

Report of the Cabinet

The CABINET reports and recommends as follows:-

1. Review of the Procurement Procedure Rules

That they have given consideration to a joint report of the Executive Director of Commercial and Corporate Services and Head of Law and Governance (copy attached) on proposed amendments to the Procurement Procedure Rules.

Accordingly the Cabinet recommends the Council to make amendments to the Procurement Procedure Rules, which are part of the Constitution, as set out in the report.

2. Localisation of Council Tax Support Scheme

That they have given consideration to a report of the Executive Director of Commercial and Corporate Services (copy attached) on the localisation of Council Tax Support Scheme, providing an update on the consultation results for the proposed Local Council Tax Support Scheme, explaining the implications of the Government's Transitional Grant Scheme and recommending that the Local Council Tax Support Scheme whose principal features are set out at Appendix B be implemented with effect from 1 April 2013. Further that they have agreed that the detailed scheme document – based upon the default scheme set out in the Council Tax Reduction Schemes (Default Scheme) Regulations 2012, modified as necessary to incorporate the features outlined in Appendix B of the report - be prepared by the Executive Director under delegated powers in consultation with the Leader and Cabinet Secretary, for submission to full Council.

Accordingly the Cabinet recommends the Council to:-

- (i) consider feedback received during the consultation period from
 - precepting authorities,
 - the public, including representatives/representative groups of Council Tax payers and Council Tax benefit claimants, voluntary organisations and community groups,and also consider the implications of the Government's Transitional Grant Scheme;
- (ii) approve the proposed Council Tax Support Scheme described in the report and now summarised in Appendix C and set out in full at www.sunderland.gov.uk/counciltaxsupport, to take effect from 1st April 2013;
- (iii) authorise the Executive Director of Commercial and Corporate Services to administer the Local Council Tax Support Scheme including undertaking the consideration and determination of applications for support and authorise the Head of Law and Governance to amend the constitution accordingly to reflect this; and

- (iv) authorise the publication of the approved Scheme on the Council's website and in any additional manner determined by the Executive Director of Commercial and Corporate Services in consultation with the Leader of the Council and Cabinet Secretary.

3. Review of Discretionary Council Tax Discount on Empty Properties and Second Homes

That they have given consideration to a report of the Executive Director of Commercial and Corporate Services (copy attached) to review the policy on Council Tax discounts for Empty Properties and Second Homes as a result of the change in legislation to Exempt properties and the introduction of the Empty Homes Premium.

Accordingly the Cabinet recommends the Council to amend the current policy on Council Tax discounts for Empty Properties and Second Homes with effect from 1st April 2013 by:

- (i) Introducing the Empty Homes Premium of 150% on properties that have been empty and unfurnished for more than 2 years
- (ii) Awarding a discount of 25% on properties that have been empty for a period of up to 12 months that require, or are undergoing structural alterations.
- (iii) Awarding a discount of 25% on properties that are empty and unfurnished for up to 6 months with the exception of properties that are empty and unfurnished that are reoccupied within 1 month where the discount awarded will remain at 100%, and
- (iv) Reducing the discount on Second Homes from 10% to zero.

4. Review of the Non-Domestic Rates Discretionary Relief Policy to Academy and Voluntary Aided Schools

That they have given consideration to a report of the Executive Director of Commercial and Corporate Services (copy attached) to review the current policy of Discretionary Relief for Non-Domestic Rates awarded to Academy and Voluntary Aided Schools.

Accordingly the Cabinet recommends the Council to amend the current policy on Non-Domestic Rates Discretionary Relief, by removing discretionary relief paid to Academy and Voluntary Aided Schools with effect from 1st April 2013.

5. Calculation of Council Tax Base

That they have given consideration to a report of the Executive Director of Commercial and Corporate Services (copy attached) seeking approval to the calculation of the Council Tax Base for 2013/2014 in accordance with the Local Government Finance Act 1992 and recommend to Council that:-

- (i) The report for the calculation of the Tax Bases for the City Council and Hetton Town Council for 2013/2014 be approved.
- (ii) That pursuant to the report and in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended by Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2012 the amount calculated by Sunderland City Council as its Council Tax Base for the year 2013/2014, shall be £64,094 and for the area of Hetton Town Council shall be £3,122.

6. Business Rates Income Forecast 2013/14

That they have given consideration to a report of the Executive Director of Commercial and Corporate Services (copy attached) concerning the forecast income in respect of business rates for 2013/2014 which must be submitted to Government following Council approval no later than 31st January 2013. Further, that the income forecast included in the report should be amended if necessary taking into consideration further information notified by government about the calculation – and that the Executive Director of Commercial and Corporate Services be given delegated power to prepare the final version of the NNDR1 form in consultation with the Leader and Cabinet Secretary, for submission to full Council.

Accordingly the Cabinet is seeking Council approval to the amended NNDR1 form which estimates the business rates income for the coming financial year and recommends to Council that:-

Council approves the attached NNDR1 form (Appendix 1) of estimated business rates income for the year 2013/14 in accordance with new regulations which will form the basis of the necessary allocation of the estimated total business rate income for the year in the following proportions:

- Amount of NNDR to be paid to Central Government - £41,682,298;
- Amount of NNDR to be retained by Council - £40,885,578;
- Amount of NNDR to be passed to Tyne and Wear Fire and Rescue Authority - £834,400.

7. Revenue Budget Proposals 2013/2014

That they have given consideration to a joint report of the Chief Executive and Executive Director of Commercial and Corporate Services (copy attached) to advise of the provisional budget proposals for 2013/2014, as a basis for the continuation of budget consultation, prior to the receipt of the final Local Government Finance Settlement 2013/2014.

They also referred the report to the Scrutiny Committee for further advice and consideration. The Scrutiny Committee supported the Cabinet recommendation to recommend the Council to approve the provisional Revenue Budget proposals 2013/2014.

The Scrutiny Committee congratulated the Executive Director of Commercial and Corporate Services and his Finance Team on managing to present the provisional Revenue Budget proposals to the Council in the required budgetary timescales despite the very late notification of the provisional settlement from Government and final amendments to budget related documentation being needed following the receipt of further notified changes from Government.

Accordingly the Cabinet recommends the Council to approve the provisional budget proposals, as a basis for the continuation of budget consultation, prior to the receipt of the final Local Government Finance Settlement 2013/2014.

8. Revenue Budget Third Review 2012/2013

That they have given consideration to a report of the Executive Director of Commercial and Corporate Services on the overall Revenue position following the third review for 2012/2013 including proposed contingency transfers and budget transfers for the third quarter of 2012/2013.

In accordance with the Council's Budget and Policy Framework certain transfers require Council approval. The following extract refers to those transfer of funds:

'savings of £5million are anticipated to arise in respect of capital financing charges due to both slippage in the capital programme and additional income from interest on investments as a result of continued robust treasury management. These savings will be used to meet the in year service pressures if required at outturn, with the balance set aside in the Strategic Investment Reserve to meet transitional costs arising in 2012/13 and 2013/14 and/or potential Equal Pay liabilities. Any final underspendings on contingencies will also be transferred to support transitional costs arising from future years budgets.'

They also referred the above extract of the budget transfers to the Scrutiny Committee for further advice and consideration. The Scrutiny Committee supported the Cabinet recommendation to recommend the Council to approve the transfer of funds.

Accordingly the Cabinet recommends the Council to approve the budget transfers for the third quarter of 2012/2013 as set in the above extract.

9. Capital Programme - Third Review 2012/2013, Provisional Resources 2013/2014 and Treasury Management Review 2012/2013

That they have given consideration to a report of the Executive Director of Commercial and Corporate Services which detailed changes made to the Capital Programme 2012/2013 since the Second Capital Review, the inclusion of additional schemes and revisions to costs and resourcing for 2012/2013 since the Second Capital Review, the allocation of capital resources for 2013/2014, subject to any adjustments required when final resource announcements are made and the progress in implementing the Treasury Management Strategy for 2012/2013.

They also referred the report to the Scrutiny Committee for advice and consideration in the context of inclusion of an additional scheme for 2012/2013 costing over £250,000 which is set out in the attached extract. The Scrutiny Committee supported the Cabinet recommendation to recommend the Council to include the additional scheme for 2012/2013.

Accordingly, the Cabinet recommends the Council to approve the inclusion of the additional scheme for 2012/2013 and associated resourcing of the Capital Programme since the Second Review of the Capital Programme was approved by Council in October 2012.

10. Establishment of Sunderland Events Management Company

That they have given consideration to a joint report of the Director of Corporate Affairs and Communications and the Executive Director of Commercial and Corporate Services (copy attached) on a proposed approach to development of the Sunderland Events Management Company and the next steps for action in order to establish the company as a local authority owned company at the earliest opportunity.

Accordingly the Cabinet recommends the Council to appoint three Directors to the Board of the Company.

