

Minutes

Sunderland City Council

At a meeting of SUNDERLAND CITY COUNCIL held in the CIVIC CENTRE on WEDNESDAY 4 MARCH 2015 at 2.00pm

Present: The Mayor (Councillor Porthouse) in the Chair
The Deputy Mayor (Councillor Curran)

Councillors	Allan	Fletcher	Macknight	Thompson
	Ball	Forbes	Marshall	Trueman, D
	Bell	Foster	McClennan	Trueman, H
	Blackburn	Francis	Martin, L	Wakefield
	Copeland	Galbraith	Miller, G	Walker
	Cummings	Gibson, E	Mordey	Watson, P
	Davison	Gibson, P	Price	Watson, S
	Dixon, D	Gofton	Scanlan	Williams
	Dixon, M	Jackson	Scaplehorn	Wilson, A
	Ellis	Kay	Smith, P	Wiper
	Emerson	Kelly	Snowdon, D	Wood
	Essl	Lawson	Snowdon, D E	Wright, N
	Farr	Leadbitter	Speding	

Also Present:-

Honorary Aldermen Michael Arnott, Mark Greenfield and Mary Smith.

The notice convening the meeting was read.

Minutes

40. RESOLVED that the minutes of the Meeting of the Council held on 28 January 2015 be confirmed and signed as a correct record.

Declarations of Interest

The following Councillors declared interests as follows: -

Item 6 (i) – Report of the Cabinet – Capital Programme 2015/2016 and Treasury Management Policy and Strategy 2015/2016, including Prudential	Councillor Blackburn	Board Member of Hetton Trust, Easington Lane Community Access Point and Hetton Home Care
	Councillor P Smith	Member of Derwent Hill Advisory Group and Chair of

Indicators for 2015/2016		Early Years and Childcare Strategic Partnership
	Councillor Williams	Governor of Lambton Primary School and Member of Early Years and Childcare Strategic Partnership
Item 6 (ii) – Revenue Budget and Proposed Council Tax for 2015/2016 and Medium Term Financial Strategy 2015/2016 to 2019/2020	Councillor Forbes	Member of the Tyne and Wear Fire and Rescue Authority
	Councillor Price	Member of the Tyne and Wear Fire and Rescue Authority
	Councillor P Smith	Chair of Early Years and Childcare Strategic Partnership
	Councillor Thompson	Board Member of ODYPP – Washington youth service provider
	Councillor Williams	Member of Early Years and Childcare Strategic Partnership
Item 6 (iii) – Determination of Council Tax 2015/2016	Councillor Forbes	Member of the Tyne and Wear Fire and Rescue Authority
	Councillor Price	Member of the Tyne and Wear Fire and Rescue Authority
Item 7 - Appointments	Councillor Ball	Director of Raich Carter Sports Centre
	Councillor Emerson	Director of Raich Carter Sports Centre
	Councillor P Gibson	Director of Sunderland Live Limited
	Councillor Scanlan	Director of Sunderland Live Limited

Announcements

Deaths of Honorary Alderman James Walker, former Councillor Kath Chamberlin and Councillor Christine Shattock

The Mayor paid tribute to Honorary Alderman James Walker, former Councillor Kath Chamberlin and Councillor Christine Shattock who had recently passed away.

Tributes were paid by Councillor Kelly to Alderman Walker, by Councillor M Dixon to former Councillor Chamberlin and by Councillor N Wright to Councillor Shattock.

Members and Officers stood for a minute's silence as a mark of respect.

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Allen, Anderson, Atkinson, Errington, Farthing, Howe, Lauchlan, T Martin, F Miller, Scott, D Smith, Stewart, Taylor, M Turton, W Turton, Tye, D Wilson and T Wright.

The Cabinet reported and recommended as follows:-

That they had referred the initial proposals on these matters to the Scrutiny Committee which supported the recommendations set out in the report to the Cabinet dated 14 January 2015.

That they had also subsequently, on 11 February 2015, submitted the attached report numbered 1 to the meeting of the Audit and Governance Committee and also the reports numbered 1, 2 and 3 to the Scrutiny Committee on 12 February 2015.

The Audit and Governance Committee was consulted specifically on the Treasury Management Policy and Strategy for 2015/2016 and was pleased to note that there were no major changes proposed to the overall Strategy and that the careful and prudent approach adopted by the Council in previous years would continue.

The Committee also noted the Borrowing and Investment Strategies and that Council continued to follow fundamental principles in relation to the prudent investment of its treasury balances which had resulted in the rate of return on investments being consistently higher than the benchmark rate.

The Committee were satisfied that the arrangements for Treasury Management were in an excellent position for the next and future years and resolved that the Council be advised accordingly.

The Scrutiny Committee, commented that, having considered the proposals, it was happy with the information provided within the Budget and Service reports and therefore supported the Cabinet recommendation to Council that the budget proposals be approved.

The Scrutiny Committee recognised the difficult financial situation that the Council continued to operate within and acknowledged the hard work and support provided by the Director of Finance and her team in preparing the budget proposals and managing the finances of the Council as a whole.

Subsequently

- the precept figures of the Police and Crime Commissioner Northumbria (PCCN) had been confirmed as those set out in the report to Cabinet on 11 February 2015. For the PCCN this would mean an increase of 1.99% in the precept level for 2015/2016.

- The precept figures for the Tyne and Wear Fire and Rescue Authority (TWFRA) had been confirmed as a 1.99% increase in the precept level for 2015/2016. Consequently, the following amounts for the Tyne and Wear Fire and Rescue Authority had been issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings as follows:

Valuation Bands	Precepting Authority Tyne & Wear Fire and Rescue Authority
A	£ 49.75
B	£ 58.04
C	£ 66.33
D	£ 74.62
E	£ 91.20
F	£107.78
G	£124.37
H	£149.24

The position set out at Item 3 of the report as Determination of Council Tax 2015/2016 reflected the above notified 2015/2016 precept levels in respect of the Precepting Authorities.

1. Capital Programme 2015/2016 and Treasury Management Policy and Strategy 2015/2016, including Prudential Indicators for 2015/2016 to 2017/2018

That they had given consideration to the attached joint report of the Chief Executive and Director of Finance and recommended that approval be given to:

- (i) the proposed Capital Programme for 2015/2016
- (ii) the Treasury Management Policy and Strategy for 2015/2016 (including specifically the Annual Borrowing and Investment Strategies)
- (iii) the Prudential Indicators for 2015/2016 to 2017/2018
- (iv) the Minimum Revenue Provision Statement for 2015/2016.

Accordingly the Cabinet recommended the Council to approve:-

- (i) the proposed Capital Programme for 2015/2016
- (ii) the Treasury Management Policy and Strategy for 2015/2016 (including specifically the Annual Borrowing and Investment Strategies)
- (iii) the Prudential Indicators for 2015/2016 to 2017/2018
- (iv) the Minimum Revenue Provision Statement for 2015/2016.

2. Revenue Budget and Proposed Council Tax for 2015/2016 and Medium Term Financial Strategy 2015/2016 to 2019/2020

That they had given consideration to the attached joint report of the Chief Executive and the Director of Finance on:

- (i) the overall revenue budget position for 2015/2016;
- (ii) the projected balances position as at 31 March, 2015 and 31 March, 2016 and advise on their level;
- (iii) a risk analysis of the Revenue Budget 2015/2016;
- (iv) a summary of the emerging medium term financial position facing the Council from 2016/2017 to 2019/2020;
- (v) views received from the North East Chamber of Commerce and Trade Unions.

They therefore recommended that the Revenue Budget for 2015/2016, as set out at Appendix K, be approved.

3. Determination of Council Tax 2015/2016

That they had given consideration to a report of the Director of Finance making, subject to the approval of the Revenue Budget 2015/2016 (as set out at item 2 above), recommendations with respect to Council Tax levels for 2015/2016, and advising that the Council Tax is calculated using the tax bases for the areas of the City Council and Hetton Town Council as approved by Council on 28 January 2015, and setting out a number of resolutions required to be made to determine the Council Tax, including the confirmed precepts from the Major Precepting Authorities and the Parish of Hetton Town Council.

They therefore recommended that the report having advised of the statutory requirements to recommend to Council a proposed Council Tax Requirement which for Sunderland would mean a freeze to the Council Tax for 2015/2016, Council confirm the Council Tax Requirement for its own purposes was £78,273,360 (excluding Parish precepts), and

- i) it be noted that at its meeting on 28 January 2015 the Council approved the following amounts for the year 2015/2016 in accordance with the amended regulations made under Section 31B(3) of the Local Government Finance Act 1992 (the 'Act'):
 - a) £66,000 being the amount calculated by the Council, in accordance with the above regulation of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended by Local Authorities (Calculation of Tax Base) (Amendment) (England) Regulations 2012, as its Council Tax Base for the year (Item T).

- b) £3,301 being the amount calculated by the Council, in accordance with the Regulations, as the amount of its Council Tax Base for the year for dwellings in the area of the Parish of Hetton Town Council.
- ii) That the Council Tax Leaflet be made available via the Council's website rather than enclosed with Council Tax bills which reflects a relaxation of the rules and that, to meet timescales for publication, responsibility for finalising the document be delegated to the Director of Finance in consultation with the Leader of the Council and the Cabinet Secretary.
- iii) That the following amounts be now calculated by the Council for the year 2015/2016 in accordance with Sections 31 to 36 of the Local Government and Finance Act 1992 as amended:
- (a) £662,982,481 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils.
- (b) £584,665,845 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
- (c) £78,316,636 being the amount by which the aggregate at iii (a) above exceeds the aggregate at iii (b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax Requirement for the year including Parish Precepts (Item R in the formula in Section 31A(4) of the Act)
- (d) £1,186.6157 being the amount at iii (c) above (Item R) all divided by Item T (i (a) above), calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £43,276 being the precept notified by Hetton Town Council as a special item under Section 34 (1) of the Act.

(f) £1,185.9600 being the amount at iii (d) above less the result given by dividing the amount at iii (e) above by the Item T (i (a) above), calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

(g) £1,199.0700 being the amount given by adding to the amount at iii (f) above the amount iii (e) divided by the amount at i (b) above, calculated by the Council in accordance with Section 34 (3) of the Act as the basic amounts of its Council Tax for the year for dwellings in the area of the Parish of Hetton Town Council.

(h)

Valuation Band	Parts of the Council's Area	
	Hetton Town Council	All other parts of the Council's Area
A	£ 799.38	£ 790.64
B	£ 932.61	£ 922.41
C	£ 1,065.84	£ 1,054.19
D	£ 1,199.07	£ 1,185.96
E	£ 1,465.53	£ 1,449.51
F	£ 1,731.99	£ 1,713.05
G	£ 1,998.45	£ 1,976.60
H	£ 2,398.14	£ 2,371.92

being the amounts given by multiplying the amounts at iii (f) and iii (g) above by the number which, in the proportion set out in Section 5 (1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36 (1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

iv) it be noted that for the year 2015/2016, the Tyne and Wear Fire and Rescue Authority and the Police and Crime Commissioner for Northumbria have confirmed the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings as follows:

Valuation Bands	Precepting Authority	
	Police and Crime Commissioner for Northumbria	Tyne & Wear Fire and Rescue Authority
A	£ 58.89	£ 49.75
B	£ 68.70	£ 58.04
C	£ 78.52	£ 66.33
D	£ 88.33	£ 74.62
E	£107.96	£ 91.20
F	£127.59	£107.78
G	£147.22	£124.37
H	£176.66	£149.24

- v) having calculated the aggregate in each case of the amounts at (iii) h and (iv) above, and having received confirmation of the precept in paragraph (iv), the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2015/2016 for each of the categories of dwellings shown below:

Valuation Band	Parts of the Council's Area	
	Hetton Town Council	All other parts of the Council's Area
A	£ 908.02	£ 899.28
B	£ 1,059.35	£ 1,049.15
C	£ 1,210.69	£ 1,199.04
D	£ 1,362.02	£ 1,348.91
E	£ 1,664.69	£ 1,648.67
F	£ 1,967.36	£ 1,948.42
G	£ 2,270.04	£ 2,248.19
H	£ 2,724.04	£ 2,697.82

- vi) to note that under Section 52ZB of the Local Government Finance Act 1992, the Authority's relevant basic amount of council tax for 2015/2016 is not excessive in accordance with the principles determined under Section 52ZC(1) of the Act.

(i.e. the proposed Council Tax Freeze for 2015/2016 means that the Council does not need to hold a referendum on its proposed council tax. The regulations set out in Section 52ZC of the Local government Finance Act 1992 requires all billing authorities (councils and precept authorities (i.e. Fire and Police authorities)) to hold a referendum on their proposed level of basic Council Tax each year if they exceed government guidelines set out annually.

For 2015/2016 the guideline increase for the council was 2%.

As the council is proposing a council tax freeze for 2015/2016 then the above regulations have no impact for 2015/2016.)

It was then moved by the Councillor P Watson and seconded by Councillor H Trueman that the report of the Cabinet be approved and adopted.

In accordance with the requirement of the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 for a named vote to be taken with regard to any budget decision made, the substantive motion was put to the vote with 50 Members voting in favour as follows: -

Councillors	Allan	Forbes	Marshall	Thompson
	Ball	Foster	McClennan	Trueman, D
	Bell	Francis	Martin, L	Trueman, H
	Blackburn	Galbraith	Miller, G	Wakefield
	Copeland	Gibson, E	Mordey	Walker
	Cummings	Gibson, P	Price	Watson, P
	Davison	Gofton	Scanlan	Watson, S
	Dixon, D	Jackson	Scaplehorn	Williams
	Dixon, M	Kay	Smith, P	Wilson, A
	Ellis	Kelly	Snowdon, D	Wiper
	Emerson	Lawson	Snowdon, D E	Wood
	Essl	Leadbitter	Speding	Wright, N
	Farr	MackKnight		

Accordingly it was: -

41. RESOLVED that the report of the Cabinet be approved and adopted.

Appointments – Sunderland Live Limited (and subsidiary), Primary Care Co-commissioning Sub-Committee of the Governing Body of the Clinical Commissioning Group and the Leisure Joint Venture Board

The Head of Law and Governance submitted a report which sought approval for appointments to the Board of Sunderland Live Limited, the Board of Directors of UK Events Live Limited, the Primary Care Co-commissioning Sub-Committee of the Governing Body of the Clinical Commissioning Group and the Leisure Joint Venture Board.

42. The Council RESOLVED that:-

- (i) the Executive Director of Enterprise Development be appointed as a Director of Sunderland Live Limited;
- (ii) subject to (i) above, the Board of Directors of Sunderland Live Limited be appointed as Directors of UK Events Live Limited;
- (iii) the Executive Director of People Services be appointed as the Council's representative on the primary care commissioning sub-committee of the Governing Body of Sunderland Clinical Commissioning; and

- (iv) the Executive Director of People Services, the Portfolio Holder for Public Health, Wellness and Culture and the Executive Director of Enterprise Development be appointed to the Board of the Leisure Joint Venture.

(Signed) S PORTHOUSE
Mayor