this would provide a sustainable alternative for surface water to drain directly into the River Wear in lieu of discharging to the existing NWL combined sewerage system.

Cabinet Members were assured that the Council's Legal Team had confirmed that the works could be carried out by the Council's Lead Local Flood Authority team (LLFA) through their permitted development rights, and therefore the Project would not require Planning Permission.

Consideration having been given to the report, it was:-

7. RESOLVED that the Executive Director of City Development, in consultation with the Dynamic City Portfolio Holder and the Executive Director of Corporate Services, be authorised to take all necessary steps to procure the delivery and completion of the Riverside Sunderland Sustainable Drainage System (SuDS) project, including the award of the works contract and any other relevant appointments required for the delivery of the project.

At this juncture, Councillors G. Miller and Rowntree withdrew from the meeting during the following item in view of their declarations of interest and Councillor Farthing took the Chair.

### **Transforming Cities Fund (TCF) schemes update**

The Executive Director of City Development submitted a report (copy circulated) to provide an update on the status of the City's TCF funded schemes, namely

- Sunderland Station;
- Holmeside Multi Storey Car Park (MSCP);
- Holmeside Bus Rationalisation; and
- A690 Corridor Cycle Provision

and to seek approval to the recommended next steps regarding the delivery of each project.

(For copy report – see original minutes).

Councillor Farthing highlighted that the main purpose of the report was to ensure processes were in place to accept Transforming Cities Funding for the first phase of the Sunderland station improvements (Southern entrance and associated multi storey car park) as their business cases were finalised.

Councillor Farthing reported that the Council's vision had a phased approach. She advised that the first phase of works used TCF funding to improve the Southern Entrance to the station. The second phase envisaged an equally significant programme of works to improve the Northern Entrance and concourse and the surrounding public realm. She then explained that the vision culminated in a third phase of works with significant platform-level improvements and reconfiguration of the rail tracks to create a four platform, four track station that would increase capacity and allow improved connectivity locally, regionally and nationally. She explained that the Council's vision would be delivered in three phases with an aspiration to deliver these over the next six years and this approach would require government and stakeholder support.

Cabinet Members were advised that the first phase of works in respect of the Southern Entrance would start on site in August. These works had been designed by Network Rail and entailed the closure and demolition of the existing dilapidated and outdated existing concourse and its replacement with a gateway building to create an appropriate entrance to the City. The programme for the delivery of the Southern Entrance works was on a critical path to ensure completion and reopening by March 2023 as required by the TCF. Subject to final confirmation of TCF for the station/MSCP through the North East Joint Transport Committee (JTC) on 13 July 2021 and the subsequent completion of a funding agreement with the relevant accountable body for the JTC, it was proposed to enter into an Implementation Agreement with Network Rail for the procurement and delivery of the phase one works comprising the demolition and construction of the new south entrance.

Councillor Farthing reported that arrangements were in place at their 13 July meeting for delegations from the JTC to the Managing Director of Transport North East to allow commencement of the project within the TCF timescales.

Cabinet Members were advised that updates on the Council's other TCF schemes namely, 'A690 cycle corridor' and 'Holmeside Bus rationalisation improvements' would be brought to a future Cabinet meeting.

Cabinet Members commended the report and the much needed works to improve Sunderland Station and the sensible and effective staging of the works to ensure delivery. They thanked officers for bringing the scheme forward.

Consideration having been given to the report, it was:-

8. RESOLVED that:-

- (i) approval be given for the Council to enter into funding agreement(s) with the North East Joint Transport Committee in respect of the Sunderland Station Phase One South Entrance works and the associated Holmeside MSCP scheme on such terms to be approved by the Executive Director of Corporate Service in consultation with the Executive Director of City Development, the Leader of the Council and the Portfolio Holder for Dynamic City;
- (ii) subject to the completion of the relevant funding agreement with the North East Joint Transport committee, approval be given for the Council to enter into an Implementation Agreement with Network Rail regarding the procurement and delivery of the Sunderland Station Phase One South Entrance works on such terms to be approved by the Executive Director of City Development, in consultation with the Executive Director of Corporate Services, the Leader of the Council and the Portfolio Holder for Dynamic City;
- (iii) subject to the completion of the relevant funding agreement with the North East Joint Transport committee, the Executive Director of City Development, in consultation with the Dynamic City Portfolio Holder and the Executive Director of Corporate Services, be authorised to take all necessary steps to procure the delivery and completion of the Holmeside MSCP scheme, including the procurement and award of the construction contract, the submission of a planning application and the appointment of all other relevant consultant required to deliver the scheme;
- (iv) the acquisition of all necessary third party land interests required for the delivery of the Holmeside MSCP scheme be authorised on such terms as approved by the Executive Director of City Development, in consultation with the Executive Director of Corporate Services, the Leader of the Council and the Portfolio Holder for Dynamic City;
- (v) the Executive Director of City Development, in consultation with the Executive Director of Corporate Services, the Leader of the Council and the Portfolio Holder for Dynamic City, be authorised to procure all necessary contractors, consultants and professional advisers as required in connection with the further development of Phases Two and Three of Sunderland Station project as follows;
  - the development of an Outline Business Case and detailed design for a proposed new North Entrance; and
  - the development of an Outline Business Case and Technical Case for the proposed expansion to a 4-track station upgrade.

- (vi) the Chief Executive, the Executive Director of Corporate Services and/or the Assistant Director of Law and Governance be authorised to execute all necessary legal agreements in order to give effect to the above.

Councillors Miller and Rowntree were readmitted to the meeting and Councillor Miller resumed the Chair for the remainder of the meeting.

### **Sunderland Mobility Hub**

The Executive Director of City Development submitted a report (copy circulated) to seek approval for a “Mobility Hub” for staff occupying City Hall.

(For copy report – see original minutes).

Councillor Rowntree highlighted that the Council had been exploring delivery of a Mobility Hub; a ‘one stop shop’ for travel needs and services. She reported that whilst these Hubs were more common in Europe, local and regional authorities in the UK also had the ambition to deliver similar schemes.

Councillor Rowntree explained that with the exception of a corporate sponsored ‘pilot’ hub near the O<sub>2</sub> in London, there did not appear to be another fully operational UK hub. She advised that the City Hall, and the wider Riverside Sunderland development, would provide the opportunity to work towards the delivery of a Mobility Hub.

Cabinet Members were advised that the Council’s research concluded that this was an emerging UK market. Delivery was therefore proposed in a phased manner, starting with more established elements, and continuing to develop as the market allows. Initial focus would be delivery of ten Electric Vehicles and twenty e-bikes as a zero-emission pool fleet for Council business use, going on to provide business travel permits in one central hub. This would establish a foundation and help the Council reduce its business travel carbon emissions. The addition of a Car Club operator would then allow the Electric Vehicles to be used by the public outside of business hours, helping offset costs.

Councillor Rowntree reported that the Council had also been approached with a consortium ‘pilot’ proposition and the Council intended to establish whether any other providers wished to propose similar before considering this route.

Cabinet Members were advised that the eventual benefits of the Mobility Hub were:-

- Reduced emissions,
- Reduced costs of travel,
- Increased public transport use,
- Increased active travel – cycling and walking,
- Healthy and active workforce, and
- Smarter working practices.

Consideration having been given to the report, it was:-

9. RESOLVED that:-

- (i) the outcomes from the work on the Sunderland Council Staff Mobility Hub project be noted;
- (ii) the routes to market for the Sunderland Council Staff Mobility Hub including the proposed delivery models be approved; and
- (iii) the Executive Director of City Development, in consultation with the Deputy Leader of the Council and the Executive Director of Corporate Services, be authorised to enter into the related contractual arrangements.

### **Appropriation of land at Civic Centre site, Sunderland**

The Executive Director of City Development submitted a report (copy circulated) to provide an update in respect of the disposal of the freehold interest in the Sunderland Civic Centre site as identified edged black on the Plan attached to the report ("the Property") and to consider a proposal to appropriate the Property for planning purposes.

(For copy report – see original minutes).

Councillor Johnston reminded Cabinet Members that at the Cabinet meeting on 23 March 2021, the disposal of the freehold interest in the Property to Vistry Partnerships Ltd to facilitate its redevelopment for residential use was approved. He reported that since then, draft contracts had been prepared for the sale with detailed terms under negotiation in readiness for exchange of contracts. In addition, site investigations and pre-demolition survey works were being completed and a pre-application submission had been submitted to the Local Planning Authority. A planning submission was due to be made in August and subject to grant of planning consent, demolition and phased development of the site was programmed to start in early 2022. Completion of the full scheme was anticipated in 2027.

Cabinet Members were advised that detailed due diligence had identified several private third-party interests, which created a degree of risk and uncertainty in relation to the timely delivery of the development. Therefore appropriation of the Property for planning purposes would enable the Council to override the third-party rights that might impact on the scheme delivery programme in consideration for the payment of compensation for interference with any such rights.

Councillor Johnston reported that this approach was an effective means of reducing the risk to development, by enabling third parties to be properly compensated, whilst avoiding the programme being delayed by the process of extinguishing these third-party rights. He advised that appropriation was also a necessary precursor for the use of Section 258 of the Town and Country Planning Act to stop-up existing rights of way affecting the Property independent of a planning application, which would expedite and provide greater certainty to the development programme.

Cabinet Members were advised that the Council might appropriate its land pursuant to Section 122(1) of the Local Government Act 1972 where the land was no longer required for the purpose for which it was held immediately before appropriation. This applied as a result of the decision to relocate council functions from the Property to City Hall. Where the current use was no longer required, the Council might appropriate land for planning purposes, where redevelopment would result in the improvement of the social, economic, and environmental well-being and the proper planning of the area. In this case, appropriation of the Property would provide increased confidence in the delivery of a high-quality residential scheme that met the provisions of the Allocations and Designations Plan and supported wider regeneration of the City Centre.

Consideration having been given to the report, it was:-

10. RESOLVED that:-

- (i) the progress made to date in respect of disposal of the Property be noted; and
- (ii) the appropriation of the Property for planning purposes pursuant to Section 122(1) of the Local Government Act 1972 (within the meaning of Section 246 of the Town and Country Planning Act 1990) be authorised.

### **International Strategy – Annual Report April 2020 to March 2021**

The Executive Director of City Development submitted a report (copy circulated) to provide an overview of activity undertaken from April 2020 to March 2021 in relation to the city's International Strategy, highlight the benefits this had generated, and outline the Work Programme for the year 2021/22.

(For copy report – see original minutes).

The Chair was pleased to report on a year during which the Council and partners had continued to generate benefits for Sunderland through international engagement, despite a very challenging context, as set out in detail in the Annual Report for April 2020 to March 21.

The chair reported that economic development continued to be the key driver for the city's international engagement and highlighted that:-

- At the end of March 2021, the city was home to 87 overseas-headquartered businesses, originating in 18 different countries, employing a total of 23,633 people;
- There were 12 investment projects by overseas companies, bringing 528 jobs and £40.8 million of capital investment to the city; and
- The Port had also played a key role in sustaining several key sectors and supply chains and reported an 85% rise in cargo handling compared with the previous year.

The Chair advised that equipping young people with the qualifications and skills to participate in today's global environment remained key. Despite many projects with Sunderland's international partners being disrupted by Covid-19 with visits having to be cancelled, young people from Sunderland College, Southwick Neighbourhood Youth Project and Sunderland Youth Council had taken forward projects virtually with Saint-Nazaire and Essen and had planned visits for next year.

The Chair reported that international collaboration on Low Carbon developed as a key area of activity this year. He advised that highlights included successful bids for Sunderland to be able to participate in the Covenant of Mayors Europe 2021 Peer learning programme (through Eurocities), as well as for a project working with young people and policy makers in Essen through German regional funding.

Cabinet Members were advised that although opportunities for the cultural sector had been particularly reduced this year, activities with an international dimension had added some vibrancy. For example, the Sunderland Shorts Film Festival (inspired by DC Shorts) went ahead online for the first time.

The Chair commented that the need for community resilience had been demonstrated clearly by the challenges of the last year. The Council and city partners marked a range of events including Holocaust Memorial Day and Black History Month as well as participating in events with Essen on tackling racism, homophobia and gender equality.

Concerns around health had been paramount globally during this reporting year. Whilst some of the international projects which focussed on health had had to be paused, the pandemic had brought other partners together with a number of internationally-owned businesses in the city making important contributions.

City partners had also continued to develop and broaden Sunderland's international reach. The University now has 50,723 international alumni across 200 countries and South Tyneside and Sunderland NHS Foundation Trust had this year received the highest level international accreditation; HIMMS 7 for its digital information management systems.

The Chair drew attention to the proposed work programme for 2022/22 which focused collective activity again on City Plan priorities and activities organised through Sunderland's four formal international relationships, with low carbon and volunteering proposed as two crosscutting strands of activity.

The Chair hoped that colleagues would agree that the Council had maximised the benefits for its residents and businesses through its international links and engagement this year and asked that the report be endorsed.

Councillor Williams commended the report. She congratulated the resilience and tenacity to interface remotely through Teams and Zoom internationally despite the pandemic and looked forward to visits being resumed and an increase in visitor numbers to the city.

The Chair concurred and added that the report demonstrated the far international reach the city had. He congratulated the Business Investment Team for continuing to bring investment from companies into the city.

Consideration having been given to the report, it was;-

11. RESOLVED that:-

- (i) the level and nature of activity developed under the International Strategy during 2020/21 be noted; and
- (ii) the approach proposed for 2021/22 be endorsed.

At this juncture, Councillor Williams having declared an interest as a Trustee on the Sunderland Empire Theatre Trust, withdrew from the meeting during the following item.

### **Proposed Extension of Empire Theatre Lease and Management Agreement**

The Executive Director of Neighbourhoods submitted a report (copy circulated) to seek approval to a proposed extension of the management agreement and associated lease for the Empire Theatre ("the Empire") with Sunderland Empire Trust ("the Trust") and Ambassador Theatre Group (Venues) Ltd (ATG).

(For copy report – see original minutes).

Councillor Walker highlighted that the report sought an extension of the existing Management Agreement with ATG and the Trust for the Empire for a further period of three years. He reported that the proposed extension of the management agreement and associated lease for the Empire would achieve the following beneficial outcomes:-

- (a) It would facilitate the delivery by ATG of the capital improvements to the box office and management of the risks associated with the National Lottery Heritage Fund (NLHF) grant funding conditions applicable to the Bishopwearmouth Townscape Heritage Scheme; and
- (b) It would provide ATG with an appropriate and proportionate recovery period to address and mitigate the full financial impact of the COVID-19 pandemic on the operation of the Empire Theatre and its associated impacts on ATG.



Consideration having been given to the report, it was:-

12. RESOLVED that:-

- (i) the extension of the existing Management Agreement with ATG and the Trust for the Empire for a further period of three years be approved on such terms as to be approved by the Executive Director of Neighbourhoods in consultation with the Executive Director of Corporate Services and the Portfolio Holder for Vibrant City;
- (ii) the extension of the existing head lease for the Empire with the Trust be approved for a further period of three years on such terms as to be approved by the Executive Director of Neighbourhoods in consultation with the Executive Director of Corporate Services and the Portfolio Holder for Vibrant City; and
- (iii) the Executive Director of Neighbourhoods be authorised to provide the necessary consent to the Trust to extend its existing underlease lease for the Empire with ATG on the same terms as the Trust's head lease.

Councillor Williams was re-admitted to the meeting.

### **Local Government (Access to Information) (Variation) Order 2006**

At the instance of the Chairman it was: -

13. RESOLVED that in accordance with the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during consideration of the remaining business as it was considered to involve a likely disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information) (Local Government Act 1972, Schedule 12A, Part 1, Paragraph 3). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.

(Signed) G. MILLER,  
Chair.

L. FARTHING,  
Chair.

### **Note:-**

The above minutes comprise only those relating to items during which the meeting was open to the public.

Additional minutes in respect of other items are included in Part II.

