

“Housing Futures”

“Sunderland’s Housing Priorities Plan “

2010 – 2025

Sunderland – open for business and ready to do business

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FOREWORD

This is the first Housing Priorities Plan for Sunderland and it has been developed by Sunderland City Council working in partnership with the [Homes and Communities Agency \(HCA\)](#) to ensure that we have a shared **understanding of the ambition** for **Sunderland's future economy** and to create **sustainable places** and **communities**. Fundamentally, we have agreed priorities so that resources can be secured and directed to have **most impact**, where the market is not able to do this. The plan sits alongside other key plans for the city and together they form a suite of plans guiding the delivery of the overall Local Strategic Partnership's [Sunderland Strategy](#). The Housing Priorities Plan details what the City's overarching priorities are up to 2025. The [Economic Masterplan](#) for Sunderland sets the aims for the City's economy and the agenda for the future economy of Sunderland.

The overarching **priorities** for Sunderland are:

- To support the delivery of **sustainable economic growth** and transformation by achieving the vision and aims set out in the Sunderland Economic Masterplan
- Develop and deliver **new homes** that meet aspirations and needs of existing and potential residents in line with the Economic Masterplan and the developing Local Development Framework and Core Strategy
- Improve the **existing housing stock** – especially in relation to reducing the carbon footprint and reducing fuel poverty
- Supporting the transition of selected neighbourhoods to **Low Carbon City Villages** linked to each other by the city's green infrastructure and supported by properly aligned policies for health, transport, education, environment and development
- Meeting the accommodation needs of all **vulnerable and socially excluded people** – especially the needs of an ageing population and ensure that we enable fulfilled lives in later life all developed in partnership especially with Health.
- Promote **sustainable living** across the city by challenging existing attitudes, culture and behaviours.

Sunderland is **open for business** and **ready to do business** and, by working in partnership, the City can deliver upon its strategic priorities for all residents and in doing so help Sunderland become truly the place in which to live, work, study, visit and invest.

Dave Smith, Chief Executive, Sunderland City Council **David Curtis, Director, Homes and Communities Agency**

Section 1: Executive Summary

This is Sunderland's **first** Housing Priorities Plan. It is part of the overall strategic investment framework for Sunderland City Council and its partners. It is a **long-term aspirational plan** that supports the City in achieving its long-term ambitions up to and beyond 2025. It supports the vision as set in the Sunderland Strategy 2008-2025 as well as the aims of the City's Economic Masterplan. The Plan is part of an **ongoing dialogue** with the **Homes and Communities Agency** (HCA) and other partners, that is focused upon 2025 and how the City's 'residential and place offer' can help to deliver the city's outcomes. The Plan is being developed at a time when the economic prospects are uncertain, the impacts of the recession are being felt and there is less public funding available. It has been developed with reference to, and will continue to have regard to [HM Treasury - Five Case Model](#) in accordance with best practice guidance provided in the [Green Book guidance - HM Treasury](#) and set against the outcomes of the [Comprehensive Spending Review 2010](#).

1. Objectives for Sunderland's Places and People (see sections 4 and 5)

We aim to be:

' An entrepreneurial University City at the heart of a low carbon regional economy '

The City is committed to delivering an economic renaissance:

- **A new kind of University City**
- **A national hub of the low-carbon economy**
- **A prosperous and well-connected waterfront city centre**
- **An inclusive city economy – for all ages**
- **A one city approach to economic leadership**

The Economic Master Plan sets out our intentions in detail.

To support a more **successful economy** and to reverse the out-migration requires an improved housing and place offer, by creating sustainable low carbon residential neighbourhoods via a wide range of housing options and high quality homes in all tenures. In order to meet this challenge housing action is required to:

- provide the environment and appropriate sites for the private sector to invest in within Sunderland
- co-ordinate housing investment with transport, schools, jobs and regeneration to enable a 'place' based approach to investment
- balance housing for rent and for sale

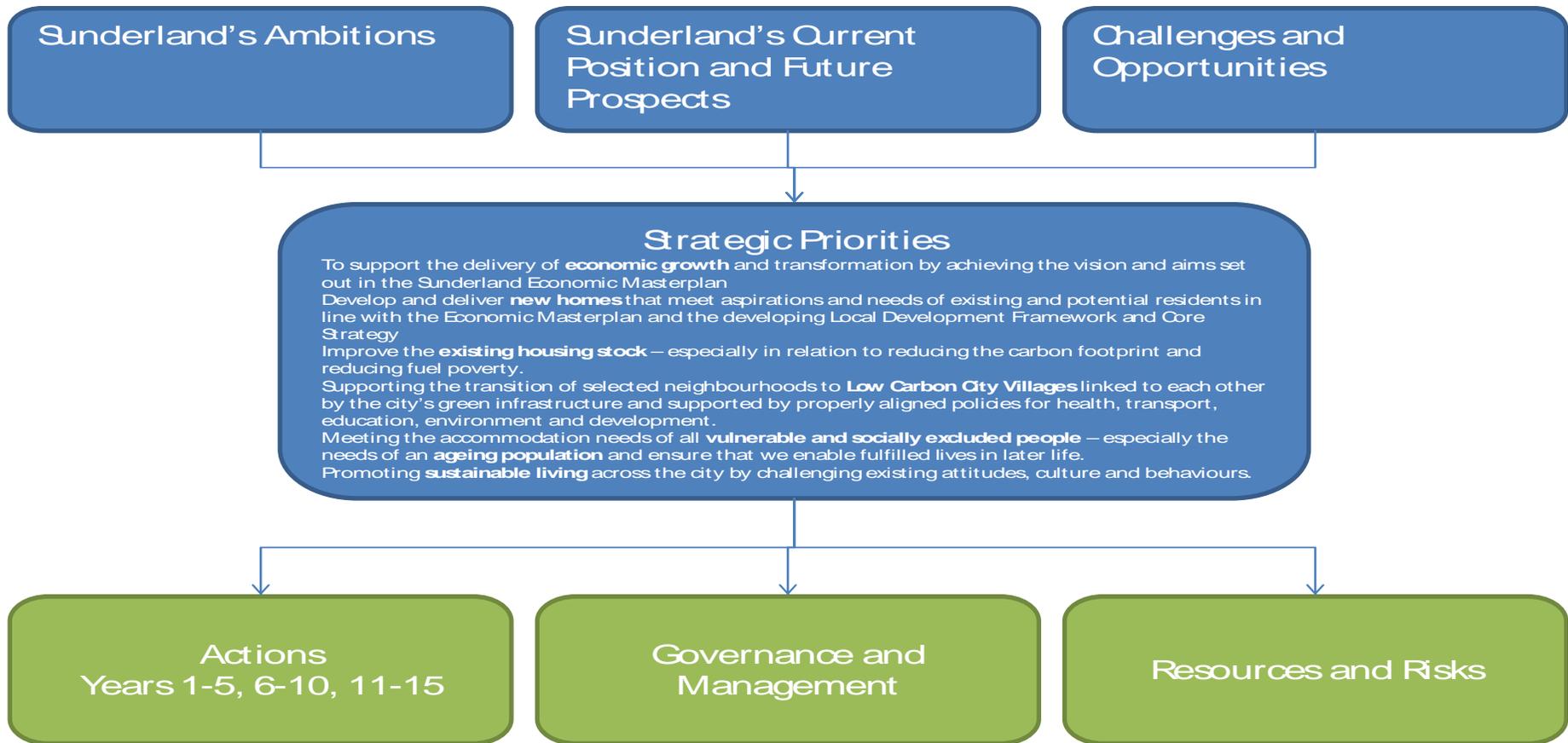
- accelerate housing market renewal – including block improvement schemes, demolitions, reducing the numbers of empty properties and effective licensing of landlords
- introduce more low density/higher value housing to attract high income earners to live within the City and allow existing resident’s housing aspirations to be met
- set targets for affordable housing in line with the developing supplementary planning document on affordability
- provide adequate provision of supported housing for all vulnerable groups and those who are socially excluded – priority being for older people due to the shifting age profile

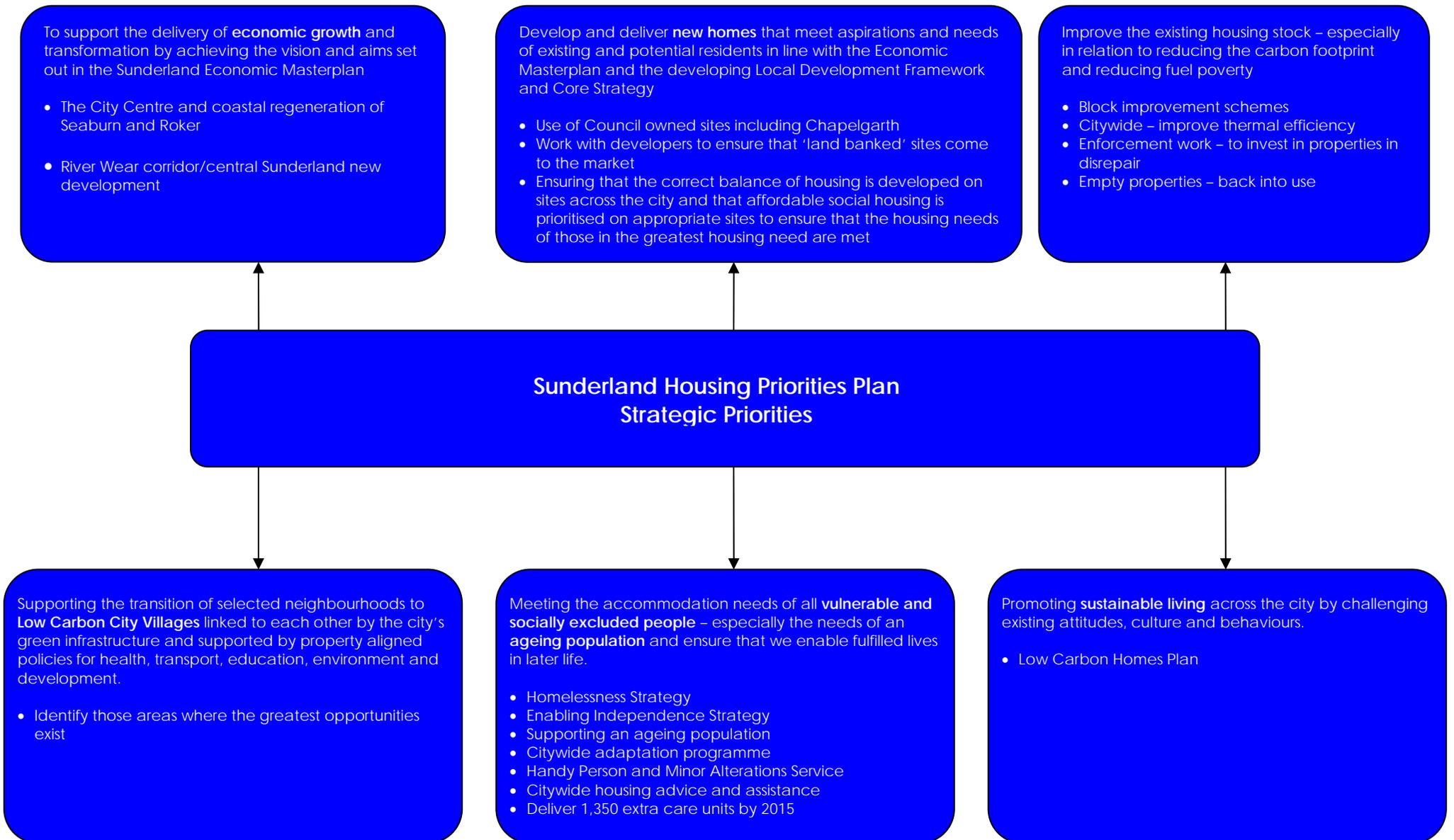
Ultimately our actions are aimed at improving **equality of opportunity** with the result of reducing economic differences across the city. The diverse nature of the City, with high levels of tolerance and openness, will lead to more people being attracted into Sunderland, creating a **vibrant living city**.

The ‘**residential offer**’ available in Sunderland will have a greater mix of sizes and price ranges and high quality residential environments. The effective management of private and social housing and ensuring that empty properties are brought back into use will both strengthen and improve communities and help improve the residential offer available.

We fully embrace the **low carbon** agenda for new housing, and as over 90% of the current housing stock will still be in the City by 2025 we aim to improve the ‘carbon footprint’ of the existing housing stock by improving affordable warmth, reducing fuel poverty and the overall environmental impact of housing. This, and our new high quality development, will be supported by sustainable transport networks which will enable people from all communities in the City and commuting suburbs to access employment opportunities in the city. Access to external markets will benefit from improvements in rail and road networks and utilisation of ICT. The increased strategic importance of the port area will have opened up increased opportunities for inward investment and international trade. When new developments are being planned we will have ensured that the infrastructure requirements have been fully considered and neighbourhoods will have been well designed to support **inclusive communities**.

2. Priorities going forward (see appendix 1)





Long term spatial priorities for the sustainable regeneration of the city will have reference to the city's emerging Local Development Framework, but investment in the city will be **opportunity** as well as **needs** driven. We will therefore ensure that a flexible approach is adopted and all decisions taken will be taken in the best interests of the city and its people. Having regard to the Sunderland Strategy and Economic Masterplan, the emerging Core Strategy's long term spatial priorities are for the regeneration of the City Centre (including the wider Central Sunderland area) and the emerging Local Enterprise Partnership, concentrating further growth in the main urban areas of Sunderland and Washington whilst allowing for the sustainable growth of our Coalfields area. The Low Carbon City Village concept will be further developed and our housing thematic priorities will be completed. This Plan reflects long term spatial priorities, what has been achieved in terms of economic and physical regeneration and providing a better choice of housing, as well as evidence into housing need, the potential housing supply and anticipated demand linked to the economic renaissance of the City. The early years of the plan will concentrate on what the city is **currently progressing** with and will complete regeneration schemes that are coming out of the ground or nearing completion – with the necessary funding secured. Further socio-economic development work will be subject to public and private sector investment opportunities and timescales. The Coalition's **programme for government** key themes are also reflected in this Plan which are fiscal constraints, protecting vulnerable people, decentralisation and localism.

To make a difference in our communities, and to raise aspirations, create confidence and promote opportunities amongst our existing and future residents, we need to focus on a number of spatial priorities, such as Sunderland City Centre, and the main urban areas of Washington, Sunderland North, Sunderland South and develop the Low Carbon City Village concept; and deliver on the continuing housing thematic priorities until completion.

The main spatial priorities reflected in our Economic Master Plan, are:

The City Centre and the coastal regeneration of Seaburn and Roker – new development linked to the emerging delivery plan

River Wear corridor/Central Sunderland

Other specific new development sites such as:

- Selected Council owned sites – The Council has identified 18 separate sites which are suitable to the development of new housing. These are situated throughout the City and can support the development of over 1,500 homes. Preliminary site investigations suggest that five sites are readily developable, which would support the delivery of approximately 250 new homes. We will work with developers and other interested parties as to the best and most appropriate ways of developing these sites. The site at Chapelgarth, with the potential for over 600 properties, will be prioritised and early discussions will be ongoing to consider how quickly it can be brought forward for development.

- Cherry Knowle Hospital – This is a key strategic site which has many attributes, which support its use for housing development. The site can accommodate over 770 new properties and has excellent transport links to the A19 corridor. Discussions are underway between the Council and the HCA, who own the site, regards taking the site forward for development.
- Lambton Cokeworks - This site is key to the overall regeneration of the coalfield area. The site is undergoing reclamation works in order to facilitate housing development, a strategic road corridor and a country park. It will support the delivery of approximately 350 properties.

The main housing priorities are:

- Ensuring that the correct balance of housing is developed on sites across the city and that affordable social housing is prioritised on appropriate sites to ensure that the housing needs of those in the greatest social need are met
- Work with developers to ensure that “land banked” development sites are brought forward for development
- Work with Registered Providers (Housing Associations) to discuss and agree their priorities for investment in Sunderland and ensure that they understand and work to the strategic objectives as set out in this plan
- Improving the thermal performance of homes and achieve the objectives as set out in our ‘Low Carbon Homes Plan’
- Providing more appropriate accommodation for homeless people, including tackling the high concentration of hostel accommodation in the Sunnyside area
- Implementing our Enabling Independence Strategy as supporting an ageing population and developing in excess of 1,350 units of mixed tenure extra care accommodation over the next five years after which there will be an ongoing review of needs
- Citywide programme of adaptations to support people to live independently in their own homes
- Citywide housing advice and assistance, including a range of loan products to help support homeowners to live independently in their own homes. The Home Improvement Agency is working alongside the Regional Home Loans Partnership to alleviate hazards in owner occupied properties.
- Handypersons and Minor Alterations Service for vulnerable residents to promote independent living and reduce the risk of slips, trips and falls
- Enforcement work city wide which works in partnership with landlords to invest in properties in disrepair and thus creating the best possible standards of accommodation in the private rented sector.
- Working with owners to invest in empty properties and bring them back into use and to consider different models of investment in the private rented sector.

3. Funding and Resources (see section 6)

The HPP sets out ambitions for the City as a whole based upon the realisation of the City’s vision and strategic priorities. The resources needed to deliver this are wide ranging and are likely to include:

- Private investment
- Third sector investment
- Local authority investment
- Government agency investment

The **Comprehensive Spending Review** published on 20 October 2010 (2011-2015) has resulted in a squeeze on public sector spending with an ethos of ‘more for less’ and greater efficiency which will require innovative thinking. We believe that we have the creativity and “can do” attitude that will allow us to meet our objectives and ensure that Sunderland as a place of choice becomes commonplace. The CSR10 set the following **national totals** in relation to housing finance (as set out in the table below), locally the HCA will publish it’s ‘Business Plan’ in November 2010 :-

Area of investment	2011 - 2015	Purpose
Total investment in new affordable housing	£4.5bn	Deliver 150,000 new affordable homes, plus empty homes and the mortgage rescue scheme (MRS)
Empty Homes	£100m	Bringing empty homes back to use
Mortgage rescue scheme (MRS)	£200m	Protecting vulnerable homeowners
New Homes Bonus	£900m	Encourage communities to accept new housing where the Government matches the local council tax for 6 years
Regional growth fund (could support housing growth and regeneration)	£1.4bn	Capital funding – supports economic growth especially where areas are currently dependent on public sector
Homelessness grant	£400m	To support homelessness prevention initiatives and reduce homelessness presentations
Supporting people	£6.5bn	To help vulnerable people live independently
Disabled Facilities Grants	£725m	Help towards the cost of adapting home to enable residents to continue to living there

The resources required will not only include cash investment but would also include land assets, borrowing, knowledge, skills, services, support and capacity.

The detail of the resources required to meet our priorities will be agreed as part of the forthcoming **Local Investment Agreement** between the Council and the HCA. Shared investment priorities will change over time to reflect national and local policy and the availability of resources. Strategic planning is an iterative exercise so there will be a need to revisit the Plan's assumptions over time.

4. Programme Management – Delivery and Governance (see section 7 and subject to change due to the emergence of the Local Enterprise Partnership concept)

The proposed governance proposals for the housing priorities plan enable the evolving investment plan with the HCA to be developed in such a way that it will be fully understood, supported, funded and delivered in subsequent years by all partners.

It is linked to a programme of economic assessment and reassessments over the next 15 years to keep the City Council and its partners moving towards the attainment of the City's strategic objectives. Mid-course corrections and programme realignments will be necessary – especially as planned investments are affected by changing economic circumstances.

These will be agreed and undertaken initially by the **Strategic Housing Priorities Executive Board** (that comes under the remit of the Council's Executive Management Team and is linked to the Local Strategic Partnership as part of the suite of governance bodies overseeing the Sunderland Strategy). This is subject to change as the governance for the local enterprise partnership has yet to be confirmed. A new **Planning and Delivery Group** comprising of the Council and HCA representatives will lead on the implementation of the plan.

Programme management arrangements, including the process of commissioning of projects and securing funds will be confirmed as we move into 2011 and the new development funding mechanisms are finalised. Delivery of the Plan will require diverse and new ways of working but is likely to include joint venture arrangements, special purpose vehicles and the involvement of the community and voluntary sector.

5. Consultation (see section 8)

The Plan brings the visions, objectives and priorities from a number of existing and emerging Council plans together and its content has therefore been the subject of significant consultation with communities and partners. A number of case studies demonstrate our commitment to ongoing dialogue with our residents, to help deliver new homes and regeneration in their neighbourhoods.

In addition, there has been significant specific consultation with partners who will help us to our priorities, and their views have been taken on board. Further consultation will take place as part of our ongoing iterative process with the HCA and partners; as well as through the preferred options for our emerging Core Strategy.

6. The Next Steps – Going Forward (see section 10)

Our Housing Futures Plan is an ongoing iterative process and will be refreshed in 2011 as more is known about the likely available local levels of public sector finance and private investment, and our discussions with partners are more developed.

The next steps will include:

- Discussion and agreement as to how the HCA can support/enable the Council with regards to addressing any self-identified gaps in knowledge and skills to deliver the Plan.
- Market testing of residential requirements in the city centre to support the city centre delivery plan
- Development of the Low Carbon City Village concept into a deliverable, phased plan of action
- Consideration of joint ventures to deliver real sustainable change; and develop joint commissioning approaches with partners such as Health
- Involving the private sector developers at a time of economic austerity as to reflect their views more
- Develop and agree with the HCA the necessary 'Investment Agreement' in early 2011
- Update of the Plan by April 2011 to take account of changes in relation to the refreshed Sunderland Strategy, the emerging delivery plans for the Economic Master Plan and changes through the updating of the LDF / Core Strategy following the recent revocation the Regional Spatial Strategy and aligning the HPP with the emerging Local Enterprise Partnership. All linked to the work of the Council's Regeneration Strategy Group, the potential development of a unified single delivery team under the auspices of the Local Enterprise Partnership.

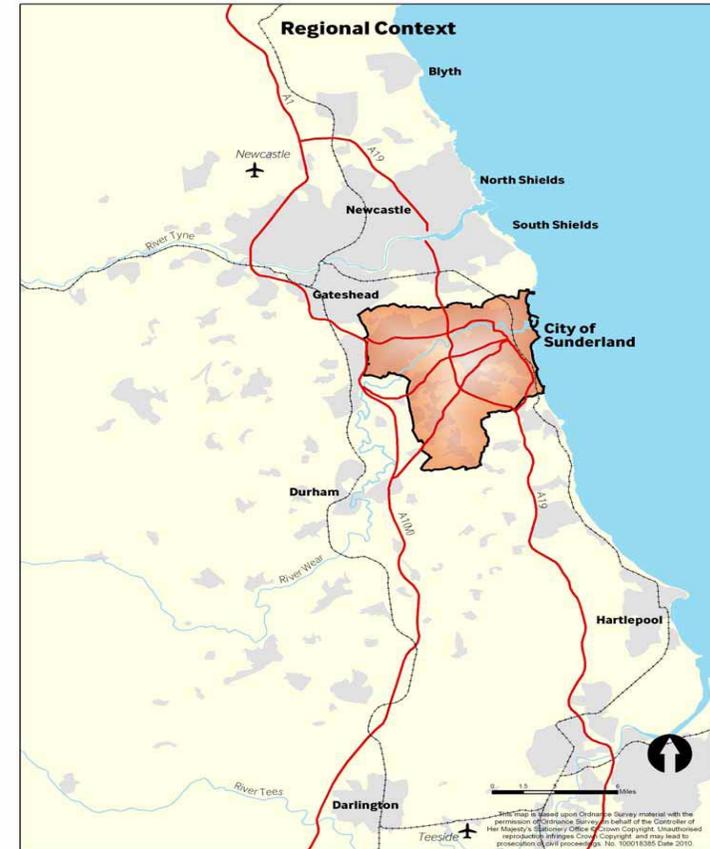
Section 2: Sunderland – Vision, Ambition and Context Going Forward – The Case for Change

Sunderland lies on the North East coast of England and at the mouth of the River Wear; in the Tyne and Wear conurbation; it also enjoys close links with Durham. It has a number of distinctive qualities due to its geographical location - it is the largest UK City by the North Sea and is the only settlement in comparison with its centre at the meeting of river and coast, benefiting from a strategic port and harbour. It also boasts an extensive network of open space, both designated and natural and as such has both high recreational value (more than 50% of the City is green space) and has room to grow.

In terms of assets, it has direct metro connections to Newcastle Airport; the City centre is home to the Stadium of Light, which is a national venue for sporting, music and business events and the Sunderland Museum and Winter Gardens.

Sunderland became Britain's 54th City in 1992 and is the largest City, in terms of population, between Leeds and Edinburgh and the 26th largest city in England. It has a population of 281,700, (based upon the Office for National Statistics mid-2009), who reside in 119,275 households. By 2029, this is projected to increase by approximately 7,000 people; however, the demographic shift will see a rise in the number of older frailer people. Changes to the population and socio economic structure of the city have produced imbalances that have a detrimental impact on social and economic development. Current trends are towards an increasing number of smaller households, an aging population both in absolute terms and relative to country-wide trends and left unchecked will see decreasing numbers in the family forming age groups and relatively high out-migration of these groups. This is set in a context of low numbers of economically active, high proportions of both economically inactive residents and unemployment and some of the highest levels of multiple deprivation in the country.

Most of the population is centred around the City centre, Washington and the former coalfield areas of Houghton and Hetton.



Washington lies adjacent to the former 'Leamside Line' and its design was developed through the New Towns concept aiming to achieve sustainable socio-economic growth. The new town is divided into 18 small self-sufficient "villages". At its heart lies the purpose built and successful 'Galleries' shopping centre which serves as the Town's main destination for all retail needs. Built on industry, Washington contains several industrial estates, named after famous local engineers, such as Parsons, Armstrong, Stephenson, Crowther, Pattinson, Swan and Emerson. Major roads including the A1, A19 and A1231 run through Washington and it acts a major transport corridor for the entire North East region. The Coalfield area contains main settlements such as Houghton-le-Spring and Hetton-le-Hole lie to the west of the A19 corridor that divides the main urban area of Sunderland from Washington and the Coalfield area. Houghton-le-Spring is situated almost equi-distant between Durham 7 miles (11.3 km) and the City centre (about 6 miles or 9.7 km) and has a population of 36,746. Hetton-le-Hole is located to the south of Houghton-le-Spring and including the nearby village of Easington Lane and has a population of 14,402.

Spatially and economically Sunderland needs to build a complementary role to the rest of the region and particularly in relation to Newcastle, Gateshead and Durham. It also needs to be better connected together and better connected to the rest of the region and beyond. Although Metro and the main rail network are undoubted assets, they fail to fully connect the city together or provide a rapid link to the east coast mainline. The Port currently underperforms as an economic driver and cuts off the city centre from the sea physically, therefore its reinvigoration or reinvention should be a priority

The vision and ambitions for Sunderland will be further developed as the Sunderland Strategy is refreshed, the Economic Masterplan is completed, the Core Strategy developed and the Local Development Framework commences delivery - and the Housing Strategy integrated within the Health, Housing and Adult Services 2025 vision.

The **Sunderland Strategy 2008 - 2025** is the City's sustainable community strategy, setting out what the people who live, work and study in the city today would like to see by 2025 and is driven by the Sunderland Partnership (which is the Local Strategic Partnership in Sunderland).

The current Sunderland Strategy shared **vision** is:-

“Creating a better future for everyone in Sunderland : Sunderland will be welcoming, internationally recognised city where people have the opportunity to fulfil their aspirations for a healthy, safe and prosperous future“

The **Sunderland Strategy 2008 – 2025** aims for a:

Prosperous City
Healthy City
Safe City
Learning City
Attractive and Inclusive City

Spatially, the **Economic Masterplan** confirms this will take place through a focus on:

- Strengthening, diversifying then growing the City Centre
- Establishing, nurturing then strengthening the Low Carbon Economic Area, especially around Nissan and the Port, and the Low Carbon City Village concept
- City-wide initiatives that connect communities to economic opportunities and improve external perceptions.

The Sunderland Strategy is undergoing a refreshment to reflect the emerging Economic Masterplan requirements, which is the developing roadmap for the renaissance of the City's economy and is based upon a balanced response to the assets, aspirations and realistic opportunities of the City. The HPP is crucial in delivering the vision and outcomes of the Economic Masterplan, Sunderland Strategy and the Core Strategy / Local Development Framework which itself has been developed in association with these key documents.

The vision for the Economic Masterplan is:

‘ An entrepreneurial University City at the heart of a low carbon regional economy ’

The purpose of this Economic Masterplan is threefold:

- to help set the direction for the city's economy over the next 15 years
- to establish how Sunderland will earn its living over that period and what that will look like on the ground
- to set out the actions private, public and voluntary sector partners across the city need to take to ensure Sunderland has a prosperous and sustainable future.

The Economic Masterplan is based upon 5 key aims which are:-

1. **A new kind of University City** - a vibrant, creative and attractive city, with a new learning ethic and a focus on developing and supporting enterprise, with Sunderland University integral to that ambition, and acting as a hands-on enabler.

Students are a major source of income and create vibrancy in the City. Graduate retention will be crucial to our future economic ambitions and the specialisms of our university will support innovation within the priority sectors through two key facilities: the new Ultra Low Carbon Vehicle Testing & Development Facility at Nissan's Washington site and the Sciences Complex on the City Campus. There is strong potential for the former to develop into a National Centre of Excellence for Ultra Low Carbon Vehicles & Renewable Technologies. These facilities will increase opportunities for collaboration between University research teams and local businesses and will start operating by spring 2011.

We need to ensure that the highest calibre of students are retained and matched with the high calibre jobs that the City aspires to. Economic renaissance will attract more students, high earners and more professionals into the City and the housing and environmental offer will need to match this

Universities are vital instruments in the creation of a knowledge based city. If graduates can be retained, they can create a more skilled labour force. University research and technological developments should be commercialised in collaboration with local industry for their mutual benefit. Perhaps most important in the context of the Economic Masterplan, universities can also drive cultural change in cities through engaging with their business and resident communities. Sunderland University is particularly well placed for this since it already has an entrepreneurial orientation, is a key focus for innovation in Sunderland and is well regarded by local business and government. The notion of a university city includes a physical sense of attractiveness, vibrancy and cultural appeal not only to students, but also visitors and investors. The 'new kind of university city' we seek will use the University to change Sunderland's economy and culture with a stronger civic role than a traditional university. The 'new kind of university city' envisaged in the Economic Masterplan is based explicitly on collaboration between the public sector, private enterprise, Sunderland University and other related institutions.

This may require new hybrid organisations to act as intermediaries, hubs for new networks and centres of innovation and entrepreneurship. In particular, the University should take on an even more prominent role in the city's economic development, not only through links with business but also through disseminating knowledge amongst the resident population and by supporting cultural and physical change in the city.

The '**residential offer**' available to students and graduates is therefore of paramount importance to ensure the knowledge sector of the City's workforce is retained as to enhance economic growth. To meet the aspirations of students -so investment in the existing private rented sector has to be maintained and if possible 'geared-up' to match aspirations and retain the graduate workforce. New housing has to be made available that attracts graduate retention and also enables graduates to continually access higher quality homes during their working life – if the available offer is not accessible then the knowledge sector will migrate affecting the medium and long-term economic renaissance of the city.

2. **A national hub of the low carbon economy** - expresses the city's commitment to making the most of the opportunities offered by new low carbon technologies to act as major drivers of new economic activity in Sunderland. This aim emphasises the city's national exemplar potential on this agenda and the need to promote showcase projects, including electric vehicles but also in other low carbon technologies and lifestyles.

To become fundamentally more prosperous, Sunderland must focus on a small set of important sectors and on the City Centre in order to transform its economy into one that is driven by low carbon economic activity. To achieve this, it must utilise its key assets even more effectively than in the past:

(A) Nissan to exploit electric vehicle technology and become a world leader in their production; and the recent announcement that Sunderland will be first location in Europe to produce the new LEAF electric car.

(B) The University to redefine the city as a place where knowledge is integral to life; and build upon the world leading research undertaken at the University and retain the knowledge sector to develop the low carbon economy

(C) The Port to enable the servicing of new offshore energy generation facilities;

(D) Key development sites to create 1) a **new central business district** in the City Centre 2) an **expansion of the retail offer** and 3) an **electric vehicle technopole hub**.

Business aligned to the development of low carbon economy will need housing that reflects what the workers aspire too and housing developments will have to match the aspirations of this new type of workforce. These housing developments linked to the development of low carbon city villages, transport and planning considerations all that will underpin the low carbon economy.

In addition:

- Although a whole city approach will be taken to developing and implementing the **Low Carbon City Villages (LCCV)** concept to new and existing locations, we can not do everything, everywhere, at once. Phasing and priorities will be identified as next steps to the Economic Masterplan and HPP.
- To be truly successful, the LCCV concept must look than the energy efficiency of new and existing homes. Presently being developed is a multi-agency approach to ensure the long term sustainability of the LCCV concept. This would include a series of programmes that that would deliver *inter alia* appropriate enterprises and skills training, education to change behaviours of residents to live more sustainably and providing appropriate governance / leadership support networks for local communities.

- 3. A prosperous and well-connected waterfront city centre** - reflects the importance of the city centre as a driver for economic prosperity, but also seeks to emphasise the importance of the city's waterfront position and place-making driver. Through better connectivity (both physically and virtually) of assets, people and places, the strategy seeks to improve the city centre's credentials as a business location and to improve the efficiency and quality of the user experience. The aim seeks to physically develop identified priority sites in the City Centre whilst enhancing and reinforcing Sunderland City Centre's distinctive role as a key regional urban and economic centre;

The Sunderland Economic Master Plan envisages Sunderland City Centre as the primary focus for the new city economy, supporting the development of 'A new kind of University City' (Aim 1), the 'Low Carbon Economy' (Aim 2) and a 'Whole Life Inclusive City economy' (Aim 4). Aim 3 of the vision seeks capture the actions that will protect, reinforce and develop Sunderland city centre's position as a sub-regional centre in the northern city hierarchy.

The overall aim of the Sunderland Economic Masterplan is to ensure that the role of Sunderland City Centre as an economic driver for the City and wider region. With support from the other Aims, the city centre will become home to a new wave of companies creating job opportunities. The employees of these companies will support the other retail, leisure and residential components of the new improved city centre offer. The key regional policy documents (Regional Economic Strategy for the North East "Leading the Way" 2006-16; Regional Spatial Strategy and; North East Regional Housing Strategy "Quality Places for a Dynamic Region" 2007), all identify the River Wear corridor and Sunderland City Centre as key priorities for regeneration activity and for driving economic growth.

The emerging Local Development Framework (LDF) for Sunderland will provide the statutory spatial planning framework for the city for the next 15 years. It will comprise a suite of documents setting out the detailed policies for meeting the community's economic, environmental and social aims. At the heart of the LDF is the Core Strategy which provides the broad strategic vision and policy direction for the city's future development. Due for adoption in November 2011, it takes its lead from the Regional Spatial Strategy and will be one of the key delivery mechanisms of the Sunderland Strategy 2008-25, the Economic Master Plan and the emerging Sunderland's Housing Priorities Plan. The emerging Core Strategy identifies the sustainable regeneration of the City Centre and wider Central Sunderland area as a key priority as a place to live, work, shop and visit. Emerging policies will therefore make sufficient land available for a variety of essential City Centre uses including 25 hectares of new employment (in particular 'grade A' office accommodation), some 90,000 square metres of new retailing and some 4,000 new homes that are of a quality and range that attract and retain workers.

Improving the quality and range of housing in the City Centre is also important in order to attract and retain workers, in particular those with higher value skills and the under 35 age group. The first Sunderland's Housing Priorities Plan (HPP) is a long-term aspirational plan that supports the City in achieving its long-term ambitions up to and beyond 2025. It supports the vision as set in the Sunderland Strategy 2008-2025 as well as the vision and aims for the City's Economic Masterplan. The HPP commences a "single dialogue" with the Homes and Communities Agency (HCA) that is focused upon 2025 and what the City's 'residential offer' should be. The plan does not allocate housing land but details the activities and investment priorities to realise the City's vision. The plan is the basis around not only what resources the HCA will invest in the City but what other funding partners will invest also. A clear 'investment roadmap' detailing what the City's overarching priorities are up to 2025. The Investment Plan identifies the City Centre as being the first priority for the building of new housing 2010-15, with the River Wear corridor (central Sunderland) and Sunnyside also being identified within the first eight priority areas. Improved connections will be made to those residential areas to the periphery of the City Centre – both existing, such as the East End, Hendon, Ashbrooke and Millfield, and proposed, including Deptford and Pallion Riverside.

The City Centre will be strengthened across a range of functions – as a business hub, as a visitor draw, as a learning centre, as a place to live and as an image former of the city. Its mix, quality and range of business, retail, leisure and institutional facilities, as well as the overall appearance, need a radical improvement. It must be support the retention of workers, in particular people who are highly skilled and younger workers (under 35) a group that is currently declining within the population of the city. It must become recognised as an attractive, vibrant, living and working northern City Centre, using the truly distinctive assets of people and place, complementing other regional cities. The Delivery Plan seeks to ensure that the regeneration of the City Centre not only connects those assets within it to ensure that the sum of the whole area is greater than its individual component parts but also ensure that it is well connected and accessible to its surrounding communities, the wider region and its national and international links. More will be made of its riverside location and close proximity to its attractive coastline.

4. **An inclusive city economy – for all ages** - provides a framework for delivering economic interventions that directly contribute to improving access to opportunity for all ages and sections of the community and particularly to reducing worklessness.

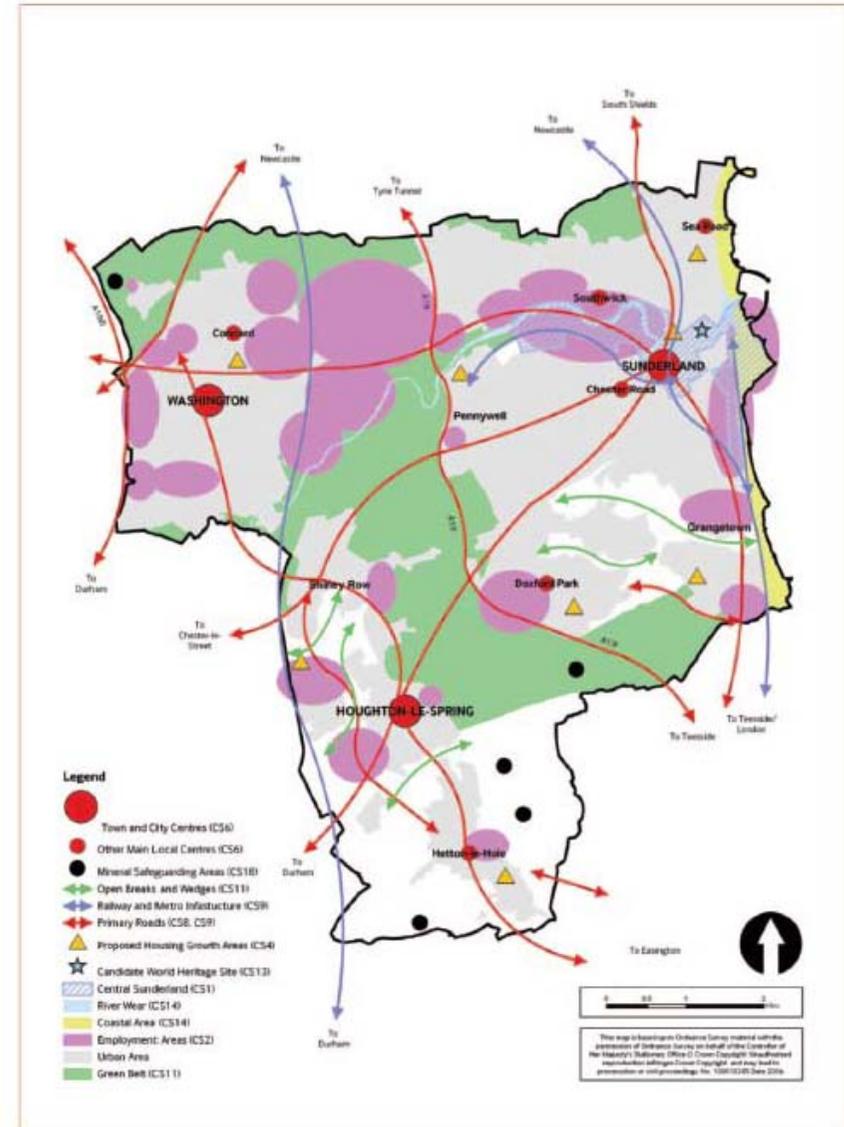
A diverse housing and place offer that supports residents with specific needs and provides access to affordable housing for young people, graduates and those employed within the **knowledge sector** (predominantly finance and legal services) and offering a ladder of housing provision in sustainable communities to encourage the retention of the knowledge sector workers and stem outward migration.

This includes new build city centre living, improvements to the existing housing stock, improved family housing and improvements in the choice of type, location and price of housing to meet 21st century aspirations and demands and reverse the trend of outward migration.

5 **A one city approach to economic leadership** - reflects Sunderland's ambitions to take a determined approach to raising the game in terms of economic leadership in the city through a range of mechanisms. It is deliberately positioned as a central aim rather than relegated to a 'governance' section of the Masterplan.

The opportunities available are substantial, particularly in relation to:

- City centre growth
- The development of low carbon industries of electric vehicle production, offshore energy generation and software
- Creating a housing offer that meets the aspirations of people taking up work in these sectors, as well as existing residents



The Economic Masterplan aims to overcome challenges facing the City:

- **The growth of employment primarily in out-of-town locations has left the city centre underpowered as an economic driver.** The lack of office jobs has hindered the development of better shopping and leisure facilities, leaving the centre insufficiently attractive to residents and businesses alike. This has made it difficult to improve the quality of the city centre.
- **Sunderland's economy remains too reliant on a narrow range of industries.** The city has successfully moved from ships and coal to cars and contact centres, but does not have the variety of industries and career opportunities, or the volume of well-paid jobs necessary to retain more of the younger population and to ensure a resilient economy.
- In part, this **narrow industrial base persists** because Sunderland has been more successful in attracting international companies than in helping indigenous businesses to grow, as demonstrated by the scarcity of business start-ups in the city.
- Sunderland is a city with a university, but **does not yet possess the characteristics and qualities of a 'university city'**. Its two campuses lie adjacent to the city centre but have not been properly integrated within it. The University of Sunderland has the potential to become an economic and culture-changing asset, with a strong civic role aligned to supporting the economic transformation of the city centre and of the city as a whole.
- The relatively low skills and aspirations of the population mean that in general residents earn less than incoming commuters. Relatively few are highly qualified and unacceptably **large proportions of people of working age are not in work and therefore are not benefiting from the growing economy.** The choice of housing in Sunderland has been limited in the past because of the large number of people in similar occupations on similar incomes. Housing choice has not kept pace with rising aspirations and incomes.

Going Forward

The future of Sunderland is dependent on how all **partners work together** to realise the City's full potential for all, and in the age of austerity and localism this approach affords new opportunities for the City Council to work with developers and other partners such as Health, Transport, Voluntary Sector, Police and the vast array of Government organisations to realise the City's vision. Funding in the future will be linked to the **'Capital and Assets'** approach being piloted. For example as well as new homes, our **Low Carbon City Village concept** will seek to maximise capital investment in new multi-user facilities that will be at the heart of our local communities and include school, housing and health services, resource centres, out of hours events. In relation to the Economic Masterplan Sunderland will change in many ways as the Economic Masterplan is put into action. We describe the key activities within the Economic Masterplan, when they will take place and their short, medium and long term results below.

Phase 1 – Pioneering New Sunderland

Years 1- 5 of the Economic Masterplan

- improving the city centre
- establishing the Low Carbon Economic Area
- making sure that local people benefit

Phase 2 – Growing New Sunderland

Years 5 – 10 of the Economic Masterplan

- Diversifying the city centre
- Nurturing the Low Carbon Economic Area
- Connecting communities to economic opportunities

Phase 3 – Sustaining New Sunderland

Years 10 – 15 of the Economic Masterplan

- Growing the city centre
- Strengthening the Low Carbon Economic Area
- Transforming external perceptions.

Our overall approach should secure more from less funding, allow local **decisions** to be made at the **local level**, commissioning based upon locally identified need without the restrictions of top-down grant funding and enable delivery to occur in those areas that need investment to secure their long term viability based upon sustainability.

The sub-national context and framework is also changing. Sunderland, within the North East, has a mutually inter-dependent relationship with its surrounding areas. Transport and Information and Communications Technology (ICT) connectivity to, and within, the bordering travel to work areas are targeted to unlock and utilise potential surrounding assets including skills and employment bases. Key assets of the wider North East such as, Business Parks, National Parks and Areas of Outstanding Natural Beauty are also considered as drivers to help market the area as a tourism, business and relocation destination – these will all positively impact upon Sunderland. Although there is no longer the requirement for an Integrated Regional Strategy, we will use the

work produced by One North East, the Association of North East Councils and North East partners, for the draft '**North East Analytical Report**'.

The evidence this work contains on business and enterprise, people and communities, built environment and the natural environment, and especially that on the "Quality of Place", provides a useful picture of housing and co-dependent issues that informs future approaches to improving the housing offer at a regional and more local scale.

The City is **preparing for the economic upturn**, is helping to shape and take account of existing, ongoing and emerging sub-regional strategy, including the Tyne and Wear City Region Economic Review and Tyne and Wear Strategic Housing Market Assessment and Local Transport Plan to meet its vision for Sunderland. Housing, and the '**residential place offer**' in Sunderland, reflects the industrial past rather than what is required to meet the needs and aspirations of residents now and in the future. We face problems of low demand, areas of severe deprivation and poor housing that resulted in an undersupply of quality homes of the right type, in the right locations and at the right price to meet 21st century demands; we also need to reverse the trend of net outward migration linked to trying to improve the economic status of the North East. Furthermore, since 2007 and the downturn in the economy, housing has witnessed a volume slump resulting in reductions in house prices, number of transactions, completions and starts and land values overall. The housing challenge in the region is to reverse current trends and improve the entire residential offer available in sustainable communities. In Sunderland we will bare in mind the carbon footprint that we will pass onto future generations of residents through the interventions in the housing market now. We will acknowledge demographic changes, flexibility to changing circumstances, future-proof our communities, deliver the place shaping agenda and look after the needs of all vulnerable people. **To ensure a sustainable pattern of development in the city, the priority for new development will reflect the following spatial principles as outlined within the City's emerging Core Strategy:**

- Priority will be given to the regeneration of Central Sunderland (including the city centre)
- In overall terms, the majority of new housing in the city (37%) will be located within South Sunderland
- Washington will be a key provider of land for economic development (47%); only a minor amount of new housing is proposed (6%)
- Growth in the Coalfield will be balanced with an equal emphasis on both housing (20%) and economic development (22%)
- Both housing (9%) and employment development (1%) in North Sunderland will be limited.

Sunderland University supports business innovation through the institute of automotive and manufacturing advanced practice, Sunderland media centre and its links with Sunderland College. The University of Sunderland has 13,500 students of which nearly 1,500 are overseas undergraduates and has 1,400 staff and is at the cutting edge of education in relation to computer science, media, English, History, Automotive, art and design and tourism and these world leading attributes need to be harnessed and developed over the lifetime of Sunderland's Housing Priorities Plan and ensure that the knowledge sector is retained to develop the local economy and aid the delivery of the Economic Masterplan.

Section 3: Evidence

We have based this Plan on a robust evidence base that is drawn from work done for the Economic Masterplan Baseline Report, [hyperlink] the ongoing work for the Local Development Framework including the Strategic Housing Land Availability Assessment, Strategic Housing Market Assessment and Joint Strategic Needs Assessment (with our Health partners)

The Local Economy - Sunderland

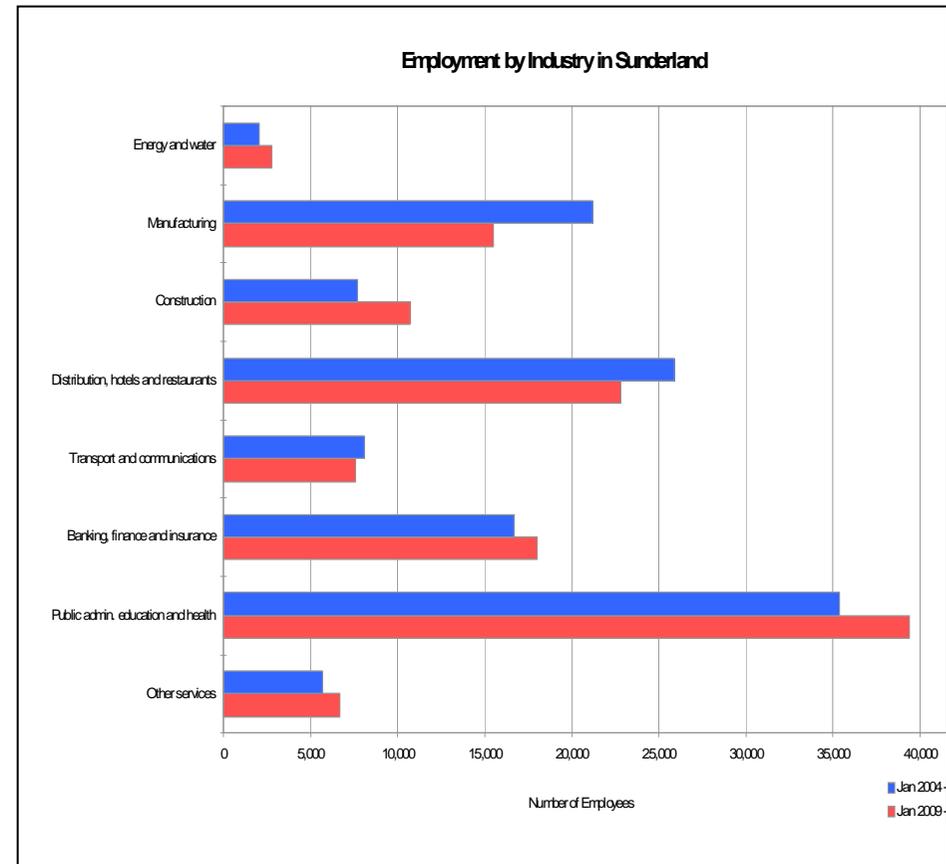
Since the mid 1980s Sunderland's economic situation has **improved** following the collapse of shipbuilding and other traditional industries. The Nissan car factory opened in 1986, built upon part of the old airport, and with new service industries moving into sites such as Rainton Bridge and the Doxford International Business Park in the south west of the city, developing as the main office development opportunities in Sunderland due to the lack of available city centre office space.

Sunderland now provides an important **and strategically relevant employment centre** for the Tyne and Wear sub-region. The following chart demonstrates those economic sectors that have grown, and retracted, between 2004 and 2009. The automobile industry, with Nissan leading in international markets, has been crucial to the future growth in the manufacturing sector and there is the opportunity to support its future growth via our low carbon ambitions.

The proportion of employees in the public sector, banking, insurance and finance sectors has steadily grown over the past 10-15 years; supporting these sectors and providing better quality office space is central to our aim to develop a central business district.

Despite the creation of new jobs in the city in recent decades, Sunderland still suffers high unemployment and a low skills base.

- 10.6%% of working age people are unemployed (compared to the national average of 7.7% and a North East average of 9.6%)



- Job Seekers Allowance (JSA) rate has increased by 71.7% since July 2005 up to July 2010 – most notable increases in Washington East, Copt Hill and Shiney Row wards
- If Sunderland matched the national picture then approximately 12,000 extra people would be in work.
- A high proportion of people are qualified to NVQ level 1 and 2 but fewer to levels 3 and 4. Many of the better paid jobs that do exist are taken up by people who commute into the area.
- 80% of the people that live in Sunderland work in Sunderland

(The rest of the evidence base is contained within appendix 2) that highlights:-

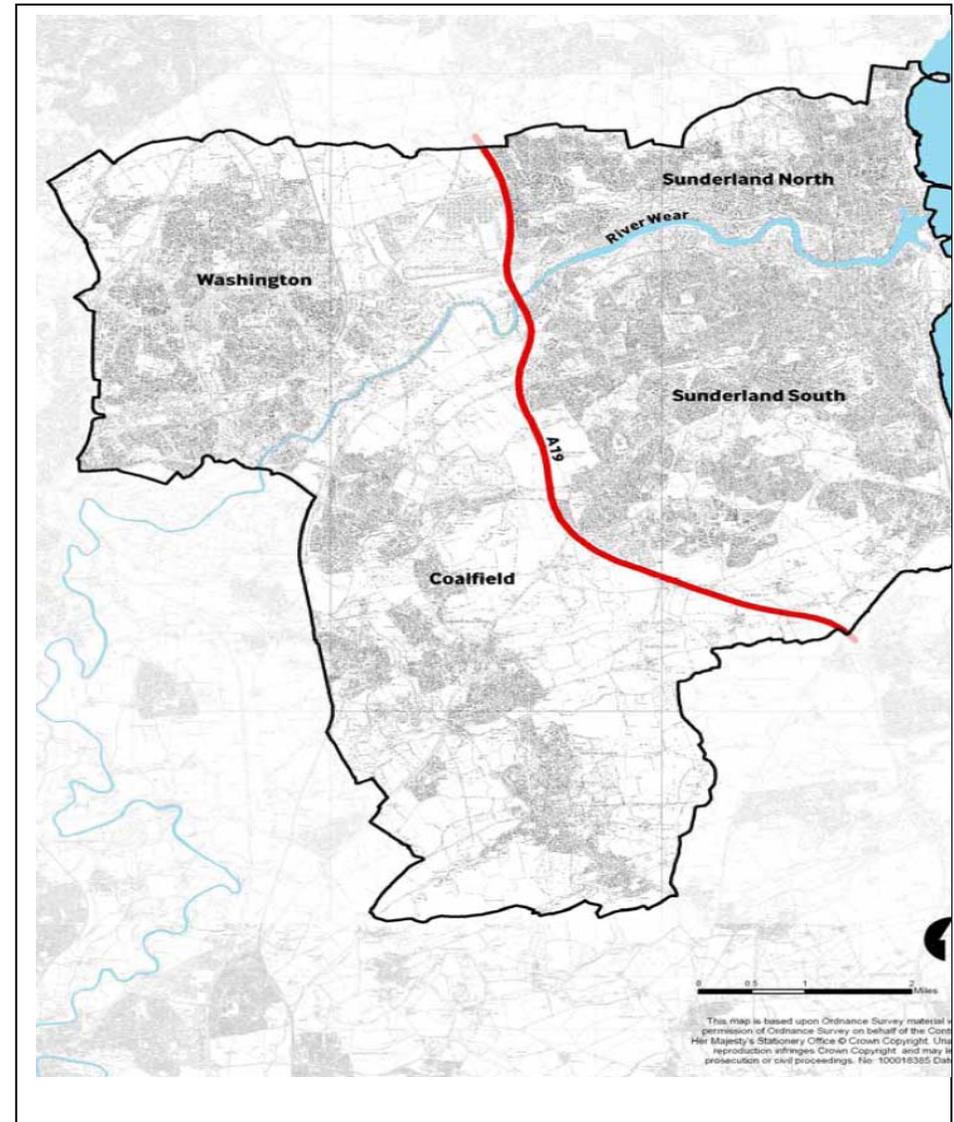
- The level of deprivation in Sunderland – remains high and that employees earn 11.8% less than the national average with 11 of the City's 25 wards in the top 10% most deprived in the country.
- The ageing population time bomb – expected that by 2029 there will be a significant shift in the number of older people aged 85+ within the city (total expected to more than double) associated with declines in the 0-19 age group by 19.6%, and for 20-39 age group by 14.3%.
- Sunderland's current housing market and the net outward migration affecting the city overall. The city has 76.1% (95,334 homes) of its housing stock in council tax bands A and B; and only 3.7% (4,483 homes) in bands E, F, G and H. The Strategic Housing Market Assessment confirming that greatest demand is for semi-detached and detached properties of three and four bedrooms.
- Private sector stock - equity potential within the owner-occupied sector is substantial and estimated to be at £6.872 billion. The survey in 2007 also concluded that :“Housing conditions in the City are better than the national average for private housing”
- Sunderland's future housing supply – the city is revising the housing supply ambitions based around local needs and ensure that our Core Strategy includes policies that are deliverable, taking account of the Economic Masterplan and Strategic Housing Land Availability Assessment

Section 4: Sunderland Places

Earlier sections in the HPP have highlighted our desire to invest in the City Centre, the waterfront and Low Carbon City Villages to support our economic renaissance. We have also demonstrated that there is significant capacity for new homes as well as a need to make the most out of our existing housing stock – all linked to place making. The map (right – sourced from Sunderland City Council Core Strategy DPD) illustrates how the City Centre Waterfront area and City Villages concepts in the Economic Masterplan could fit with our local governance arrangements and our different places:

- Central Sunderland
- Sunderland South
- Sunderland North
- Washington
- Coalfield

In terms of connecting our places, the Sunderland Strategic Transport Corridor (SSTC) is a proposed transport link from the A19, through the city centre, to the port. A major phase of the plan is the creation of a new iconic bridge, which will link the A1231 Wessington Way on the north of the river with the Grove site in Pallion, on the south of the river. Plans for this site focus around the creation of a new residential area, with homes, community buildings, commercial and retail space. Sunderland City Council's Alteration No.2 to the Unitary Development Plan (UDP) outlines ambitious regeneration plans for a number of sites in Central Sunderland. The rest of this section (as detailed in appendix 3) provides more information on what we have already done, and intend to do in different places to achieve our vision.



Section 5: Sunderland People

We hold significant information on the skills/employment, housing, health and support needs of our residents, highlights of which are provided at section 3 (Evidence).

Sunderland People – This is about raising peoples aspirations, creating confidence and promoting opportunities. Our residents are at the heart of all our plans and by focussing upon what people want and need; and delivering upon their aspirations are of paramount importance. This is linked to training, jobs the local economy and delivering safe and sustainable communities (see appendix 4)

Our priorities being:

- Older People – ‘Enabling Independence’, through 1,350+ units of mixed tenure extra care accommodation
- Young people - new ‘gateway’ service for young homeless people aged 16-21
- Black, Asian and Minority Ethnic communities - ambition is to build lifetime homes, which are more flexible to the needs of different cultures and a mixture of tenures and sizes for people on different incomes and life stages, are therefore considered capable to meet the needs of our minority populations as well as the majority.
- Families - a need provide larger social rented dwellings suitable for families and the affordable housing need is for larger properties with three or more bedrooms.
- Learning disability - the most significant area of growth is amongst those aged 65 and over; there is a pressure to provide supported accommodation for 13 – 16 people per annum
- Mental wellness – the needs are currently being analysed
- Long Term conditions - the council is currently undertaking needs assessment of the population aged 14 – 64 years with functional dependencies
- Homelessness - The aspiration Sunderland is to eliminate the need for any citizen to become homeless and use all means and powers available to the Council and its partners to ensure this.

Our priorities in the early stages of the HPP are therefore focussed on **older people and homelessness**.

Section 6: Resources (see appendix 5)

This is a long term plan that will take 15-20 years to deliver, and the long term approach is to develop '**joint investment plans**' within the City's communities. To ensure that the Council is at the heart of the City's regeneration it will strategically lead the overall regeneration process, to ensure 'best fit' with the City's economic aspirations. In the current economic climate and in the age of austerity where central government policy is of deficit cutting, lower spending and a reduction in the amount of benefits and public services provided; austerity policies are often used by government to reduce deficit spending whilst inevitably associated with tax increases to pay back creditors as to reduce the overall debt.

The typical effects of austerity measures are that development projects, welfare expenditure and social spending are areas of spending that are targeted by government for cuts. Therefore, the Council will have to look to develop new ways of tackling poorer areas in decline or exhibiting market failure and as a Council will have to do more with less and target areas that need intervention all based upon local intelligence that can profile an area, determine need and ensure a joined-up approach by all partners to ensure sustainable viability in an area thus developing locally based neighbourhood plan(s).

Other emerging financial issues

On 20 October 2010, the Coalition government announced the Comprehensive Spending Review (CSR) for the period April 2011 to March 2015. The CSR confirmed that the overall outcome for each government department will be cut by an average of 19% (except for Health and Overseas Aid). The Communities and Local Government Department cut is estimated to be 67% overall, with £112.9 billion for housing and local government over the CSR 4-year period. In November 2010 the HCA will be publishing its 'Business Plan', however, the HCA is committed to working a lot more closely with the Council as a result of the CSR10.

New partnerships and innovative approaches will have to be forged as to utilise all funding opportunities and go beyond pure financial aspects, so time, intelligence, expertise and experience will come to the fore more, with the Council acting as an 'enabler' with the best placed partner providing the delivery

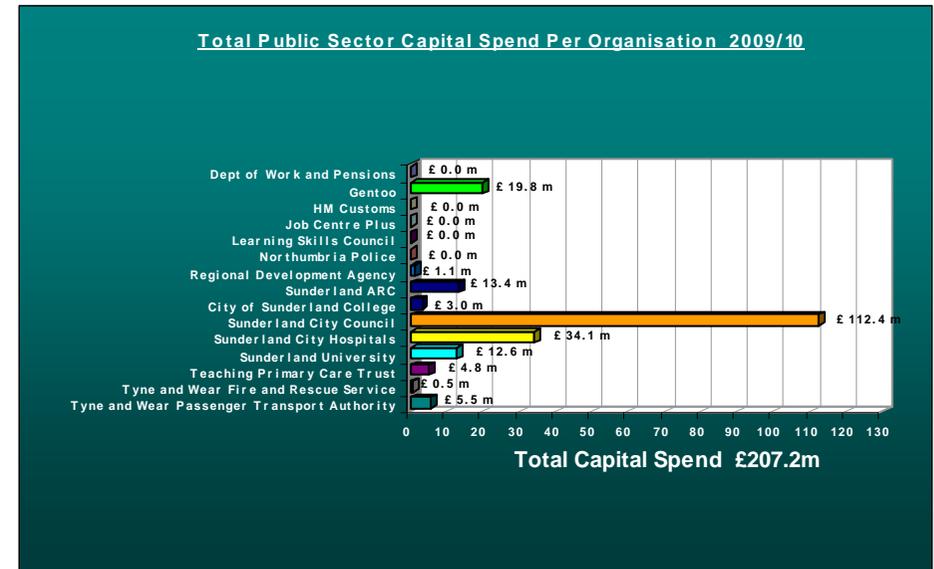
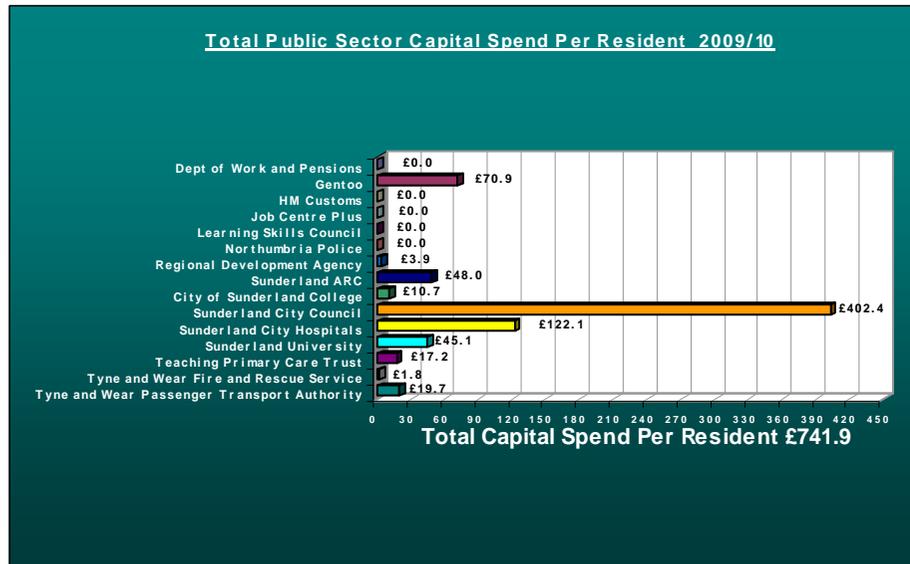
The Regional Growth Fund has been extended to three years and is increased to £1.4 billion from the previously announced £1 billion.

The introduction of the new intermediate rental tenancies where rents will be 80% of the market rent could see rent levels increase fourfold in Sunderland. This could support the building of affordable new homes over the next four years in Sunderland.

Another key issue is also emerging in relation to finance generally with the proposed changes in housing benefit which could have a detrimental effect in Sunderland following the proposed changes, at least 5% of private renting tenants in Sunderland who currently get HB will not be eligible for full housing benefit to cover their rent. (DWP figures suggest that the proportion of private tenancies that could be met in full by HB will fall from 54% to 37%. However other figures indicate that 42% of private renters in

Sunderland currently get HB). The actual position is likely to be worse than that. The 5% figure would only be achieved if all tenants in receipt of HB were able to move to homes with the lowest rents. That is unlikely to happen as tenants in receipt of HB will be in competition with low income working households for low rent properties. The other key aspect of finance is in relation to the availability of mortgage finance in Sunderland.

The graphs below detail the known capital spend in 2009/2010 by residents / organisations / agencies in Sunderland.



Section 7: Programme Management – Delivery and Governance (see appendix 6)

Programme management is the process of managing several related projects, often with the intention of improving an organisation's performance, and in relation to Housing Futures it focuses upon how the City performs and the outcomes realised as a result of having the plan and how it inter-relates to the suite of strategies and initiatives within Sunderland. Ultimately, Housing Futures is about delivering the capability for Sunderland to change, and when the various projects deliver – be they housing, the economy, transport or spatial policies then benefits for the residents of Sunderland will be delivered and the case for change implemented. Governance is key to the effective management and development of the strategic approach and in the first instance **the Strategic Housing Priorities Executive Board is** to undertake this role. This will be reviewed as the overall governance structures begin to take shape around the Economic Masterplan and the Local Enterprise Partnership. A new **Planning and Delivery Group** comprising of the Council and HCA representatives that will lead on the implementation of the housing priorities plan is due to meet for the first time in November 2010.

Section 8: Consultation (see appendix 7)

Sunderland takes advantage of existing consultation and engagement arrangements in all that it does and the development of this Plan has been undertaken as a positive engagement opportunity. It builds upon the consultation events provided through the Sunderland Strategy – especially the results of the Annual Residents Survey and the consultation undertaken in relation to the Economic Masterplan, building upon the consultation through the core strategy and Local Development Framework events and takes account of the consultation undertaken for the Strategic Housing Land Availability Assessment and Strategic Housing Market Assessment. It also builds upon the work with the 'Citizens' Panel' and the 'Independent Advisory Groups' as well as the consultation undertaken as part of the Strategic Housing Market Assessment development work.

The plan has been widely consulted upon with many key partners involved as part of our Housing Forum. The first consultation event was held on 15 July 2010 and a cross-section of interests were invited to the event to discuss the initial emerging priorities and the consensus from the group work was that the priorities were about right. Further consultation events have taken place on the 4th August 2010 with other regional Local Authorities - including Durham, Northumberland and the Tyne and Wear authorities – to share information and discuss priorities. On the 10 August 2010 – Private Sector House builders were consulted and agreed to commence 'open dialogue' sessions with members of the National House Builders Federation and a further event took place on 23 August 2010 with Housing Associations. On 6 September 2010 a second city wide partner consultation event was held to discuss how the plan had developed and to reaffirm the priorities.

Section 9: Risk Assessment (see appendix 8)

The City Council has a detailed corporate risk management plan which is monitored on a regular basis by the Executive Management Team, this then filters down to Directorate risk management plans and service area risk management plans. A full draft risk assessment is attached as appendix 4, at the moment no potential for risk transfer has been identified, however, the general principle will apply that risks should be passed to the party(s) best able to manage them, subject to value for money

Section 10: Going Forward

Further iterations of the Plan will be informed and influenced by ongoing discussions with partners and Government policy, but we are confident that we have a robust plan in place to ensure that we deliver against our agreed priorities.

Partners will also explore the potential for appropriate joint venture vehicles to capitalise on assets and investment to deliver benefits to the City. The HCA will continue work closely with Sunderland to continue to explore opportunities for greater flexibility, more efficient and effective delivery, maximising public investment and delivering the strategic priorities of the City thus realising the City's vision. There is an ongoing and iterative process and the plan will be refreshed in April/May 2011 with the aim of ensuring the delivering a high level vision over the 15 year time period with any corrective action being taken to ensure delivery based upon 3 year delivery plans.

Section 11: Appendices

Appendix 1	Priorities
Appendix 2	Evidence Base
Appendix 2a	Housing Investment Plan by scheme/area
Appendix 2b	Housing Developments
Appendix 3	Sunderland People
Appendix 4	Sunderland Places
Appendix 5	Resources
Appendix 6	Governance
Appendix 6a	Monitoring and Evaluation
Appendix 7	Consultation
Appendix 8	Risk register
Appendix 9	Key documents
Appendix 10	Glossary of terms