

SCRUTINY COMMITTEE

AGENDA

Meeting to be held in the Civic Centre (Committee Room No. 1) on Thursday, 10th October, 2013 at 5.30 p.m.

Membership

Cllrs, Bonallie, Howe, Kay, T. Martin, Shattock, Tate, Waller and N. Wright

Co-opted Members - Ms A. Blakey, Ms R. Elliott and Ms. H. Harper

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6. **Reference from Cabinet - 9th October 2013 – Revenue Budget Second Review 2013/2014** 52

Report of the Head of Law and Governance (copy attached).

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10. **Lead Scrutiny Member Update: September 2013** 109

Joint Report of the Lead Scrutiny Members (copy attached).

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No items

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No items

E. WAUGH,
Head of Law and Governance,
Civic Centre,
SUNDERLAND.

2nd October, 2013.

At a meeting of the SCRUTINY COMMITTEE held in the CIVIC CENTRE on THURSDAY, 12th SEPTEMBER, 2013 at 5.30 p.m.

Present:-

Councillor Tate in the Chair

Councillors Bonallie, Kay, T. Martin, Shattock, Waller and Ms. A. Blakey

Also Present:-

Councillor James Blackburn – Portfolio Holder City Services

Councillor Louise Farthing – Scrutiny Panel Member

Councillor Graeme Miller – Portfolio Holder Health, Housing and Adult Services

Councillor Harry Trueman – Deputy Leader

Apologies for Absence

Apologies for absence were received from Councillors Howe and N. Wright and from Ms. R. Elliott

Minutes of the last Meeting of the Committee held on 11th July, 2013

1. RESOLVED that the minutes of the last ordinary meeting of the Scrutiny Committee held on 11th July 2013 (copy circulated), be confirmed and signed as a correct record.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest made.

Scrutiny Policy Reviews 2012/13: Response from Cabinet - 17th July 2013

The Chief Executive submitted a report (copy circulated) providing feedback from the Cabinet meeting held on 17th July 2013, regarding the final three of the second round of Scrutiny Policy Reviews undertaken during 2012/13.

(for copy report – see original minutes).

Councillor Tate introduced the report advising that proposed actions to be taken on each of the Policy Reviews and progress on delivering those actions was detailed in appendices 1-3 of the amended report.

Members of the Cabinet had been invited to attend for this item of business and brief the Committee on Cabinet's consideration of the policy reviews and how they

intended to deliver the recommendations of each of the policy reviews of the Scrutiny Panels which came under their Cabinet portfolio responsibility as follows:-

Scrutiny Panel	Policy Review	Portfolio Holder
Skills, Economy and Regeneration	Delivery of Apprenticeships in Sunderland	Cllr H. Trueman
City Services Scrutiny Panel	Waste and Recycling in Sunderland: Approach to Resident Engagement	Cllr Blackburn
Health, Housing and Adult Services	Empty Properties in Sunderland	Cllr G. Miller

Councillor Tate, Chairman of the Scrutiny Committee, welcomed Councillors H. Trueman, Blackburn and G. Miller to the meeting, together with Ms. Stephanie Rose, Associate Policy Lead for Culture, Sport and Learning, Mr. Colin Curtis, Assistant Head of Street Scene, Ms. Joanne Moore, Communications Officer and Mr. Alan Caddick, Head of Strategic Housing.

The Cabinet Members welcomed the opportunity to attend the meeting, provide feedback and answer questions asked by Members of the Scrutiny Committee. Once they had presented their feedback and answered questions and comments from Members, Councillors Trueman, Blackburn and Miller left the meeting.

Councillor Tate referred to the recommendations in relation to delivery of apprenticeships in the city and asked if it was possible to include clauses in Council tender documents that successful contractors should, where possible, have apprenticeship positions for residents of Sunderland. Ms. Rose advised that this was an issue that was currently being explored through procurement and the tendering process and where possible, the Council were looking to include social and economic clauses within tender documentation.

In response to a question from Councillor Bonallie regarding the incentive schemes, Members were advised that so far research had shown that the schemes had been met positively by residents but that to date there was no increase in tonnage so it would be hard to prove that they were making a positive impact without the schemes having run a greater length of time and research being undertaken.

2. RESOLVED that :-

- i) the proposed actions detailed within the Action Plans appended to the report be noted, and
- ii) each Action Plan be referred to the appropriate Scrutiny Panel for further consideration.

At this juncture the Chairman proposed that Item 6 – Sunderland Clinical Commissioning Group – ‘Better Health for Sunderland’ and Item 7 – Improvement to Urgent and Emergency Care Services in Sunderland be considered next on the agenda to allow partners from the CCG to present their items and leave the meeting.

Sunderland Clinical Commissioning Group – ‘Better Health for Sunderland’

The Chief Executive submitted a report (copy circulated) which advised that representative of the Clinical Commissioning Group (CCG) were in attendance to provide Members with a presentation about the priorities, aims and objectives of the Sunderland CCG.

(for copy report – see original minutes).

Mr. David Gallagher, Chief Officer, Sunderland Clinical Commissioning Group (CCG), gave a presentation to Members which gave them an update on the outline aims and objectives of the Sunderland CCG in regard to improving the health of Sunderland and addressing the key health challenges the city faces through having meaningful engagement and working in partnership with agencies and service providers.

Councillor Shattock thanked the representatives from CCG for the informative report and looked forward to continuing to receive updates as developments continue to be made but asked how much of the elected GP's time was taken away from their core work of treating patients to be involved with the Board. Dr. Iain Gilmour, Clinical Vice Chair and elected GP, advised that practices were fully in support of GP's being able to carry out their role effectively with the board and that individual practices would organise time to identify and cover those times that GP's would be involved with the work of the board.

Councillor Waller raised concerns over the average waiting times for young people with mental health issues and was informed that reducing waiting list times and lists was one of the key areas they were looking to improve. The Chairman commented that a report was being prepared by NTW, one of the service providers, to be considered by the Children's Services Scrutiny Panel, which may address some of the issues and concerns Councillor Waller had.

In response to a query from Councillor Tate regarding the reaching of any key milestones, Mr. Gallagher advised that the CCG were making big in roads in a number of areas making lots of little impacts. As work followed through improvements would continue to be made and bigger impacts and differences on services would be identified. He explained that the work being undertaken with regard to the urgent and emergency care, which was to be covered under the next item on the agenda, would make big improvements to services.

In response to a question from Councillor Tate, Dr. Gilmour confirmed that GP practices were now working together within their localities to come up with plans to solve issues in their own areas.

The Chairman thanked Mr. Gallagher for his informative report and looked forward to receiving further updates at future Committee meetings, and it was:-

3. RESOLVED that the information within the presentation and report on the Sunderland CCG be received and noted.

Improvement to Urgent and Emergency Care Services in Sunderland

The NHS Sunderland Clinical Commissioning Group (CCG) submitted a report (copy circulated), which provided Members with an update on the programme of reform work related to the pathway for Urgent Care in Sunderland.

(for copy report – see original minutes).

Dr. Iain Gilmour, Clinical Vice Chair and elected GP, gave a presentation to the Committee on the Sunderland Urgent Care Reconfiguration which set out the background to the reconfiguration, the aims of the unscheduled care board and the timetable to be followed identifying the implementation dates for 'new' service provision.

For clarification, Dr. Gilmour advised that the Kaizen event scheduled during October – November, 2013, was an exercise whereby front line staff were brought together and asked for their views and opinions on the best way to solve problems and issues.

Councillor Farthing expressed her disappointment in the Houghton Walk In Centre not being expected to open for another year and advised that there was a lot of concern from residents about the lack of those services in the Coalfields area. Members were advised that there were three sites that had to go through due process and that the best way to commission them would be together to ensure that the best solution is sought and all offer the same. Mr. Gallagher also explained that a lot of use of the urgent care system was by patients who had followed the wrong route for services and should be directed elsewhere. He advised that a piece of work was being undertaken to direct patients to the most relevant and best service for them at that time and not to continue to access urgent care when it was not necessary.

With regards to Houghton Primary Care Centre, Dr. Gilmour informed the Committee that the other services such as the rehabilitation unit were working well and that the centre was providing a lot of useful services to the local community and that the minor injuries unit (walk in centre) would be only one of them.

Councillor Kaye referred to Sunderland Royal Hospital, which was sited within his ward, and commented that residents felt that there was no connectivity or consultation with the local community to advise them of when developments were being undertaken so that they were prepared and aware of them. Mr. Gallagher commented that although they did not manage the hospital site he was more than happy to take the views back to the hospital to discuss with them how they may effectively engage with local communities and residents more.

In response to a query from Councillor Farthing around plans over the winter months to plan for emergency care, Ms. Ann Fox, Director of Nursing, Quality and Safety advised that the CCG recognised the importance of these issues and as such had well established plans in place for emergency care. There was a sustained demand and challenges placed upon them and they were aware of the pressures. She explained that it had been a priority for the CCG over the last few months to look at the plans in place and go through the process of ensuring they provided the assurances to manage emergency care. As part of this piece of work assessments

were made to ensure they were fit for purpose and if not they would refocus the plans to ensure that the whole system worked as effectively as possible.

The Chairman having thanked the partners for their informative report, it was:-

5. RESOLVED that the Health Protocol be endorsed for referral to the Health and Wellbeing Board.

Reference from Cabinet – 4 September, 2013 – Youth Justice Plan 2013/14 to 2015/16

The Head of Law and Governance submitted a report (copy circulated) which set out for advice and consideration of the Committee, a report on the Youth Justice Plan 2013/2014 to 2015/16 outlining the background, purpose and intentions of the Plan.

(for copy report – see original minutes).

Ms. Louise Hill, Youth Offending Services Head of Service, presented the report advising that the Cabinet at its meeting on 4 September, 2013 gave consideration to the report identifying that the Youth Justice Plan as the primary document of the Youth Offending Team Partnerships to set out how they will deliver against the Youth Justice Board's Performance Management Framework for Youth Offending Teams and was a key source for local planning.

Councillor Shattock congratulated Officers on the report and commented that the service had a long standing reputation which she hoped they could continue to maintain and asked about the current staffing situation and how the service was being affected by, if at all, by staff turnover. Ms. Hill confirmed that the service had faced cuts but that they had reconfigured services to ensure they were maintained. They were continuing to work to secure income through other routes and were confident that any reductions would not effect the front line services being currently provided.

Ms. Hill advised that staff had shared comments over the changes and a significant piece of work was being undertaken to get firsthand feedback of staff experiences to help adapt if necessary. She informed the Committee that the Chief Executive had visited recently and spoke with staff who had welcomed the opportunity to hear from and remained well motivated following it.

Councillor Kaye referred to page 23 of the draft Youth Justice Plan and commented that it may have been of better comparison for the Committee if the report gave a more detailed cost benefit analysis in order to demonstrate value for money. Officers confirmed that this data was available and although it may be difficult to have it included in this version of the plan it was something that could be feasible in future reports.

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

3. RESOLVED that the Council be advised that:-

- the Scrutiny Committee recommend that future reports give more detailed cost benefit analysis in order to demonstrate value for money; and;

- the Scrutiny Committee were satisfied with the remaining content of the Youth Justice Plan and had no further comment than that to make.

Corporate Parenting Annual Report 2012-2013

The Executive Director People's Services submitted a report (copy circulated), which provided Members with the Annual Corporate Parenting Annual Report.

(for copy report – see original minutes).

Ms. Meg Boustead, Head of Safeguarding, presented the report advising that it informs all Members of the current position of the Council as 'Corporate Parent' and demonstrates that elected Members are aware of their role as Corporate Parents. It also updates Members on the current performance of the Council in meeting this responsibility, and on action taking place to further improve outcomes for those children and young people for whom the Council has a parenting responsibility.

Councillor Tate asked why 14 year old children were the largest group of looked after children and was advised by Ms. Boustead that children over 10 years old were rarely adopted and therefore remained looked after by the local authority. She also advised that at age 13-14 they preferred as little movement and unsettlement as possible for the young people as these are key years in their schooling which they would not want to disrupt.

In response to a question from Ms. Blakey around the differences between how looked after children were performing at Key Stage 2 and Key Stage 4, Ms. Boustead advised that as the cohort of children was so small, at around 30, any change in the group of children could influence the performance data. She explained that as a service they individually monitored each child's performance and worked with them through a dedicated team (virtual school) to measure attainment but that they were judged and measured on the performance of the young people as an overall.

Councillor Tate asked what was being done to reduce the number of looked after children who offend and was informed that the figures had improved slightly but there was still the need to improve further through closer working relationships between the local authority, the youth offending service and in particular children's homes, as this is where most of the young people who offended resided. She advised that there was a particularly difficult cohort of young people at the moment with issues around criminal behaviour but that they were working together to try and change behaviours and divert young people into being involved in more positive activities.

Councillor Kay commented that the authority never seemed to perform well in this area and asked what was being done to improve performance in relation to other local authorities. Ms. Boustead advised that the North East region was generally different to the rest of the country and that this may be partly due to the challenges faced in this area. She explained that the area saw more movement of young people through the system than there may be nationally and that as the cohort of young people was so small, changes were often noticed year on year. She explained that working with multi agency partners they were looking into different

ways to improve performance but that the needs of the individual young person and having the correct care team in place around them continued to be of importance.

Councillor Tate referred to the DFE announced changes to the performance monitoring of young people leaving care whose 19th, 20th and 21st birthdays fall within the collection period and asked if this was likely to impact on our performance. Members were advised that this was an area of constant challenge but that it would be consistently monitored and reported to the Corporate Parenting Board and Members would continue to be updated and involved.

The Chairman having thanked Ms. Boustead for her report, it was:-

5. RESOLVED that the Annual Corporate Parenting Report be received and noted.

Notice of Key Decisions

The Chief Executive submitted a report (copy circulated) providing Members with an opportunity to consider those items on the Executive's Notice of Key Decisions for the 28 day period from 10 September, 2013.

(for copy report – see original minutes).

The Chairman asked any Members having issues to raise or requiring further detail on any of the items included in the notice, to contact the Scrutiny Co-ordinator, Ms. Helen Lancaster for initial assistance.

6. RESOLVED that the Notice of Key Decisions as detailed above be received and noted.

Annual Work Programme 2012/13

The Chief Executive submitted a report (copy circulated) attaching for Members' information, the work programme for the Committee's work being undertaken during the 2013/14 council year.

(For copy report – see original minutes).

7. RESOLVED that the information contained in the work programme be received and noted.

Lead Scrutiny Member Update: September 2013

The Lead Scrutiny Members submitted a joint report (copy circulated) providing an update to the Scrutiny Committee regarding the work of each of the six Lead Scrutiny Members and supporting Panels.

(for copy report – see original minutes).

The Committee received an update from those Lead Scrutiny Members present on the work that had been carried out to date by the Scrutiny Panels.

Full consideration having been given to the report it was:-

8. RESOLVED that the update of the Lead Scrutiny Members be received and noted.

The Chairman then closed the meeting having thanked Members and Officers for their attendance and contributions to the meeting.

(Signed) R.D. TATE,
Chairman.

REFERENCE FROM CABINET – 9 OCTOBER 2013

PROPOSALS FOR BUDGET CONSULTATION 2014/2015

Report of the Head of Law and Governance

1. Purpose of the Report

- 1.1 To seek the views of this Committee on a report considered by Cabinet on 9 October 2013 on proposals for the budget consultation strategy and framework to inform the preparation of the Budget for 2014/2015.

2. Background and Current Position

- 2.1 The Cabinet, at its meeting on 9 October 2013 gave consideration to the attached joint report of the Chief Executive and the Executive Director of Commercial and Corporate Services. The report outlined proposals for the budget consultation strategy and framework to inform the preparation of the Budget for 2014/2015.
- 2.2 Copies of the 9 October 2013 Cabinet agenda have been circulated to all Members of the Council. Recommendations from the meeting will be reported orally to the Scrutiny Committee.
- 2.3 The report is referred to the Scrutiny Committee, for its views, in the context of the budget framework. Comments from the Scrutiny Committee will be reported back to Cabinet at its meeting on 6 November 2013 and onto full Council on 27 November 2013.

3. Recommendation

- 3.1 The Scrutiny Committee is invited to consider and forward its views to Cabinet on the attached joint report of the Chief Executive and the Executive Director of Commercial and Corporate Services.

4. Background Papers

- 4.1 Cabinet Agenda, 9 October 2013.

4.2 A copy of the Agenda is available for inspection from the Head of Law and Governance or can be viewed on-line at:-

<http://www.sunderland.gov.uk/committees/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/8006/Committee/1636/Default.aspx>

Elaine Waugh
Head of Law and Governance

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CABINET MEETING – 9th October 2013

EXECUTIVE SUMMARY SHEET- PART I

Title of Report:

Proposals for Budget Consultation 2014/2015

Author(s):

Chief Executive and Executive Director of Commercial and Corporate Services

Purpose of Report:

To propose the budget consultation strategy and framework to inform the preparation of the Budget for 2014/2015.

Description of Decision:

Cabinet is recommended to approve the budget consultation strategy and framework as set out in this report and refer it to the Scrutiny Committee for consideration.

Is the decision consistent with the Budget/Policy Framework? *Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

To comply with the constitutional requirements taking account of central government guidance.

Alternative options to be considered and recommended to be rejected:

There are no alternative options recommended.

Impacts analysed:

Equality Y Privacy N/A Sustainability N/A Crime and Disorder N/A

<p>Is this a “Key Decision” as defined in the Constitution? No</p> <p>Is it included in the 28 Day Notice of Decisions? No</p>	<p>Scrutiny Committee</p>
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Cabinet - 9th October 2013

Proposals for Budget Consultation 2014/2015

Report of the Chief Executive and Executive Director Commercial and Corporate Services

1. Purpose of Report

- 1.1 To propose the budget consultation strategy and framework to inform the preparation of the Budget for 2014/2015.

2. Description of Decision

- 2.1 To approve the budget consultation strategy and framework as set out in this report and refer it to Scrutiny Committee for consideration.

3. Introduction and Background

- 3.1 The Budget and Policy Framework procedure rules contained within the Constitution of the Council requires consultation on budget proposals to take place. This report sets out proposals for budget consultation as part of the 2014/2015 budget process.

- 3.2 For a number of years the Council has recognised consultation as an important part of planning and delivering services that meet peoples' needs. Consultation by the City Council is already very wide-ranging and intensive. Examples range from:

- consultation in relation to major strategies such as recent consultations on the Carers Strategy;
- satisfaction surveys such as the Residents Survey;
- project specific consultation.

Community Empowerment

- 3.3 The Government published Best Value Statutory guidance in September 2011. The guidance states that authorities have a duty to consult representatives of council tax payers, those who use or are likely to use services provided by the authority, and those appearing to the authority to have an interest in any area within which the authority carries out functions. Authorities should include local voluntary and community organisations and small businesses in such consultation. This should

apply at all stages of the commissioning cycle, including when considering the decommissioning of services.

- 3.4 This demonstrates the need for involvement of local residents and voluntary and community sector and other partners in the budget setting process to shape what is best for Sunderland. This is increasingly important as support from government into the City reduces and there is greater need to fulfil the Council's Community Leadership role.

Budget and Council Tax Consultation

- 3.5 Central Government highlighted the need for Local Authorities to establish the views of local taxpayers before they take budget decisions with the publication of guidance in 2002 on conducting budget and council tax consultation.
- 3.6 The 'Council Tax Consultation: Guidelines for Local Authorities' sets out the issues that local authorities should consider when designing their own individual approach to council tax consultation and identifies different methodologies and approaches which might be taken. The following suggested approach draws on this guidance as well as the strong track record and experience of the Council in this context and changing environment.
- 3.7 It should be noted that the Council remains the ultimate decision making body regardless of the valuable consultation undertaken in relation to budget setting. The process of consultation is about providing Members with more information in order to help them to come to an informed judgement when making budget decisions.

4. Government Guidance on Council Tax Consultation

- 4.1 There are numerous options set out in the Government guidance for developing a dialogue with the public and stakeholders on budget matters. This is simply a menu of methodologies available. The approaches set out are:
- Surveys of citizens panel members e.g. in Sunderland, Community Spirit;
 - Community workshops;
 - Quantitative surveys;
 - Budget conferences / public meetings;
 - Interactive websites;
 - Focus groups / forums;
 - Referenda.

- 4.2 The guidance recommends against relying solely on a single methodology to ensure that a full range of public opinion can be tested and suggests adopting a staged approach to consultation:
- Initial stage – this should be early in the budget setting process and involve discussions about priorities for different services;
 - Later stage – this should take place later in the budget setting process once a firmer picture of the financial position is known. This will consider in more detail specific issues, spending priorities and impact on Council Tax levels.

5. Proposed Arrangements

- 5.1 The proposed arrangements have been refreshed to build on the successful arrangements of previous years which are already extensive and involve:

Consultation – Non Budget Specific

- 5.2 Whilst not budget specific, there are numerous other wide ranging consultations that take place which help to inform the priorities included in the budget consultation process. The Corporate Consultation Strategy seeks to streamline and make maximum use of consultation undertaken including the Resident’s Survey, service review specific consultation, and scheme level specific consultation. These are all taken into account and used intelligently to help inform the resource allocation process.

Trades Unions and Chamber of Commerce

- 5.3 A briefing will be provided in November on the emerging budget resource position, the spending pressures faced by the Council, and the provisional priorities together with an indication of the impact on services and on council tax.
- 5.4 A further consultation is undertaken on the provisional budget proposals during January/February where the priorities, impact on services, and indicative council tax position are shared. Traditionally, if a formal response is to be received to the consultation it is made at this point, prior to the final consideration of the budget by Cabinet and Council.

Schools Forum, Governors and Head Teachers

- 5.5 Following a similar approach to that adopted for the Trades Unions and the Chamber of Commerce, the Schools Forum, Governors Association and Head Teachers are consulted at meetings held in November and again in January. Issues covered at these meetings include the overall

budget position, but also the Children's Services specific issues including Dedicated Schools Grant implications, other specific grants, and spending pressures.

Youth Parliament

- 5.6 Following a similar approach to that adopted for the 2013/2014 budget it is proposed to provide a briefing to the Youth parliament on the emerging budget position and discuss issues and priorities for young people which will be taken into account as part of the consultation process.

Community Engagement

- 5.7 The Annual State of the City debate will be a key community engagement event to set the scene about the overall financial position facing the city and plans being taken with communities to tackle it. It is also proposed that attendees would complete a short survey to test agreement with the council's approach and feedback about priorities. The survey will be made available on line and marketed to maximise participation.

- 5.8 Building on previous arrangements for budget consultation it is proposed that enhanced engagement with communities is undertaken through the use of Area Frameworks. A budget consultation event will be held at the Civic Centre with representation drawn from each area of the city to enable the overall financial position to be communicated together with opportunity to debate plans to address it through workshops for each area. This will be supplemented by further community engagement events in each of the in each of the five areas of the city.

The aim is to enable a more in depth analysis of local residents' views to be ascertained.

- 5.9 Summary feedback from the events informs the budget decision making process.

Elected Members

- 5.10 As ward councillors elected members gather the views of local people and are able to feed these views into the budget process as appropriate.

Timetable

- 5.11 A timetable for the proposed consultation is set out at Appendix A.

Budget Consultation 2015/2016 and Beyond

- 5.12 The Council has developed its budget consultation approach over a number of years. Following this years' consultation exercise it is intended to gather feedback on the effectiveness of both the survey and community engagement events and use this to inform the budget consultation process for 2015/2016.

6. Involvement of Scrutiny Committee

In relation to the consideration of the budget, the constitution places a responsibility on the Cabinet to 'canvas the views of local stakeholders as appropriate'. Scrutiny Committee is then required to consider the process proposed and undertaken and ensure its adequacy. It is therefore proposed to refer this consultation strategy and framework to the Scrutiny Committee for consideration.

7. Reasons for Decision

To comply with the constitutional requirements taking account of central government guidance.

8. Alternative Options

There are no alternative options recommended.

9. Impact Analysis

The proposed approach to budget consultation seeks to capture the views and feedback from a wide spectrum of stakeholders including marginalised and vulnerable groups.

Impact assessments of specific budget proposals will be undertaken by Directorate as proposals are developed.

Budget Consultation – Proposed Timetable

The timetable below is proposed:

November 2013

- A survey is to be made available for all residents to complete on-line through the Council's e-consultation solution and State of the City Debate. This will explore support residents to the Councils overall approach to meeting the budget challenge and providing services in a different way.
- Commence consultation with Trade Unions, representatives of Business Rate Payers, the Schools Forum, Head Teachers, Governors, and the Sunderland Youth Parliament. Consultation covers the anticipated budget constraints and spending priorities identified in the Medium Term Financial Strategy following adoption of the budget planning framework by Cabinet.
- In late November it is proposed to hold Community Engagement events in the city.

January 2014

- Feedback from the consultation exercises in October / November will be reported to Cabinet and Scrutiny Committee to inform the budget decision-making process at that time.

Late January early February 2014

- Final consultations take place with Trades Unions, Chamber of Commerce, the Schools Forum, Headteachers, Governors, and the Youth Parliament regarding the budget.

March 2014

- Feedback to the public generally through appropriate methods including the Council Tax Leaflet and Cabinet reports:
 - the outcomes of the budget setting process;
 - how the decision-making process was informed by the consultation.

REFERENCE FROM CABINET – 9 OCTOBER 2013

BUDGET PLANNING FRAMEWORK 2014/2015 AND MEDIUM TERM FINANCIAL STRATEGY 2014/2015 – 2016/2017

Report of the Head of Law and Governance

1. Purpose of the Report

- 1.1 To seek the views of this Committee on a report considered by Cabinet on 9 October 2013 on the proposed budget planning framework which will guide the preparation of the Revenue Budget for 2014/2015.

2. Background and Current Position

- 2.1 The Cabinet, at its meeting held on 9 October 2013, gave consideration to a joint report of the Chief Executive and the Executive Director of Commercial and Corporate Services. The report identifies the key factors influencing the development of the Councils financial plans into the medium term and sets out the budget planning framework for the Council for 2014/2015. The report sets out the headlines and context for the Medium Term Financial Strategy 2014/2015 to 2016/2017 which will be formally considered in due course.
- 2.2 Copies of the 9 October 2013, Cabinet Agenda have been made available to all Members of the Council. Recommendations from the meeting will be reported orally to the Scrutiny Committee.

3. Conclusion

- 3.1 The report is referred to the Scrutiny Committee for its comments, in the context of the approved consultation arrangements for the Council's Budget. Comments from the Scrutiny Committee will be reported to Cabinet at its meeting on 6 November 2013 and onto full Council on 27 November 2013.

4. Recommendation

- 4.1 The Scrutiny Committee is invited to give its comments to Cabinet on the attached joint report of the Chief Executive and the Executive Director of Commercial and Corporate Services

5. Background Papers

5.1 Cabinet Agenda, 9 October 2013.

5.2 A copy of the Agenda is available for inspection from the Head of Law and Governance or can be viewed on-line at:-

<http://www.sunderland.gov.uk/committees/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/8006/Committee/1636/Default.aspx>

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Head of Law and Governance

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CABINET MEETING – 9 October 2013

EXECUTIVE SUMMARY SHEET- PART I

Title of Report:

Budget Planning Framework 2014/2015 and Medium Term Financial Strategy 2014/2015 – 2016/2017

Author(s):

Chief Executive and Executive Director of Commercial and Corporate Services

Purpose of Report:

This report identifies the key factors influencing the development of the Councils financial plans into the medium term and sets out the budget planning framework for the Council for 2014/2015. The report sets out the headlines and context for the Medium Term Financial Strategy 2014/2015 to 2016/2017 which will be formally considered in due course.

Description of Decision:

Cabinet is recommended:

- to agree the proposed Budget Planning Framework summarised at Section 10 of the report which will guide the preparation of the Revenue Budget for 2014/2015;
- to note that the full Medium Term Financial Strategy 2014/2015 to 2016/2017 will be presented to Cabinet in February

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

Adoption of the Budget Planning Framework forms an essential part of the process of the preparation and compilation of the Revenue Budget for 2014/2015.

Alternative options to be considered and recommended to be rejected:

There are no alternative options recommended.

Impacts analysed:

Equality Privacy Sustainability Crime and Disorder

<p>Is this a “Key Decision” as defined in the Constitution? No</p> <p>Is it included in the 28 Day Notice of Decisions? No</p>	<p>Scrutiny Committee</p>
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Cabinet 9th October 2013

**Budget Planning Framework 2014/2015 and Medium Term Financial Strategy
2014/2015 – 2016/2017**

**Report of the Chief Executive and Executive Director of Commercial and Corporate
Services**

1 Purpose of Report

This report identifies the key factors influencing the development of the Councils financial plans into the medium term and sets out the Budget Planning Framework for the Council for 2014/2015. The report sets out the headlines and context for Medium Term Financial Strategy 2014/2015 to 2016/2017 which will be formally considered in due course.

2 Description of Decision

Cabinet is recommended:

- to agree the proposed Budget Planning Framework summarised at Section 10 of the report which will guide the preparation of the Revenue Budget for 2014/2015;
- to note that the full Medium Term Financial Strategy 2014/2015 to 2016/2017 will be presented to Cabinet in February

3 National Economic Context

3.1 Impact of the Deficit Reduction Plan

The Government is continuing with its deficit reduction plan and announced a further £10bn reduction to department budgets in the Spending Round 2013, in addition to a £1.5bn cut announced in the Budget 2013. The Government indicated this was as a result of lower growth and lower tax revenues than anticipated.

Recent data has provided encouraging signs for the economy with Bank of England growth forecasts increasing for 2013 (from 1.2% to 1.4%) and for 2014 (from 1.7% to 2.5%). However, there is unlikely to be any reversal to Government spending plans which now show a fall in real terms until 2017/2018 at the same rate as over the Spending Review 2010 period.

3.2 Inflation

The Consumer Price Index (CPI) has been above the Government's target level of 2% since December 2009 placing additional pressures on the Council's finances.

CPI inflation reduced from 2.9% in June to 2.8% in July and the Bank of England predict that inflation will continue to fall and that they will meet their 2% inflation target within two years.

3.3 Base Rate

The Bank Base Rate has remained at an all time low of 0.5% since March 2009. The Bank of England announced forward guidance on their future plans in their Quarterly Inflation report (August 2013), stating that any increase in the current Base Rate would only be considered once the jobless rate has fallen to 7% or below. They forecast that an increase is therefore unlikely before the end of December 2016. This policy will be reconsidered if Consumer Price Index (CPI) inflation is judged likely to be at or above 2.5% over an 18 month to two year horizon.

A number of forecasters think that increased growth and employment creation will lead to Base Rates increasing before December 2016. This position will continue to be monitored and reviewed and the impact taken into account in budget planning.

4 Government Funding - 2014/2015 and 2015/2016

4.1 In January 2013 the Government provided indicative settlement figures for 2014/2015 alongside the final funding settlement for 2013/2014. However in March 2013 the Government announced a further 1% cut in funding.

4.2 On June 26th 2013 the Government announced the outcome of its Spending Review 2013. This set out a 10% real terms cut in overall funding for local government from the DCLG for 2015/2016. The Government also stated that taking account of all sources of local government funding, the spending round set out an overall local government spending reduction of 2.3%

4.3 On the 25 July 2013 the Department for Communities and Local Government (DCLG) published three consultation papers:

- Local Government Finance Settlement for 2014/2015 and 2015/2016 (response deadline 2nd October 2013);
- New Homes Bonus (NHB) (response deadline 19th September 2013);
- Use of capital receipts to fund transformation costs (response deadline 24th September 2013).

4.4 At the same time Government published exemplifications for each authority reflecting the financial impact of:

- the extra 1% government cut in funding for 2014/2015 announced in their March 2013 budget;
- additional proposed holdbacks in funding for 2014/2015 and
- a £3.1bn cut in core funding in 2015/2016.

4.5 The implications nationally and locally are set out below. The Council's responses to the consultation documents, submitted in accordance with Government deadlines, are set out at Appendix 1, 2 and 3 for information.

4.6 National Position

4.6.1 The latest exemplifications present a £3.1 billion cut (13.1% cash cut and 15% real cut) in core funding in 2015/2016, compared to the £2.1 billion 10% real terms cut announced in the Spending Review. The difference of £1bn is due to holdback of funding by Government and a cut of £0.8m to fund initiatives and funding allocations proposed by Ministers.

4.6.2 The £1 billion of top slicing and holdbacks is to be allocated outside the main business rates retention system, so some authorities will benefit but not all. The £1billion additional cut comprises:

- £0.8 million top sliced by Government for grants and other allocations some of which involve extra costs to local authorities. Funding will not be available to all authorities.

	Amount £m	Note
Collaboration and Efficiency Fund	100	Announced in the Spending Review. Allocation will be to participating authorities on a basis to be determined
Fire transformation fund	30	Announced in the Spending Review. Allocation will be to fire authorities on a basis to be determined
Social care new burdens (Dilnot)	335	Announced in the Spending Review. Allocation to social care authorities. £50m of this is capital
Independent Living Fund	188	Transfer from DWP to fund the costs of closing down the Independent Living Fund
Other Allocations	147	Announced in the Spending Review. Troubled Families and other Local Government allocations to be determined
Total	800	

- Additional funding is also being withheld by Government for New Homes Bonus, Business Rates Retention Safety Net and to support capitalisation.

The amounts held back in 2014/2015 and 2015/2016 are set out below:

Holdbacks	2014/15 Original £m	2014/15 Revised £m	2015/16 £m
New Homes Bonus	800	800	1,100
Safety Net*	25	120	50
Capitalisation	100	50	0
Totals	925	970	1,150
Changes		45	180

*The Safety Net is the funding that Government sets aside to fund payments to authorities whose local business rates income reduces by more than 7.5%.

4.6.3 Analysis of the cuts reveals that core funding in 2015/2016 will be cut by over £5.5billion nationally compared with 2013/2014 – a 21% cash cut and a real cut of 25%.

4.6.4 In addition to the above from 2015/2016, the Government announced that £400million of New Homes Bonus will be pooled into the Local Growth Fund and transferred to Local Enterprise Partnership areas. £400million equates to 35.09% of the National Audit Office's forecast total value of NHB Bonus for 2015/2016.

4.7 General Commentary on the Proposals

4.7.1 The proposals within the consultation documents raise a number of concerns which are articulated in the responses:

- The cuts, as currently exemplified are not evenly distributed across local authorities. This is because the new Business Rates Retention system works in such a way that the grant cut is taken as a % cut from Revenue Support Grant. While there is some adhoc protection of a few specifically identified funding streams e.g. council tax freeze grant, this results in an increased level of cut (25%) for all other services within the general funding block which includes funding for Children's Social Care, Older Peoples Social care, Council Tax (Benefit) Support and Supporting People Grant. The outcome of this approach is that areas with higher needs, such as Sunderland, get a higher cut. Therefore key statutory services attract cuts in funding that are extremely difficult to achieve from those service areas.
- The top slice of existing funds to be redirected to fund new burdens e.g. Social Care (Dilnot) is inappropriate as the new burdens bring with them additional costs. Government should be providing genuine new funding to meet these costs.
- There are issues with the proposed holdbacks of funding:
 - It is understood that the increase in safety net holdbacks is due to concern from the government over the impact of successful business rates appeals for only a few authorities, using potentially over cautious estimates of business rate income.
 - The proposed increased holdback of New Homes Bonus funding of £210m in 2015/2016 only adds to the inherent unfairness and inequity of the NHB methodology which significantly disadvantages deprived areas such as Sunderland. The proposed NHB holdback for 2015/2016 of £1.350bn in total appears to have been set at an excessively high and overly cautious level when compared to the NAO estimated requirement of £1.140bn.
 - The Capitalisation holdback is unjustified as it is an approval to spread costs rather than additional funding.
 - The council cannot plan its budget based on a 'potential' redistribution of any holdback funds unutilised, as redistributions of the held back amounts usually occur after the budget has been officially set and council budgets and service cuts made.
- It is currently unclear how the proposed national top slice of £400m will be distributed to the LEP's therefore any funding allocated to the NELEP is not guaranteed to equate to the amounts forfeited by the councils within its area. Even if funding is proportionately redistributed to local LEP's there can be no guarantee that Sunderland will receive the equivalent benefit to the funds they

have forfeited. There is concern that LEP's with the strongest economies and biggest growth will receive a higher share of the Local Growth Fund.

4.7.2 While the Council's responses to the Consultation documents reflect the above concerns, the Council is also actively lobbying Government along with the LGA, SIGOMA and ANEC to ensure Government understands the local impact of their proposals.

4.8 Impact on funding for Sunderland

In overall terms the implications are that potential reductions between 2013/2014 and 2015/2016 could be in the region of £110m rather than £100m previously included in planning assumptions. Also the government have indicated similar levels of reduction may be in prospect to 2018 in order to meet their target to eliminate the structural deficit. The detail is set out below:

1.4.1. Settlement Funding Assessment

1.4.2. Based on the Settlement Funding Assessment (SFA - includes Revenue Support Grant and Business Rates baseline funding) exemplification set out by DCLG as part of the consultation documents, Sunderland will be required to make £42m of reductions over the two years 2014/2015 (£18m) and 2015/2016 (£24m).

This is before taking into account significant unavoidable spending pressures which the Council must meet.

Over the two year period the reduction is significantly higher, (circa £7m), than was expected following the SR2013 Government announcement and which had been provided for within the MTFs.

1.4.3. New Homes Bonus

- Sunderland will continue to be disadvantaged by the inherent unfairness within the NHB methodology through its continued use. It has been estimated that the net loss to the council under the New Homes Bonus funding arrangements arrangement in 2013/2014 is £1.6m.

As the national grant top slice increases to £800m in 2014/2015 and to £1,100m in 2015/2016 the council's net loss of funding increases in proportion, resulting in an estimated loss to the council from the NHB funding mechanism of £2.9m in 2014/2015 and £4.1m in 2015/2016.

- The above position assumes the Council would receive back a proportionate share of any undistributed NHB top-slice equating to £1.1m in 2014/2015, increasing to £1.6m in 2015/2016. However there is considerable uncertainty as to how much of this top slice will be redistributed, and therefore how much the council can prudently take into account in its budget planning.
- If the transfer of New Homes Bonus to Local Growth Fund is agreed then the council is projected to lose approximately £1m of its New Homes Bonus grant award in 2015/2016.

1.4.4. Revenue Spending Power

- As part of the indicative settlement figures for 2014/2015 provided by Government in January 2013, indicative grant funding levels were provided in respect on a number of other specific grants, which along with the SFA make up the Government's 'Revenue Spending Power' calculation e.g. NHS Funding to Support Social Care and Benefit Health.

While the Government have provided exemplification figures to show the financial impact in 2014/2015 on SFA of the additional cuts and holdbacks announced since January, they have not provided any further updates to other grants included within the Revenue Spending Power calculation. At this stage therefore it is assumed the levels of funding in respect of other grants within the Revenue Spending Power provided in the indicative settlement for 2014/2015 will be delivered.

- At the time of the Spending Review 2013 the Government stated that taking account of all sources of local government funding, the Spending Round set out an overall Local Government funding reduction of 2.3% for 2015/2016. At this stage Government have not provided any details of individual grant allocations for 2015/2016 which make up the Revenue Spending Power calculation, other than for RSG as set out at section 4.8.1. It is therefore not possible at this stage to identify how this significantly lower level of reduction is delivered.

There is the potential that the council will receive some allocation from the top-sliced funding streams referred to in paragraph 4.6.2; however at this stage it is not possible to quantify the potential amounts.

4.9 Other Funding Streams

1.5.1. Integrated Health and Social Care Pooled Budget

As part of the Spending Review the chancellor also announced a £3.8bn "pooled budget" to fund integrated health and social care in 2015/2016 to reduce hospital episodes for older and disabled people. £1.8bn is existing resources (for which the Council already receives allocation through RSG and the NHS Social Care grant). £2bn will be transferred from the NHS into the pooled budget. The Local Authority and the Clinical Commissioning Group (CCG) need to develop a 2 year plan for 2014/2015 and 2015/2016 which must be in place by March 2014 to show how the funding will be used across health and social care. Work is on-going to understand the detail and level of funding available to Sunderland and this will be included within the Budget Planning as details become clearer.

1.5.2. Public Health Funding

Public Health Funding of £20.656m is to be received in 2013/2014, and the Indicative Settlement for 2014/2015 included for £21.234m to be received by the Council.

Consultation on the basis of a future funding formula undertaken in 2012 enabled indicative allocations to be calculated from proposed formula recommendations made by the Advisory Committee on Resource Allocation. The analysis indicates a potential substantial reduction in funding for Sunderland of £5.9m per annum if the formula was introduced. Sunderland have formally opposed the proposed funding allocation which is viewed as unfair and in particular does not take into account existing prioritised spend on Public Health within the city or reflect need appropriately.

Latest indications are that a new formula will not be introduced until after 2015/2016, therefore Budget Planning at this stage for 2014/2015 and 2015/2016 assumes funding will remain at the indicative level for 2014/2015.

1.5.3. Schools Funding

New funding arrangements were introduced from April 2013 for all schools and academies. This is the first stage of introducing a national funding formula in the next spending review period. The Government through the new formula is seeking to develop a clear and transparent funding formula that supports the needs of pupils and enables Schools and Academies to be funded on a broadly comparable basis.

The Department for Education undertook a short review in February this year to understand to what extent changes were needed in 2014/2015 in order to move closer to a national funding formula. They also wanted to understand whether any unintended consequences had arisen as a result of the arrangements for 2013/2014.

1.5.4. Education Services Grant (ESG)

The ESG is allocated on a simple per-pupil basis to local authorities and academies according to the number of pupils for whom they are responsible. The amount of funding to be received by the Council reduces with each school that transfers to an academy. Provision has been included within the Budget Planning Framework for the impact of academy transfers.

4.10 Other Issues which will impact on funding levels

It should also be noted that Government are currently undertaking a review of Adult Social Care Funding Formula which is planned will be implemented for 2015/2016. Exemplifications for 2015/2016 funding provided by Government do not yet reflect the potential impact of the outcome of the review.

5 Summary Outlook

- 5.1 At this stage, given the changes in the economic position and Government announcements regarding further funding reductions as part of the Spending Round, the outlook for local government funding continues to be bleak and subject to both unprecedented reductions and change up until 2017/2018 at least.

- 5.2 Final funding allocations will not be made available until the government releases its detailed information as part of the local government finance settlement for 2014/2015 in December, when it is hoped that indicative allocations will also be made available for 2015/2016 to help with longer term financial planning. At this stage however it is proposed to progress with planning based on the reductions in funding set out at is section 4.8.
- 5.3 There is no indication of funding allocations beyond 2015/2016, however at this stage it seems prudent to assume a similar level of reduction in SFA funding as is to be experienced for 2015/2016.

6 Local Income Position

6.1 Council Tax - Rate Increases

The Localism Act provides for the provision of referendums to veto excessive council tax increases. This effectively places a limit on council tax increases and if councils exceed the government limits then the public will be able to vote to agree or veto any considered 'excessive' increase.

As part of the Spending Review 2013 Government announced that a referendum will apply for proposed increases in Council Tax above 2%.

Government indicated as part of the Spending Review that Council Tax Freeze Grant would be made available for 2014/2015 and 2015/2016 at a rate of 1%. As the funding is not of a permanent nature any use of the grant to support on-going revenue expenditure will require alternative funding to be identified in the following years should the Council decide to access and accept the grant.

Consideration as to the affordability of this approach will be taken once firmer information on funding levels for 2014/2015 and 2015/2016 is available.

6.2 Council Tax and Business Rate - Growth in Base

Under the Retained Business Rates funding arrangement for local Government implemented from April 2013, the Council retains locally 49% of increased income arising from growth in Local Business Rates base (equally it shares the risk of any under achievement of income targets).

Processes are in place to ensure that the position in relation to both Business Rates and Council Tax future growth in bases and levels of collection are understood.

The position will be kept under review and additional income reflected in the Budget Planning Framework as appropriate.

6.3 Reserves and Balances

The Local Government Finance Act 1992 requires local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

In accordance with the approach adopted to date all earmarked reserves will be revisited as part of the budget process to ensure they still accord with the Council's priorities and overall funding position.

7 Spending Pressures and Commitments

It is proposed to take into account the following spending commitments in the Budget Planning Framework for 2014/2015, noting that at this stage in a number of cases specific cost detail require finalisation and will be subject to review and refinement throughout the budget setting process:

7.1 Replacement of One-off Resources and Budget Pressures in 2014/2015

In meeting the funding gap for 2013/2014 the Council utilised £4.52m of one off resources. This therefore represents an on- going pressure into 2014/2015.

7.2 Pay and Pensions

7.2.1 Pay

The Government has indicated a limit on public sector pay of a 1.0% pay increase. For planning purposes a prudent provision has been built into the MTFs from 2014/2015.

7.2.2 Pensions

The Actuarial review of the Local Government Pension Scheme is currently underway, the results of which will impact from April 2014. The Government agreed to implement the recommendations from the Hutton Review and the cost implications of the new scheme will be reflected in the actuarial review. Indicative information will not be available until late 2013 although a spending pressure is anticipated.

At this stage some limited additional funding has been included for 2014/2015 however there is a risk that the impact could be significantly higher.

7.2.3 National Insurance

The Pensions Bill, which is expected to receive Royal Assent in spring 2014, contains provisions to reform the state pension system, introducing a single tier pension as a result. As part of these reforms, the contracting out for occupational pension schemes from April 2016 will be abolished. For employers, the abolition of contracting out will result in an increased cost of 3.4% on national insurance contributions. The Bill provides no method to alleviate the additional financial burden, although the LGA are seeking to work with Government to resolve this impact. At this stage it is prudent to reflect the impact for 2016/2017 within the medium term position.

7.2.4 Workforce Transformation

Financial implications associated with workforce transformation will be kept under

review and accommodated from transitional resources set aside for this purpose.

7.3 Energy Prices

Energy and vehicle fuel prices continue to be particularly volatile. It is therefore proposed that prudent provision be included for continued annual increases in charges for gas, electricity and vehicle fuel for the medium term.

7.4 Waste Disposal

The PFI contract with a consortium led by SITA for the Treatment and Disposal of Residual Municipal Waste is expected to commence early 2014 subject to satisfactory completion of the current commissioning period. The impact of volume and cost variations have been factored into the Medium term Financial Strategy.

7.5 Adult Services Demand Issues

The increasing longevity of the national and specifically, the city's, population continues to place pressure on Adult Social Services budgets. In addition, client expectations and increasing demand to support clients with complex cases to enable clients to maintain independent living, is requiring reconfigured services and additional investment. The position will be kept under review and prudent provision included as appropriate.

7.6 Children's Services Demand Pressures

There continues to be increasing demand pressures in relation to safeguarding and specifically external placements and prudent provision will be made as appropriate to the strategy.

7.7 Economic Downturn

Whilst significant resources have already been earmarked to support service pressures and actions in response to the economic downturn as part of the previous years' budgets, given the continuing uncertainties, this will need to be kept under review and appropriate provision made throughout the budget process.

7.8 Welfare Reform

The Council continues to make plans for the significant number of Welfare Reform changes. These include measures that seek to mitigate against the significant adverse impacts anticipated across the city and changes to internal administration and support arrangements. This will need to be kept under review and appropriate provision made throughout the budget process.

7.9 Capital Financing

Prudential borrowing has been provided for within the medium term financial position in relation to known investments over that period, together with a provision to provide future flexibility at this stage to enable strategic priorities of the Council

to proceed, in the future.

8 Spending Priorities

8.1 Priorities from Consultation

8.1.1 The Budget Consultation for 2013/2014 was undertaken within the context of the need to significantly reduce spending for a third year in light of the Government funding reductions. The findings demonstrated general support amongst respondents for the direction of travel of services and for the councils overall approach to making savings.

8.1.2 The proposals for the 2014/2015 Budget Consultation process are set out elsewhere on today's Cabinet agenda. The approach adopted will continue to explore views of residents about the direction of travel for services in response to the changing financial landscape.

9 Summary Resource, Pressures and Commitments Position

9.1 The total reduction in resources and spending pressures represents the estimated gross funding gap. However at this stage there is significant uncertainty in relation to:

- The general economic climate and public sector finances (direct connectivity between the economy and public finances)
- Settlement confirmation for 2014/2015, probably not available until early December
- The level of government funding reductions in 2015/2016, how the Government will respond to the outcome of the current consultations, and how this level of funding could further be impacted upon by Government formula reviews (Adult social Care, Public Health)
- Significant other changes within the system (Welfare Reform, Schools etc.)

9.2 The level of funding reduction as currently presented represents a very significant challenge given the already compound impact of reductions since 2010. The prospect of significant reductions being required year on year continues over the medium term with further reduction in Council resources and capacity over the 2013-2017 period.

9.3 The table below summaries the best estimate of the resource and pressures position for the next two years taking account of the issues set out in paragraphs 4 to 8 above. Clearly this forecast is volatile due to the uncertainty surrounding the settlement and a number of other key financial issues.

MTFS 2013/2014 to 2015/2016	2013/14	2014/15	2015/16	Total
March 2013 Assumptions	£37.0m	£35.5m	£25.3m	£97.8m
Updated October following SR13	£37.0m	£35.5m	£35.3m	£107.8
Additional Requirement since March 2013			£10.0m	£10.0m

9.4 As outlined the savings requirement for 2014/2015 and beyond remains uncertain. However high level estimated reductions over the next three years are set out below

MTFS 2014/2015 to 2016/2017	2014/15	2015/16	2016/17	Total
Updated Three Year Planning	£35.5m	£35.3m	£40.0m	£110.8m

10 Budget Planning Framework

10.1 Community Leadership Programme

10.1.1 The Council has continued to develop its approach to meeting community needs by transforming services through some key programmes of work which will also support the delivery of the required financial savings over the medium term. The Council's Improvement Programme focuses on all services understanding and fulfilling their Community Leadership role which seeks to understand and meet a range of community needs through the following key elements:

- Demand Management - Developing the strategies and policies that enable the Council to manage demand and deliver services in a different and more agile way within communities;
- Development of an Intelligence Hub - with the aim of providing the Council with the information necessary to understand what it needs to do and ensure it is doing the right things to achieve the required outcomes;
- Cost of Supply and Customer Services Network (CSN) development - Increased focus on the CSN as the gateway and connector of demand and supply for services with the aim of targeting resources to areas of greatest need alongside continued delivery of efficiencies within Council services;
- Development of Alternative Service Delivery Models for services – continuing to look at the most effective and efficient models of provision for services over the short to medium term to ensure the residents of Sunderland are offered the best possible public services within the resources available;
- Strategic Services and Fixed Assets – further and continual review to meet the future needs of the Council and its communities and maximise use of Council assets.

10.1.2 Within that framework frontline services continue to be reshaped and refocused to:

- Ensure services are responsive to local needs;
- Protect core services particularly for those most vulnerable;
- Target resources rather than provide universal services.

10.2 Addressing the Savings Requirement

It is proposed the budget planning framework as set out below is adopted:

- General Issues
 - Budget planning to be based on high level position outlined at paragraph 9 and updated in light of the Local Government Settlement in December;

- Provision for spending commitments be included at this stage on the basis set out at section 7 and kept under review;
 - Spending priorities be considered in line with the finding of the budget consultation and emerging service improvement plans as set out in section 8;
 - Budgets be prepared on the basis that all spending pressures not specifically identified above as commitments be accommodated within Directorate cash limits;
 - All commitments against Delegated surpluses / reserves to be reviewed;
 - The position regarding Council Tax to be considered as part of the budget process
 - Commitments against general balances as set out in Appendix A be noted and updated throughout the budget process.
- Current Budget Savings Programme:

In accordance with the budget planning framework agreed for 2013/2014

- Original permanent planned savings for 2013/2014 will be achieved or an alternative must be delivered on an on-going basis in 2014/2015;
- Savings originally identified for 2014/2015 will be achieved. Alternative savings will need to be identified by Directorates where a proposal has become unviable;
- A programme of activity based around the Improvement Framework key principles as outlined at 10.1 be developed to address the gap;
- Continue to press forward with consideration of plans for new models of service delivery & improving services;
- Directorates be requested to bring forward additional savings plans to enable a programme of additional key service reviews to be proposed;
- Continued focus on Progressing Regeneration, Funding Leverage & Commercial Opportunities.

The framework will be robustly managed to ensure to ensure financial resilience is maintained

11 Reasons for Decision

11.1 The Budget Planning Framework forms an essential part of the process of the preparation and compilation of the Revenue Budget for 2014/2015.

12 Alternative Options

12.1 There are no alternative options recommended.

13 Impact Analysis

13.1 Impact assessments of Directorate actions to ensure the achievement of savings targets and a balanced budget position will be undertaken within Directorates as each action is developed.

Local Government Finance Settlement 2014-15 and 2015-16: Technical consultation

Response Consultation Questions

Question 1

Do you agree with the Government's proposal on how to implement the 1% reduction to the Local Government Expenditure Limit (LG DEL)?

NO

- We do not agree to the way the reduction is proposed to be made, when the Council fundamentally disagrees with both the level of funding reductions being incurred and the manner in which they are being allocated across local government. Sunderland is more reliant on government funding and yet it has incurred a higher disproportionate cut to its funding since 2010/11 and this trend is set to continue with the current proposals for both 2014/15 and 2015/16. To put this into context the Council has had to significantly transform its services to achieve savings of £136m and the revised funding cuts for 2014/15 to 2015/16 will require an additional £42m of budget cuts / savings, these can not be achieved without impacting on front line services which the council has managed to avoid up until now.
- Other important funding which is less visible is being subjected to deeper cuts without an understanding from government of the impact of the cuts and their deliverability. The consultation paper focussed only on the additional cut to that was previously proposed for 2014/15 but has not been adequately considered or debated in detail. The outcome of the overall cut in funding for 2014/15 must be considered in a far more transparent way. This is particularly important as it appears that the 2014/15 proposals produce a very significant redistribution of funding, with much higher cuts falling on the most deprived councils in the country such as Sunderland.
- From the cuts administered to date it is clear that there are huge variations in the level of cuts faced across local government and there is also clear evidence that councils that face the largest percentage cuts are those with the highest needs (eg highest proportion of children in need, highest proportion of low income pensioners etc.) combined with the lowest levels of income. Some of the more affluent councils have incurred some of the lowest cuts in funding to date and the consultation does not address this clear bias and unfairness.
- It is disappointing therefore that there are no alternatives being put forward to the Government's one proposal being consulted upon which will, if not addressed, continue the current unfairness of how the cuts in funding are being allocated and the Council would request that the government reconsiders this position and introduces a further paper to show alternative approaches on how to implement the

1% reduction in 2014/15 and the planned further significant cuts to funding in 2015/16. The LGA for example had set up an additional questionnaire (council responses set out in this response) in relation to areas local government considered important in order to supplement the Government's consultation. There are alternatives that could be considered further such as applying grant cuts to deliver an average percentage cut in funding per dwelling or preferably a percentage cut per head of population. These are fairly simple and transparent ways to deliver the funding reductions required which the council considers would be much fairer.

- The additional reduction in funding for 2014/15 is not affordable for most deprived councils that are more reliant on government grant funding which are adversely being affected disproportionately from the funding reductions already being implemented for 2013/14 and in previous years. The scale of reductions in 2015/16 are significant and again analysis shows that the Metropolitan areas and those in the north east region are among those having to meet the biggest funding cuts and are significantly above the national average cuts exemplified.
- The council also has issues about the level of funds being held back particularly for both capitalisation and safety net funding in 2014/15 of £170m in total (a further increase of £45m) which benefits only a small minority of councils but which is in effect paid for by those that can least afford it by top slicing RSG and would request this hold back amount is withdrawn and included the resources made available to local government. If returned the Council would expect to see its resources increase by roughly £1.224m which would help its budget position in both 2014/15 and 2015/16.

Question 2

Do you agree with the proposal for reducing the funding available for capitalisation for 2014-15 by £50m and using this revenue to reduce the amount required to be held back from *Revenue Support Grant* to fund the safety net?

NO

- The Council does not agree with this proposal and reducing any amount held back by the government should be returned to local government as the Council fundamentally disagrees with safety net holdback, as it is considered unnecessary, and is based on estimates that may show that the hold back amount is in fact not needed or has been set far too high and is overly cautious and as mentioned above. Only a few councils benefit from the hold back amount (usually tariff authority's who are least reliant on government funding) – so for these reasons the Council does not support this action and would further question why all local authorities are being asked to pay via a reduction in national funding across the sector.
- We also do not consider it appropriate for there to be any reduction in funding for capitalisation directives in 2013/14 or for 2014/15 and future years. Alternative accounting solutions should be found that provide appropriate flexibility to spread

significant one off costs over more than one year, without the necessity of a cut in revenue grant. The current approach results in an unfair outcome as all councils' revenue grants are being cut, for the Secretary for State to give permission to a few individual councils to use their **own funds** to fund capitalised expenditure, while DCLG and Treasury appear to retain the cut in core funding. This anomaly within Central Government's accounting arrangement's needs addressing as a matter of urgency as this approach is resulting in real unnecessary cuts to core local government services.

Question 3

Do you agree with the way the Government proposes to hold back the funding that is necessary for New Homes Bonus and safety net support, and to return any surplus to authorities?

NO

- In the light of the severe impact of the funding holdbacks for these items we do not consider that any holdbacks of funding can be justified. In terms of the Safety Net Holdback, research has revealed that the need for the holdback is not justified. The costs primarily relate to the backdating cost of potentially successful rating appeals. Over the last two years DCLG has collected in over £600million of additional rates, some of which will be the subject of these appeals. In any event, the estimated Business Rates income to be collected in 2013/14 is likely to be underestimated by councils and the levy and central share available to fund the safety net is likely to have been overstated. With doubt about any actual year end costs DCLG should not be imposing up front cuts on services and jobs given the impact that it will have for councils, their service users; their employees and on the economy as a whole.
- The Council does not support this proposal for this and several other reasons and would request that the government considers ending the New Homes Bonus Grant funding mechanism altogether or as a minimum the Council would urge the government to fully fund a significantly reduced level of New Homes Bonus grant scheme if it is to be retained so that the significant and unfair redistribution impact of this funding stream is neutralised. Sunderland is currently losing significant net grant funding because of the way this mechanism is funded and allocated. The council contributes more into the top slice and benefits less as it has limited ability to grow additional new homes compared to the stronger economies.
- The Council is of the view that the NHB is fundamentally unfair, and is significantly redistributing funds away from the most deprived areas of the country such as Sunderland towards the higher growth and usually more affluent parts of the country. This means that the funding mechanism is flawed and is in need of an urgent review.
- The National Audit Office has also recently reported that the NHB is not achieving its desired objectives and has had a significant redistribution of funding impact across the country to the detriment particularly of the more deprived councils who

are more reliant on government grant funding. They recommended that the government should review the New Homes Bonus Scheme to ensure the government understands the substantial financial risks to local authorities.

- Evidence provided by both ANEC and SIGOMA and which the LGA also recognises shows that this particular funding stream is one of the main causes of the disproportionate impact of government funding cuts to councils such as Sunderland and the detrimental impact it has and continues to have on the most deprived councils across the country but especially in the North East region. A rebalance of resources is urgently required in order to smooth out and make the funding cuts more equitable across the country, to this end a radical review of the New Homes Bonus Scheme is seen as essential by this council.
- Local government itself is also recognising the inherent unfairness caused by this funding mechanism and the question should be how can the Government make the funding cuts fairer and more appropriate to the level of need and demands for services which the NHB currently does not address.
- It is therefore very difficult for the council to agree with new homes bonus holdback when it fundamentally disagrees with methodology for reappportionment due to its inherent inequity.
- Also the government must recognise that returning surpluses withheld to authorities is of no benefit in budget planning or to the local council tax payer when setting a level of council tax after as we do not know how much we will get back until after the budget has been set, thus implementing cuts to services that were subsequently not required. The current process does not help with budget setting or aid service planning at a time when all available resources need to be taken into account in the year they relate.
- On the question itself all unutilised funding should be returned based on the SFA / SUFA.

Question 4

Do you agree with the proposed methodology for calculating control totals for each of the elements within the *Settlement Funding Assessment*?

NO

The protections given to some funding streams that are visible is arbitrary and has the effect of increasing the cut in the general revenue funding block for all other services from -21% in cash terms over the two year to -25% over the two years. There is not a sufficiently strong case for giving some items a cash protection, allowing an inflationary increase in transport funding for London (while there is a 25% cut for transport funding for other areas). There is more merit in providing protection for other areas of funding, which cannot be given protection because the funding has not been kept visible, such as –

1. Children's Social Care

2. Concessionary Travel
 3. Council Tax (Benefit) Support
 4. Council Tax Resource Equalisation Adjustment (including compensation for student council tax exemptions)
 5. Grants rolled in, including Supporting People Grant, Housing Strategy for Older People, HIV/AIDs and Preserved Rights
- The outcome is to increase the distribution of cuts towards areas that face the greatest pressure from deprivation (e.g. pressure on children's social care services); with higher proportion of pensioners (including frailer and poorer pensioners); with lower council tax bases; and with higher numbers of students.
 - The council would also seek clarity on the how the Council Tax Support Grant is being protected within the Settlement when it has been subsumed into the SFA / RSG mechanism. This would imply that to protect this element means a higher implied reduction for the remaining RSG general funding allocated. This leaves a difficult choice for councils especially those that receive the higher amounts for CTSG, which if they do not pass on the general funding reduction will have to find the additional savings from elsewhere within their budget. This impacts more in the deprived areas of the country where those on benefit are the highest. The council would request that the government fully funds this aspect of the settlement similarly to how they are protecting the Council Tax Freeze Grant so that there is transparency and it is clear that this is being protected within the funding system. Any funding implications arising from this should be borne fully by the government and not simply passed on in higher RSG cuts to funding.
 - It is also clear that Early Intervention Grant is being targeted with a further 8.5% reduction when most other specific grants rolled into the settlement are being 'protected'. The council would request the rationale behind this decision.

Question 5

Do you agree with the proposed methodology for transferring in the 2013-14 Council Tax Freeze Compensation?

NO

- While the freeze grant should be included, it should not be given a cash protection at the expense of a higher cut allocated to other services, including Council Tax Resource Equalisation Adjustment. In 2013/14 the Government accepted that the Council Tax Resource Equalisation adjustment should be restored. The current approach would see it cut again by 25% over the next two years. It is essential that it continues to have cash protection. Only then could it be justified to give protection to the council tax freeze grant.
- In respect of the question, the Council as an authority which has frozen its council tax since 2010/11 would seek an assurance that the freeze grant is fully protected

within the new funding mechanism and it is also future proofed. This is considered very important so that this funding is transparent and is not eroded in future settlements to the disadvantage of those that took the difficult decisions to freeze council for its residents. We would prefer if this funding was kept as a separate grant outside of the SFA to ensure it can be tracked and protected.

Question 6

Do you agree with the proposed methodology for adjusting the 2015-16 settlement to take account of the loss of tax revenue due to the Exchequer from the local authorities who are too small to participate in the Carbon Reduction Commitment Energy Efficiency Scheme?

NO

The consultation paper proposes that the Exchequer should consider using the “New Burdens Principle” to take account of the lost tax revenue from the Local Authorities too small to participate in the Carbon Reduction Commitment Energy Efficiency Scheme.

The 2011 Guidance stipulates that ‘The new burdens doctrine only applies where central government requires or exhorts authorities to do something new or additional.’ However, this proposal does neither; it does not require authorities to do anything new or additional. If the government is to be consistent in its use of this principle it should reconsider its approach taken to the £800m designated as ‘New Burdens’ funding in the Spending Round announcement rather than cutting Core baseline funding as revealed in the settlement consultation. The Spending Round had given the impression that additional baseline funding would be available such as the £335m for social care new burdens associated with Dilnot reforms, rather than being part of it. New burdens funding is allocated to councils to meet new costs from the transfer of responsibilities or costs from central to local government. The £30m fire transformation fund and £100m collaboration and Efficiency Fund and the £188m costs associated with closing down the Independent Living Fund are further examples. Clearly these are instances that should have been dealt with under this doctrine and Core baseline funding should not have to be cut in this way.

In response to the question, any adjustment made to the 2015/2016 settlement must be targeted at those Authorities that have gained from dropping out of the CRCEE scheme and should not simply be another top slice to the system which is then funded by the majority of authorities. This is seen as another unnecessary cut to Sunderland’s funding which it can ill afford. The principle being more important than the level of funding involved.

For Information - Sunderland's Response to the LGA Survey

LGA Alternative Questionnaire

Q1. In allocating the cuts for 14-15 and 15-16 the government has protected funding for some elements, including the council tax freeze and for the learning disability and health forum transfer. Do you think this is the right approach? (See Table 2 in the consultation paper)

No

Comment

This results in an increased level of cut (25%) for all other services within the general funding block which includes funding for Children's Social Care, Older Peoples Social care, Concessionary Travel, Council Tax (Benefit) Support and Supporting People Grant. The perverse outcome of this approach is that areas with higher needs get a higher cash and higher percentage cut. It also means that some key statutory services attract cuts in funding that are extremely difficult to achieve.

Q2. Some authorities have raised what they regard as a fairer way of allocating cuts. In allocating the cuts for 14-15 and 15-16 should the government take into account of the fact that some authorities are more dependent upon government grant than others?

Yes

Comment

Resource equalisation has been further eroded in the new funding regime and a corrective adjustment is urgently required as the most deprived areas of the country are, as a result, bearing the deepest funding cuts.

Q3. For those that answered 'Yes' to number 2 above would you prefer?

A straight cut per dwelling split between tiers

Yes

A cut allocated on a simplified spending power basis - eg Settlement Funding Assessment (revenue support grant plus business rates local share) plus council tax income

Yes

Any other proposal – Yes - could base the cuts on a set % cut based on per head of population

Comment

All options are preferable compared to the existing methodology. No alternatives were, disappointingly, considered or provided within the consultation papers by the government – but options as set out above do exist and would help to: simplify and make the process more transparent and, would make the cuts in funding fairer across the country. These

alternatives should be considered and exemplified by the government and be further consulted upon.

Q4. Is your authority likely to apply for capitalisation in 2013-14 or 2014-15

No

Comment

Q5. Do you agree that business rates appeal losses for 2012-13 and previous years should be set against the 'old' national NNDR pool?

Yes

Comment

The government has benefitted from surpluses generated from the NNDR system in the past and it is therefore considered fair that they should fund any successful appeals that relate to this period (up to 31st March 2013).

Q6. How is your authority dealing with estimated losses due to business rates appeals?

All estimated losses set against 2013-14 business rates income	Yes
Spreading over 5 years	No
Any other method	No

Comment

But would need to reconsider in light of any 'major' successful appeals

Q7. Do you agree that any amounts for the new burdens funding for social care should be genuine new money and not taken out of local government resources?

Yes

Comment

All new burdens funding should be genuine new money form central government and not simply being funded from the significant top slice proposed from existing local government resources.

Q8. Do you agree that in calculating the estimated New Homes Bonus for 2015-16 the government should use the NAO estimate of £1.140bn rather than the estimate in the consultation document of £1.350bn?

Yes

Comment

Essentially the New Homes Bonus methodology should be fundamentally reviewed given its inherent unfairness in the way funding is top sliced and then redistributed with the reward linked to council tax bands. This inevitably disadvantages more deprived lower tax based areas such as Sunderland. However if government insist on continuing with this methodology, would prefer the government uses the NAO estimates available.

Q9. In light of the grant reductions being consulted on, and the fact that Council Tax Support funding is no longer separately identified within the settlement, are you likely to reduce funding for your council tax support scheme in 2015-16?

Not Known - this will need to be considered once all of the data is known for the year ahead.

Comment

This funding should be preferably separated from the SFA and protected so that it is clear and transparent what the government's intentions are for this element of funding. The fact it is lost within the RSG implies a cut to this funding or a deeper cut to other services if this is 'protected'.

Q10. Do you think it is in line with the spirit of the business rates retention scheme for government to reduce RSG to take account of predicted RPI growth in the local share, as is proposed in the consultation document?

No

Comment

All funding generated by local government should be retained within the sector and should not be simply deducted from central government funding.

New Homes Bonus and Local Growth Fund: Technical Consultation

Response to the Consultation Questions

Specific responses to the individual questions posed within the consultation are as follows with the overarching principle that the council believes that the current level of funding should remain fixed at (2013/14) current levels until a fundamental review is carried out of the scheme.

Question 1:

We would welcome views on the underlying principles of pooling the New Homes Bonus in this way, with specific regard to ensuring that pooled funding remains in the Local Enterprise Area where it originates and that the method of calculating the Bonus remains unchanged?

The Council has significant concerns about the way in which the New Homes Bonus mechanism works, and the size and scale of the distributional impact the scheme has both on cutting formula funding by applying a simple percentage reduction to fund the scheme, and then by allocating the reward linked to council tax bands which broadens the distributional impact by benefiting wealthier less deprived high tax base Councils over poorer more deprived low tax base Councils such as Sunderland. This is because Councils such as ours with high needs and low tax base and high levels of council tax benefit costs have a larger top slice from their revenue support grant used to fund the scheme. We also in common with more deprived areas receive less reward grant back from the scheme as this is based upon housing growth which is generally constrained by lower market demand and lower council tax values.

The scheme therefore does not reflect the very different housing market conditions that councils are facing. Factors such as Councils facing much more difficult housing market conditions due to external factors – such as the economic downturn – are losing out not because they are not striving to build houses but simply because of the prevalent market conditions.

The Council is a net loser from the scheme, which is the case for all North East authorities, as its top sliced contribution is not matched by the Reward grant it receives each year. The gap for 2013/14 is £1.5m which will increase to an estimated £2.8m in 2014/15 and to £4.1m in 2015/16. If the LEP transfer is implemented the gap will grow further in 2015/16 to approximately £5.1m.

The New Homes Bonus scheme is an unringfenced revenue grant payable to each council for a period of six years. Two of its main principles are that it is Predictable and Flexible:

- a) "Predictable - the scheme is intended to be a permanent feature of local government funding and will therefore continue beyond the six-year cycle. The design features have been kept simple and stable to ensure that expected rewards for growth are delivered.
- b) Flexible - local authorities will be able to decide how to spend the funding in line with local community wishes..... This may relate specifically to the new development or more widely to the local community. For example, they may wish

to offer council tax discounts to local residents, support frontline services like bin collections, or improve local facilities like playgrounds and parks.”

Taking the above into account and in response to the question, the proposals outlined give no recognition of the current level of reward and how that has already been committed in council budgets and forward planning under the principles of the current scheme. Reward grant, earmarked and anticipated based on current levels rolling forward by Councils to use as they see fit, should remain intact. The issue with the proposals is that Government intend to take funding included in council base budgets and transfer 35% of it to the LEPs without recognition of the existing use / proposals and the potential impact on council budgets and forward planning.

Therefore, current levels of reward grant should remain intact with only a proportion of the new reward grant allocated to LEP's from 2015/16 within that authority area but only if the Government decide to increase their funding for the New Homes Bonus scheme.

In conclusion the Council is therefore of the view that the New Homes Bonus Scheme is in need of reform as it currently redirects resources away from the most deprived areas of the country such as Sunderland to the more affluent areas of the country, and is in urgent need of review. This is a view shared by the independent National Audit Office.

The Council would recommend that the government considers freezing the New Homes Bonus Reward Grant and Top slice at its current 2013/14 levels and reduce or preferably remove altogether the proposed transfer of New Homes Bonus of £400m nationally to the LEP's until a full review of the New Homes Bonus is carried out.

Question 2:

The first mechanism is that an equal percentage of all New Homes Bonus allocations will be pooled to the lead authority of their Local Enterprise Partnership, the precise percentage to be determined, but will be that necessary to make £400m nationally. Do respondents consider this to be an appropriate method?

Yes, this would be our preferred mechanism

Question 3:

The second mechanism would act as described above for all areas with a single tier of local government (unitary authorities, metropolitan boroughs, etc). Where areas have two tiers of local government (lower tier district councils and upper tier counties) the alternative distribution mechanism would operate whereby upper tier authorities would surrender all of their New Homes Bonus, with the balance coming from the lower tier. Do respondents consider this to be a preferable method of pooling for two tier areas?

Not applicable.

Question 4:

Do respondents consider that the content of the proposed condition placed on the section 31 grant will be sufficient to enforce the local pooling of the New Homes Bonus funds?

Yes.

Question 5:

The government considers that the existing accountability arrangements for Local Enterprise Partnership should apply to pooled funding as these are considered to provide sufficient safeguards for the protection of spending. Do recipients agree?

Yes.

Question 6:

Do recipients agree that locally pooled New Homes Bonus in London should pass to the Greater London Authority to be spent under existing arrangements?

Not Applicable but would suggest that this should be determined by London Councils.

Question 7:

Do you agree that where an authority is a member of more than one Local Enterprise Partnership, then the proportion to be pooled should be divided equally amongst the Local Enterprise Partnerships?

This seems a sensible view unless it would make sense to split proportionately according to the size of the LEPs.

Question 8a:

The Government proposes that where local authorities can demonstrate that they have committed contractually to use future bonus allocations on local growth priorities, Local Enterprise Partnerships should take this into account when determining their local growth plan and their priorities for using pooled funding. Do respondents agree with this proposal?

As highlighted in Question 1 the New Homes Bonus final scheme design payment is an unringfenced revenue grant payable to each council for a period of six years with one of the key principles of the scheme being it's flexibility for local authorities to be able to decide how to spend the grant within their local communities and the predictability that the funding is a permanent feature of local government funding captured for six years for each years reward.

Under the principles of the final scheme design we believe that Council's should not have to be required to demonstrate that they have committed contractually to use future bonus allocations. It should be sufficient that it has been budgeted for and used under the flexibility principle of the scheme in line with Council priorities.

Question 8b:

If respondents disagree with question 8a are there alternative approaches for dealing with such commitments?

Please refer to comments in 8a.

Question 8c:

Are there other circumstances in which a spending commitment should be taken into account by the Local Enterprise Partnership?

Yes, where New Homes Bonus has been incorporated into base budgets whether that is for growth priorities or in line with local community priorities as highlighted under the flexibility principle.

Proposals For The Use Of Capital Receipts From Asset Sales To Invest In Reforming Services

Response to the Consultation Questions

Question 1:

Do you consider that the proposal to allow some flexibility for use of capital receipts from new asset sales will provide you with a useful additional flexibility for one-off revenue costs associated with restructuring and reforming local services to deliver long term savings?

Yes - the ability to use capital receipts could provide additional flexibility in reforming services to deliver long term savings. The process however needs to be simple, timely and practical in its application.

Question 2:

To evidence base the response to Question 1, we would welcome (in no more than 400 words) your initial ideas for change(s) that you consider would benefit from the flexible use of capital receipts policy?

Information could include the level of funding required, type of asset(s) to be disposed, details of the service transformation and savings that could be achieved and future use of the asset(s).

The Council is looking into bids to use the flexibility provided to develop reform of IT processes, for initial consultancy work design to facilitate long term savings and to use as funding to facilitate the reduction of staffing numbers necessary within the Council as it transforms services. Assets proposed to be sold will generally be those assets that are no longer required by the Council following initial restructuring of services and a property rationalisation programme that the council has undertaken. At this stage we are unable to quantify the savings that could be achieved or the future use of the asset(s). The requirements from government in this area however should allow a high degree of local flexibility and not be unnecessarily prescriptive.

Question 3:

Do you agree that these criteria should be used, or would you suggest alternative or additional measurements to decide a bid based approach and ensure a fair distribution for the proposed flexibility?

No - We do not think that the forward use of an asset should be part of the criteria on which bids are assessed. Assets should be sold with the purpose of achieving the highest value receipt possible which may not be received if conditions must be attached to sales i.e. developers must build social housing.

Question 4:

Do you agree that a direction letter mechanism would be the best method of delivering the aims of the policy proposal?

Yes - Under a bid based system the direction letter mechanism is the best method of delivering the aims of the policy proposal. An alternative would be to allow a general use of capital receipts to be spent on revenue items where an authority can prove that this is for one off spending that can deliver savings over, say, at least a 5 year period.

Question 5:

Is the proposed timetable realistic to allow for the practical implementation of the flexible use of capital receipts proposal?

No - the proposed timetable is inflexible and should allow for expenditure over more than one financial year. In particular there should be further flexibility especially where councils are collaborating with other organisations.

Question 6:

If you felt the timetable was not realistic, what changes would you make to the proposed implementation of the policy to allow for the practical delivery of the flexible use of capital receipts?

It should allow for revenue expenditure to take place over the period October 2014 to March 2017 and disposal of assets to take place over the period August 2013 to March 2017. Depending on the size and / or complexity of the scheme it may not be possible to contain spend within one financial year. There is often a time delay in placing assets for sale and receiving a capital receipt. Unless asset management plans are sufficiently developed then it is also not certain that disposal will take place before March 2016. Both of these limitations could be exacerbated where a council is working in collaboration with other organisations to achieve efficiencies.

Statement of General Balances

	£m
Balances as at 31st March 2012	7.570
Use of Balances 2012/2013	
- Transfer to Strategic Investment Reserve	(6.031)
Additions to Balances 2012/2013	
- Ring Fenced Salaries, Unutilised Contingency and non-delegated budget savings	6.031
Balances 31st March 2013	7.570
Use of Balances 2013/2014	
- Contribution to Revenue Budget	(2.572)
Additions to Balances 2013/2014	
- Transfer from Strategic Investment Reserve to support transitional costs	2.572
Estimated Balances 31st March 2014	7.570

REFERENCE FROM CABINET – 9 OCTOBER 2013

REVENUE BUDGET SECOND REVIEW 2013/2014

Report of the Head of Law and Governance

1. Purpose of this Report

- 1.1 To set out for advice and consideration of the Committee an aspect of the report on the Revenue Budget Second Review for 2013/2014 namely requesting the Council to approve the transfer of funds.

2. Background and Current Position

- 2.1 The Cabinet, at its meeting on 9 October 2013, gave consideration to a report of the Executive Director of Commercial and Corporate Services. The report gave details of the overall Revenue position following the second review for 2013/2014 including proposed contingency transfers for the second quarter of 2013/2014.

- 2.2 In accordance with the Council's Budget and Policy Framework certain transfers require Council Approval. The following extract refers to those transfers of funds;

“Savings on capital financing charges as a result of slippage on the capital programme and income from interest on investments are anticipated to result in planned savings of approximately £5.0m at year end. It is proposed that these amounts and any further underspendings arising from unspent contingencies at the end of 2013/2014 are earmarked to support the overall 2013/2014 position and transitional costs arising from the 2014/2015 budget setting process.”

- 2.4 Copies of the 9 October 2013 Cabinet agenda were circulated to all Members of the Council. The decisions and recommendations of the Cabinet will be reported orally to the Scrutiny Committee.

3. Conclusion

- 3.1 The matter at 2.3 is referred to this Committee for advice and consideration. The comments from the Scrutiny Committee will be reported to Cabinet 6 November 2013 and onto full Council on 27 November 2013.

4. Recommendation

- 4.1 The Scrutiny Committee is invited to give advice and consideration on the issue of transfer as set out in the above extract.

5. Background Papers

- 5.1 Cabinet Agenda, 9 October 2013.

5.2 A copy of the Agenda is available for inspection from the Head of Law and Governance or can be viewed on-line at:-

<http://www.sunderland.gov.uk/committees/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/8006/Committee/1636/Default.aspx>

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CABINET MEETING – 9TH OCTOBER 2013

EXECUTIVE SUMMARY SHEET- PART I

Title of Report:

Revenue Budget Second Review 2013/2014

Author(s):

Executive Director of Commercial and Corporate Services

Purpose of Report:

To report details of the outcome of the Revenue Budget Second Review for 2013/2014.

Description of Decision:

Cabinet is recommended to approve the contingency transfers proposed at Appendix A and budget transfers set out in the report.

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

To respond to variations in expenditure and income which have arisen in 2013/2014 and enable effective budgetary control to be exercised.

Alternative options to be considered and recommended to be rejected:

No alternative options are proposed.

Impacts analysed:

Equality Privacy Sustainability Crime and Disorder

Is this a “Key Decision” as defined in the Constitution?

Yes

Scrutiny Committee

Is it included in the 28 Day Notice of Decisions?

Yes

Cabinet 9th October 2013

Revenue Budget Second Review 2013/2014

Report of the Executive Director of Commercial and Corporate Services

1. Introduction

This report advises Members of the overall Revenue position following the second review for 2013/2014 including proposed contingency transfers for the second quarter of 2013/2014.

2. Description of Decision

- 2.1. Cabinet is requested to approve contingency transfers proposed at Appendix A and budget transfers set out in the report

3. Revenue Budget Monitoring 2013/2014

Overall Position

- 3.1 In overall terms financial progress towards delivery of the 2013/2014 savings requirement is very positive although there continues to be challenges. Where issues have been identified mitigating actions have been put in place by Portfolio holders, which, coupled with corporate actions agreed in relation to workforce planning, will ensure that a positive outturn position will be achieved.

A full review has been undertaken and a summary of the position following the second review is set out in the report for each Portfolio, together with the contingency allocations proposed for the second quarter.

In addition savings on capital financing charges as a result of slippage on the capital programme and income from interest on investments are anticipated to result in planned savings of approximately £5.0m at year end. It is proposed that these amounts and any further underspendings arising from unspent contingencies at the end of 2013/2014 are earmarked to support the overall 2013/2014 position and transitional costs arising from the 2014/2015 budget setting process.

- 3.2 Contingency Transfers

Members will recall from previous reports that transfers from the contingency fund take place on a quarterly basis to reflect expenditure actually incurred in respect of approved provisions. Details of proposed contingency transfers for the second quarter amounting to £0.483m are set out at Appendix A.

3.3 Budget Transfers

Budget Transfers since the first review primarily relate to transfers between Directorates to reflect operational arrangements in accordance with Sunderland Way of Working principles and budget realignments relating to the realignment of services within the people, place and economy service areas.

3.4 Implementation of Savings Plans and Budget Pressures

3.4.1 The budget process for 2013/2014 took account of the requirement for reductions in expenditure of £37.0m. Progress in implementing the proposals is being rigorously monitored in conjunction with Portfolio holders. Monthly monitoring of the budget continues at an enhanced level to ensure the position is understood early and actions put in place to mitigate any impact.

3.4.2 Overall progress continues to be very positive however there are budget pressures also being experienced across a number of portfolios for which mitigating actions are being implemented. This reflects the increasingly greater challenges the council faces in implementing changes as we progress through the third year of the spending review period.

3.4.3 In relation to savings targets the following is noted in overall terms:

- £29.5m of the savings have been fully realised to date as originally intended.
- £2.4m of reductions are no longer to be achieved as originally intended. Of this, £1.2m of alternative savings actions have been identified which will deliver in year and on-going savings. A further £1.2m of alternative actions have also been identified which will meet the remaining savings requirement in year, with actions to address the on-going requirement being progressed.
- £5.1m of reductions are not yet scheduled for full implementation although good progress is being made with action plans developed, responsibilities assigned and timescales identified. At this stage therefore it is not anticipated this will impact on the overall financial position of the Council as the full year saving is still anticipated although it is imperative that these reductions are driven through to implementation in line with agreed timescales.

3.4.4 In addition to the above there are:

- on-going pressures from 2012/2013 totalling £3.1m in relation to Home Care and Community Support, and Culture, Sport and Leisure
- in-year service pressures totalling £1.0m which have mitigating actions identified to address the position in-year, with actions to address the on-going position being progressed.
- Although work is on-going to address these issues it is likely that corporate resource support will be required to balance the position in the current financial year.

3.4.5 Further details of issues are set out in the relevant sections below, which shows that work is being progressed in all areas. It is particularly noted that plans in relation to Adult Services pressures reported at the first review are now being finalised although there will be significant work to do to implement these plans to remove this budget overhang for the start of the 2014/15 financial year.

3.5 Portfolio Budget Monitoring 2013/2014

The following issues are drawn to Members attention:

3.5.1 Leader

No issues to raise at this stage

3.5.2 Deputy Leader

No issues to raise at this stage

3.5.3 Cabinet Secretary

No issues to raise at this stage

3.5.4 Children's Services

- The Children's External Placement budget continues to be volatile due to the uncertainty regarding the level of placements in any given year. Current projections for 2013/2014 indicate a pressure of £1.3m due to the required level of placements. Reserves earmarked for this purpose as part of the 2012/2013 outturn are available to meet this shortfall in year.

The number of Looked after Children has increased to 473 as at 19th August; an increase of 36 from April 2013. Officers continue to review and refresh the Looked after Children Strategy but at this stage there is a potential on-going pressure of £0.5m that will impact into 2014/2015 which will need to be considered as part of MTFS planning

- The Children Looked after Strategy has a 2013/2014 savings target of £0.2m in respect of the development of an alternative specialised children's home to reduce the number of distant, very expensive placements. For 2013/2014 this saving has been achieved through alternative mitigating actions. A working group has been established to identify an on-going alternative.

3.5.5 Health, Housing and Adult Services

- Home and Community Support and reduction in residential care places – £3.9m (on-going pressure from 2012/2013 £2.9m plus 2013/2014 pressure £1.0m)

The Directorate have achieved one off alternative mitigating actions to meet £1.0m of this saving in year. Significant work has been progressed over the last few months within the Directorate and in conjunction with the Executive Director of Commercial and Corporate Services and action plans are in the process of being finalised. With robust project planning it is anticipated that the actions will fully provide for the on-going pressure and contribute to future years savings targets. However, whilst part year savings will be made there is likely to be an in year shortfall which will need to be met from transitional funding whilst the permanent solutions are being put in place.

3.5.6 Public Health, Wellness and Culture

- As reported at first review, there is an ongoing pressure from 2012/2013 in relation to the Sport and Leisure Review. The service achieved in year reductions of £0.9m for 2012/2013 through one off measures with the intention that alternative on-going actions be put in place for 2013/2014.

£0.2m of this saving is currently considered at risk for 2013/2014 and the review is currently identifying further alternative saving options to balance the in-year position in year.

3.5.7 City Services

- The trading position on Building Services is being closely monitored and, at this stage, the service is forecasting to make a shortfall against budget of £0.5m. This shortfall has primarily arisen following a further reduction in client budgets in 2013/2014, resulting in reduced income for Building Services.

Actions have been taken elsewhere within the directorate in order to mitigate the budget shortfall in-year. At the same time, the service is working to deliver on a number of service improvements with a view to addressing this position on an on-going basis.

3.5.8 Responsive Services and Customer Care

There are no issues to raise at this stage

3.6 Other Corporate Issues

3.6.1 Workforce Planning

- A significant element of the savings plans are dependent upon implementation of workforce planning arrangements in the process of being implemented. Significant progress has now been made and savings targets are on track for full delivery with savings in a full year. Transitional funding will be utilised to support any in year shortfall.
- As reported as part of the budget setting process, transitional costs will arise during 2013/2014 as the organisation implements the continued improvement

programmes. At this stage these costs total £2.8m and can be met from resources set aside to meet transitional costs as part of the previous years outturn.

3.6.2 Treasury Management

Savings in Debt charge and interest on investments of £5m is anticipated at this stage due to slippage in the Capital Programme and additional investment income. It is proposed that this amount and any underspendings arising from unspent contingencies at the end of 2013/2014 are earmarked to support the overall 2013/2014 position and transitional costs arising from the 2014/2015 budget setting process.

4. Reason for Decision

- 4.1 To respond to variations in expenditure and income which have arisen in 2013/2014 and enable effective budgetary control to be exercised.

5. Alternative Options

- 5.1 No alternative options are proposed.

6. Impact Analysis

- 6.1 Impact assessments of Directorate actions to ensure the achievement of savings targets and a balanced budget position will be undertaken within Directorates as each action is developed.

7. Other Relevant Considerations / Consultations

- 7.1 The report identifies a number of risks in relation to the delivery of budget savings and the need to address budget pressures. However, actions in place and the available transitional resources earmarked as part of previous years outturns are anticipated to be sufficient to mitigate the risks identified. Further confirmation of mitigating actions will be provided as part of the third review which will be reported to Members in due course.

Cabinet Meeting – 9th October 2013
Variations Necessitating Contingency Transfers 2013/2014

	Justification / Approval	2013/2014 £
Leader		
Warm up North - Green Deal	General Provision	50,000
Health Housing and Adult Services		
Adult social care contract inflation	Specific Provision	695,000
Public Health, Wellness and Culture		
Summer Events	General Provision	250,000
Pay Award 2013/2014	Specific Provision	1,226,234
Improvement Programme Efficiencies		
Improvement Efficiencies		(1,500,000)
Flexible Working Efficiencies		(238,162)
Total Contingency Adjustments		483,072

Cabinet Meeting – 9th October 2013

Revenue Budget Position After Second Review 2013/2014

	First Review 2013/2014	Budget Transfers	Transfers from Contingency fund	Second Review 2013/2014
	£'000	£'000	£'000	£'000
Portfolio				
Leader	7,665	930	(475)	8,120
Deputy Leader	4,370	(215)	(480)	3,675
Cabinet Secretary	7,823	198	(227)	7,794
Children's Services	64,961	17	154	65,132
Health, Housing and Adult Services	82,397	(10)	923	83,310
Public Health, Wellness and Culture	16,715	163	315	17,193
City Services	45,646	(157)	242	45,731
Responsive Services and Customer Care	3,864	(926)	31	2,969
Portfolio Expenditure	233,441	0	483	233,924
Contingencies	16,761	0	(483)	16,278
Technical Adjustments	(30,095)	0	0	(30,095)
Transfer to Reserves	6,097	0	0	6,097
Levies	17,820	0	0	17,820
Grants – Council Tax Freeze Grant, New Homes Bonus	(2,722)	0	0	(2,722)
Capital Financing Cost	26,066	0	0	26,066
Total Expenditure	267,368	0	0	267,368
Use of Balances	(2,572)	0	0	(2,572)
Net Budget Requirement	264,796	0	0	264,796

REFERENCE FROM CABINET – 9 OCTOBER 2013

FEED AND FOOD CONTROLS SERVICE PLAN 2013/14

Report of the Head of Law and Governance

1. Purpose of the Report

- 1.1 To seek the advice and consideration of this Committee on a report considered by Cabinet on 9 October 2013. The report presents the Feed and Food Controls Service Plan for 2013/14 to be used by the Public Protection and Regulatory Services section of the Street Scene service which has been formulated to comply with the current recommendations of the Food Standards Agency Framework Agreement and outlines the national priorities and standards for service delivery.

2. Background and Current Position

- 2.1 The Cabinet, at its meeting held on 9 October 2013, gave consideration to the attached report of the Deputy Chief Executive. The report sought the Cabinet's recommendation to Council to approve Feed and Food Controls Service Plan for 2013/14 to be used by the Public Protection and Regulatory Services section of the Street Scene service.
- 2.2 Copies of the 9 October 2013 Cabinet Agenda have been circulated to all Members of the Council. Recommendations from the Cabinet will be reported orally to the meeting.

3. Conclusion

- 3.1 The report is referred to this Committee for advice and consideration. The Plan is part of the Council's policy framework set out in Article 4 of the Constitution and the views of this Committee will be reported to Cabinet on 6 November 2013 and onto full Council on 27 November 2013.

4. Recommendation

- 4.1 The Scrutiny Committee is invited to give advice and consideration to Cabinet on the attached report of the Deputy Chief Executive.

5. Background Papers

- 5.1 Cabinet Agenda, 9 October 2013.

5.2 A copy of the Agenda is available for inspection from the Head of Law and Governance or can be viewed on-line at:-

<http://www.sunderland.gov.uk/committees/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/8006/Committee/1636/Default.aspx>

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CABINET MEETING – 9 OCTOBER 2013

EXECUTIVE SUMMARY SHEET PART 1

Title of Report:	
FEED AND FOOD CONTROLS SERVICE PLAN 2013/14	
Author(s):	
Deputy Chief Executive	
Purpose of Report:	
To advise Cabinet of the Feed and Food Controls Service Plan of Public Protection and Regulatory Services for 2013/14	
Description of Decision:	
Cabinet is recommended to approve the Feed and Food Controls Service Plan for 2013/14.	
Is the decision consistent with the Budget/Policy Framework *Yes/No	
If not, Council approval is required to change the Budget/Policy Framework	
Suggested reason(s) for Decision:	
The Food Standards Agency which monitors and audits the activities of local authorities in respect of feed and food law enforcement requires Feed and Food Controls Service Plans to be approved by authorities in a manner which ensures local transparency and accountability. The plan forms part of the Council's policy and budgetary framework as defined in the Constitution.	
Alternative options to be considered and recommended to be rejected:	
There are no practical alternative options as failure to produce a Feed and Food Controls Service Plan would conflict with the requirements of the Food Standards Agency.	
Impacts analysed;	
Equality <input checked="" type="checkbox"/> Privacy <input type="checkbox"/> Sustainability <input type="checkbox"/> Crime and Disorder <input type="checkbox"/>	
Is this a "Key Decision" as defined in The Constitution? <p style="text-align: center;">Yes</p>	Scrutiny Committee
Is it included in the 28 Day Notice of Decisions? <p style="text-align: center;">Yes</p>	

CABINET

FEED AND FOOD CONTROLS SERVICE PLAN 2013/14

REPORT OF THE DEPUTY CHIEF EXECUTIVE

1. Purpose of the Report

- 1.1 The purpose of the report is to advise Cabinet of the Feed and Food Controls Service Plan to be used by the Public Protection and Regulatory Services section of the Street Scene service.

2. Description of Decision

- 2.1 Cabinet is recommended to approve the Feed and Food Controls Service Plan for 2013/14.

3. Introduction/Background

- 3.1 The Food Standards Agency (“the Agency”) is an independent government department responsible for food safety and hygiene across the United Kingdom. It works with businesses to help them produce safe food, and with local authorities to enforce food safety regulations.
- 3.2 The Agency pursues a programme of auditing local authorities with the aims of helping to protect public health by promoting effective local enforcement of animal feed and food law and maintaining and improving consumer confidence.
- 3.3 The Agency considers that service plans for feed and food controls are an important part of the process to ensure that national priorities and standards are addressed and delivered locally. Service plans are intended to help local authorities to follow the principles of good regulation and focus on key delivery issues and outcomes.
- 3.4 To assist in the service planning process the Agency has developed a Framework Agreement on Official Feed and Food Controls by Local Authorities in consultation with the Local Government Association. This document recommends a format for feed and food controls service plans and gives detailed guidance on the content of such plans.
- 3.5 The Council has followed this format in preparing the Feed and Food Controls Service Plan 2013/14 which is Appendix 1 to this report.

4. Current Position

- 4.1 The Feed and Food Controls Service Plan for 2013/14 has been developed by the Council in order to comply with the recommendations of the Food Standards Agency’s Framework Agreement. It would be necessary to produce this plan in the event of an audit by the Agency.

5. Reason for Decision

- 5.1 The reason for the decision is to facilitate the compliance of the Council with the

requirements of the Food Standards Agency.

6. Alternative Options

- 6.1 The option of not producing a Feed and Food Controls Service Plan would place the Council at risk of receiving criticism in the event of an audit by the Food Standards Agency. It would also weaken the reputation of the Council and our ability to influence businesses with regard to matters of food safety. It has been discounted on these grounds.

7. Impact Analysis

- 7.1 **Equalities** There are no equalities implications as a result of this decision. Equalities are embedded within the national framework with which the Feed and Food Controls Service Plan complies.

8. Glossary

- 8.1 None.

9. List of Appendices

- 9.1 Appendix 1 - Feed and Food Controls Service Plan of Public Protection and Regulatory Services for 2013/14

10. Background Papers

- 10.1 Framework Agreement on Official Feed and Food Controls by Local Authorities

APPENDIX 1

FEED AND FOOD CONTROLS SERVICE PLAN 2013/14

1. Service Aims and Objectives

1.1 Aims and objectives

The aims of Public Protection and Regulatory Services (“the Service”) are to protect the health and wellbeing of all persons within the City in relation to food safety matters and, in relation to animal feed, to protect the health and welfare of livestock and prevent the outbreak of animal disease.

Our objectives are:

- To secure compliance with food safety law having regard to official codes of practice; particularly concerning the frequency of food safety interventions;
- To seek to secure the protection of consumers from the potential dangers of suspect or contaminated food; particularly those which may result in foodborne infections;
- To ensure so far as is reasonably practicable that food is fit for human consumption and free from extraneous matter;
- To increase the knowledge of food handlers, food managers and the general public about the principles and practice of food hygiene and food safety management;
- To increase the knowledge of food business operators of food safety management; thereby assisting the raising of standards and enabling improved food hygiene rating scores under the National Food Hygiene Rating Scheme;
- To assist in the control and prevention of the spread of foodborne diseases;
- To carry out food safety interventions (activities that are designed to monitor, support and increase food law compliance within a food establishment) in accordance with minimum frequencies and to standards determined by the Food Standards Agency (“the FSA”);
- To respond to and investigate Food Standards Agency ‘Food Alerts and Allergy Alerts for Action’ in accordance with published guidance where these impact upon food originating or traded within the City;
- To investigate all notified cases of foodborne disease and take effective action to control the spread of infection;
- To undertake the inspection of ships visiting the Port of Sunderland in accordance with current guidance;
- To carry out inspections at premises presenting the highest potential risk for contamination of the feed chain;
- To conduct on farm visits in order to examine primary production and animal feeding;

- To investigate complaints about feed and, where necessary, take samples;
- To give guidance to people supplying material into the feed chain and also to new livestock keepers.

1.2 Links to corporate objectives and plans

The Sunderland City Council Corporate Plan sets out the vision for the Council and outlines the strategic direction of the Council over a 3 year period. The Corporate Plan can be found on the Council's website and highlights three strategic priorities:

People – raising aspirations, creating confidence and promoting opportunity.

Place – leading the investment in an attractive and inclusive city and its communities.

Economy – creating the conditions in which businesses can establish and thrive.

The People priority encompasses the protection and improvement of the health and wellbeing of the people of Sunderland. The delivery of the Feed and Food Controls Service Plan 2013/14 will contribute positively to the achievement of the People priority by ensuring the protection of public health through inspection and education activity and the improvement of wellbeing through initiatives to promote healthier eating.

The Place priority is addressed in that the livestock of our local farms will be protected from contaminants in their feed that could harm their health and welfare.

The Economy priority is addressed by enforcement action and advice given to businesses. Proportionate enforcement provides a fair and equitable trading environment in which businesses can develop and be protected from those who fail to comply with the law. Initiatives to develop best practice in small to medium enterprises will assist them in promoting their businesses.

2. Background

2.1 Profile of the Local Authority

Sunderland City Council serves an area of 137 square kilometres and has a population of around 281,000 people resident in some 121,000 households. The City principally comprises urban areas, the City Centre and Washington, as well as the former coalfields communities of Easington Lane, Hetton-le-Hole and Houghton-le-Spring. A small number of farms surround the urban population centres.

2.2 Organisational Structure

The Council is composed of 75 councillors within 25 wards. Governance is through the Leader and Cabinet model with an annual budget expected to be in the region of £264.8 million for the financial year 2013/4.

The Council delivers services through the Office of the Chief Executive, the People Services Directorate and the Commercial and Corporate Services Directorate. This Feed and Food Controls Service Plan is delivered by staff from Public Protection and Regulatory Services within Street Scene, which is part of the Office of the Chief

Executive within the responsibility of the Deputy Chief Executive. The service operates within the remit of the City Services Portfolio and works closely with the Portfolio Holder.

The Head of Street Scene reports to the Deputy Chief Executive on a number of matters including feed and food control. Public Protection and Regulatory Services deliver the Environmental Health, Trading Standards and Licensing functions on behalf of the Council. These services are led by the Assistant Head of Street Scene (Public Protection and Regulatory Services) who has overall responsibility for delivery of the Feed and Food Controls Service Plan.

The Environmental Health Manager has specialist responsibility for food hygiene and standards matters and health promotion. The Principal Trading Standards Officer has specialist responsibility for feedingstuffs.

The Council uses the services of Public Health (England) Laboratories, a Public Analyst and an Agricultural Analyst as necessary. The Public Analyst and Agricultural Analyst appointed by the authority is Public Analyst Scientific Services Limited.

2.3 Scope of the Feed and Food Service

The activities relating to feed and food in the City are undertaken by the Trading Standards and Environmental Health teams respectively.

The Environmental Health team undertake a programme of food hygiene and food standards interventions as well as responding to requests for service and infectious disease notifications. Sampling of foodstuffs, both microbiological and compositional, is also undertaken. The team has for many years enforced health and safety at work legislation in most food premises in line with recommendations in the Lord Young report: "Common Sense, Common Safety". However now, as a consequence of the Lofstedt Report, the team undertakes primarily hazard spotting during planned interventions. Serious contraventions may, however, result in a full inspection and enforcement action based on risk. Officers also respond to Port Health requests and food hygiene inspections are undertaken in connection with Ship Sanitation Certificates required under international health regulations.

The Environmental Health team provide Chartered Institute of Environmental Health (CIEH) Level 2 and Level 3 Food Safety in Catering training courses. Officers organise campaigns and develop award schemes in order to promote the public health agenda, including healthy eating, to local businesses. The Heart of Sunderland Award and the Healthy Home Award schemes are promoted and managed by the team, with inspections being undertaken at relevant premises. The Healthy Home Award, presented to the City's nursing and residential homes, supports the Council's People service's Care Quality Standards. Homes achieving the award achieve a higher grading.

The City has a small agricultural sector, principally arable with a few livestock holdings. The Trading Standards team carries out the enforcement of primary production and feedingstuffs legislation and provides advice to farmers and retailers.

2.4 Demands on the Feed and Food Service

2.4.1 Food establishments profile

There are 2161 food premises currently operating in the City, including one registered primary producer.

Types of Food Premises in the City	No.	Food Hygiene High Risk (A)	Food Hygiene Medium Risk (B)	Food Hygiene Medium Risk (C)	Food Hygiene Medium Risk (D)	Food Hygiene Low Risk (E)	Not rated
Primary producers/ manufacturers/ processors	93	0	3	44	11	30	20
Packers/ importers/ exporters/ distributors etc.	38	1	2	5	6	24	0
Retailers	535	0	12	197	152	154	20
Restaurants/ other caterers	1462	1	150	825	190	215	81
Contact materials and articles	0	0	0	0	0	0	0
Total food premises	2161	2	167	1071	359	423	121
Outside the programme	18						

Most of Sunderland's food premises are classified in the restaurant/catering outlet group (1462) whilst there are 535 food retailers. These categories feature a large number of changes of food business operators. This creates additional demands for the Service in educating new operators.

The unrated premises are those which have recently opened or changed proprietor since the last inspection. These premises are, where notification takes place, visited initially and are assessed according to risk for further inspection and rating within 6 to 24 months in order for the Service to make an informed judgement of on-going standards.

The Stadium of Light can accommodate over 48,000 seated spectators, with significant catering provided from the outlets within the stadium. This summer, three major music events requiring the attention of Environmental Health Officers occurred at the stadium.

There are a significant number of outdoor events held regularly each year (e.g. the International Air Show) which are attended by up to 1.5 million visitors. Various

mobile caterers and food businesses from around the region visit the City to cater at the events.

Port health inspections which require inspections of food hygiene and standards on board vessels coming into the port are undertaken. The provision of fifteen Ship Sanitation Certificates was requested from the Service last year in addition to eight visits to take water samples being undertaken.

2.4.2 Feed establishments profile

There are currently 29 premises registered as Feed Business Operators.

Types of Feed Premises	Number
Arable farms	10
Livestock farms	9
Manufacturers and packers	1
Food businesses selling co-products/surplus food	6
Distributors / transporters	1
Stores	2
Total	29

The arable farms principally produce cereal for food production or for incorporation in animal feed. Inspections of these premises are on a low risk basis. Several of the farms are members of farm assurance schemes.

The livestock farmers generally grow arable crops for feeding to their own livestock along with silage. The use of supplementary feed is generally restricted to sheep and pigs. Visits to these premises are generally scheduled when the animals are housed and are undertaken in conjunction with animal health and welfare visits.

The single manufacturer and packer makes pet foods and has been assisted with advice on legal requirements. The premises may be visited for sampling purposes.

An increasing number of businesses are being found to send waste food into the feed chain. Following potential issues previously identified on inspection all premises registering to supply waste food into the feed chain will be inspected.

The registered transporter removes waste food from shops for use in the manufacture of feed.

Increased vigilance continues to be undertaken with regard to the inland enforcement of imported feed legislation in an effort to prevent the spread of disease in food animals.

2.4.3 Service delivery points

The officers who undertake feed and food controls work are based at Jack Crawford House, Sunderland. The Council's Customer Service Centre in Fawcett Street, Sunderland is open to the public in normal working hours throughout the week, 8.30am to 5.15pm (4.45pm Friday), although officers from the Environmental Health

team may be contacted by businesses directly. There is an evening and weekend service arrangement for contacting managers for out-of-hours emergencies. Visits are conducted at events and as necessary outside normal working hours.

The Council website www.sunderland.gov.uk encourages the public to communicate with the Service by email and makes information constantly available. Letters from the Service to customers / companies encourage the use of email. Initial contact for services to the public is through the Council's Customer Services Network.

The Council displays current food hygiene ratings on the www.sunderlandcitycouncil.com website. This website may also be accessed from the sunderland.gov.uk website (Food Hygiene). The Council also regularly updates data on the Food Standards Agency national scheme. Ratings can be found at <http://ratings.food.gov.uk>

The Food Hygiene Rating Scheme involves the publication of a food safety rating for catering premises in the City based on standards of structure and hygiene ratings and confidence in management scores assessed during programmed inspections. Following inspections, business owners are advised in writing that the information may be released on the website in the future and in response to third party requests as required by Freedom of Information legislation. Food business operators have the right to appeal against a rating which may result in a revisit for re-inspection after three months.

2.4.4 External factors impacting on the Service

The Freedom of Information Act 2000 impacts on the workload of the Service due to the administration of requests and time spent recovering the information. Press and other enquirers often request specific information with a view to making comparisons of businesses in various local authority areas. In the past year, the Service responded to eleven requests for information regarding food premises.

The Service's responsibilities under the Licensing Act 2003 also impact on workload. Officers consider applications for new and varied licences for food premises in pursuance of duties as responsible authorities.

There is a possibility that any large outbreak of food poisoning or illness, or a serious accident at food premises, would impact significantly on the routine activities of the Service.

There are no other likely major impacts upon the Service expected, e.g. significant food imports, seasonal variations or an increase in the number of food manufacturing businesses. However, where food alerts necessitate a significant response, this will impact upon the Service.

Food alerts are notified to local authorities by the Food Standards Agency. During 2012/13 the Service received 62 alerts of food problems occurring elsewhere in the country and twelve updates. Many of these alerts were product recalls where the response required from the Service was limited.

The Food Standards Agency also notifies local authorities of allergy alerts, e.g. instances of food labelling errors or contamination of specific ingredients. There

were 67 such alerts received in 2012/13. Whilst not critical to general public health, such incidents can have serious effects on persons who are allergic to specific ingredients.

Last year the Food Standards Agency was heavily involved in responding to incidents of meat products being contaminated with horse meat. The Service investigated all twelve relevant premises in the City in order to ensure that all reasonable steps were being adopted to ensure the traceability of raw products. It is expected that, in future, samples of meat will be required to ensure that correct descriptions are being used.

2.5 Regulation Policy

Public Protection and Regulatory Services has a documented Enforcement Policy covering the Environmental Health, Trading Standards and Licensing functions of the Council. The Service works within the principles of the Regulators' Compliance Code.

3. Service Delivery

3.1 Interventions at Food and Feedingstuffs establishments

Food premises in the City have been found to demonstrate relatively static level of compliance over the last five years with between 83 and 85% of all premises achieving a three star rating or above. Within this figure there has been a year on year improvement in the numbers of premises achieving five stars thus demonstrating that the good premises are getting better

In April 2012 the Food Standards Agency reviewed their Food Law Code of Practice (England) and now local authorities are encouraged to spend more time at targeted businesses rather than spreading resources over the whole range of premises. So, in accordance with the reviewed guidance, the Service plans this year to place a greater emphasis on targeting lower-rated businesses. It is envisaged that those premises which are found to have poor structures or hygiene standards or where there is low confidence in management will be monitored in order to drive improvements.

To this end the Service will follow the FSA Food Hygiene and Food Standards Intervention Rating Schemes, as prescribed in the revised Food Law Code of Practice (England), in order to determine the frequency and type of intervention appropriate to the risk posed by the premises.

The Service will use the wide range of interventions described by the FSA guidance in order to monitor and increase business compliance in the most efficient and proportionate way.

Interventions are defined as activities that are designed to monitor, support and increase food law compliance within a food establishment and they include but are not restricted to the following "official controls":

- Inspections and audits (full/partial inspection and audits);
- Monitoring;

- Surveillance;
- Verification; and
- Sampling and analyses where examination is carried out by an Official Laboratory.

When undertaking official controls, officers will take account of any identified risks, the food business operator's past record and current knowledge, an examination of practices and procedures in place, a physical inspection of the premises, the reliability of an operator's own checks, and any information that may indicate non-compliance.

Other interventions that do not constitute official controls can be undertaken in some premises in addition to the official control or at an interval between official controls. These include:

- Education;
- Advice and coaching;
- Information and intelligence gathering; and
- Sampling where examination is not carried out by an Official Laboratory.

Premises will continue to be risk rated depending on the previous level of food safety and structural compliance together with confidence in management. Factors also taken into account are the types of food prepared and the type and number of consumers potentially at risk.

The minimum intervention frequencies for the different rating categories for premises subject to food hygiene and food standards interventions are shown below:

FSA Food Hygiene Risk Category and Intervention Frequency

PREMISES RATING CATEGORY	MINIMUM INTERVENTION FREQUENCY
A	At least every six months
B	At least every 12 months
C	At least every 18 months
D	At least every 24 months
E	A programme of alternative enforcement strategies or interventions every three years

Those food premises which fall into Category A are considered to be those with the highest risk, whether as a result of the nature of the main activities undertaken on the premises or because of the relatively poor operating conditions which have prevailed previously.

FSA Food Standards Risk Category and Intervention Frequency

PREMISES RATING CATEGORY	MINIMUM INTERVENTION FREQUENCY
A	At least every 12 months
B	At least every 24 months
C	A programme of alternative enforcement strategies or interventions every five years

Where premises are rated for both food hygiene and food standards the food hygiene risk rating will take precedence with food standards being considered at the next appropriate intervention.

The predicted numbers of interventions are as follows:

- All Category A and B premises will receive an inspection (169 visits);
- All unrated premises (new businesses) will receive an inspection (110 visits);
- Category C premises which are not “Generally Satisfactory” and those which supply food to vulnerable groups such as the young or elderly will receive an inspection (107 visits);
- Category C premises which were previously found to be “Generally Satisfactory” will receive monitoring visits to determine whether standards have been maintained. Where this is not the case a full inspection will be carried out (611 visits); and
- Category D and E premises will be targeted by other enforcement measures as detailed in the revised FSA Code of Practice. This may include the sending of self assessment questionnaires with the results informing rating decisions (394 interventions).

The total estimated number of interventions is therefore 1391 in addition to those pertaining to any new businesses established within the year. Alternative strategies for lower risk premises will result in fewer such premises being visited than in previous years but, potentially, more visits being made to less well performing premises in order to promote and confirm improved standards.

In line with our commitment to carry out revisits to check on compliance, where necessary, it is estimated that the above-mentioned planned inspections will generate a further 350 revisits.

The Service aims generally to undertake the relevant intervention at the premises within one month of the due date for inspection; the only exceptions being those businesses that operate seasonally and those which may be subject to alternative enforcement strategies.

Secondary inspections (including revisits and requests for revisits by operators of food businesses) will be undertaken as necessary on a risk assessed basis in order to ensure that significant material defects are rectified. Those premises which are not broadly compliant will be visited with a view to enforcing compliance standards.

Individual businesses may be visited more frequently or the planned date for intervention may be brought forward if a problem is identified such as:

- A complaint about the food premises or notification of an issue received from another authority which requires further investigation;
- An unsatisfactory sampling result is received;
- The business is implicated in a food poisoning outbreak;
- There is a change in business operations resulting in a higher risk;
- A request for a re-rating revisit under the FSA Food Hygiene Rating Scheme is received; or
- A notification is received from the FSA regarding a food safety incident or food alert.

All requests for revisits by businesses wishing to amend their risk ratings as part of the National Food Hygiene Rating Scheme will be carried in accordance with FSA procedures. Whilst the published rating of the business may be changed as a result of this revisit, the Service will need to examine sufficient elements of the business and have sufficient evidence from this intervention if any change to the intervention frequency for the business is to be considered. Otherwise the business will retain its original risk rating score for frequency of intervention

The City, being principally urban in nature, has only a small number of feedingstuffs premises registered. None of the premises registered are considered to be high risk. The premises will be visited on a risk assessed basis. Last year there were twelve inspections and one revisit undertaken at feed establishments.

All businesses that register as food businesses will be subject to inspection. With the increase in co-products (i.e. products produced together with another product) entering the food chain a project will be undertaken to identify premises not currently registered that may be supplying products to be used in the manufacture of feed.

The Service has good working relations with neighbouring authorities and the Public Analyst should any specialised process be identified.

3.2 Feed and Food Complaints

The Service is committed to responding to all complaints about feed or food. The extent of the investigation will depend on the merits of the complaint. This can range from re-assuring the complainant to a more formal process, including reference to home or originating authorities in accordance with the guidance and the relevant Code of Practice. Officers also liaise with any relevant primary authority in pursuance of the relevant scheme administered by the Better Regulation Delivery Office.

In 2012/13, 624 requests for service requiring a response from officers were made (this being a near 100% increase upon the previous year), including ten complaints

relating to food standards or labelling, and 104 requests relating to unfit or contaminated food.

Due to the relatively few number of feedingstuffs establishments, it is not anticipated that there will a significant number of complaints received by the Service. Any complaints will be investigated in line with Service procedures. The Service received no complaints last year which related to feedingstuffs. Pet foods are anticipated as being the most likely subject of complaints.

3.3 Home Authority Principle and Primary Authority Scheme

The Service undertakes to comply with all the relevant legal requirements of the Primary Authority Scheme and liaises with other relevant local authorities within the context of the Home Authority Principle

3.4 Advice to Business

The Service seeks to assist local businesses in order to encourage the success of our local economy. Last year 190 specific requests for advice were received by the Environmental Health team (an increase of over 100% compared to the previous year). Additionally, advice is given by officers informally at every visit to food premises, as appropriate.

The Service is committed to promoting the Food Standards Agency's project: "Safer Food, Better Business" which is intended to support food businesses in complying with the food safety management principles. There will continue to be great efforts to educate businesses in complying with their requirement to implement a suitable food safety management system, which some smaller food businesses seem to find difficult

In correspondence to food businesses, a standard invitation is given to them to seek advice from the Service.

Close links are maintained with many business organisations in the City and informal agreements reached to cooperate more fully with businesses through these contacts.

Feed businesses are provided with business advice on inspection and new livestock keepers are provided with guidance when registering their premises.

3.5 Feed and Food Sampling

The Service is committed to sampling foods in order to determine compliance with compositional and bacteriological standards. Sampling of imported and locally produced foods is undertaken proactively and the Service participates in national and regional surveys arranged by the regional food authorities group and Public Health (England) Laboratory Service.

As a consequence of demand, i.e. complaints, food alerts, food poisoning outbreaks, etc., further samples will be taken. Last year 304 samples were taken.

An estimated 300 samples will be taken for bacteriological examination / compositional analysis in the year 2013/14, including 30 water samples. As a consequence of new legislation, private water supplies and distribution systems may require some sampling and work to identify such systems is on going. Some of the analysis costs for this work will be met by the FSA and operators.

The Health Protection Agency Laboratory transports samples from the region as necessary by courier to Leeds. The Service liaises with the management of the laboratory and neighbouring authorities in order to facilitate an effective and coordinated sampling programme with flexibility for local needs.

Participation with neighbouring authorities in sampling and other food related matters ensures that the Service works in a co-ordinated and compatible way.

Sampling of feed will take place where a complaint justifies a sample be taken, though there is no expectation of any complaints. Samples may be taken to assist in projects instituted by the Food Standards Agency or the North East Trading Standards Association or to maintain competence levels.

3.6 Control and Investigation of Outbreaks and Food Related Infectious Disease

The Service has agreed with Public Health (England) a policy for considering the investigation of confirmed food poisoning cases. The unwell people involved in most cases, other than in the case of suspected viral infections or Campylobacter infection, are usually visited by officers in order to trace the source of the infection and prevent further spread. People involved in Campylobacter cases are contacted by letter.

The local Consultant for Communicable Disease Control, employed by Public Health (England), will provide the Service with advice regarding specific problems relating to infectious disease.

Advice on food poisoning is available on the Council's website.

The number of reported cases of food poisoning depends on persons suffering attending their doctor or hospital, where, if samples are taken, and found to be positive, the medical practitioner has a legal duty to inform the Council. The Service liaises closely with relevant laboratories and the Health Protection Agency in order to effectively investigate all positive cases.

The Service maintains close links with Public Health (England) in order to respond to incidents of ill health. Regular meetings to discuss various matters relating to food poisoning cases and sampling programmes take place. The Public Analyst and Health Protection Agency will be contacted in order to assist with expertise where any additional problems arise. Similar networks exist within the region, nationally and with the Chartered Institute of Environmental Health and the Food Hygiene Forum.

Relevant policies published by Public Health (England) include:

- Policy for the investigation and control of a Cryptosporidiosis outbreak in the community associated with mains water supply;

- An agreed approach to Campylobacter investigations in the North East;
- Standard Salmonella questionnaires;
- Standard Verocytotoxin-producing Escherichia coli (VTEC) questionnaire; and
- Standard NE HPT Cryptosporidium surveillance questionnaire.

Statistics of cases notified over recent years

Year to 31 March	Campylobacter	Salmonella	Cryptosporidia	Food poisoning & suspected FP	Shigella	Esch. Coli	Other miscellaneous organisms	Totals
2009	306	58	26	24	5	2	2	423
2010	357	52	38	12	4	4	4	471
2011	440	28	27	11	3	2	0	511
2012	286	38	17	6	2	12	2	363
2013	329	40	48	19	2	3	3	444

Year to 31 March	April	May	June	July	August	September	October	November	December	January	February	March	Totals
2009	19	35	50	48	48	41	50	36	22	20	28	26	423
2010	28	38	66	44	40	56	56	41	24	21	24	33	471
2011	37	28	57	90	58	47	57	46	23	21	23	24	511
2012	26	43	30	39	47	32	33	27	24	24	26	12	363
2013	27	36	56	38	36	65	54	29	20	24	29	30	444

3.7 Feed/Food Safety Incidents

The Service is committed to responding appropriately to all Feed and Food Alerts issued by the Food Standards Agency in accordance with the relevant code of practice. The level of response is determined by the category of response required and the individual circumstances of the incident.

3.8 Liaison with other organisations

Both teams seek to cooperate in joint working with other local authorities in the North East. In relation to animal feed, information sharing and joint working is coordinated by the North East Trading Standards Association (NETSA) and via the Local Government Association Knowledge Hub. In respect of food matters, Environmental Health Officers liaise with colleagues via the North East Food Liaison Group and the North East sampling and Public Protection Groups.

Officers of the Service meet with our six neighbouring authorities, i.e. those in Tyne and Wear and Durham and Northumberland, in the North East Food Liaison Group. This group facilitates close cooperation between the representatives. Officers are

also involved with sampling sub-groups and South of Tyne meetings involving Public Health (England), Local Authorities and the Primary Care Trust. These meetings involve representatives from the relevant bacteriological laboratories and communicable disease specialists.

Officers liaise frequently with Council colleagues in connection with food matters, including catering and school meals, and with regard to building control and planning applications.

3.9 Feed and Food Safety and Standards promotional work

Officers give advice and information in the course of inspections and other visits. The Environmental Health team also offer training for the CIEH Level 2 and 3 awards in Food Safety in Catering.

The Heart of Sunderland award replaced the Heartbeat award in 2012. The award recognises and rewards businesses that offer healthy food options, promotes healthy eating and makes it easier for customers to make an informed choice.

There are three award categories:

- Bronze - awarded to premises which make food healthier by reducing fat, salt and sugar content, but may have a limited menu;
- Silver - awarded to premises which are committed to improving the nutritional quality of the food and helping customers make informed choices; and
- Gold - awarded to premises which can demonstrate a healthy eating policy with nutritionally trained staff.

In addition, all award premises must demonstrate a hygiene rating of three or above and a no smoking policy must be in place with support given to staff wishing to quit.

A total of 136 premises achieved the award:

- 55 Gold;
- 73 Silver; and
- 8 Bronze.

The Healthy Home award scheme was first provided by the Service in 1997, and has developed and expanded. A total of thirty Healthy Home awards were presented in 2012/13.

Homes must have a food hygiene rating of three stars or above, have a balanced menu and have good documented health and safety procedures.

During 2012/13:

- Eighteen courses in Level 2 Food Safety in Catering were attended by 190 delegates; and
- Three courses in Level 3 Food Safety in Catering were attended by 21 candidates.

The very small number of feed establishments registered within the City does not make promotional work on any scale viable. Imparting information on the importance of feed control is restricted to business advice given on inspection.

Basic food hygiene information for consumers is available on the Council's website. Similarly, advice is also available on food poisoning organisms and what to do in the event of suspicion of illness caused by the consumption of contaminated food.

4. Resources

4.1 Financial Allocation

For 2013-14 the budget for food control is £365,612 of which £195,911 is delegated (i.e. controlled by the Service manager). The sampling budget is £7, 000.

Health promotion has a general budget of £70,691 (of which £28,426 is delegated) including anticipated income of £24,275; partly from food hygiene training

The feedingstuffs element of the Trading Standards budget relating to inspection, training and business advice is approximately £2,500, equating to approximately 111 officer hours per annum.

4.2 Staffing Allocation

Environmental Health personnel specialising in food comprise:

- 1 Principal Environmental Health Officer / Team Leader (0.5 Full Time Equivalent (FTE))
- 3 Senior Environmental Health Officers (2.5 FTE)
- 1 Technical Officer (1 FTE – working towards Higher Certificate)
- 2 Senior Environmental Health Officers (Part time on food and working on acquiring advanced competency for complex processes) (1FTE)
- 1 Health Promotion Specialist Environmental Health Officer (Part time on food matters) (0.3 FTE)
- 1 Health Promotion Assistant (Part time on food matters) (0.5 FTE)

All food specialist Environmental Health Officers have over two years' experience in food matters and are fully competent in accordance with the Food Law Code of Practice.

Additionally, Environmental Health Officers working on other specialist areas of law will be building competencies in food safety in order to provide support and assist in periods of high demand.

Total of Environmental Health Officers allocated to Food work: 4.3 FTE

Total of other officers: 1.5 FTE

Trading Standards personnel specialising in feed law comprise:

- 3 Trading Standards Officers (Part time on feed matters) (0.3 FTE)

4.3 Staff Development Plan

Staff appraisals are undertaken regularly and the findings are included in staff development and training plans. A competency matrix has been developed in line with the requirements of the Food Law Code of Practice and training needs have been assessed. An action plan in order to ensure that personnel are fully competent commensurate with the activities assigned will be delivered during the current year. Individuals will receive specific training where appropriate and all food specialist Environmental Health Officers will complete the required ten hours of food specific Continuing Professional Development.

The Service cooperates regionally through the Food Liaison Group and with the Food Standards Agency in order to source low cost training.

Training days and training sessions on subjects are programmed as necessary.

Any inexperienced officers assigned to food work are supervised and receive training commensurate with the Code of Practice.

Officers enforcing feed work undertake training provided by the FSA and will utilise online training provided by the Trading Standards Institute.

5. Quality Assessment

A documented internal monitoring procedure in accordance with Article 8 of Regulation (EC) No. 882/2004 (Official Feed and Food Controls), the Food Law Code of Practice and centrally issued guidance will be developed this year.

Monitored inspections will be recorded on a database during this year in addition to random file checks, case load meetings and specific premises interventions. Consistency checks will be adopted and a peer review training course will be undertaken.

Visits to feed establishments are recorded and feedback on the inspection provided to the business operator. Annual returns on activities are provided to the FSA.

6. Review

6.1 Review against Service Plan

The Service Plan is approved by Cabinet annually and a review against the plan is undertaken mid-year with consideration of achievements against targets. In the periods either side of the mid-year review, managers monitor progress with case loads and regular meetings

The Service achieved high rates of inspections of food premises in 2012/13 with 1348 different food premises being visited and 1373 inspections undertaken. A total of 1748 visits were made including inspections, revisits and sampling. Sixteen inspections were outstanding at the year end. These were completed early in April 2013.

6.2 Identification of any variance from the Service Plan

Any variance from the Service Plan will be reported at the Service's senior management team meetings. Any proposed changes and redeployment of resources will be entered into the meeting minutes.

6.3 Areas of Improvement

A review of the Environmental Health team with regard to the food safety function has been undertaken in order to address the requirements of the amended Food Law Code of Practice and an action plan has been developed in response.

A review of future interventions in light of the additional freedoms offered by the Food Law Code of Practice has been undertaken in order to ensure the resources of the Service are utilised in the most effective way.

EQUALITY ANALYSIS

Please refer to Part 2 of the Equality Analysis Guidance

Name of Policy/Decision/Project/Activity:

Feed and Food Controls Service Plan 2013/14

Equality Analysis completed by:

Name / Job Title
Marion Dixon Environmental Health
Manager
Date: 16.08.13

Responsible Officer:

Name /Job Title:
Tom Terrett Assistant Head of
Street Scene (Public Protection
and Regulatory Services)

Date: 16.08.13

Is this a: Policy () Strategy (x) Function ()
Service () Project () Other ()

Is it: New/Proposed (x)
Changing/Being Reviewed () Other ()

1. Purpose and Scope

Purpose

In this section outline briefly what the policy, decision or activity is, what the intended outcomes/benefits (linked to the Corporate Outcomes Framework) are and over what period of time will the outcomes be achieved. Why does it need to be implemented or revised?

The Food Standards Agency requires local authorities to create, annually, a Feed and Food Controls Service Plan. The plan sets out the Council's strategy for monitoring feed and food standards throughout the City in 2013/14.

Scope

In this section consider who or where is the target for the policy or activity, this could be specific groups of people or organisations, individual wards, neighbourhoods or communities or the entire city. Links to, and overlap with, wider, local, sub-regional, regional or national priorities or activities should also be considered.

The target beneficiaries of the plan are all of the residents and feed and food businesses of the City.

Intelligence and Information

What sources of information have been used to inform this assessment/analysis? This should include but is not limited to consultations, resident/service user feedback and statistical data and intelligence.

The plan follows the format prescribed by the Food Standards Agency's Framework Agreement on Food and Food Controls by Local Authorities.

The plan uses data which collates the results of food and food work undertaken by the Council in 2012/13.

2. Analysis of Impact on People

This section offers an opportunity to assess the intended and potential impact of the policy, decision or activity on the people of Sunderland. This includes specific consideration of the impact on individuals, groups with protected characteristics and communities of interest within the city. Please briefly outline any positive, negative or neutral impacts on the specific groups below. In this assessment it is important to remember the Council is required to give due regard to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Characteristic	List of Impacts		
	Positive	Neutral	Negative
Age	Access in the City to safe and fairly described food.	None	None.
Disability	Access in the City to safe and fairly described food.	None	None.
Gender/Sex	Access in the City to safe and fairly	None	None.

	described food.		
Marriage and Civil Partnership	Access in the City to safe and fairly described food.	None	None
Pregnancy and maternity	Access in the City to safe and fairly described food.	None	None.
Race/Ethnicity	Access in the City to safe and fairly described food.	None	None.
Religion/belief	Access in the City to safe and fairly described food.	None	None.
Sexual Orientation	Access in the City to safe and fairly described food.	None	None.
Trans-gender/gender identity	Access in the City to safe and fairly described food.	None	None.

Other individuals or groups impacted on:

The policy or action may also have an impact on other groups or individuals which are not covered by the statutory requirements. Please outline any additional individuals or groups which have not already been covered. This could include socio-economic groups, voluntary and community sector, carers or specific communities which face additional challenges (such as former coal mining areas or areas of high deprivation)

It is not anticipated that any specific groups or communities would be affected by this project other than the benefits they will receive as part of the general population.

Gaps in intelligence and information:

Having undertaken the analysis are there any areas of intelligence or information which need to be improved? Please outline and areas where the current information is not complete enough to take a decision. Addressing this gap should be covered in the action plan.

None.

Policy/Decision/Project/Activity Title:

Feed and Food Controls Service Plan 2013/14

Responsible Officer: Tom Terrett, Assistant Head of Street Scene
(Public Protection and Regulatory Services)

3. Summary of Impacts and Response to Analysis

Please provide a summary of the overarching impacts that have been highlighted through the analysis process through the three questions below. It is important to recognise that individuals may belong to one or more of these characteristic groups and the combined impact could be greater than any single impact.

Who will the policy/decision/project/activity impact on and who will benefit?

The plan will directly impact upon feed and food suppliers in the City. All consumers and feed and food businesses in the City will benefit

Who will not benefit and why not?

It is not anticipated that any specific group would not benefit as a direct result of the plan

Who should be expected to benefit and why don't they?

No-one is expected to fail to benefit..

4. Response to Analysis, Action Plan and Monitoring,

In this section please outline what actions you propose to take to minimise the negative, and maximise the positive, impacts that have been identified through the analysis. By considering and implementing these actions the policy or action can be refined to make sure that the greatest benefits are achieved for the people of Sunderland. The performance monitoring process should also be set out to explain how ongoing progress is going to be followed to make sure that the aims are met.

From the analysis four broad approaches can be taken, (No major change, continue with the policy/action despite negative implications, adjust the policy/decision/action or stop the policy/action). Please indicate, using the list below, which is proposed.

No Major Change ()

Continue Despite Negative Implications ()

Adjust the Policy/Decision/Project/Activity ()

Stop

()

Action Plan

ACTION	WHO	WHEN	MONITORING ARRANGEMENTS

NOTICE OF KEY DECISIONS

REPORT OF THE CHIEF EXECUTIVE

1. PURPOSE OF THE REPORT

- 1.1 To provide Members with an opportunity to consider the items on the Executive's Notice of Key Decisions for the 28 day period from 10 September 2013. Members should note that a further Notice will be issued on 8 October 2013 which will be made available at the Scrutiny Committee meeting.

2. BACKGROUND INFORMATION

- 2.1 Holding the Executive to account is one of the main functions of Scrutiny. One of the ways that this can be achieved is by considering the forthcoming decisions of the Executive (as outlined in the Notice of Key Decisions) and deciding whether Scrutiny can add value in advance of the decision being made. This does not negate Non-Executive Members ability to call-in a decision after it has been made.
- 2.2 To this end, the most recent version of the Executive's Notice of Key Decisions is included on the agenda of this Committee. The Notice of Key Decisions for the 28 day period from 10 September 2013 is attached marked **Appendix 1**.

3. CURRENT POSITION

- 3.1 In considering the Notice of Key Decisions, Members are asked to consider only those issues where the Scrutiny Committee or relevant Scrutiny Panel could make a contribution which would add value prior to the decision being taken.
- 3.2 In the event of Members having any queries that cannot be dealt with directly in the meeting, a response will be sought from the relevant Directorate.

4. RECOMMENDATION

- 4.1 To consider the Executive's Notice of Key Decisions for the 28 day period from 10 September 2013 and the most recent Notice for the 28 day period from 8 October 2013 at the Scrutiny Committee meeting.

5. BACKGROUND PAPERS

- Cabinet Agenda

Contact Officer : Helen Lancaster, Scrutiny Coordinator
0191 561 1233
helen.lancaster@sunderland.gov.uk

28 day notice
Notice issued 10 September 2013

The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Notice is given of the following proposed Key Decisions (whether proposed to be taken in public or in private) and of Executive Decisions (including key decisions) intended to be considered in a private meeting:-

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
130618/08	To consider proposals to introduce new charges for services provided by The Customer Property & Affairs Team	Cabinet	Y	9 October 2013	N	N/A	Cabinet Report	Governance Services Civic Centre PO Box 100 Civic Centre Sunderland SR2 7DN committees@sunderland.gov.uk
121218/13	To approve a policy to deal with horses tethered on Council land	Cabinet	Y	9 October 2013	N	N/A	Cabinet Report	Governance Services Civic Centre PO Box 100 Civic Centre Sunderland SR2 7DN committees@sunderland.gov.uk
130910/01	Revenue Budget Second Review 2013/2014	Cabinet	Y	9 October 2013	N		Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
								SR2 7DN committees@sunderland.gov.uk
130910/02	Capital Programme Second Review 2013/2014 including Treasury Management	Cabinet	Y	9 October 2013	N		Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
130910/03	To seek permission to obtain quotations and appoint the successful contractor to undertake water hygiene monitoring in schools and civic buildings over a period of 4 years with an annual expenditure £100k/annum.	Cabinet	Y	9 October 2013	N	N/A	Cabinet Repirt	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
130910/04	Cabinet is recommended to refer the Council's Feed and Food Controls Service Plan 2013/14 to Scrutiny Committee for further consideration	Cabinet	Y	9 October 2013	N		Report entitled Feed and Food Controls Service Plan 2013/14	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
130910/05	To seek approval from Cabinet to commence the procurement process and award contracts to provide first tier welfare rights advice	Cabinet	Y	9 October 2013	N	N/A	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
130910/06	For Cabinet to agree the Agreed Syllabus for Religious Education in Sunderland, 2013	Cabinet	Y	9 October 2013	N	N/A	Agreed Syllabus for Religious Education	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
130910/07	Procurement of replacement grass cutting, horticultural and mechanical road sweeping equipment	Councillor J Blackburn	Y	9 October 2013	N	N/A	Briefing Paper to be provided.	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
130806/08	To agree a scheme for payment of allowances for caring for children under adoption and special guardianship arrangements.	Cabinet	Y	9 October 2013	Y	The report is one which relates to an item during consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 and 5 of	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
						Schedule 12A of the Local Government Act 1972, as amended as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information) and/or in respect of which a claim to legal professional privilege could be maintained in legal proceedings. The public interest in maintaining this exemption outweighs the public interest in disclosing the information.		
130806/04	To approve the disposal of land at Lambton Lane, Fence Houses, Sunderland	Cabinet	Y	9 October 2013	Y	The report is one which relates to an item during the consideration of	Cabinet Report	Governance Services Civic Centre PO Box 100 Civic Centre

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
						which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.		Sunderland SR2 7DN committees@sunderland.gov.uk
130806/05	To seek approval to a Council funded city centre office development scheme and associated pre-letting arrangements	Cabinet	Y	9 October 2013	Y	The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of	Cabinet Report	Governance Services Civic Centre PO Box 100 Civic Centre Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
						the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.		
130806/06	Renegotiate the contractual position with BT for the provision of alarms monitoring services for a period of 3 years.	Cabinet	Y	9 October 2013	Y	The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information	Cabinet Report	Governance Services Civic Centre PO Box 100 Civic Centre Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
						relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.		
130806/07	To approve a funding package to support the Sunderland Business Improvement District (BID) Company and approve an operating and baseline services agreement.	Cabinet	Y	During the period 9 October 2013 to 6 November 2013	Y	The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including	Cabinet Report	Governance Services Civic Centre PO Box 100 Civic Centre Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
						the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.		
130910/08	Appointment of preferred bidder in respect of the Sunderland Local Asset Backed Vehicle (LABV) and related matters.	Cabinet	Y	During the period 9 October 2013 to 6 November 2013	Y	The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
						exemption outweighs the public interest in disclosing the information.		
130910/09	To consider outcomes and proposals associated with the review of the City's Leisure complexes	Cabinet	Y	During the period 6 November 2013 to 4 December 2013	Y	To report is one which relates to an item during the consideration of which by Cabinet, the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 2972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO Box 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter	Address to obtain further information
130910/10	To consider and approve the Housing Financial Assistance Policy	Cabinet	Yes	12 February 2014	N	N/A	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Note; Some of the documents listed may not be available if they are subject to an exemption, prohibition or restriction on disclosure.

Further documents relevant to the matters to be decided can be submitted to the decision-maker. If you wish to request details of those documents (if any) as they become available, or to submit representations about a proposal to hold a meeting in private, you should contact Governance Services at the address below. Subject to any prohibition or restriction on their disclosure, copies of documents submitted to the decision-maker can also be obtained from the Governance Services team PO Box 100, Civic Centre, Sunderland, or by email to committees@sunderland.gov.uk

Who will decide;

Cabinet; Councillor Paul Watson; Councillor Henry Trueman; Councillor Mel Speding; Councillor Pat Smith; Councillor Graeme Miller; Councillor John Kelly; Councillor James Blackburn; Councillor Celia Gofton

Elaine Waugh
Head of Law and Governance
10 September 2013

ANNUAL WORK PROGRAMME 2013/14

REPORT OF THE CHIEF EXECUTIVE

1. PURPOSE OF THE REPORT

- 1.1 The report attaches, the work programme for the Committee’s work during the 2013/14 council year.
- 1.2 In delivering its work programme, the Scrutiny Committee will support the council in achieving its Corporate Outcomes.

2. BACKGROUND

- 2.1 The work programme is a working document which the Committee can develop throughout the year. The work programme allows Members and officers to maintain an overview of work planned and undertaken during the Council year.
- 2.2 The first priority policy review topics commissioned by the Scrutiny Committee to the Scrutiny Panels are now underway as follows:-

Remit	Policy Review Topic
Children’s Services	Child Obesity
City Services	Alcohol and Licensing Control
Health, Housing and Adult Services	Supporting Carers in the City
Public Health, Wellness and Culture	Patient Engagement
Responsive Services and Customer Care	Volunteering: Increasing Community Capacity
Skills, Economy and Regeneration	The Growth and Diversification of the Local Economy

3. CURRENT POSITION

- 3.1 The work programme reflects discussions that took place at the Scrutiny Committee meeting held on 12 September 2013. The current work programme is attached as **Appendix 1**.

4. CONCLUSION

- 4.1 The work programme developed from the meeting will form a flexible mechanism for managing the work of the Committee in 2013/14.

5 RECOMMENDATION

- 5.1 That the Committee notes the information contained in the work programme and consider the inclusion of any proposals for the Committee into the work programme.

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REASON FOR INCLUSION	13 JUNE D/L 04.06.13	11 JULY D/L 02.07.13	12 SEPTEMBER D/L 03.09.13	10 OCTOBER D/L 01.10.13	7 NOVEMBER D/L 29.10.13	5 DECEMBER D/L 26.11.13	16 JANUARY D/L 07.01.14	13 FEBRUARY D/L 04.02.14	13 MARCH D/L 04.03.14	17 APRIL D/L 11.04.14
Cabinet Referrals and Responses		Portfolio Holder Response to Policy Reviews 2012/13 Revenue Budget Outturn for 2012/2013 and First Revenue Review 2013/2014 Capital Programme Outturn 2012/2013 and First Capital Review 2013/2014 including Treasury Management	Portfolio Holder Response to Policy Reviews 2012/13 Youth Justice Plan 2013/14	Proposal for Budget Consultation 2014/15 Budget Planning Framework 2014/2015 and Medium Term Financial Strategy 2014/2015 – 2016/2017 Capital Programme Second Review 2013/14 Revenue Budget Second Review 2013/2014 Feed and Food Controls Service Plan 2013/14	Children and Young People Plan-Annual Report 2012/13		Revenue Budget 2014/15 Proposals Revenue Budget Third Review 2013/14 Capital Programme and Revenue Budget Second Review 2014/15	Budget and Service Reports: Collection Fund 14/15 Revenue Budget & Proposed Council Tax 14/15 Capital Programme 14/15	Local Development Framework	
Scrutiny Business	Future Library Services Children's Services Scrutiny Panel: CAMHS Update Membership of Scrutiny Panels Commissioning the Annual Scrutiny Work Programme 2013/14 Notice of Key Decisions	Final Draft of the Health Protocol Notice of Key Decisions Scrutiny Work Programme 2013/14	Clinical Commissioning Group 'Better Health for Sunderland' Urgent Care Service Reform – Update on Progress Corporate Parenting Annual Report Notice of Key Decisions Scrutiny Work Programme 2013/14	Notice of Key Decisions Scrutiny Work Programme 2013/14	Sunderland Healthwatch Annual Audit Letter Annual Report – Director of Public Health 2013 Notice of Key Decisions Scrutiny Work Programme 2013/14	City Hospitals Update Outcome of the Joint Strategic Needs Assessment Refresh Children's Services Complaints Annual Report Notice of Key Decisions Scrutiny Work Programme 2013/14	Joint Health & Wellbeing Strategy – Progress Draft Final Policy Review Report: Alcohol and Licensing Notice of Key Decisions Scrutiny Work Programme 2013/14	Safer Sunderland Partnership – key priorities and emerging issues Draft Final Policy Review Report: Childhood Obesity Scrutiny Member Development Notice of Key Decisions Scrutiny Work Programme 2013/14	Safeguarding and Looked After Children's Services Ofsted Inspection – Progress against Action Plan Outcome of the Peer Challenge – Adult Social Care Draft Final Policy Review Reports Notice of Key Decisions Scrutiny Work Programme 2013/14	South Tyneside Foundation Trust Quality Account Annual Monitoring the Delivery of Agreed Scrutiny Recommendations Draft Final Policy Review Reports Scrutiny Annual Report Notice of Key Decisions Scrutiny Work Programme 2013/14
Lead Scrutiny Member Update		Lead Scrutiny Member Update	Lead Scrutiny Member Update	Lead Scrutiny Member Update	Lead Scrutiny Member Update	Lead Scrutiny Member Update	Lead Scrutiny Member Update	Lead Scrutiny Member Update	Lead Scrutiny Member Update	Lead Scrutiny Member Update
Substantial Variations to Service - Health										

CCFA/Members items/Petitions										
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LEAD SCRUTINY MEMBER UPDATE: SEPTEMBER 2013**JOINT REPORT OF THE LEAD SCRUTINY MEMBERS****1. PURPOSE OF THE REPORT**

- 1.1 To provide an update to the Scrutiny Committee regarding the work of each of the six Lead Scrutiny Members and supporting Panels.

2. SCRUTINY LEAD MEMBER UPDATE***Scrutiny Chair and Vice Chair (Cllrs David Tate and Norma Wright)***

- 2.1 On the 18 September, the Chair attended an event at the Marriott in Gateshead and was involved in the process of appointing a new Chair of the Board. The candidates each delivered a presentation and attendees were required to comment.
- 2.2 On 23 September the Chair and Vice Chair met with representatives of Healthwatch Sunderland. Healthwatch are a key partner of scrutiny in undertaking effective health scrutiny. It was agreed that Healthwatch would attend the Scrutiny Committee at its meeting of 7 November to provide an introduction and to discuss information sharing and working together in the most effective way.
- 2.3 On 26 September, the Chair attended the Clinical Commissioning Group's (CCG) 'Call to Action' event which reflected on the challenges ahead in addressing health issues within reducing budgets. Attendees were asked to consider the CCG's priorities and give their views on the relevance and importance of these priorities to the health of the city.

Children's Services (Cllr Debra Waller)

- 2.4 The Panel has arranged a number of evidence gathering sessions that will take place over the coming months. The Panel has recently visited Highfield Community Primary school, which has banned packed lunches, and is developing relationships with the community to highlight the importance of a hot, nutritional meal for all pupils. In conversation with the Headteacher this was reinforced through the school's work around family learning, whereby the school holds cookery lessons with a 'party/celebration' at the end where the food eaten has been prepared and cooked by the parents. The Headteacher also informed Members that school results were very positive with pupils narrowing the gap and developing above the Sunderland average during their school life. Now while this cannot be simply attributed to a healthier diet or pupils eating a hot meal at lunchtime the Headteacher certainly believed that it contributed towards it through improved concentration and healthier, nourished pupils.

- 2.5 In forthcoming activities the Panel are to visit the Stay and Bake initiative which looks at teaching families to eat healthy and cook on a budget. As well as taking evidence from NHS child nutritionists and discussing with council officers the programmes in place in the city to tackle child obesity. The Children's Services Scrutiny Panel has also canvassed a number of local authorities around the country who have or are in the process of looking at ways to control the proliferation of fast food outlets in their areas as a way of tackling child obesity and obesity in general. Many local authorities are looking at planning laws to restrict the growth of fast food outlets near to schools.
- 2.6 The Panel is also to look at the issue of sexual exploitation and the work the council undertakes around this very sensitive issue and a meeting is to be arranged that will see officers and members coming together to discuss this in greater detail.

City Services (Cllr Stephen Bonallie)

- 2.7 The Panel met on 5 September 2013. The meeting focused on the Panel's review into licensing and alcohol, meeting with Sue Robinson from BALANCE and CI Jerry Pearson from the Police.
- 2.8 Members discussed the issues surrounding the proposed introduction of a minimum unit price for alcohol, the accessibility and effect of alcohol on our young people, the changing drinking habits of those visiting the city centre and the effect of alcohol on anti-social behaviour in city.
- 2.9 At the meeting, the Panel agreed to arrange a visit with the Police to view at first hand the effect of underage and anti- social drinking in the city and it is anticipated that the visit will take place during October.
- 2.10 The next meeting of the Panel is scheduled for 5 October 2013. The Panel will continue to take evidence in relation licensing and alcohol, with Lynne Thomas, Sunderland Safeguarding Children Board (SSCB) in attendance. Lynne will be accompanied by Jan Van Wagendonk who is the SSCB Independent Chair and Linda Mason who is the Chair of the SSCB Legal, Policy and Procedures Sub Committee.
- 2.11 The Panel will also receive feedback on last year's policy review into Waste and Recycling in Sunderland: Approach to Resident Engagement.

Health, Housing and Adult Services (Cllr Christine Shattock)

- 2.12 The Health, Housing and Adult Services Scrutiny Panel is looking at supporting carers across the city and have a number of evidence gathering sessions arranged or being planned. The Panel visited the Carers Centre in Thompson Park in September, this provided Members with a real understanding of the work that is undertaken there. Members discussed a number of key issues with the staff and carers. It was useful

to hear from carers about their own experiences around the realisation of being a carer and this corroborated much of the evidence already gathered. Other issues raised during the visit revolved around recognition, early intervention and the wider engagement of employers across the city who may have employees with caring responsibilities. The Panel also met a young carer and have invited him to attend the expert jury day in December, which he has kindly accepted.

- 2.13 Forthcoming Panel activities include a visit to St Benedict's Hospice in October, which provides specialist palliative care to people in Sunderland. The Panel are also planning to hold an Expert Jury Day in December which will provide important evidence for the review and already the event will see representatives from the CCG, Age UK, NTW and Job Centre Plus providing expert opinion and perspective on the issue of Carers.

Public Health, Wellness and Culture (Cllr George Howe)

- 2.14 The Panel is pursuing a review of public engagement in the health service. A meeting was held on 10 September to take evidence from the North East Ambulance Service (NEAS).

- 2.15 NEAS described a very complex and sophisticated patient engagement mechanism and also explained how they have adapted their processes in light of new health arrangements from April 2013. For example, there are 12 HealthWatch organisations in their geographic area and they have formed a NE Forum to get together to discuss common issues. They also engage with established patient groups such as the CCG patient engagement forums. NEAS described their complaints mechanism and the sort of issues that might give rise to a complaint. Waiting for an ambulance is the top reason for a complaint and as a result of this a new clinical escalation policy has been introduced.

Skills, Economy and Regeneration (Cllr Tom Martin)

- 2.16 The Panel last met on 19 September 2013 to receive a presentation from officers of the Council on the impact of the Economic Masterplan in terms of the economic diversification of the city.

- 2.17 The Panel discussed the potential for diversification across the various themes across the Masterplan including Software and IT, the Creative Industries, the renewables industries emerging at the Port and financial and service industries within the city centre. The Panel highlighted the measures being undertaken to improve the overall infrastructure of the city including transport, communications and buildings that should all contribute to a broadening the economic base of the city. However, Members noted the on-going important of Nissan and the automotive industry to the economy of the city and the significant influence it will continue to have in the future.

- 2.18 The Panel also received feedback on the policy review into the delivery of Apprenticeships in the city following its approval by Cabinet.
- 2.19 The next meeting of the Panel will be held on 15 October at the Evolve Business Centre at Rainton Bridge. The meeting will provide the opportunity for Members to discuss the opportunities available with a number of small IT and Software Businesses based at the Centre.

Responsive Services and Customer Care (Cllr Iain Kay)

- 2.20 The Panel is pursuing a review of volunteering with a focus on unlocking capacity and met on 17 September to take evidence from Gentoo Living, Easington Lane Community Access Point and from Age UK.
- 2.21 Gentoo described their employee volunteering scheme and how they match employees to an appropriate opportunity. They are also involved in fundraising campaigns, work with charities and are trying to connect to other large businesses to develop larger pools of volunteers. Further development work is on-going to determine how voluntary capacity could further meet some of their customer needs.
- 2.22 It was clear that the presence of Gentoo in certain neighbourhoods complements grassroots projects in those areas and the ELCAP described how they have worked alongside Gentoo in the community to improve the community resources. Area funding has been used effectively to kick-start projects in the local area and this has had the effect of bringing on board the interest of partners whereby projects can be sustained.
- 2.23 Age UK described how they provide a range of opportunities for volunteers and explained the importance of volunteers recognising the responsibility they are taking on. Clear guidance and support is important when maintaining a pool of voluntary support.

3. CHANGES TO PANEL MEMBERSHIPS

- 3.1 Non-executive Members have now been allocated to a scrutiny panel, membership of the panels has been decided in accordance with current political arrangements.
- 3.2 Scrutiny Panels are informal; therefore there is flexibility within the arrangements to revise Panel memberships at any point in the municipal year to reflect changes to Member capacity and other commitments.
- 3.3 There are no changes to report; therefore the complete membership of the Scrutiny Panels is attached for information and consideration as **Appendix 1** of this report.

4. DEDICATED SCRUTINY BUDGET

4.1 A small budgetary provision of £15,000 per annum is available to the Scrutiny Committee and the supporting Panels to deliver the agreed Annual Scrutiny Committee Work Programme.

4.2 As of 26 September 2013 the breakdown of the budget stood as follows:-

Description	£
Scrutiny Development	5,146.16
Member Development	2,275.09
Policy Review Development	0.00
Total Expenditure to Date	7,421.25
Budget	15,000
Remaining Budget	7578.25

5. RECOMMENDATIONS

5.1 It is recommended that the Scrutiny Committee notes and considers the update of the Lead Scrutiny Members and receives a further verbal update at the meeting.

6. BACKGROUND PAPERS

- Scrutiny Committee Agenda and Papers – 11 July

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APPENDIX 1

MEMBERSHIP OF THE SIX SCRUTINY PANELS

<p style="text-align: center;">City Services</p> <p>Scrutiny Lead Member: Cllr Stephen Bonallie</p> <p>Cllr Neville Padgett Cllr Michael Essl Cllr Stuart Porthouse Cllr Lynda Scanlan Cllr Steven Foster Cllr Amy Wilson Cllr Dianne Snowdon</p>	<p style="text-align: center;">Health, Housing & Adult Services</p> <p>Scrutiny Lead Member: Cllr Christine Shattock</p> <p>Cllr Jill Fletcher Cllr Ronny Davison Cllr Alan Emerson Cllr Rosalind Copeland Cllr Darryl Dixon Cllr Lisa Smiles Cllr Barbara McLennan Cllr Dorothy Trueman Cllr Mary Turton Cllr Gemma Taylor</p>
<p style="text-align: center;">Children's Services</p> <p>Scrutiny Lead Member: Cllr Debra Waller</p> <p>Cllr Florence Anderson Cllr Linda Williams Cllr Doris MacKnight Cllr Anthony Farr Cllr Philip Tye Cllr Robert Oliver Cllr Bob Francis</p>	<p style="text-align: center;">Skills, Economy & Regeneration</p> <p>Scrutiny Lead Member: Cllr Tom Martin</p> <p>Cllr Bob Price Cllr Christine Marshall Cllr David Snowdon Cllr Denny Wilson Cllr Len Lauchlan Cllr Tom Wright Cllr Peter Wood</p>
<p style="text-align: center;">Public Health, Wellness & Culture</p> <p>Scrutiny Lead Member: Cllr George Howe</p> <p>Cllr Debra Waller Cllr Louise Farthing Cllr Fiona Miller Cllr Julia Jackson Cllr Rebecca Atkinson Cllr David Errington Cllr Paul Maddison</p>	<p style="text-align: center;">Responsive Services & Customer Care</p> <p>Scrutiny Lead Member: Cllr Iain Kay</p> <p>Cllr Bob Heron Cllr Betty Gibson Cllr Barry Curran Cllr Anne Lawson Cllr John Scott Cllr George Thompson Cllr John Wiper</p>

