

**CABINET MEETING – 9 MARCH 2011**  
**EXECUTIVE SUMMARY SHEET – PART I**

**Title of Report:**

MINUTES, PART I

**Author(s):**

City Solicitor

**Purpose of Report:**

Presents the minutes of the last meeting held on 16 February 2011 Part I.

**Action Required:**

To confirm the minutes as a correct record.



**At a meeting of the CABINET held in the CIVIC CENTRE (COMMITTEE ROOM NO. 1) on Wednesday 16 February 2011 at 2.00 p.m.**

**Present:-**

Councillor P. Watson in the Chair

Councillors Allan, Anderson, Blackburn, Charlton, Gofton, P. Smith, Speding, Trueman and D. Wilson.

**Part I**

**Minutes**

The minutes of the meeting of the Cabinet held on 17 January 2011, Part I (copy circulated) were submitted.

(For copy report - see original minutes).

1. RESOLVED that the minutes of the last meeting be confirmed and signed as a correct record.

**Receipt of Declarations of Interest**

The following Councillors declared personal interests in the undermentioned reports as Members of the various bodies indicated:-

Item 6 - Sunderland Retail Park – Compulsory Purchase Order	Councillors P. Watson and Anderson Councillor Blackburn	Sunderland ARC Tyne and Wear Integrated Transport Authority/NEXUS
Item 8 – Collection Fund 2010/2011	Councillors Anderson and Blackburn	Hetton Town Council

Item 9(i) - Capital Programme 2011/2012 including Prudential Indicators and Treasury Management Strategy

Councillor P. Watson	Sunniside Partnership
Councillor Anderson	South Tyne and Wear Waste Management Partnership (substitute)
Councillors Allan, Anderson, Blackburn, Charlton, Gofton, P. Smith, Speding, Trueman, D. Wilson	Governors of Schools
Councillor Blackburn	South Tyne and Wear Waste Management Partnership
Councillor Charlton	Sunniside Partnership
Councillor Gofton	Sunderland Empire Theatre Trust
Councillor Trueman	South Tyne and Wear Waste Management Partnership
Councillor Blackburn	South Tyne and Wear Waste Management Partnership/Tyne and Wear Integrated Transport Authority/NEXUS (
Councillor P. Smith	Early Years and Childcare Strategic Partnership
Councillor Speding	Football Foundation
Councillor D. Wilson	Tyne and Wear Archives and Museums Joint Committee

Item 9(ii) - Revenue Budget and Proposed Council Tax 2011/2012

Councillor Anderson	South Tyne and Wear Waste Management Partnership (substitute), Hetton Town Council
Councillor Allan	Sandhill Centre

	Councillor Blackburn	South Tyne and Wear Waste Management Partnership, Tyne and Wear Integrated Transport Authority/NEXUS. Hetton Town Council, Street lighting PFI
	Councillor Gofton	Sunderland Empire Theatre Trust
	Councillor Trueman	South Tyne and Wear Waste Management Partnership
	Councillor D. Wilson	Sunderland Empire Theatre Trust
	Councillors Anderson, Blackburn, Charlton, P. Smith, Speding, P. Watson	Members of GMB
	Councillor Allan	Member of GMB and Unison
	Councillors Anderson, Allan, Charlton, Gofton, P. Smith and Trueman	Local Government Pension Scheme
Item 11 - Sunderland Partnership Volunteering Strategy and Action Plan	Councillor F. Anderson	Member of Centre for Voluntary Services (CVS) as host for Sunderland Community Network
	Councillor P. Watson and F. Anderson	Member of the Sunderland Partnership

The following Councillors declared personal and prejudicial interests in the undermentioned report as Members of the various bodies indicated and withdrew from the meeting during consideration of the report:-

Item 12 - Association of North East Councils Limited – Guarantee Relating to Pension Fund Admission	Councillors Allan, Anderson, Gofton, Trueman, and P. Watson	Members of ANEC
	Councillor P Watson	Member of ANEC Ltd

## **Apologies for Absence**

There were no apologies for absence.

## **Review of Emergency Planning and Resilience in Tyne and Wear**

The Chief Executive submitted a report (copy circulated) to inform of the outcome of the review of emergency planning and resilience in Tyne and Wear and to recommend to Cabinet that it supports the decision of the Tyne and Wear Leadership Group to implement the local authority based approach for the delivery of emergency planning and resilience within Tyne and Wear.

(For copy report – see original minutes).

The Chairman reported that a review of emergency planning and resilience had commenced in September 2009, and was part of a programme of joint services reviews across Tyne and Wear. He advised that following a detailed analysis of options for future working arrangements a preference for a local authority based approach was expressed and endorsed by the Tyne and Wear Leadership Group has endorsed this

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

2. RESOLVED that:-

- (i) the outcome of the review of emergency planning and resilience in Tyne and Wear be noted; and
- (ii) the decision of the Tyne and Wear Leadership Group to implement the local authority based approach for the delivery of emergency planning and resilience within Tyne and Wear be approved.

## **Partnership for Renewables: Wind Energy**

The Deputy Chief Executive submitted a report (copy circulated) to present the findings of the feasibility work carried out by Partnership for Renewables (PfR) on the development of large turbine sites and to detail the business case for Sunderland City Council to grant an Option to PfR to acquire 25 year leasehold interests in 2 council owned sites for the development and operation of wind energy farms. The report also seeks approval to finalise the Option Agreement and Lease Agreements for the 2 sites.

(For copy report – see original minutes).

Councillor Trueman highlighted that the Partnership for Renewables (PfR) was a commercial venture of the Carbon Trust working in partnership with public sector bodies to develop large onshore wind energy projects. He explained that in 2008 PfR had undertaken initial scoping work on 19 council owned sites to assess their

potential to accommodate large scale wind turbines, which found eight to be potentially viable. He added that more recently, PfR had carried out detailed feasibility work on four of these sites of which Hetton Lyons Country Park and the land to the north of the Former Ryhope Golf Course were found to be suitable to accommodate a single turbine.

Cabinet Members were advised that the wind turbine that had been identified for both sites was a 2.5MW Nordex N90 model with a total tip height of 125m. The council was being offered a land rental based on a percentage of the electricity sales revenue of the project, which was 6% in the first 10 years and 8% in the following 10 years. Based on the estimate provided by PfR the lease rental income would be;

- Hetton Lyons Country Park:
  - £47,000k per annum in the first 10 years
  - £63,500 per annum in years 11-20
  
- Land to the north of former Ryhope Golf Course;
  - £42,500 per annum in the first 10 years
  - £56,700 per annum in years 11-20 years

Councillor Trueman reported that the area of land PfR would lease from the council would be in the region of 3 hectares, but this would be clarified during the development stage under the Option Agreement. The site would also require access tracks and a control building on site. He added that in order to proceed with the development of the project, the council must now enter negotiations with PfR to finalise terms and enter into Option and Lease Agreements. The Option Agreement grants a 3 year option to PfR to undertake site surveys and testing resulting in the submission of a planning application. The Lease Agreement was for a period of 25 years, the form of the Lease Agreement would be agreed at the time of the Option Agreement and attached to it.

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

3. RESOLVED that approval be given to enter into an Option Agreement with PfR to grant leases in respect of 2 council owned sites for the development and operation of wind energy at Hetton Lyons Country Park and at land to the north of the former Ryhope Golf Course on the basis of the following terms and otherwise on terms to be agreed by the Deputy Chief Executive in consultation with Director of Commercial and Corporate Services and Portfolio Holder. The Option Agreement will give PfR an Option for a period of 3 years to require the grant of the Lease Agreements at the 2 sites. The 3 year option period will allow PfR time to undertake development and survey work required to submit a planning application. The Lease Agreements will provide for the leasing of the 2 sites to PfR for a period of 25 years, with the council receiving all rental income.

## **Compulsory Purchase Order- Land at Sunderland Retail Park, Newcastle Road**

The Deputy Chief Executive and the Executive Director of Commercial and Corporate Services submitted a joint report (copy circulated) which followed on from the previous report considered by Cabinet on 1st December 2010 when it approved, in principle, the use of compulsory purchase powers under section 226(1)(a) of the Town and County Planning Act 1990 in respect of land at Sunderland Retail Park. Approval was now sought to progress with land assembly and to implement the use of these powers for the purpose of facilitating the carrying out of the comprehensive redevelopment of the Site, as shown on the Plan at Appendix 3. This redevelopment would provide a new retail superstore, associated public realm improvements and infrastructure, with the aim of achieving the promotion and improvement of the economic, social and environmental well-being of the area. An application for outline planning permission for this redevelopment scheme was considered by the Planning and Highways Committee on 5th October 2010 and outline planning permission was subsequently granted for the Scheme on 27th October 2010. It was considered that there was a compelling case in the public interest which justified the use of CPO powers in this case. The compelling case in the public interest and the economic, social and environmental benefits to the well-being of the area were summarised in the report and set out more fully in the draft statement of reasons for the CPO which is attached at Appendix 4.

(For copy report – see original minutes).

Councillor Allan highlighted that authority was sought for the making of the Compulsory Purchase Order for the acquisition of the land and rights in question at the Retail Park, together with if need be, authority to promote the council's case at a public inquiry. He referred to the report in December that stated that all of the council's costs in respect of the CPO process were to be indemnified by the developer, in this case Tesco Stores Limited.

Councillor Allan explained that the report and its appendices was lengthy and very detailed because it was important that members were satisfied that there was a compelling case in the public interest sufficient to justify the use of compulsory purchase powers. He clarified that the scheme would bring significant regenerative benefits, including the creation of new jobs, to this part of the city and the report set out why it was not possible without acquiring third party land interests. He added that negotiations were ongoing with parties whose land and interests were required for the scheme and whilst it was hoped that these negotiations would result in acquisition by agreement, the compulsory purchase process would run in parallel should attempts to acquire by agreement fail.

Councillor Allan advised that Cabinet Members had to be satisfied that there was a compelling case in the public interest for a CPO which outweighed the affected parties' human rights and that the council was complying with the Human Rights Act and the European Convention on Human Rights.

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



4. RESOLVED that:-

- (i) the making of a Compulsory Purchase Order (“CPO”) to be known as The Council of the City of Sunderland (Sunderland Retail Park) Compulsory Purchase Order 2011 under section 226(1)(a) of the 1990 Act to acquire land and under Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 (“the 1976 Act”) be authorised in order to acquire new rights at Sunderland Retail Park to facilitate the carrying out of its comprehensive redevelopment;
- (ii) any of the following officers:- the Chief Executive, Executive Director of Commercial and Corporate Services or the Head of Law and Governance be authorised to make minor amendments, modifications or deletions to the CPO schedule of interests and map, should this be necessary; and to finalise and make the CPO comprising the CPO and Schedule of interests and CPO map;
- (iii) the Head of Law and Governance be authorised to serve notice of making of the CPO on all owners and occupiers of the site and all land interests identified;
- (iv) the Deputy Chief Executive and the Head of Law and Governance be authorised to take all necessary actions to secure confirmation of the CPO by the Secretary of State for Communities and Local Government (“the Secretary of State”), including promoting the council’s case at public inquiry if necessary and to continue negotiations with a view, in tandem with the exercise of CPO powers, to attempt to reach agreement with affected landowners;
- (v) subject to confirmation of the CPO by the Secretary of State, the Deputy Chief Executive and the Head of Law and Governance be authorised to acquire title and/or possession of the CPO land, including as appropriate, by:-
  - a. Serving Notice of Confirmation of the CPO on owners and occupiers;
  - b. Serving Notice of Intention to Execute a General Vesting Declaration on owners and occupiers to transfer the title of the land included in the CPO to the council;
  - c. Executing the General Vesting Declaration;
  - d. Serve Notices to Treat and/or Notices of Entry; and,
  - e. Acquiring land and interests through negotiation.

- (vi) the Deputy Chief Executive and the Head of Law and Governance be authorised to acquire and dispose of any land or interests required to enable the proposed redevelopment of the Sunderland Retail Park to proceed, subject to appropriate indemnity provisions being in place with the developer of the Site.

### **Roker Sea Change Project, Procurement of Contractors**

The Deputy Chief Executive and the Executive Director of City Services submitted a joint report (copy circulated) to seek retrospective approval of:-

- (a) the Office of the Chief Executive's decision to procure a contractor to deliver public realm works at Roker seafront; and
- (b) City Service's decision to procure a contractor to deliver visitor infrastructure facilities at Roker seafront.

(For copy report – see original minutes).

Councillor Charlton highlighted that the seafront at Roker and Seaburn was one of Sunderland's best assets. He reminded Cabinet Members of the decision in February 2010 to adopt the Marine Walk Masterplan and Seafront Regeneration Strategy following a series of public consultation events. Then in June 2009 officers were authorised to make a £1m bid, match funded by £0.5m from the council's own resources, for Sea Change funding to deliver a first phase of the Marine Walk Masterplan.

Councillor Charlton reported that since the confirmation in December 2009 that Sea Change funding had been secured the Sea Change project team had been working up detailed designs for the project, which included the following main elements as set out in the Marine Walk Masterplan:

- Marine Walk public realm improvements
- Seafront visitor infrastructure including education space, showering facilities and lifeguard lookout
- Roker pier gates
- Spottee's cave enhancements
- Roker interpretation trail

Cabinet Members having been advised that contractors had to be procured to carry out the works and to ensure best value was achieved a competitive tender process must be undertaken for the public realm improvements and visitor infrastructure, it was:-

5. RESOLVED that retrospective approval be given to:-

- (i) the Office of the Chief Executive's decision to procure a contractor to deliver public realm works at Roker seafront, and

- (ii) City Service's decision to procure a contractor to deliver visitor infrastructure at Roker seafront.

### **Collection Fund 2010/2011**

The Executive Director of Commercial and Corporate Services submitted a report (copy circulated) to advise of the estimated balance on the Collection Fund for 2010/2011 and the amounts available to the council and its major precepting authorities for use in setting Council Tax levels for 2011/2012.

(For copy report – see original minutes).

Councillor Allan reported that exercise to determine the estimated balance on the Collection Fund was a legal requirement and must be carried out on 15<sup>th</sup> January of each year. He added that where a surplus was projected on the Collection Fund, the council has a legal requirement to return those surpluses to the council and its precepting bodies so that they could be taken into account in calculating the Council Tax for the following year.

Councillor Allan advised that it was estimated that the surplus on the Collection Fund as at 31<sup>st</sup> March 2011 would be £566,124 and accordingly, there was a sum of £500,000 available to the council to take into account when determining the Council Tax for 2011/2012.

Cabinet Members having been advised that the Precepting Bodies must also be informed of their sums within 7 working days from the calculation date and these amounts were also detailed in the report for information.

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

6. RESOLVED that the position in relation to the Collection Fund for 2010/2011 and the surplus of £500,000 which will be taken into account when setting the Council Tax level for the Council for 2011/2012 be noted.

### **Capital Programme 2011/2012 and Treasury Management Policy and Strategy 2011/2012, including Prudential Indicators for 2011/2012 to 2013/2014**

The Executive Director of Commercial and Corporate Services submitted a report (copy circulated) to provide an update on the level of capital resources and commitments for the forthcoming financial year and to seek a recommendation to Council to the overall Capital Programme 2011/2012 and the Treasury Management Policy and Strategy (including both borrowing and investment strategies) for 2011/2012 and to approve the Prudential Indicators for 2011/2012 to 2013/2014.

(For copy report – see original minutes).

Councillor Allan reported that the Capital Programme for 2011/2012 totalled over £76 million. He explained that this was made up of new starts amounting to just over £26 million and the costs of continuing schemes from previous years together of just over £50 million. This was a substantive budget despite reductions caused by reductions in specific grants.

Councillor Allan reported that it was testament to the council's vision for the city and careful consideration of its resources that it could propose this capital programme for next year, especially at a time when capital funding from the government had been cut across all service areas. He added that the council continued to support projects that benefited the most needy and had ensured that grants allocated to Children's services, Transport and Health and Housing services were earmarked for priorities within these services. The approach would enable programmes such as disabled facilities grants and extra care schemes for example to progress. Attention was drawn to the significant resources that had been earmarked to support key projects that would support the Sunderland Economic Masterplan and economic regeneration of the city which would help to stimulate economic growth and improve job prospects for our residents.

Councillor Allan then referred to the Prudential Indicators which were required to be set out in accordance with the Prudential Code of Practice detailed at Appendix 3 of the report. They were set annually and were monitored regularly throughout the year to ensure that the council's capital plans were affordable, sustainable and prudent. He added that if any measures were exceeded during the year then these instances must be reported to Cabinet and Council with appropriate reasons and actions where necessary.

In conclusion, Councillor Allan requested the Cabinet to reaffirm its Treasury Management Policy statement each year and highlighted that there were no major changes to the overall Treasury Management Strategy in 2011/2012 which would maintain the careful and prudent low risk approach adopted by the Council in previous years. He explained that the Strategy complied fully with the revised Treasury Management Code of Practice and observes best practice.

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

7. RESOLVED that it be recommended to Council to approve:-
  - (i) the proposed Capital Programme for 2011/2012,
  - (ii) the Annual Treasury Management Policy and Strategy (including specifically the Annual Borrowing and Investment Strategies),
  - (iii) the prudential indicators for 2011/2012 to 2013/2014, and
  - (iv) the Annual Minimum Revenue Provision Statement for 2011/2012.

## **Revenue Budget and Proposed Council Tax for 2011/2012**

The Chief Executive and the Executive Director of Commercial and Corporate Services submitted a joint report together with an addendum thereto (copies circulated) to report:-

- (a) the overall revenue budget position for 2011/2012;
- (b) the projected balances position as at 31st March, 2011 and 31st March, 2012 and advise on their level;
- (c) a risk analysis of the Revenue Budget 2011/2012;
- (d) a summary of the emerging medium term financial position facing the council from 2012/2013 to 2014/2015;
- (e) the views received from the North East Chamber of Commerce and Trade Unions;
- (f) the final General Summary for the Revenue Estimates and the proposed Contingencies and Provisions for Strategic Priorities for 2011/2012 set out at Annex 1; and
- (g) to enable recommendations to be made to council with respect of Council Tax levels for 2011/2012, subject to the approval of the Revenue Budget 2011/2012. The Council Tax was calculated using the tax bases for the areas of the City Council and Hetton Town Council as confirmed by Council on 26<sup>th</sup> January 2011. There were a number of resolutions required to be made to determine the Council Tax including precepts from the Major Precepting Authorities and the Parish of Hetton Town Council.

(For copy report – see original minutes).

Councillor Allan highlighted that this was a very difficult budget and the council was faced with Formula grant reductions and cost pressures of almost £39 million. He added that there were further reductions in area based and service specific grant funding of £19 million bringing the total reduction faced by this council to almost £58 million in 2011/2012 reflecting the impact of the front loading. He thanked Cabinet colleagues for working in a positive and constructive way to identify proposals to address the significant level of reduction in funding.

Councillor Allan reported that in order to address the significant reduction in formula grant funding and cost pressures, savings had been identified with:

- £26 million of savings coming from the Business Transformation Programme and Service Reviews, a programme the council had been working on for the last 18 months designed to as far as possible protect front line services by concentrating on how services were provided to protect the city's most vulnerable citizens. This involved reducing back office costs as much as possible, making significant savings through procurement, rationalisation of ICT and the closure of office buildings. A wide range of service reviews were being implemented to target services to areas of highest need. Reviews relating to adult social care services accorded with the 15 year strategy aimed to enable people to live in their own homes longer and be as independent as possible for as long as possible. Children's Services reviews were aimed at using the council's limited resources to tackle key services through more integrated models of care. The council had consulted widely as part of the process of formulating the proposals and in taking forward and implementing detailed service plans, the council would continue to have regard to the impact of the implementation of its proposals on those potentially affected.
- £7 million of reductions would come from directorate improvement programmes, additional income sources, and general back office overheads and it was from these proposals that the impact of the cuts as a result of front loading could be seen.
- A further £6 million would be made available from one off use of resources and grant flexibilities which would need to be replaced with permanent savings for 2012/2013.

The attention of Cabinet Members was then drawn to the reductions in area based and service specific grants that had been passported to the relevant services and would inevitably impact on service delivery. They were advised that the capacity to secure growth in employment and jobs in the city would be adversely affected by the loss of almost £10 million of Working Neighbourhoods funding and the reduction of £7m in grants to Children's Services meant services could not be sustained at the current level, affecting areas such as children's centre provision and the provision of some services in schools.

Councillor Allan expressed concern that the Government's funding cuts would affect unemployment, interest rates, inflation and result in damaging the economy and society. He advised that this had been a very difficult budget made worse by the unexpected front loading of the reductions and the proposals represented a balance between addressing the significant funding cuts, with the need to meet significant cost pressures. He believed that these proposals represented the most appropriate balance taking all factors into account.

Councillor Allan drew attention to Appendix C which had been tabled today, and that the council was proposing a council tax freeze. He added that confirmation of the precept proposals from Northumbria Police and Tyne and Wear Fire and Rescue Authority was still outstanding and these might require an amendment to the final proposal to Cabinet in due course.

Councillor Allan reported that as the council was aware the future outlook was one of further government funding reductions, in accordance with best practice, a medium-term approach to financial planning had been adopted in order to ensure that next year's budget was as sustainable as possible.

Cabinet Members referred to the affects the funding cuts had had on their service areas and congratulated Portfolio Holders and Officers for their hard work and efforts in mitigating as far as possible the potentially damaging settlement.

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

8. RESOLVED that it be recommended to Council:-

- (i) to approve the proposed Revenue Budget for 2011/2012 set out at Appendix H of the report,
- (ii) that it be noted that at its meeting on 26th January 2011 the council approved the following amounts for the year 2011/2012 in accordance with regulations made under Section 33 (5) of the Local Government Finance Act 1992:
  - (a) £80,167 being the amount calculated by the council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as it's Council Tax Base for the year.
  - (b) £4,017 being the amount calculated by the council, in accordance with Regulation 6 of 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.
- (iii) that the following amounts be now calculated by the council for the year 2011/2012 in accordance with Sections 32 to 36 of the Local Government and Finance Act 1992:
  - (a) £744,664,552 being the aggregate of the amounts which the council estimates for the items set out in Section 32 (2) (a) to (e) of the Act
  - (b) £649,537,034 being the aggregate of the amounts which the council estimates for the items set out in Section 32 (3) (a) to (c) of the Act.
  - (c) £253,729,352 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 32 (4) of the Act, as its budget requirement for the year

- (d) £158,601,834 being the aggregate of the sums which the council estimates will be payable for the year into its General Fund in respect of redistributed Non-Domestic Rates, Revenue Support Grant, and the amount of the sum which the council has estimated will be transferred from its Collection Fund to its General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax Surplus).
- (e) £1,186.6169 being the amount at (iii) (c) above less the amount at (iii) (d) above, all divided by the amount at 2 (a) above, calculated by the council, in accordance with Section 33 (1) of the Act, as the basic amount of its Council Tax for the year
- (f) £52,663 being the precept notified by Hetton Town Council as a special item under Section 34 (1) of the Act
- (g) £1,185.9600 being the amount at (iii) (e) above less the result given by dividing the amount at (iii) (f) above by the amount at (ii) (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 special item relates.
- (h) £1,199.0700 being the amount given by adding to the amount at (iii) (g) above the amount (iii) (f) divided by the amount at (ii) (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.



### Parts of the Council's Area

(i)	Valuation Bands	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) (g) and (iii) (h) 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) that it be noted that for the year 2011/2012, Tyne and Wear Fire and Rescue Authority and Northumbria Police Authority have supplied their best estimate of their proposed precepts, which have still to be approved by their respective Authorities. Consequently, the following amounts for both the Tyne and Wear Fire and Rescue Authority and the Northumbria Police Authority represent the provisional precepts for 2011/2012, which may be 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:

### Precepting Authority

Valuation Bands	Northumbria Police Authority	Tyne & Wear Fire and Rescue Authority
A	£ 55.79	£ 48.77
B	£ 65.09	£ 56.90
C	£ 74.38	£ 65.03
D	£ 83.68	£ 73.16
E	£102.28	£ 89.42
F	£120.87	£105.68
G	£139.47	£121.93
H	£167.36	£146.32

- (v) that having calculated the aggregate in each case of the amounts at (iii) (i) and (iv) above but not having received confirmation of the precept in paragraph (iv), the council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, estimate the following amounts as the amounts of Council Tax for the year 2010/2011 for each of the categories of dwellings shown below at this point in time. The exact levels will only become known once formal notification of the precepts from the Tyne and Wear Fire and Rescue Authority and Northumbria Police Authority are received.

**Parts of the Council's Area**

<b>Valuation Bands</b>	<b>Hetton Town Council</b>	<b>All other parts of the Council's Area</b>
A	£ 903.94	£ 895.20
B	£ 1,054.60	£ 1,044.40
C	£ 1,205.25	£ 1,193.60
D	£ 1,355.91	£ 1,342.80
E	£ 1,657.23	£ 1,641.21
F	£ 1,958.54	£ 1,939.60
G	£ 2,259.85	£ 2,238.00
H	£ 2,711.82	£ 2,685.60

- (vi) to note the views expressed by the North East Chamber of Commerce and Trade Unions.

**Draft Council Tax Leaflet 2011/2012**

The Chief Executive and the Executive Director of Commercial and Corporate Services submitted a joint report (copy circulated) on the draft Council Tax Leaflet for 2010/2011.

(For copy report – see original minutes).

Councillor Allan reported that under the Local Government and Finance Act 1992 Local Authorities were required to produce a Summary of Financial Information to accompany the annual Council Tax Bill. He explained that the Council Tax Leaflet fulfilled this requirement and provided information on the progress the council was making in relation to its priorities and the council's finances, reflecting the priorities of the Sunderland Strategy 2008-2025 and focusing on service improvements and developments that were planned for 2011/2012.

Councillor Allan advised that the financial information and related performance information could not be included at this time however it would be included following council approval at its Budget meeting in March. He added that the format was based on the 2010/2011 leaflet, a copy of the latest working draft accompanied this report and final sign off of the leaflet would be by the Leader, Chief Executive and Executive Director of Commercial and Corporate Services.

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

9. RESOLVED that the draft Council Tax Leaflet be noted, and, subject to the inclusion of financial and other information, once the Revenue Budget has been set, it be recommended to Council to approve it.

### **Annual Children's Services Assessment**

The Executive Director of Children's Services submitted a report (copy circulated) to provide a summary of the outcomes from the Annual Children's Services Assessment published by Ofsted in December 2010.

(For copy report – see original minutes).

Councillor Smith highlighted that on 3 December 2010, Children's Services received confirmation from Ofsted of the outcome of the annual assessment of children's services. She reported that Sunderland had been judged as performing well with a score of 3 and described as an organisation that exceeded minimum requirements.

Councillor Smith drew attention to a number of areas where Sunderland had performed well, including:

- Majority of services, settings and institutions inspected by Ofsted were good or better.
- Unannounced inspections found that front-line child protection services were strong with no areas for improvement.
- The majority of nurseries and schools were good at helping children and young people to do well and enjoy their learning.
- The views of children and young people were used well to inform the planning and reviewing of services.
- The local authority and its partners have been successful in improving outcomes for 16-19 year olds, and young people in Sunderland do as well as those in similar areas or nationally on all measures of performance.

Councillor Smith drew attention to the coalition government's cuts which would affect the excellent achievements of the previous ten years and every effort would be made to retain those achievements. She added that some key areas for further development had been identified during the review which would be developed into an action plan with the Children, Young People and Learning Scrutiny Committee.

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

10. RESOLVED that the outcomes of the Annual Children's Services Assessment and the actions being taken to ensure that the key areas for further development are addressed be noted.

## **Sunderland Partnership Volunteering Strategy and Action Plan**

The Assistant Chief Executive and the Executive Director of City Services submitted a joint report (copy circulated) to seek approval and adoption of the Sunderland Volunteering Strategy and Action Plan.

(For copy report – see original minutes).

Councillor Gofton reported that the Sunderland Volunteering Strategy and Action Plan would support volunteering activity and development across the city for organisations of the Sunderland Partnership and Voluntary and Community Sector organisations in Sunderland. She added that this would result in raising the profile of volunteering in Sunderland thereby increasing numbers of local people volunteering and the diversity of opportunities offered.

Councillor Gofton highlighted that the Strategy had now undergone a formal consultation period and subsequently a finalised strategy had been produced. The consultation feedback had resulted in a shorter, more concise strategy, improved arrangements to monitor equality and diversity, and information relating to full cost recovery associated with volunteering. She added that it was an ambitious strategy which established a long-term commitment and approach to ensuring that volunteering activity was well supported using a collaborative approach. She confirmed that the council had a pivotal role to play in its implementation.

Cabinet Members were advised that as a result of the high profile work associated with the development of the strategy there had been increased numbers of local people volunteering at area level through the VCS Networks. A city-wide Volunteer Celebration to be hosted by the Mayor of Sunderland would be taking place on 1 June 2011 involving Elected Members and Volunteers from across the city.

Councillor Gofton reported that the Strategy would be considered for approval and adoption by the Sunderland Partnership Strategic Board following its adoption by Cabinet.

11. RESOLVED that:-

- (i) the Sunderland Volunteering Strategy be approved and adopted and the implementation of the associated Action Plan, and
- (ii) refer the Strategy and Action Plan to the Sunderland Partnership Board for adoption.

As Councillors Allan, Anderson, Gofton, Trueman, and P. Watson had declared personal and prejudicial interests in the following item they withdrew from the meeting during its consideration by Cabinet.

In the absence of both the Chairman and the Vice Chairman of Cabinet, it was agreed that Councillor Speding be appointed as Chairman during the following item.

## **Association of North-East Councils Limited – Guarantee relating to Pension Fund Admission**

The Executive Director of Commercial and Corporate Services submitted a report (copy circulated) to advise of the admission of the Association of North-East Councils (ANEC) Limited to the Tyne and Wear Pension Fund and to request approval for the Council, as a member of ANEC Limited, to act as a guarantor in relation to that Admission, together with the other constituent authorities of ANEC.

(For copy report – see original minutes).

Councillor Speding highlighted the report and advised that following the incorporation of ANEC as a company, South Tyneside had indicated that a fresh Admission Agreement was required to reflect the new identity of the Admission Body for pension fund purposes. He added that, they had asked that each of the twelve constituent members of ANEC Limited to execute an agreement to act as guarantor in relation to any pension liabilities associated with the company. He explained that each member authority would bear an equal share of the liability for any deficit, therefore Sunderland's share would be 8.33% of the total.

Cabinet Members were advised that as at 31<sup>st</sup> March 2007, this figure of 8.33% would have equated to approximately £71,000 however the current deficit would not be known until after the next Actuarial Review. He reported that the equal division of liability between the 12 member authorities would appear to be a fair approach in all the circumstances.

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

12. RESOLVED that the Head of Law and Governance be authorised to execute, on behalf of the council, a Guarantee relating to the admission of employees of the Association of North-East Councils Limited to the Tyne and Wear Pension Fund.

Councillors Allan, Anderson, Gofton, Trueman, and P. Watson were re-admitted to the meeting and Councillor Watson resumed the Chair for the remainder of the meeting.

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

At the instance of the Chairman, it was:-

13. RESOLVED that in accordance with the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during consideration of the remaining business as it was considered to involve a likely disclosure of information relating to any individual, which is likely to reveal the identity of an individual, the financial or business affairs of any particular person (including the Authority holding that information) or to consultations or negotiations in connection

with labour relations matters arising between the Authority and employees of the Authority (Local Government Act 1972, Schedule 12A, Part 1, Paragraphs 1, 2, 3 and 4).

(Signed) P. WATSON,  
Chairman.

M. SPEDING,  
Chairman.

**Note:-**

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

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