

## **THE CABINET reports as follows:-**

### **1. Comprehensive Area Assessment (CAA) Reports and Performance Update (April - September)**

That they have given consideration to a report of the Chief Executive (copy attached) to provide the findings from the inaugural Comprehensive Area Assessment (CAA) and a performance update in relation to those areas identified by the Audit Commission as being the focus of improvement during 2010.

The Council is recommended to note the current performance of the Council and partners in relation to risk areas and improvement activity identified to deliver associated outcomes.

They also referred the report to the Management Scrutiny Committee for further advice and consideration. The comments of the Scrutiny Committee will be reported to the meeting.

### **2. Revenue Budget 2010/2011**

That they have given consideration to a joint report of the Chief Executive and the Director of Financial Resources (copy attached) noting the impact of the provisional Local Government Finance Settlement on the Budget Planning Framework for 2010/2011 and submit the provisional budget proposals for 2010/2011 for the continuation of budget consultation, prior to the receipt of the final Local Government Finance Settlement for 2010/2011.

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 2010/2011.

They also referred the report to the Management Scrutiny Committee for further advice and consideration. The comments of the Scrutiny Committee will be reported to the meeting.

### **3. Calculation of Council Tax Base**

That they have given consideration to a report of the Director of Financial Resources (copy attached) seeking approval to the calculation of the Council Tax Base for 2010/2011 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 2010/2011 be approved, and

- (ii) 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 2003, the amount calculated by the City of Sunderland Council as its Council Tax Base for the year 2010/2011, shall be £80,089 and for the area of Hetton Town Council shall be £4,032.

#### **4. Capital Programme – Third Review 2009/2010, Provisional Resources 2010/2011 and Treasury Management Review 2009/2010**

That they have given consideration to a report of the Director of Financial Resources on the outcome of the Third Review of the Capital Programme since the Second Capital Review 2009/2010 and the provisional allocation of resources for 2010/2011. The report advised of the:-

- reprofiling of projects since the Second Capital Programme Review was reported;
- inclusion of additional schemes and revisions to costs and resourcing for 2009/2010 since the Second Capital Programme Review was reported;
- overall updated Capital Programme following the Third Review;
- latest notifications of supported capital allocations for 2010/2011;
- progress in implementing the Treasury Management Strategy for 2009/2010;
- updated Council lending criteria and list of authorised institutions.

Accordingly the Cabinet recommends the Council to approve the additional schemes in 2009/2010 as set out in the attached extract.

They also referred the extract of the additional schemes in 2009/2010 to the Management Scrutiny Committee, for advice and consideration. The comments of the Scrutiny Committee will be reported to the meeting.

#### **5. Updating the Constitution**

That they have given consideration to a joint report of the Chief Executive and the Chief Solicitor (copy attached) which proposed amendments to the Constitution:-

- (a) to give delegated powers to the Chief Solicitor to take proceedings in relation to Drink Banning Orders under the Violent Crime Act 2006 and Closure notices/orders under new powers in the Anti Social Behaviour

Act 2003 which have been provided by the Criminal Justice and Immigration Act 2008,

- (b) to the terms of reference to the Development Control Sub Committees (in respect of consideration of applications in neighbouring authorities) the Personnel Committee (to deal with retirement issues) and the Audit and Governance Committee (the Members of which held a workshop and proposed changes to enhance their work), and
- (c) to the powers delegated to Chief Officers which relate to legislative changes, recently approved policies and tidying up provisions which need to be recorded to ensure the Constitution is fully updated.

Accordingly the Cabinet recommends the Council to note and endorse as appropriate:-

- (i) that the Chief Solicitor be granted delegated powers to take proceedings in relation to Drink Banning Orders under the Violent Crime Reduction Act 2006;
- (ii) that the Chief Solicitor be granted delegated powers to issue Closure Notices and issue and conduct proceedings in relation to Closure Orders under Part 1A of the Anti Social Behaviour Act 2003 following consultation with Northumbria Police;
- (iii) the additional amendments to the Council's Constitution detailed in the report.

**COMPREHENSIVE AREA ASSESSMENT (CAA) REPORTS AND PERFORMANCE UPDATE (APRIL - SEPTEMBER)**

**Report of the Chief Executive**

**1.0 Purpose of the report**

- 1.1 The purpose of this report is to provide Cabinet with the findings from the inaugural Comprehensive Area Assessment (CAA) and a performance update in relation to those areas identified by the Audit Commission (AC) as being the focus of improvement during 2010.

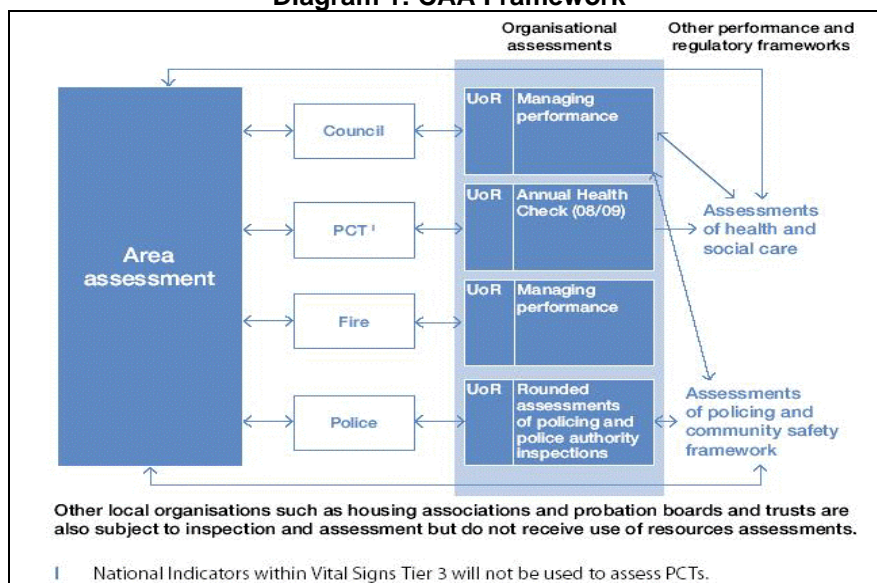
**2.0 Description of Decision (Recommendations)**

- 2.1 Cabinet is asked to accept this report and receive presentations from the Audit Commission on the CAA findings.
- 2.2 Cabinet is asked to note the current performance of the council and partners in relation to risk areas and improvement activity identified to deliver associated outcomes

**3.0 Introduction / Background**

- 3.1 Comprehensive Area Assessment was introduced in April 2009 to provide an independent assessment of how local public services are working in partnership to deliver outcomes for an area. It replaces Comprehensive Performance Assessment (CPA). The first results were reported on the new Oneplace website ([www.oneplace.direct.gov.uk](http://www.oneplace.direct.gov.uk)) on 9 December 2009.
- 3.2 CAA comprises two main elements namely, an area assessment and an organisational assessment for each of the four main public sector organisations (i.e. council, fire, health and police). This is demonstrated in the diagram below.

**Diagram 1: CAA Framework**



3.3 Cabinet will recall that a new national performance framework was implemented during 2008/2009. This includes 198 new National Indicators, which replaces previous national performance frameworks. As part of this new framework 49 national indicators have been identified as key priorities to be included in the Local Area Agreement (LAA). Performance against the priorities identified in the LAA and associated improvement targets have been a key consideration in CAA in terms of the extent to which the partnership is improving outcomes for local people

#### 4.0 AREA ASSESSMENT

##### 4.1 Process and methodology

4.1.1 The area assessment focuses on the prospects for better outcomes on local priorities and is an annual assessment of the work of the public services in the city by a range of inspectorates. It answers three key questions:

- How well do local priorities express community needs and aspirations?
- How well are the outcomes and improvements needed being delivered?
- What are the prospects for improvement?

4.1.2 Between April and September 2009 the CAA Lead (CAAL) assessed the work of the Sunderland Partnership (SP) as part of the inaugural CAA area assessment. This was achieved through a series of workshops, interviews and briefing notes and a review of evidence (e.g. key documents, performance indicators, consultation results, etc.). This was an iterative process and the CAAL shared the findings at regular intervals throughout.

## 4.2 Findings – good practice and areas for improvement

4.2.1 The area assessment is a narrative report (attached as **appendix 1**) providing an assessment of progress against key priorities for the area, overall successes and challenges. The area assessment is not scored and unlike CPA does not include a star rating judgement.

4.2.2 However area assessments may award green or red flags. Red flags highlight those areas where there are significant concerns by the inspectorates about outcomes or future prospects, and where more or different actions are required. Green flags highlight exceptional performance or outstanding improvement in outcomes through an innovative approach, from which others nationally can learn. No red or green flags have been identified for Sunderland.

4.2.3 The fact that Sunderland has no red flags demonstrates that the inspectorates have no significant concerns and that the council and its partners are clear about what needs to be done and have plans in place to secure the necessary impact on outcomes.

4.2.4 Although Sunderland was not awarded any green flags the report recognises the positive impact the Sunderland Partnership is making on quality of life. For example:

- There is a good record of attracting new businesses and investment to the city and this is likely to continue helped by an Economic Masterplan.
- The Sunderland Learning Partnership is helping to improve skills in the city and clear plans are in place for it to continue to deliver improved outcomes.
- There is a good understanding of the health, social care and wellbeing needs of the population.
- Easier access to treatment is reducing some health inequalities and this is likely to continue.
- Access to primary health care at a local level is easier and care services for adults are good.
- Overall crime is lower in Sunderland than similar areas in England and Wales and continues to fall and fear of crime is reducing.
- There are positive outcomes from a range of targeted work including drug treatment programmes, a safer homes programme improving quality of life, youth engagement projects and parenting initiatives.
- Sunderland's local environment is currently ranked joint third best of the UK's 20 largest cities. Social housing and transport are good.

4.2.5 The report highlighted a small number of key areas for improvement, which are already priorities for the city, namely:

- To reduce the number of young people in Sunderland that are not in employment, education or training (i.e. NEETs) from the current levels of one in eight young people.

- To meet some key targets around health inequalities, which are not being met, such as reducing death rates for men to nearer the national average; reducing the teenage pregnancy rate; and smoking rates, particularly smoking during pregnancy.
- To continue to address child poverty, which is reducing faster than in other areas but remains high.
- To address the issue of affordable housing in Sunderland, through the implementation of developed plans.
- To ensure that City Region actions deliver improved actions in relation to transport and skills.
- To ensure the Alcohol Strategy delivers the planned outcomes, particularly in relation to alcohol related hospital admissions.

4.2.6 The council and Sunderland Partnership’s analysis of current improvement activity in relation to these areas is contained in **appendix 2**.

### 4.3 Context – national and regional context

4.3.1 Nationally a total of 74 green flags and 62 red flags were awarded, with the following themes most prevalent:

Green flags	Red flags
<ul style="list-style-type: none"> <li>• Sustainability (including dealing with climate change)</li> <li>• Community involvement / engagement</li> <li>• Older people</li> <li>• Prosperous economy (including responding to the recession)</li> </ul>	<ul style="list-style-type: none"> <li>• Housing</li> <li>• Health inequalities</li> <li>• Safeguarding – children</li> <li>• Community safety</li> </ul>

4.3.2 As the table below demonstrates, there are major differences between the regions in terms of the numbers of flags awarded.

Region	Number of areas	Green flags			Red flags		
		Number awarded	Number per area (average)	Rank	Number awarded	Number per area (average)	Rank
North East	12	1	0.08	9	2	0.16	3
North West	23	10	0.43	6	18	0.78	9
Yorkshire & the Humber	15	7	0.47	5	10	0.67	7
East Midlands	9	6	0.67	=1	5	0.56	6
West Midlands	14	4	0.29	8	7	0.5	5
East of England	11	7	0.64	6	8	0.73	8
South East	19	7	0.37	7	1	0.05	1
South West	16	10	0.63	4	6	0.38	4
London	33	22	0.67	=1	5	0.15	2
<b>ENGLAND</b>	<b>152</b>	<b>74</b>	<b>0.49</b>		<b>62</b>	<b>0.41</b>	

*NB Green flag rankings are based upon highest number awarded (1) to lowest number awarded (9)  
Red flag rankings are based upon lowest number awarded (1) to highest number awarded (9)*

4.3.3 Of the 12 areas assessed within the region, only one was awarded a green flag (i.e. Newcastle for 'Economic innovation in the recession') and two were awarded red flags (i.e. Hartlepool for 'Tackling the harm caused by alcohol' and North Tyneside for 'Housing').

#### **4.4 Improvement planning approach**

4.4.1 The Sunderland Partnership's Delivery and Improvement Board considered the draft area assessment report, and in particular those areas identified as being in need of improvement at its meeting on 11 November, as part of a wider discussion on improvement priorities for the next year. Delivery Plans are currently being refreshed to ensure that the work programme is targeting the right issues, and outcomes can be demonstrated, minimising the risk of areas for improvement becoming red flags in 2010.

#### **4.5 2010 approach**

4.5.1 The CAAL has now shared his planned approach to undertaking the evidence gathering for area assessment in 2010, which will differ significantly to the approach undertaken in 2009. There has been an acknowledgement within the inspectorates that the level of resources allocated to the assessment is not sustainable and so a more proportionate approach is now planned.

4.5.2 In Sunderland (and the rest of Tyne and Wear) the CAAL plans to adopt an approach with two complementary elements, namely:

- A Risk Assessment Matrix
- A small number of themed probes across Tyne and Wear

##### ***Risk Assessment Matrix (RAM)***

4.5.3 The RAM will be the primary tool against which the Sunderland Partnership will be assessed and is designed to provide greater clarity and certainty for the CAAL and the Sunderland Partnership around the final outcome of the area assessment (for example the number of green and red flags that will be awarded in the final report).

4.5.4 The RAM will incorporate those issues that were identified in the first year of the CAA area assessment as having the most potential to become red flags and green flags, as well as any themes that weren't considered in the first year of CAA that the CAAL wishes to explore in 2010 (e.g. mental health).

4.5.5 Once the RAM has been agreed, the CAAL will use it to monitor progress against the agreed performance trajectory for each issue to arrive at his final area assessment judgement for 2010. Progress will be monitored through the Sunderland Partnership's own performance management arrangements and reporting.



### ***Themed probes***

4.5.6 The RAM will be complemented by a small number of themed probes, which will be undertaken across Tyne and Wear. The exact nature and subject of the probes have yet to be agreed.

## **5.0 ORGANISATIONAL ASSESSMENT (INCLUDING USE OF RESOURCES)**

### **5.1 Process and methodology**

5.1.1 The organisational assessment covers the performance of the council and is intended to:

- Support and complement the area assessment's focus on priority outcomes
- Ensure accountability at an organisational level, including contributions to delivering LAAs and wider sub-regional or regional strategies, including multi-area agreements
- Bring together contributions from inspectors and auditors to provide a rounded assessment of organisational effectiveness
- Inform and focus improvement planning, including inspection programming
- Help the public hold their local public bodies to account

5.1.2 The organisational assessment combines a scored use of resources assessment and a scored managing performance assessment into a combined assessment of organisational effectiveness scored on a scale from 1 (lowest) to 4 (highest).

### **5.2 Findings – good practice and areas for improvement**

5.2.1 The council has scored 3 out of 4 for its organisational assessment and both of its component assessments i.e.

	<b>Score</b>	<b>Assessment</b>	<b>Score</b>
<b>Organisational assessment</b>	3	Managing performance	3
		Use of resources	3

5.2.2 The council's organisational assessment report is attached as **appendix 3**.

### ***Managing performance***

5.2.3 The managing performance assessment, is designed to determine:

- How well is the organisation delivering its priority services, outcomes and improvements that are important to local people?
- Does the organisation have the leadership, capacity and capability it needs to deliver future improvements?

5.2.4 The managing performance assessment is developed from the findings of the area assessment (particularly those outcomes that are relevant to the council) and use of resources, as well as the Care Quality Commission (CQC) Annual Performance Assessment of Adult Social care and Ofsted Annual

Performance Assessment of Children's Services. This has been supplemented by a series of interviews with the Chief Executive, EMT, Leader and Resources Portfolio Holder to consider how the authority is managed and how it performs against its priorities

5.2.5 The overall score for managing performance is 3 out of 4. The inspectorates judged the council as follows:

- Council services are helping to improve the quality of life for people in Sunderland.
- There is positive achievement in a range of key performance indicators, including health inequalities and crime, increasing employment and education opportunities for young people and improving the environment.
- Ofsted has rated the council's children's services as performing well.
- CQC has rated the council's adult social care as excellent, because people have good access to services that enable them to live independently within their own homes for longer.
- There is a clear long-term vision for Sunderland in 2025, based on a good understanding of needs and priorities of residents.

5.2.6 A full list of the council's key performance information is available on the council's intranet and also in the Members Room.

#### ***Use of resources***

5.2.7 The use of resources assessment covers three themes:

- Managing finances
- Governing the business
- Managing resources

5.2.8 The use of resources assessment was a feature of CPA; however within CAA it has been expanded and focuses on different issues, for example there is a much stronger focus on partnerships and outcomes. The two processes (i.e. CPA and CAA) cannot therefore be compared.

5.2.9 The AC has assessed the council to be 'performing well' in its use of resources and has scored the council as 3 out 4. A specific use of resources report detailing the rationale for the score is attached as **appendix 4**.

5.2.10 The overall use of resources score is arrived at through a series of scored Key Lines of Enquiry (KLOEs). These are set out below:

Theme	Score	KLOE	Score
<b>Managing finances</b>	3	1.1 Financial planning	4
		1.2 Understanding costs & achieving efficiencies	3
		1.3 Financial reporting	3
<b>Governing the business</b>	3	2.1 Commissioning & procurement	3
		2.2 Data quality & use of information	3
		2.3 Good governance	3
		2.4 Risk management & internal control	4
<b>Managing resources</b>	2	3.1 Natural resources	2
		3.2 Strategic asset management	2
		3.3 Workforce	Not assessed

5.2.11 The council scored 4 out of 4 for financial planning and risk management and internal control, which means that it is classed as a national exemplar from which others can learn.

5.2.12 Financial planning was identified as exemplary; the council manages its finances well and has shifted resources to ensure the achievement of priorities. The council is also successful at securing external sources of finance. The following examples of notable practice were cited:

- The review of adults social care provision this year has been identified as a notable practice example of how a local authority can challenge established patterns of resource use in consultation with partners. The review has led to a move away from residential provision, greater investment in preventative measures and more home based support.
- Developing the “Sunderland Model” for BSF schools has led to new schools and refurbishments being financed from DES grant rather than loans or PFI credits.
- The joint waste strategy being delivered in partnership with Gateshead and South Tyneside MBCs is another example of the council exploring new ways to deliver priorities and improve value for money.

5.2.13 Risk management and internal control was identified as excellent and has been used to especially good effect on the Building Schools for the Future (BSF) project. Effective partnership governance has also enabled partners to improve outcomes and access additional sources of finance. The following examples of notable practice were cited:

- Risk management is fully integrated into all corporate processes and has been used to especially good effect on BSF delivery and formulating the medium term financial plan.
- Demonstrating effective risk management has enabled the council to reduce insurance premiums, increase insurance cover at no extra cost and extend self insurance schemes.

- Adopting the comprehensive code of practice for partnerships has enabled partnerships to improve outcomes and access additional sources of finance.

5.2.14 Although the council was able to demonstrate examples of best practice in relation to asset management and natural resources, the AC identified areas where the council still needed to improve, for example embedding sustainability into all of the council's activities and plans. These issues are identified in the council's use of resources improvement plan and we are already undertaking actions to secure the necessary outcomes.

### 5.3 Context – national and regional context

5.3.1 The council's score of 3 (performing well) for its organisational assessment is comparable with others both nationally and regionally - 64% of councils achieved this score. Only ten councils nationally (i.e. 7%) achieved a score of 4 (performing excellently), none of which were in the North East.

Score	Organisational assessment		Managing performance		Use of resources (see also breakdown in table below)	
	Number	Percentage	Number	Percentage	Number	Percentage
4	10	7.04%	10	7.04%	3	2.0%
3	91	64.1%	97	68.3%	76	51.7%
2	39	37.5%	33	23.2%	67	45.6%
1	2	1.4%	2	1.4%	1	0.7%
<b>Total assessed</b>	142		142		147	
<b>Not assessed</b>	10		10		5	
<b>Councils receiving a score of 4</b>	Camden City of London Hammersmith & Fulham Hampshire Kensington & Chelsea Kent Leicestershire Tameside Wandsworth Westminster		Camden City of London Hammersmith & Fulham Hampshire Kensington & Chelsea Kent Leicestershire Tameside Wandsworth Westminster		Camden Stockton Tameside	

5.3.2 This was also the case with the council's score of 3 for its managing performance assessment – 68% of councils achieved this score. The same ten councils (i.e. 7%) that achieved a score of 4 overall for organisational assessment scored 4 for managing performance. Again, none were in the North East.

5.3.3 The achievement of an overall score of 3 for use of resources was slightly more significant with only 52% of councils achieving a score of 3. Only three councils nationally (i.e. 2%) achieved a score of 4 overall for use of resources - one of which was in the North East (i.e. Stockton). Only 11 scores of 4 were awarded for any of the three themes which inform the overall use of resources score (three of which were awarded to councils in the North East).

5.3.4 In terms of the use of resources themes, councils are clearly higher performing in relation to the managing finances themes than the governing the business theme. Councils are in turn significantly higher performing in both these themes than they are in relation to the managing resources theme. This latter trend is reflective of the position in Sunderland.

Score	Overall	Managing finances	Governing the business	Managing resources
4	3	3	4	4
3	76	92	67	49
2	67	50	75	94
1	1	2	1	0

*NB 147 single tier and county councils were assessed. 5 were not assessed.*

Council	Organisational assessment Score	Managing performance Score	Use of resources			
			Overall score	Managing finances	Governing the business	Managing resources
Darlington	3	3	3	3	3	2
Durham	N/A	N/A	2	2	2	2
Gateshead	3	3	3	3	3	3
Hartlepool	3	3	3	2	3	3
Middlesbrough	3	3	3	3	3	4
Newcastle	3	3	3	3	2	3
North Tyneside	2	3	2	3	2	2
Northumberland	N/A	N/A	2	2	2	2
Redcar & Cleveland	3	3	2	2	2	3
South Tyneside	3	3	3	3	3	2
Stockton	3	3	4	4	4	3
Sunderland	3	3	3	3	3	2

5.3.5 The organisational assessment score is arrived at through a judgement by the inspectorates based upon the managing performance and overall use of resources scores. On 87 occasions this was a straightforward judgement as the scores were the same. On the 55 occasions where there was a difference in the two scores there was a greater bias towards the managing performance scores (45 councils) than towards the use of resources scores (10 councils).

5.3.6 Furthermore on the 45 occasions that a council achieved a higher score for managing performance than use of resources, the managing performance score was used on 37 occasions as the overall score (i.e. 82% of occasions). In contrast on the ten occasions that a council achieved a higher score for use of resources than managing performance, the use of resources score was only used on two occasions as the overall score (i.e. 20% of occasions).

5.3.7 This analysis would suggest that for a council to achieve a score of 4 for organisational assessment, its score in relation to the managing performance assessment should be the focus of improvement rather than the use of resources assessment to ensure the best chance of improving its overall organisational assessment score.

## **5.4 Improvement planning approach**

- 5.4.1 The majority of the improvement priorities for the council within the managing performance assessment replicate those in the area assessment and so will be addressed through the approach described in section 4.4 above. Those that are within the organisational assessment report only will be addressed within the council's Corporate Improvement Plan (e.g. recycling and inequalities in school attainment).
- 5.4.2 A use of resources improvement plan is currently being developed to improve performance further and enhance the prospects to improve the council's scores. However as section 5.3 above demonstrates this is particularly challenging as only three councils achieved a score of 4 overall, and only 11 scores of 4 were awarded for individual themes.
- 5.4.3 Notwithstanding the challenge, the council is committed to identifying improvement areas in both the short term and longer term for each KLOE in order to ensure impact on outcomes and to maximise the chances of the council achieving the improvement in KLOE scores necessary to ultimately achieve a score of 4 overall. The improvement plan will be reported to Cabinet in due course.

## **6.0 Reasons for the decision**

- 6.1 To make Cabinet aware of the continued good progress made by the council and the Sunderland Partnership, as described in the CAA reports, and take appropriate action on those areas requiring further development to ensure that performance is actively managed.

## **7.0 Alternative options**

- 7.1 There is no alternative option recommended at this stage.

## **8.0 Relevant considerations / consultations**

- 8.1 In conducting the CAA, the inspectorates have included the council (officers and elected members), partners and the public in the consultation process.

## **9.0 Glossary**

AC	Audit Commission
BME	Black and Minority Ethnic
BSF	Building Schools for the Future
CAA	Comprehensive Area Assessment
CAAL	Comprehensive Area Assessment Lead
CPA	Comprehensive Performance Assessment
CQC	Care Quality Commission
DES	Department for Education and Skills
EMT	Executive Management Team
GP	General Practitioner
HINST	Health Inequalities National Support Team

KLOE	Key Lines of Enquiry
LAA	Local Area Agreement
MBC	Metropolitan Borough Council
NEET	Not in employment, education or training
NI	National Indicator
PFI	Private Finance Initiative
RAM	Risk Assessment Matrix

## **10.0 List of appendices**

- 1 Area assessment report – Sunderland
- 2 Ongoing activity to address areas for improvement
- 3 Organisational assessment report – Sunderland City Council
- 4 Use of resources report – Sunderland City Council

## **11.0 Background papers**

Oneplace website - [www.oneplace.direct.gov.uk](http://www.oneplace.direct.gov.uk)

# Sunderland

## Area Assessment

Pre-publication version dated 03 December 2009

Provided under embargo



for an independent overview  
of local public services



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## Sunderland at a glance

This independent assessment by six inspectorates sets out how well local public services are tackling the major issues in Sunderland. It says how well they are delivering better results for local people and how likely these are to improve in future. If, and only if, our assessment shows that the following special circumstances are met in relation to a major issue, we use flags to highlight our judgements. We use a green flag to highlight where others can learn from outstanding achievements or improvements or an innovation that has very promising prospects of success. We use a red flag to highlight where we have significant concerns about results and future prospects that are not being tackled adequately. This means that local partners need to do something more or different to improve these prospects.

**Green flags - exceptional performance or innovation that others can learn from**

No green flags have been identified for Sunderland

**Red flags - significant concerns, action needed**

No red flags have been identified for Sunderland

## The local area

Sunderland is the largest city in the North East of England with a population of some 280,500. The BME population is mainly based in the centre of Sunderland and is about 3 per cent of the population. As with many cities, Sunderland has an ageing population. More people are moving out of the City than into it and the population is set to continue to fall by a small amount over the next 20 years.

Sunderland comprises a city centre based around the mouth of the River Wear but also includes the former new town of Washington and the two former coal-mining towns of Hetton and Houghton. It has an attractive coastline, a port, a University and a large amount of open countryside with many parks and nature reserves. Two national highways, the A19 and the A1 (M) run through Sunderland, and it has a direct rail connection to London. The Tyne and Wear Metro rail system and local rail services provide access to international airports - Newcastle and Tees Valley / Durham.

The decline in traditional heavy industries on which the City's economy was founded left behind a legacy of economic uncertainty and social exclusion. The City has recovered to some extent, largely by developing automotive industries and contact centres infrastructure and through reclaiming land for new uses. It is now seeking to develop a national and international profile in new industries and technologies like Information Technology, computing and

sustainable energy. Sunderland is a relatively deprived area, although things have improved. In 2004 it was the 22nd most deprived area in England, and in 2007 this had improved to the 35th most deprived (out of 354).

The main issues for the area relate to health inequalities, poor life expectancy, low incomes, matching skills to employment opportunities and the migration of young people out of the area leaving an older population.

The next section tells you how Sunderland's public services are doing in each of their local priority areas.

## How is Sunderland doing?

### Prosperous City

Sunderland has had one of the highest employment growth rates in the country. There is a good record of attracting new businesses and investment to the city. This is likely to continue, helped by an Economic Masterplan, providing a comprehensive and integrated regeneration strategy for the City, due for completion early 2010. Each year around 300 new businesses start in or move to the city, increasing the types of businesses and giving a wider range of jobs. However, Sunderland has the fifth lowest wage level of UK cities. The local response to the recession is sustaining and creating jobs. However, the recession presents a major risk to the pace of delivery of Sunderland's plans to provide more local homes.

### Learning City

The Sunderland Learning Partnership is helping to improve skills in the city. Clear plans are in place for it to continue to deliver improved outcomes. The shared sixth form model is an effective way of helping children and young people to take part in education and learning. Sunderland College's 'Business Solutions' helps employers by delivering training in the workplace to improve employee skills. The University works with businesses operating in the area, particularly to assist development of new business ideas. However, one in eight of young people in Sunderland are not in employment, education or training. This is well above national and local averages and a top priority for the area. Results at age 11 are now in line with the national figure and 43 per cent of young people are achieving five or more A\*-C grades at GCSE including English and Maths. There are a good range of opportunities for adults to develop their literacy and numeracy skills.

### Healthy City

Health and deprivation in Sunderland are worse than national averages. There is, though, a good understanding of the health, social care and wellbeing needs of the population. Easier access to treatment is reducing some health inequalities and this is likely to continue. However, not all plans are completed, limiting the opportunity for partners to contribute to improvement. On average, Sunderland residents die younger than in the rest of the country.

Deaths from smoking, and early deaths from cancer, heart disease and stroke are all worse than national averages. Action to improve health has been underway for a number of years, and overall death rates in the last 10 years have reduced. However, some key targets are not being met, such as reducing death rates for men to nearer the national average; the teenage pregnancy rate; and smoking rates, particularly smoking during pregnancy. Access to primary health care at a local level is easier and care services for adults are good.

## Safe City

Overall crime is lower in Sunderland than similar areas in England and Wales, continues to fall and fear of crime is reducing. There are positive outcomes from a range of targeted work including drug treatment programmes, a safer homes programme improving quality of life, youth engagement projects and parenting initiatives. Strong partnership working and good use of intelligence result in clear plans which should ensure that these improvements continue. In 2008/09 recorded crime was down three per cent from the previous year and there have been reductions in every main recorded crime activity.

## Attractive and Inclusive City

Sunderland's local environment is currently ranked joint third best of the UK's 20 largest cities. Sunderland's streets and green space are well maintained. Improvement is likely to continue through plans to identify a network of green corridors to increase opportunities for sport and leisure activities and plans for a 'Legible City' to help people enjoy the City and find their way around. Social housing within the City is in a good condition. However, availability of affordable housing is a significant issue for Sunderland and reducing homelessness is a top priority for Sunderland. Transport links are good, both by public transport and by road. But the 2008 Place Survey identified a lack of cohesion across different communities.

## About Sunderland

A recent survey shows that in Sunderland 77 per cent of people are satisfied with their immediate local area as a place to live. This is broadly the same as the average for similar areas and lower than the national average of 81 per cent.

Sunderland is the largest city in the North East of England with a population of some 280,500. The BME population is mainly based in the centre of Sunderland and is about 3 per cent of the population. As with many cities, Sunderland has an ageing population. More people are moving out of the City than into it and the population is set to continue to fall by a small amount over the next 20 years.

Sunderland is very diverse urban area. It comprises a city centre based around the mouth of the River Wear but also includes the former new town of Washington and the two former coal-mining towns of Hetton and Houghton. It has an attractive coastline, a port, a University, a sub-regional shopping

centre, a regional theatre and a large amount of open countryside with many parks and nature reserves. Two national highways, the A19 and the A1 (M) run through Sunderland, and it has a direct rail connection to London. The Tyne and Wear Metro rail system and local rail services provide access to international airports - Newcastle and Tees Valley / Durham.

The decline in traditional heavy industries on which the City's economy was founded left behind a legacy of economic uncertainty and social exclusion that remains a lasting challenge. The City has recovered to some extent, largely by developing automotive industries and contact centres and through reclaiming land for new uses. It is now seeking to develop a national and international profile in new industries and technologies like Information Technology, computing, and sustainable energy.

Sunderland is a relatively deprived area, although things have improved. In 2004 it was the 22nd most deprived area in England, and in 2007 this had improved to the 35th most deprived (out of 354).

Whilst progress has been made in regenerating the City, there are still many issues to overcome as consequence of the economic and social changes the City is undergoing. The Sunderland Partnership has determined the following key priorities for the City:

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

Partners have also agreed priority targets with central government within a citywide Local Area Agreement (LAA) and a sub-regional Multi Area Agreement (MAA). The main issues for the area relate to health inequalities, poor life expectancy, low incomes, matching skills to employment opportunities, and the migration of young people out of the area leaving an older population.

## How well do priorities for Sunderland express community needs and aspirations?

The Sunderland Community Strategy sets out a clear long term vision for the City in the year 2025. This is based on a good understanding of needs and priorities of residents. Its five aims describe ambitions for a City that is Prosperous; a Learning City; Healthy; Safe; and Attractive & Inclusive. What is important for local people is captured in a series of local priorities. These are then written into Local Area Plans, and into the Sunderland Partnership's five Delivery Plans for each of their strategic ambitions. These plans reflect the needs of communities in Sunderland and minority groups. The understanding

of those who are difficult to reach is improving through more co-ordinated contact by partners. Through plans for children and young people it is clear that every child matters in Sunderland

There is a good understanding of the inequalities and diversity of local communities and their needs for services over the longer term. A number of ways have been used to talk to local residents, including a resident's annual survey, specific discussions with black and minority ethnic and other minority groups, and a health needs assessment which particularly looked at minority groups and young people's needs. As a result of this conversation, the plans of the Council and partnership pick up the differing needs of local people, and are seeking to reduce the differences in health, jobs, income and crime levels between local areas.

There is a good approach to community engagement with an improving approach to jointly undertaken consultation. The Sunderland Partnership Consultation Group now co-ordinates major engagement by partners. There are seven Independent Advisory Groups (IAGs), represented on the Creating Inclusive Communities (CIC) Group, to raise issues of concern for different groups of people with particular needs. The citizens' panel considers priorities and has influenced strategy and budget decisions. However, despite these efforts to talk to, and understand, local residents, surveys show that they do not feel fully involved in decision making. A low number of local people think they have been involved in decisions - 8 per cent compared to 14 per cent nationally. Only 1 in 4 people think they can influence decisions (26 per cent compared to 29 per cent nationally). Yet a below average proportion of people would like to be more involved in local decisions - 24 per cent compared to 27 per cent nationally.

Capacity within the Sunderland Partnership is generally good and being improved through the Community Leadership Programme. The focus of the Programme is 'making Sunderland work better', stressing the importance of trust, satisfaction and feedback. The Programme has spread from an initial focus on enhancing the role of councillors to the Sunderland Partnership as a whole and its role in delivering the Sunderland Strategy.

It has proved difficult for Voluntary and Community Sector (VCS) groups to contribute significantly to the decision making of the Council and the Partnership. This is partly because most VCS groups are small organisations who do not have enough people to attend lots of meetings. The Partnership is trying to improve this by using the Sunderland Community Network (SCN), which represents 80 to 90 local groups, to develop plans that will help improve the way groups can have their say. Representation on the Sunderland Partnership's Delivery Partnerships from the VCS is being sought. In addition, the Council is seeking Community Network representation on Area Committees to improve opportunities for smaller VCS organisations to engage in area decision making. Development of five Area VCS Networks, aims to provide the voice for the Community Network at a local level.

## Prosperous City

Sunderland has had one of the highest employment growth rates in the country. There is a good record of attracting new businesses and investment to the City. This is likely to continue, helped by an Economic Masterplan that

will provide a comprehensive and integrated plan for the regeneration of the City, due for completion early in 2010.

In the last 10 years 13,900 jobs have been created in Sunderland. This has been possible due to success in creating new jobs in businesses such as car manufacture, contact centres and new technology. Each year around 300 new businesses start in or move to the City, increasing the types of businesses and giving a wider range of jobs. However, Sunderland still has the fifth lowest wage level of UK cities.

The local response to the recession is sustaining and creating jobs. The increase in unemployment in the City arising from the economic downturn has reversed with a fall of 667 people in the three months from June 2009. This compares to the national total continuing to increase. There is significant investment to increase jobs, including £27 million through the Working Neighbourhood Fund to help more people into work, particularly those who are long term unemployed and living in the most deprived neighbourhoods. The Council's Job Linkage initiative is providing, with the voluntary sector and Job Centre Plus, a comprehensive neighbourhood service at 13 local centres. It provides advice and support to people who are looking for work.

The Rainton Bridge Business Park continues to attract major companies, including the relocation of 900 power company jobs. The development of the new Turbine Park Business Park in Washington started in 2009. When complete the Park will create up to 4,000 jobs. The Council and partners are also talking more to key employers during the recession, to ensure they can help safeguard existing jobs.

A major initiative 'Sunderland Software City' (SSC) sees Sunderland emerging as a regional centre for software development industries. The Software City programme is a five year programme, started in 2009, to provide the infrastructure to create and grow software businesses and attract investment. An initial centre has been established at Rainton Bridge and there is £2.9million for the University's SSC education and innovation project to provide support, facilities and services for people wishing to start software businesses.

In the last year regeneration projects have brought almost 1,500 new jobs to Sunderland. Significant projects delivered include the Sunderland Aquatic Centre in Stadium Village providing the only Olympic size pool in the region, and the business and arts centre ThePlace in Sunnyside. Over £113million of private investment has rejuvenated the Sunnyside part of the City, attracting new businesses, homes and leisure facilities. The Council is now tackling the challenge of more effectively integrating these regeneration projects into a refurbished city centre, and green areas such as Mowbray Park and Sunnyside Gardens. People have not seen as much change on major city centre sites as they might have liked, but there is recent positive progress towards developing the Vaux site and Holmeside Triangle in the city centre.

The recession presents a major risk to the pace of delivery of Sunderland's plans to provide more new homes that will encourage people to continue living locally. Despite the recession, the net (i.e. houses built less houses demolished) number of homes created in 2008/09 did increase to 299 from 186 in 2007/08. Large numbers of newly built houses are required over the next few years to meet demand and replace the high numbers of properties

demolished since 2004. The Council and partners have begun to address these problems, and plans have been developed for identified areas for development. This includes supporting Gento to provide a range of housing over the next 18 months through £40 million funding from the Government's 'Kickstart' scheme.

Child poverty is reducing faster than in other areas, but remains high. Fifty one per cent of children in Sunderland are within the Government definition of 'poverty' compared to 44% in the North East and 42% in England. The Working Neighbourhoods Fund is a key part of the plan to move families out of poverty through increasing chances for getting jobs.

The five Councils in Tyne and Wear, with Durham and Northumberland County Councils, recognise that certain issues like better skills and transport are best dealt with together, rather than in separate local areas. There is progress to deliver government policy but still a need to tackle more local issues such as improving skills for local employment opportunities. This work has begun, with the Councils developing a joint understanding of skills needed. This helps individual Councils provide the right learning and employment support services to people in their area. Improved working together resulted in a successful Future Jobs Funds bid for all Tyne and Wear to increase skills and keep people in employment. Transport arrangements at City region level, and through a new Integrated Transport Authority (ITA), have yet to fully realise the benefits of changes in Transport legislation. An Economic Review, to be completed by 2010, will provide a clearer way forward for joint working on transport and skills. It will also provide a clearer picture of housing need linked to where people work and how people travel to work. We shall look next year at whether actions are delivering improvements.

There are strong international relationships to develop economic, educational and cultural links. The University leads on the International Strategy. Examples of good city partnerships include the recent China visit with the Council, industry and education strongly represented; twinning with Washington; and the annual Irish Festival built on the University's cultural festival. Events such as the annual International Airshow and the current football World Cup bid all help to raise the profile of Sunderland. Proposals for a new bridge across the Wear have also helped to promote the City.

## Learning City

The Sunderland Learning Partnership is helping to improve skills in the City. Clear plans are in place for it to continue to deliver improved outcomes. The shared sixth form model is an effective way of helping children and young people to take part in education and learning. A new school at Washington, and three new academies opened in September 2009. Sunderland College's 'Business Solutions' helps employers by delivering training in the workplace to improve employee skills. The University works with businesses operating in the area, particularly to assist development of new business ideas.

One in eight young people in Sunderland are not in employment, education or training. This is well above national and local averages and a top priority for the area. A recent comprehensive needs analysis has identified the preferred



destination and qualifications for every young person in Sunderland not in employment, education or training. Targeted work with vulnerable groups including young people leaving care and young offenders has increased the number from these groups in employment, education or training to well above national averages. Good links between schools, colleges and employers are increasing the chances for young people to acquire skills. This includes, in 2008, two new 'Sunderland Futures' applied learning centres for 14 -16 young people to be trained with links to employers. There is also the opportunity for all 14 new diplomas and a wide range of courses provided by the sixth form colleges and Sunderland College to be studied. We shall look next year at whether these actions are reducing the numbers not in employment, education or training.

Eleven-year old children now achieve at a similar rate to the national average. However, at 70 per cent achieving Level 4 in both English and Maths Key Stage 2 at the end of primary school they remain 3 per cent below those of similar authorities. Results for 16-year old young people are also improving with 43 per cent of young people achieving five or more A\*-C grades at GCSE including English and Maths. Achievement is now matching that of similar areas although still being about 4 per cent below national average figures.

There is good information, advice and guidance to enable young people to access relevant learning opportunities. More young people from low income backgrounds progress into higher education through a good range of 'Aim Higher' activities. Young people from minority ethnic groups do as well as others in getting employment, education and training.

Care leavers have good access to suitable accommodation and this enables them to engage in employment, education and training. Achievement of Level 2 qualifications - like GCSEs - by the time people are 19 years old matches the national figure. However, figures are below average for the achievement of Level 3 qualifications - like A levels. Sunderland uses a good range of schemes to encourage young people who are looked after into work.

Through the Family Learning, Literature and Numeracy (FLLN) Programmes, people are able to further develop their skills in literacy, numeracy and personal development. Help to all adults who take part in the Adult Learning Programme ranges from crèche facilities, childcare, providing equipment or software such as IT packages to help those with dyslexia. Sunderland College helps improve peoples' basic skills by a 'Test the City' programme, which has enabled more than 6,000 people to gain a Maths or English qualification and attracted 2,500 'Skills for life' enrolments per year.

## Healthy City

Health and deprivation in Sunderland are worse than the national averages. But there is a good understanding of the health, social care and wellbeing needs of the population. Easier access to treatment is reducing some health inequalities and this is likely to continue. In March 2008, in recognition of good work, Sunderland City Council and partners were announced as a Beacon Authority for 'Reducing Health Inequalities'. However, not all plans are yet completed, limiting the opportunity for partners to help in improving health.

On average, Sunderland residents have shorter lives and die earlier than the country as a whole. Deaths from smoking and early deaths from cancer, heart disease and stroke are all worse than national averages. Action to improve health has been underway for a number of years, and overall death rates in the last 10 years have reduced. More is being done to encourage men in particular to have health checks. This includes a Health Programme pilot involving 1,000 staff at Sunderland and Gateshead councils, focussed on men in lower paid jobs. However, some key targets are not being met, such as reducing death rates for men to nearer the national average; reducing the teenage pregnancy rate; and smoking rates, particularly smoking during pregnancy. We shall look next year at the impact of programmes to improve health, reduce teenage pregnancy and reduce smoking and alcohol related issues.

Teenage pregnancy is not reducing significantly in Sunderland. In the last year the rate has increased to 57.3 per 1,000 females aged 15-17. Partners are taking co-ordinated action, targeted at specific areas and groups, including the expansion of the Healthy Schools Programme to Colleges.

There is increased effort to support people to stop smoking. In Sunderland 1,321 residents are on the 'quit smoking' programme, more than last year. Targeted work is aimed at routine and manual workers and the Healthy Schools and Smoke Free programmes help to reduce the number of young people starting to smoke. Increased action is also reducing the supply of cheap illegal tobacco and under-age sales. The Local Tobacco Alliance has reformed looking to identify how partners can contribute to the number of people quitting.

Death rates from alcohol related causes in Sunderland are higher than those for the North East as a whole. The number of people dying from chronic liver disease is increasing. Hospital treatment for alcohol-related conditions is a major issue. Alcohol harm-related hospital admissions increased to 2,379 per 100,000 of population in 2008. There is significant investment to tackle alcohol issues in Sunderland, through the Alcohol Strategy.

Access to local primary health care is easier. There is now a network of primary care centres such as the Bunny Hill Centre. There are more local 'weight management' services and 74 per cent of Sunderland GP Practices signed up to the delivery of vascular checks for patients in their practices. The City Council and Teaching Primary Care Trust have created a comprehensive city-wide Wellness Service to improve lifestyles and encourage physical activity. The Community Wellness Programme allows easier access to facilities and equipment at a local level. Exercise Referral and Weight management programmes are now available in local neighbourhoods. Between April 2007 and March 2008 there were more than 300,000 attendances at Wellness Centres by people over the age of 16 - twice the target number. However, the impact on improved health is not yet clear.

It is easier to take part in sport and leisure activities. There are a number of city programmes and projects which involve various partners and are designed to allow sport and leisure in local neighbourhoods.

Provision for children's health is mixed. Obesity in children of primary school age (11-year olds) in 2008/09 was 21 per cent in Sunderland compared to the national average of 18 per cent. The Council, schools and other partners are

tackling obesity levels through the Healthy Schools Programme. During the past two years, 99 schools and 30,000 children have been involved in the Sunderland Food in Schools Programme, which focuses on teaching youngsters the benefits of healthy eating and how to prepare and cook simple balanced meals. There are a good number of children taking school lunches in primary schools. Services to help the mental health of children and young people are good.

Care services for adults are good. They have improved significantly in recent years to provide more support to those living in their own homes and in preparation for an increasingly older population. For example, the Telecare service has expanded with an alarm response time of 20 minutes and a wider range of Tele-care enabled equipment including support for older people with complex conditions. The first 40 of 170 Extra Care units over the next two years opened in Silksworth in March 2009. This is a form of sheltered accommodation with personal care. Around average 83 per cent of people aged 65 or over are satisfied with both their home and their neighbourhood and 36 per cent think older people get the help and support they need (above average). Patient surveys for the Primary Care Trust and the Mental Health Trust are also positive about the services provided.

## Safe City

Overall crime in Sunderland is lower than similar areas in England and Wales and the gap between actual crime rates and perceptions of crime is now closing. There are positive outcomes from a range of targeted work including drug treatment programmes, a safer homes programme improving security for victims of crime, youth engagement projects and parenting initiatives. Strong partnership working and good use of intelligence for clear plans should ensure that these improvements continue.

In 2008/09 recorded crime was down three per cent from the previous year. There have been reductions in every main recorded crime activity. Overall crime, racially or religiously aggravated crime, robbery, vehicle crime, violent crime, sexual offences and criminal damage are all below average when compared to similar areas. Sunderland had the lowest level of serious acquisitive crime - which means burglaries, theft, robbery and car crime - compared to fifteen similar areas.

People are feeling safer in Sunderland. The partnership works hard to tell people how it is making the City safer. Twenty-five plasma TV screens in community venues around the City are used to provide information to residents. Eighty-one per cent of residents generally feel safe in Sunderland. A 2008 survey shows reductions in perception of Anti Social Behaviour (ASB), drink and drug related behaviour, though all are still above average. Perceptions of ASB as a problem have fallen from 51 per cent in 2003 to 23 per cent in 2008, though this is above national and North East averages and the highest of the five Tyne & Wear areas.

Re-offending by young people in Sunderland is lower than similar areas. Youth crime in Sunderland has fallen by 6 per cent in the last year. There has also been a reduction of 18.3 per cent in the rate of re-offences when comparing offending over a 12 month period for young people in 2008 compared to 2005. The Youth Offending Service works well and there are a number of

schemes that provide good support and as a result fewer young people receive a custodial sentence. This includes 120 places on the Fire and Rescue Service Phoenix Project helping young people back into employment. Young offenders in employment, education or training increased from 76 per cent in 2004 to 91 per cent in 2009, well above the national average. In recognition of good work Sunderland City Council and partners were announced as a Beacon Authority for 'Reducing Re-offending' in March 2008.

The Drug Interventions Programme (DIP) has, since Jan 2005, seen an overall reduction in drug related re-offending. In the last year there was a 3 per cent reduction. There are however issues of substance misuse by young people. Sunderland has seen a decrease in Class A drug use by young people but an increase in alcohol and cannabis use. These two account for 93 per cent of those in treatment. The use of neutral venues and times convenient to young people has made it easier for treatment services to get in touch with young people with drug problems.

Safe City initiatives improve people's quality of life by reducing crime and the fear of crime. The Safer Homes Initiative offers improved home security to victims and those at high risk of house burglary, hate crime and domestic violence. In Hendon, investment resulted in a significant reduction in crime and fear of crime through actions such as providing a better environment including better street lights. There is targeted work in communities experiencing high levels of crime such as 'Not in My Neighbourhood Week' and Local Multi Agency Problem Solving Groups (LMAPS) addressing local problems.

Sunderland's balanced approach to tackling Anti Social Behaviour (ASB) through prevention, early intervention, enforcement and support has resulted in improved behaviour and attendance in schools and strengthening communities. For example, a successful 'Youth Village' pilot with 856 young people attending events resulted in a substantial reduction in ASB and a 34 per cent reduction in crime in the pilot area. These types of initiatives have contributed towards the 28 per cent improvement in perceptions of ASB since 2003.

Levels of domestic violence in the City remain high, but are reducing. There is a 24 hour helpline and specialist support workers available and the first domestic violence perpetrators hostel is due to open shortly and will be the first of its kind nationally. In the meantime, hostel staff have been working on an outreach basis. A specialist domestic violence court was introduced in October 2008. The court sits every Tuesday afternoon with trained magistrates presiding over cases. As well as successful prosecutions the court aims to reduce repeat victimisation.

Safeguarding children is a high priority in the area. Families receive timely support to prevent young people entering the care system. When referrals are made to social care, assessments are conducted promptly. However, recent data indicates a higher number of children have been subject to a second child protection plan and there are also some difficulties in completing assessments on time. Looked after children are in stable placements and their reviews are held within the required timescale. Most are placed close to their families and friends.

Alcohol related crime rates are higher than the North East average but lower than England. Sunderland is estimated to be the eighth worst area in England

for binge drinking. Initiatives to reduce alcohol related crime include work with Licensees to use polycarbonate 'glasses' and deployment of security staff to reduce taxi rank assaults. There is a new Alcohol Strategy being developed by the Safer Sunderland Partnership and significant NHS investment in alcohol treatment services. This includes Alcohol Treatment programmes targeted towards violent offenders with alcohol misuse issues. Since starting, in July 2009, 24 individuals have started the programme.

## Attractive and Inclusive City

Sunderland's local environment is currently ranked joint third best of the UK's 20 largest cities. Sunderland's streets and green space are well maintained. Improvement is likely to continue through plans to identify a network of green corridors to increase opportunities for sport and leisure activities and for 'Legible City' to improve information and help people enjoy the City and find their way around.

Sunderland is clean and well kept with good levels of open green space including well maintained parks. Roker Beach was again awarded a 'Blue Flag' for cleanliness in 2009. However, people have mixed views about the areas they live in. Overall satisfaction with the local area is up to 76.8 per cent and satisfaction with cleanliness improved to 54.4 per cent in 2008 surveys, but both these figures remain slightly below average. Parks and open spaces satisfaction - at 63.3 per cent - is in line with the North East average, although below the national average.

There is good work in Sunderland to reduce partners' impact on the environment. There are positive comparisons with other areas regarding the consumption of natural resources. Sunderland has the 8th lowest per capita consumption of natural resources of all UK cities. Sunderland Council is recognised by the Carbon Trust as a national leader in managing carbon emissions. This coupled with work on climate change, recently won a national Sustainable Communities Award 2009 for 'Tackling Climate Change'. Waste going to landfill sites has reduced and the Joint Waste Partnership between Sunderland, South Tyneside and Gateshead is to use new waste handling facilities to further reduce waste to landfill.

Improvements to cultural and leisure facilities are increasing usage and satisfaction. Examples of current developments include the Barnes Park regeneration and two new pools at Hetton and Silksworth. In the first three months of the 'Letsgo Card' it provided the opportunity for over 1,500 young people from low income families to attend a range of activities such as sport, music, cinema and dance. Satisfaction with sport and leisure facilities, libraries, museum/galleries and theatres/concert halls are all above national and North East averages. There are plans to build on the success of concerts held at the Stadium of Light during 2009 and Sunderland has bid to be a World Cup Host City in 2018.

Social housing within the City is in a good condition. 99.4% of properties owned by registered social landlords in the area meet the government's Decent Homes Standard. Tenants and their families live in dwellings that are of a good standard with consequent benefits to their health and well being.

Availability of affordable housing is a significant issue for Sunderland. During 2008/09 230 affordable new homes have been provided. The 299 additional homes built during 2008/09 is an improvement on the previous year's figure of 186 additional homes. The Council and partners have begun to address these problems, and plans have been developed for identified areas for development. This includes supporting Gentoo to provide a range of housing over the next 18 months through £40 million funding from the Government's 'Kickstart' scheme.

Reducing homelessness is a top priority for Sunderland. There is a particular focus on prevention and looking to reduce the numbers of people who are repeatedly homeless. This is decreasing through more support including increased home visits. The number of homeless has reduced from 634 down to 217 in 2008/09 and the early prevention number is up from 378 to 673.

Transport links are good, both by public transport and by road. There are good, well maintained road connections to the major road network, a frequent Metro train service to Newcastle, a regular train service to London and two nearby airports. There are high levels of satisfaction with public transport in Sunderland: 62 per cent with local bus services and 55 per cent with local transport information, both well above averages.

The 2008 Place Survey identified a lack of cohesion across different communities. Above average 64.6 per cent of people feel that they belong to their neighbourhood. But 67.2 per cent of people - which is below average - agree that their local area is a place where people from different backgrounds get on. A well above average (39 per cent) number of people think there is a problem with people not treating each other with respect. A successful pilot project in Hendon which reduced racial tensions and improved community cohesion is being rolled out across the city. There is more contact with young people and increased local area working helping to identify local issues and bring local communities together. There is however limited work in schools relating to community cohesion, though all schools in Sunderland provide a good range of out of school activities for children, young people and families.

People are able to easily access computers in the City. Sunderland was one of four areas to win Beacon Status for 'digital inclusion' in March 2009 for initiatives improving quality of life, economic well-being and social cohesion in the most deprived communities. 'Digital Challenge' is a successful programme of community engagement, awareness raising and capacity building projects. The 24 community led projects include e-mentoring events, the 'Hexagon' community network for sharing information, an equipment loan scheme and Community Health Information Points (CHIP).

The 'e-neighbourhood programme' has increased computer usage in many communities and developed the skills and knowledge of the hardest to reach groups. The programme has three strands and has trained 1,100 residents in computer use. A valuable element of the service is e-mentoring available for vulnerable children, linked to skills improvement. Over 200 'E-champions' from within communities provide the link to contact and assist groups normally difficult to involve. A network of 31 'Community Electronic Village Halls', many in previously under-used church halls, provide access to 250 personal computers to overcome financial restrictions in deprived areas. This has increased opportunities to access education, employment and healthcare.

There are now 18 'Community Websites' developed by community groups in some of the most deprived areas of Sunderland. These include the Coalfield Forum, North East Refugee Service, North East Regional Alcohol Forum and Youth Net developed by pupils at Hetton School. As part of the Digital Challenge programme research by the University will measure the impact of digital inclusion initiatives in Sunderland over the next three years.

CAA looks at how well local public services, working together, are meeting the needs of the people they serve. It's a joint assessment made by a group of independent watchdogs about the performance of local public services, and how likely they are to meet local priorities. From 9 December you will find the results of Comprehensive Area Assessment on the Oneplace website - <http://oneplace.direct.gov.uk/>



for an independent overview  
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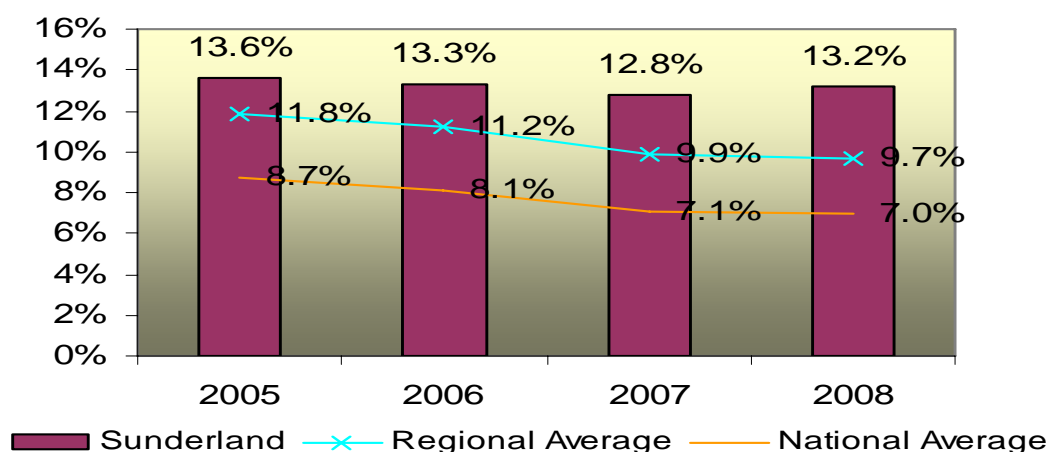
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## Appendix 2 - Ongoing activity to address areas for improvement

To reduce the number of young people in Sunderland that are not in employment, education or training (i.e. NEETs) from the current levels of one in eight young people

**NI117 16 to 18 year olds who are not in education, employment or training  
NEET**



Year	Sunderland	LAA Target	Regional Average	Gap	National Average	Gap
2005	13.6%	n/a	11.8%	1.8%	8.7%	4.9%
2006	13.3%	n/a	11.2%	2.1%	8.1%	5.2%
2007	12.8%	n/a	9.9%	2.9%	7.1%	5.7%
2008	13.2%	10.8%	9.7%	3.5%	7.0%	6.2%
2009	10.7%	9.5%	n/a	n/a	n/a	n/a

As at end of November 2009, 10.7% of the 16-18 cohort were not in education, employment or training (NEET). The number of young people NEET in Sunderland is considerably higher than both regional (9.7%) and national (7%) averages. Performance is currently not on schedule to meet the 2009/10 target of 9.5%, however revision of working practices within Connexions Sunderland has resulted in a 2.7 percentage point reduction on same time last year.

### Improvement Activity

- Young people have access to the fullest range of learning and support. Through the Youth Offending Service the Resettlement and Aftercare Programme will engage young people into substance misuse services, the New Direction Scheme will engage long-term unemployed in training and work with custodial settings ensures employment and training programmes are in place.
- Concentrate on NEET programmes with high drop out rates/low rates of progression

- The NEET action plan is currently being refreshed as a consequence of the recent Turning the Curve event and embedded into the 14-19 Strategy and the LAA delivery plan to ensure a consistent approach across the relevant partnership groups.
- Implement multi agency packages to support 'at risk' young people.
- Improve transition from pre to post 16 provision.
- Implement full data sharing/tracking system for all partners.
- Develop Intermediate Labour Market Programme
- Identify skill shortages/gaps in provision.
- Implement a 'clearing house' system where providers get together to coordinate placements for those young people currently NEET
- Develop personalised programmes
- Increase take up of apprenticeships with partners

**To meet some key targets around health inequalities, which are not being met, such as reducing death rates for men to nearer the national average; reducing the teenage pregnancy rate; and smoking rates, particularly smoking during pregnancy**

The Health Inequalities National Support Team (HINST) have been tasked to focus a range of support activity on a smaller number of Spearhead communities who were together responsible for a disproportionate percentage of the gap between the Spearhead group as a whole, and the national average. A group of 13 communities, of which Sunderland is one, has now been arrived at, subsequently known as the 'Baker's Dozen', which together make up nearly 40% of the mortality gaps, for men and for women. It should be stressed that the selection has been made purely on the basis of size of contribution to the national gap, and is not a statement of 'poor performance' in any way. At the centre of the Enhanced Support Programme to these communities will be a Priority Action List which will drive forward the Enhanced Support Programme based upon it will take a number of forms:

- **A Stocktake process** will be developed, which will be used to carry out a risk assessment, initially for the Baker's Dozen, of where they stand in relation to each of the Priority Actions.
- **Masterclasses.** From the Priority Action List, a range of common 'barrier' issues have been established. These will involve activities where many Communities are struggling to make progress, but where there are examples of good and successful solutions. For each of these areas of work HINST, in conjunction with other National Support Teams and Policy colleagues will pull together a Masterclass. A small team from each of the Baker's Dozen has been invited to each of these events, which will allow detailed and informal dialogue with those who have been practically involved in successful delivery.
- **Toolkits.** From the Priority Action List, a range of topics have been identified where a toolkit would potentially enable Spearhead communities to move forward further, faster. Some of these exist already, and will be 'kite-marked' as suitable. Others will be rapidly drawn together, and piloted initially with the Baker's Dozen.
- **Handbook.** The Priority Action List will be used as a framework on which to hang examples of illustrative good practice, where this already exists.

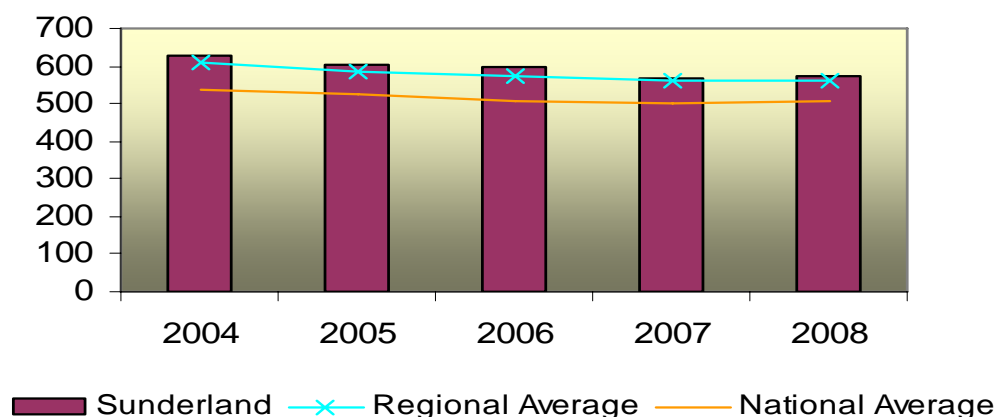
- **Dissemination Events.** Although focus of direct support will be the Baker's Dozen, the products of the Enhanced Support Programme will be disseminated to all Spearheads. A series of 5 dissemination events will be set up across the country in the New Year, with representative teams invited from all Spearhead communities. These will provide exposure and training in relation to:
  - The Stock take process
  - The products of Masterclasses
  - The range of toolkits
  - The illustrative handbook
- **Tailored Support:** HINST will arrange a series of formalised visits to each of the Baker's Dozen to fit with the cycle of development planning for 2010/11. This will provide an opportunity to discuss the Stocktake findings, and consider what components of an enhanced support programme would be appropriate in order to address any gaps in delivery.

In addition to national support the members of the Health and Wellbeing Scrutiny Committee are also undertaking a Policy Review during 2009/10 around tackling health inequalities with particular focus on the variances between wards in Sunderland. Ongoing progress reports are provided to Scrutiny Committee and the recommendations arising from the review will support improvement at a local level and embed national good practice in communities.

A consultation exercise has also been undertaken with the Council citizen panel, Community Spirit to establish members views on a range of health issues including; how informed they feel in relation to availability of health related services, what hinders them in terms of eating healthily, being physically active, drinking in moderation and giving up smoking and what would encourage them to increase health related activity and get more involved in shaping and developing health related services in their local area. An action plan is currently being developed that will also inform the Scrutiny Committee Policy Review.

In relation to health outcomes progress in relation to key performance targets is as follows:

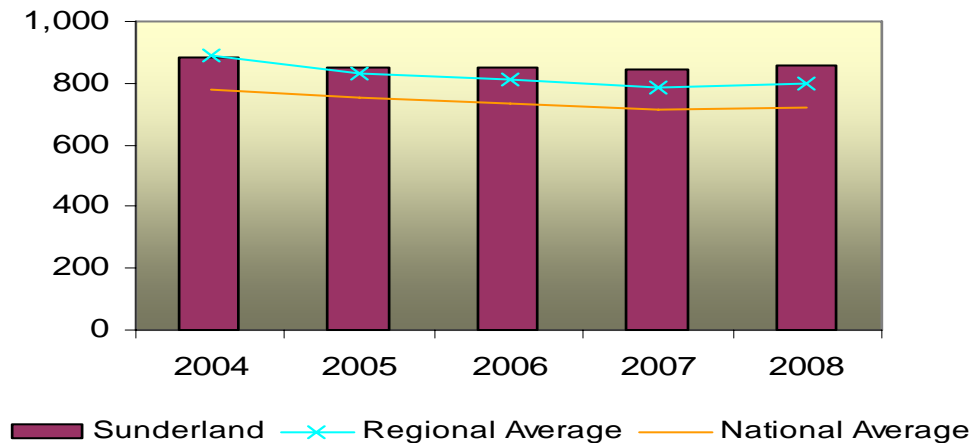
#### NI120a All-age all cause mortality rate (females) per 100,000 population



Year	Sunderland	LAA Target	Regional Average	Gap	National Average	Gap
2004	626	n/a	610	16	539	87
2005	605	n/a	588	17	524	81
2006	598	n/a	575	23	508	90
2007	566	n/a	561	5	500	66
2008	573	562	563	10	509	64
2009	n/a	546	n/a	n/a	n/a	n/a

As at end of 2008, the mortality rate for females was 573 per 100,000 population considerably higher than both regional (563) and national (509) averages. Performance is currently not on schedule to meet the 2009/10 target of 546 per 100,000, however the gap between Sunderland and the national rate is reducing.

### NI120b All-age all cause mortality rate (males) per 100,000 population



Year	Sunderland	LAA Target	Regional Average	Gap	National Average	Gap
2004	885	n/a	888	-3	778	107
2005	850	n/a	832	18	756	94
2006	853	n/a	809	44	736	117
2007	842	n/a	786	56	713	129
2008	858	777	798	60	722	136
2009	n/a	748	n/a	n/a	n/a	n/a

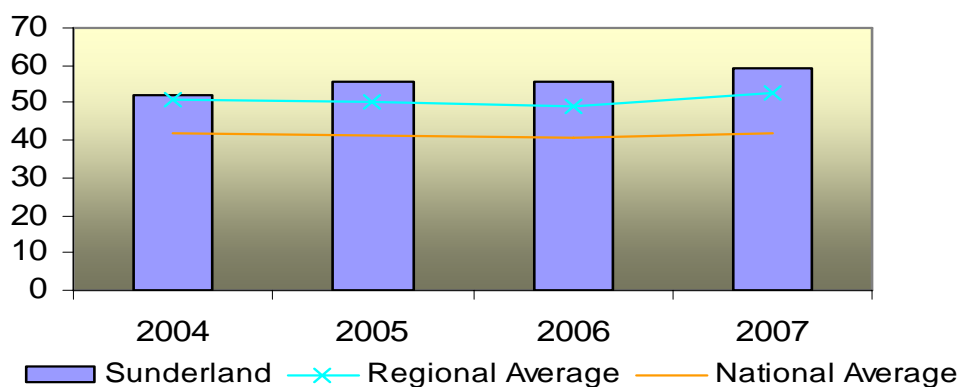
As at end of 2008, the mortality rate for males was 858 per 100,000 population considerably higher than both regional (798) and national (722) averages. Performance is currently not on schedule to meet the 2009/10 target of 748 per 100,000, and the gap between Sunderland and the national rate is increasing.

### Improvement Activity

Progress has been made in commissioning of a comprehensive range of services to increase the life expectancy across Sunderland. These include a vascular checks programme ahead of the national programme (74% of Sunderland GP Practices signed up to the delivery of vascular checks for patients in their practices), stop smoking services, weight management services and alcohol services. Good

progress has been made in 2008/2009. The challenge has been the scale and number of services requiring new commissioning arrangements e.g. 45 contracts for weight management services. In addition comprehensive qualitative research has been carried out with local people to understand what they want from the vascular checks service and how they want it delivered. This included focus groups with men and members of the BME community who are least likely to access GP services. A pilot is being set up with Sunderland City Council Occupational Health Department to offer vascular checks to staff commencing in 2009. A comprehensive pathway for weight management has also been developed with substantial investment. This includes community level interventions up to bariatric surgery.

### NI112 Under 18 conception rate per 1000 females



Year	Sunderland	LAA target	Regional Average	Gap	National Average	Gap
2004	51.9	n/a	50.8	1.1	41.6	10.3
2005	55.9	n/a	50.0	5.9	41.3	14.6
2006	55.5	n/a	48.8	6.7	40.6	14.9
2007	59.3	n/a	52.9	6.4	41.7	17.6
2008	n/a	38.81	n/a	n/a	n/a	n/a

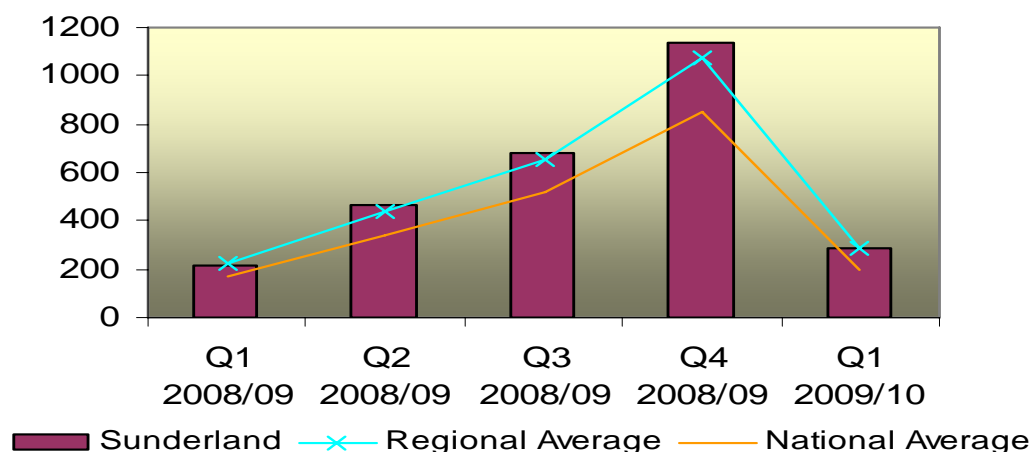
Under 18 conception data is released quarterly and the latest data available is based on a rolling 12 month period to June 2008. Over the previous 12 months the rate has continued to decrease. At the end of 2007, the rate in Sunderland was 59.3 per 1000 females, decreasing to 54.5 for the latest 12 months to June 2008. March and June 2008 quarterly figures are the lowest since 2006. Although Sunderland remains above both north east and national averages, the rate of improvement is stronger in Sunderland over the last 12 months, reducing from 59.3 to 54.5, compared to 41.8 to 41.4 nationally and 53 to 50.6 in the north east. The actual numbers of under 18 conceptions for the latest 12 months are 303 (July07 to June 08) compared to 321 for July06 to June 07. The LAA indicator is based on the rate of reduction from the 1998 baseline; in Sunderland the rate has reduced by 13.6% since 1998 compared to 11.2% nationally (at June 2008), although this is considerably short of the challenging LAA target of 46% reduction by 2010.

## Improvement activity

In addition to a minimum core offer available to all children, young people and families in the strategy delivered within each locality area there will be specific targeted support in relation to both geographic communities and specific groups of children young people and their families including:

- those from marginalised and disadvantaged communities including some black and minority ethnic groups
- those who have ever been looked after by the local authority, fostered or homeless or have moved frequently (LAC and care leavers)
- those with low educational achievement
- those who disengage with education
- those not in education employment or training
- those from disadvantaged areas
- those with emotional and mental health needs
- targeting of teenage pregnancy “hotspot” wards

### NI123 Smoking quitters per 100,000 population



Year	Sunderland	LAA target	Regional Average	Gap	National Average	Gap
Q1 2008/09	217	n/a	223	-6	167	50
Q2 2008/09	466	n/a	435	31	340	126
Q3 2008/09	685	n/a	652	33	521	164
Q4 2008/09	1134	1337	1077	57	853	281
Q1 2009/10	283	1437	284	-1	201	82

As at end of June 2009, the rate of smoking quitters per 100,000 population was 283 improving from 217 in relation to the same period 2008/09. Rates are considerably higher than the national averages which is 201 per 100,000 population and in line with the regional average of 284. Although performance is improving it is currently not on schedule to meet the challenging target of 1437 for 2009/10.

### ***Improvement activity***

The TPCT has increased level of investment into Stop Smoking Services also increasing the number of intermediate advisers across Sunderland who can deliver NHS Stop Smoking Services. The local tobacco alliance has re-formed and is identifying how partners can contribute to the number of quitters e.g. Wellness, University, Back on the Map. A major marketing and media campaign was launched in November 2008 and third sector organisations are being commissioned to deliver brief intervention training. An approach is currently being developed in relation to embedding stop smoking services and initiatives into area level arrangements. In addition trading standards are very proactive with regard to illicit regulatory activity

### **To continue to address child poverty, which is reducing faster than in other areas but remains high**

In relation to child poverty 51% of children live in low income families compared to 44% in the North East and 42% nationally. Out of a total of 25,074 households with children:

- 36% live in relative poverty (below 60% of median income before housing costs) and of these 60% are lone parent families,
- 19% live in absolute poverty (income less than £867 per month) and of these 70% are lone parent families

### ***Improvement activity***

There are four key objectives linked to improving outcomes to reduce child poverty in Sunderland which focus on:

- A. Targeting education, health and family support services
  - reducing the attainment gap
  - targeting child and family service to families most in need
  - improving parenting and life skills across the city
  - reducing health inequalities
  - reducing teenage conceptions
- B. Removing the barriers to employment and increasing the numbers in work
  - Identifying the particular needs of lone parents to offer additional support
  - Putting in place a targeted approach to reduce the number of young people not in education employment or training (NEET)
  - Engaging the hardest to reach young people
  - Increasing the number of jobs in the public sector / key partners targeting families in poverty
- C. Improving financial inclusion in the city and maximise family income
  - Developing a Financial Inclusion Strategy for the city
  - Maximising the take up of benefits

- Increasing the take up of free school meals
- Improving debt management skills
- Supporting the newly unemployed
- Support the development of credit unions

D. Raising aspirations and tackling poverty of place in order to break the cycle of poverty

- Raising awareness and actively engaging communities in child poverty through social marketing
- Improving community capacity in targeted communities
- Improving the environment in our most deprived areas

A Child Poverty Strategy has been developed to establish these objectives and an action plan is being developed to establish key milestones and accountability

## **To address the issue of affordable housing in Sunderland, through the Implementation of developed plans**

### **NI 154 Net additional homes provided**

The number of net additional homes provided is as follows:

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
Net additional homes	186	299	185 (April to Sept)
Target	n/a	260	90

The LAA target has been met and performance has exceeded the 2009/10 target at the six month stage of the year.

### **NI 155 Affordable homes**

The number of affordable homes built in the city is as follows:

- 2004/05 120
- 2005/06 90
- 2006/07 210
- 2007/08 70

In relation to 2007/08 benchmarks the:

- Average = 110 homes built
- Highest 25% performing partnerships = 222 homes built
- Lowest 25% performing partnerships = 50 homes built



## ***Improvement activity***

In line with the Government's Housing Pledge, (which aims to assist developers develop), we have increased activities to ensure that funding from the Government's housing pledge is secured for developments in Sunderland, and that affordable housing is developed in the City. So far we have:

- Increased liaison with Housing Associations, regards the housing that are wished to develop,
- Increased dialogue with the HCA, and outlined what our housing priorities are via a strategic process,
- Stepped up the development of the affordable housing policy, which we hope to have drafted by March 2010.
- Considered options for the development of a Local Housing Company, which will facilitate the development of much affordable housing.

Current developments include:

- Extra Care Housing development at the Racecourse Estate in Houghton will be developed in partnership with Gentoo and includes extra care accommodation providing 47 two bedroom mixed tenure properties (40 apartments and 7 bungalows), for independent living with access to tailored care and support if required, and communal facilities.
- Implementation of the Easington Lane Development Framework
- Extra Care Housing development at Silksworth developed in partnership with Housing 21 providing 40 two bedroom mixed tenure apartments for independent living, with access to tailored care and support, if required.
- Extra Care Housing development at Columbia, Washington, providing 39 two bedroom mixed tenure apartments for independent living
- Developed in partnership with Housing 21, Extra Care Housing development at Hetton, providing 48 two bedroom mixed tenure apartments for independent living
- Central area developments include:
  - Stadium Village Masterplan
  - St Peters Riverside Masterplan
  - Farringdon Row Interim Masterplan
  - Holmeside Triangle

To supplement current activity in terms of building affordable homes the Sustainable Communities Scrutiny Committee is undertaking a Policy Review to investigate current practices and policies across the city in relation to the way in which people access housing in Sunderland and suggest ways in which improvements could be made. The key driver for the review is looking at how people access the housing that we already have, focussing mainly on social housing, and ensuring that access to it is as clear and equitable as it can be so that the best outcomes for customers are achieved. The key terms of reference are:

- To provide a national and local context to the availability of housing in the City;
- To consider the current ways by which people access social housing in the City;

- To identify and highlight the issues relating to how people access housing in the City;
- To look at what services are available to support people to access housing;
- To investigate how the Council and its partners work together;
- To look at the potential impact of Choice Based Lettings on how people access housing;
- To ensure that a single route in to housing is attained so that improved customer outcomes are achieved;
- To consider examples of best practice and innovative provision from local authorities and other key stakeholders across the country in relation to access to housing.

Progress will be reported to Sustainable Communities Scrutiny Committee throughout the course of the review and Policy Review recommendations will strengthen shorter term support mechanisms to improve access to housing.

### **To ensure that City Region actions deliver improved actions in relation to transport and skills.**

An Economic Review of the Tyne and Wear City Region is currently underway, due for completion in June 2010, and will provide the evidence base for the development of a City Region Strategy. The on-going evaluation of the Multi Area Agreement will inform discussions on how to deliver the strategy.

The Tyne and Wear employer led Employment and Skills Board (ESB) has commissioned the preparation of an Employment and Skills Action Plan, which will align with the City Region Economic Review.

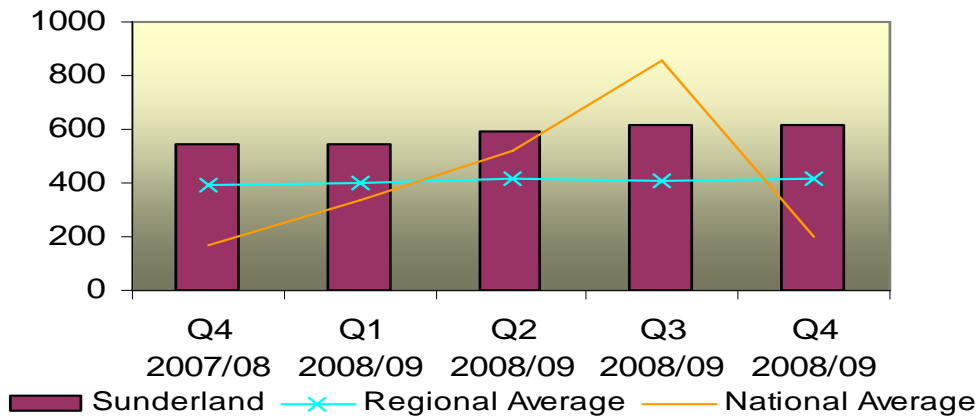
The City Region is preparing the ESB to be assessed by UKCES in June 2010 to become a statutory ESB with Section 4 powers.

Discussions on proposals for City Region transport governance are reaching conclusion and will be discussed by the City Region Executive Board on 22 January 2010.

Under 'Delivering a Sustainable Transport System' (DaSTS: DfT, November 2008) a study brief has been prepared - Tyne and Wear City Region: Connectivity and Accessibility - and will be assessed by DfT in early 2010.

**To ensure the Alcohol Strategy delivers the planned outcomes, particularly in relation to alcohol related hospital admissions**

**NI39 Hospital admissions for alcohol related harm per 100,000 population**



Year	Sunderland	LAA target	Regional Average	Gap	National Average	Gap
Q4 2007/08	545	533	545	0	394	151
Q1 2008/09	544	533	557	13	403	141
Q2 2008/09	596	533	576	20	413	183
Q3 2008/09	616	533	568	48	408	208
Q4 2008/09	618	551.75	580	38	416	202

In relation to quarter 4 2008/2009, the rate of alcohol admissions per 100,000 population was 618 increasing considerably from 545 in relation to the same period 2007/08 due to increased investment in alcohol treatment services. Rates are considerably higher than both regional (580) and national (416) averages

***Improvement activity***

Increased investment has resulted in expansion (currently underway) at all tiers of the treatment system (both specialist and non-specialist). Implementation of the Cardiff Model is underway following the regional conference in September (supporting the reduction of alcohol-related violence). Alcohol hospital liaison project to be enhanced via the provision of specialist nurse and further Brief Intervention workers within the hospital.

Implementation of Local and Directed Enhanced Services for GPs currently underway which is provision of brief interventions and further specialised treatment), though delayed for further consultation with clinicians and potential alignment with others.

New alcohol services that are being commissioned include:

- Enhancement of Tier 1 and 2 provision. Widen the scope of delivery of screening and brief interventions to ensure that interventions can be offered to 20% of the estimated Hazardous drinking population annually (approx. 4930)

- Enhancement of Tier 3 and 4 provision. Expand tier 3 services to provide treatment for 20% of the estimated Harmful drinking population annually (approx. 1242)
- Expansion of tier 3 and 4 services to provide treatment for 205 of the estimated Moderate and Severe Dependent Drinking populations annually (approx. 150)
- Reduction of alcohol use in young people

Total Place is a new initiative that looks at how a 'whole area' approach to public services can lead to better services at less cost. It seeks to identify and avoid overlap and duplication between organisations – delivering a step change in both service improvement and efficiency at the local level, as well as across Whitehall. There are 13 pilot areas participating in the scheme, each area ensuring a diverse mix of economic, geographical and demographic profiles. The South of Tyne area, comprising Sunderland, Gateshead and South Tyneside local authority areas, is one of two pilots in the North East region, the other being Durham.

As a starting point all pilots have conducted a "Total Count" of the area covered in their pilot. This process mapped the central and local public sector spending, identifying where and on what services the money was being spent. The outcome of the exercise was submitted to government in September and reported to Cabinet in December 2009.

Following a series of workshop events partners agreed that the work to consider potential service improvements should focus on alcohol and drug misuse related service provision. It was generally agreed that alcohol and drug related problems are a key issue for local communities and that most partners were involved in activities to reduce the scale of the problem. Over the past two months partners have worked together to identify the key challenges and opportunities for improvement. Following this work partners have agreed to work up proposals that will improve the effectiveness of how we:

- Implement the Integrated Offender Management Service
- Respond in areas where there are disproportionately high levels of alcohol related crime and anti social behaviour
- Use social marketing activities to encourage people to take a more informed approach to alcohol consumption
- Work more effectively across partnership and local authority boundaries.

The proposals will be worked up over the next month so that a clear way forward can be submitted to government in the New Year.

# Sunderland City Council

## Organisational Assessment

Pre-publication version dated 03 December 2009

Provided under embargo



**oneplace**

for an independent overview  
of local public services

## Sunderland City Council

### Overall, Sunderland City Council performs well

Managing performance	3 out of 4
Use of resources	3 out of 4
Managing finances	3 out of 4
Governing the business	3 out of 4
Managing resources	2 out of 4

Description of scores:

1. An organisation that does not meet minimum requirements, Performs Poorly
2. An organisation that meets only minimum requirements, Performs Adequately
3. An organisation that exceeds minimum requirements, Performs Well
4. An organisation that significantly exceeds minimum requirements, Performs Excellently

## Summary

Overall Sunderland City Council performs well.

The Council's use of resources is good and has scored 3 out of 4 overall. The Council manages its finances well, particularly financial planning and there have been no significant overspends in recent years. The Council has appropriate levels of balances and reserves. Governance of the business is good. Risk Management is excellent and has been used to especially good effect on the Building Schools for the Future project and in preparing the medium term financial plan. Despite strong leadership and a number of ongoing projects, there is still a need to ensure the careful use of natural resources is fully included in all of the Council's activities and plans.

Sunderland City Council manages performance well, scoring 3 out of 4. Their services are helping to improve the quality of life for people in Sunderland. There is positive achievement in a range of key 2008/09 performance indicators. This includes reducing health inequalities and crime, increasing employment and education opportunities for young people and improving the environment.

Ofsted has rated the Council's children's services as performing well. A higher than average proportion of secondary schools, including the sixth forms, are good or outstanding. However, too many primary schools are rated as only satisfactory. This is also the case for childcare and childminder provision. Fostering and adoption arrangements are good. Achievement of level 2 qualification - exams such as GCSEs - by young people up to age 19 matches the national figure. However, the proportion of 16 to 18 year olds who are not in education, employment or training is very high and needs to be reduced.

The Care Quality Commission has rated the Council's adult social care as

excellent. People have good access to services such as intermediate care, telecare, extra care housing and supported living facilities which enable people to live independently within their own homes for longer. A joint intermediate care service is well established with Sunderland Teaching Primary care Trust (TPCT). The Wellness Service, a joint service between the Council, the TPCT and City Hospitals Sunderland has been in place for 4 years and provides preventative, targeted services for individuals and education to help people understand why healthier lifestyles are important.

The Council with partners have developed a clear long-term vision for Sunderland in the year 2025. This is based on a good understanding of needs and priorities of residents. The Council's Corporate Improvement Plan reflects the Sunderland Partnership's priorities for the City, set out in the Sunderland Strategy, and the Council has also identified four corporate improvement objectives to ensure a greater focus on efficiency and effectiveness.

## About Sunderland City Council

Sunderland is the largest city in the North East of England with a population of some 280,500. It comprises a city centre based around the mouth of the River Wear but also includes the former new town of Washington and the two former coal-mining towns of Hetton and Houghton. It has an attractive coastline, a port, a University, a sub-regional shopping centre, a regional theatre and a large amount of open countryside with many parks and nature reserves. Two national highways, the A19 and the A1 (M) run through Sunderland, and it has a direct rail connection to London. The Tyne and Wear Metro rail system and local rail services provide access to international airports - Newcastle and Tees Valley / Durham.

Local people receive all of their local government services from Sunderland City Council. The Council has 75 elected councillors. There are 48 Labour, 22 Conservative, 1 Liberal Democrat and 4 Independent councillors. The Council's priorities for improvement are the 5 priorities shared with the Sunderland Partnership and 4 objectives to further improve the Council to become more efficient and effective.

The main issues for the area relate to health inequalities, poor life expectancy, low incomes, matching skills to employment opportunities and the migration of young people out of the area leaving an older population.

## Organisational assessment

Sunderland City Council manages performance well and their services are helping to improve the quality of life for people in Sunderland. There is positive achievement in a range of key 2008/09 performance indicators. This includes reducing health inequalities and crime, increasing employment and education opportunities for young people and improving the environment. Place survey results in relation to resident satisfaction with the Council are around average compared to national and similar Councils.

The Council and partners have developed a clear long-term vision for Sunderland in the year 2025. This is based on a good understanding of needs

and priorities of residents. The Council's Corporate Improvement Plan reflects the Sunderland Partnership's priorities for the City, set out in the Sunderland Strategy. They are for a City that is Prosperous; a Learning City; Healthy; Safe; and Attractive & Inclusive. The Council has also identified four corporate improvement objectives to ensure a greater focus on efficiency and effectiveness. They are: delivering customer focused services; being 'One Council'; efficient and effective Council; and improving partnership working to deliver 'One City'.

## Prosperous City

Prosperity is being enhanced through major regeneration projects that provide employment and leisure opportunities to the people of Sunderland. In the last year projects have brought almost 1,500 new jobs to Sunderland. Significant projects delivered include the Sunderland Aquatic Centre providing the only Olympic size pool in the region, and the business and arts centre 'ThePlace' in Sunnyside. The Council is now tackling the need to more effectively integrate these regeneration projects into a refurbished city centre, and green areas near the centre such as Mowbray Park and Sunnyside Gardens. The Council has invested £1 million for city centre improvements and is working closely with partners to deliver major regeneration proposals. The Council also provide support and advice for the development of other key sites in the City. There is now positive progress towards developing the Vaux and Holmeside Triangle sites in the city centre. The Council and its partners are developing an Economic Masterplan for the City.

The local response to the recession is sustaining and creating jobs. During the recession the number of unemployed people has risen in line with national trends and remains about 50 per cent higher than the national average. The Council has increased support to local businesses through a range of initiatives and is talking more to key employers during the recession, to ensure they can help safeguard existing jobs. Work with employers to develop skills and provide vocational training is also increasing opportunities for employment. The increase in unemployment in the City arising from the economic downturn has reversed since June 2009, with a significant fall of 667 people over the past three months, while the national total has continued to rise. The recession also presents a major risk to the pace of delivery of Sunderland's plans to provide more local homes at an affordable price. Despite the recession, the net (ie houses built less houses demolished) number of homes created in 2008/09 increased to 299 from 186 in 2007/08. The Council is also developing proposals for a Local Housing Company.

More people can access additional advice and benefits through increased support provided. The Council co-ordinated Job Linkage service at 13 local centres has helped 942 residents into work. The number of people on out of work benefits fell from 18% in 2007/08 to 17% in 2008/09. Child poverty in Sunderland is reducing faster than other areas but remains high. In Sunderland 51% of children are within the Government definition of poverty compared to 44% in the North East and 42% in England. There is more support and use of Children centres to increase the range of support to families.

## Learning City



Services for children and young people are good overall, with education attainment improving at most key stages. Sunderland schools are improving faster than the national average. Teaching and learning opportunities are improving through the 'Building Schools for the Future' (BSF) programme. A new school at Washington and three new academies opened in September 2009. Schools, colleges and employers are working well together to increase opportunities for young people to acquire skills. A wider range of courses is now provided. Options for young people at age 14 and above to pursue National Vocational Qualifications (NVQs) have been expanded. An Ofsted Inspection of the Implementation of reforms for 14-19 year old young people in December 2008 judged them as being good.

Early Years Services are improving. The network of 17 Children's Centres in the City has been completed and the Sunderland Children's Centres website was launched in the last year giving easier access to information. The network includes the new Millfield Community Nursery, new Diamond Hall Infant School and rebuilt Hetton Nursery.

Eleven year old children now achieve at a similar rate to the national average. However, at 70% achieving Level 4 in both English and Maths Key Stage 2 at the end of primary school they remain 3 per cent below those of similar authorities. For 16 year old young people results are also improving with 43% of young people achieving five or more A\*-C grades at GCSE including English and Maths. This is now matching achievement in similar areas, although still being about 4% below the national average figures. But, there are inequalities in achievement, particularly for pupils from an Asian background, and at GCSE students with special educational needs do not achieve as highly as they do in other areas.

One in eight 16 to 18 year olds in Sunderland are not in employment, education or training. This is well above national and local averages. In response, the Council and partners are working with young people before they are 16 to stress the benefits of education and skills; and with young people post-16 to smooth the transition from school to college or sixth form learning. This includes, in 2008, two new 'Sunderland Futures' applied learning centres for 14-16 year old young people to be trained with links to employers. All 14 new diplomas syllabuses are offered within the City, and a wide range of courses are provided by the sixth form colleges.

Care leavers have good access to suitable accommodation and this enables them to engage in employment, education and training. Fostering and adoption arrangements are good.

The take up of literacy services, and participation in reading and library activities to improve literacy levels, are increasing. The number of visitors to libraries has increased by 8 per cent. There are Family, Learning, Literature and Numeracy (FLLN) programmes in communities. Digital challenge/e-neighbourhood programmes provide access to computers and have trained 1,100 residents in computer use. An Ofsted Inspection in November 2008 on Sunderland City Council adult and community learning provision was judged as being 'good'.

Ofsted rated the Council's children's services as 'performing well' in 2009.

## Healthy City

There is a good understanding of the health, social care and wellbeing needs of the population. The City Council and Teaching Primary Care Trust have created a comprehensive city-wide Wellness Service to improve lifestyles and encourage physical activity. The Community Wellness Programme allows easier access to facilities and equipment at a local level. This is improving lifestyles with 6 centres for services jointly provided with other partners. Between April 2007 and March 2008 there were more than 300,000 attendances at Wellness Centres by people over the age of 16. This is almost twice the target of 154,000 people. The new Aquatic Centre is helping the Council to help people who are vulnerable and disadvantaged. Disadvantaged groups can use the Centre more because of targeted pricing policies, free swims for elderly people and children, access arrangements for disabled people, and tailored transport arrangements.

Older people are given more support to live at home, though there was a slight fall in the reported number of people receiving assistance through social services during 2008/09. The fall is linked to a wider range of support including more access to health and services other than social care. There have been improvements in preventative services and services to support independent living. For example, the Telecare service has expanded with an alarm service response time of 20 minutes and a wider range of Telecare-enabled equipment. In 2008/09 more than 22,500 people used the service. There are positive levels of satisfaction with Adult Social Care services. Around 83 per cent of people aged 65 or over are satisfied with both home and their neighbourhood (about average). Social Care services for adults are judged to be excellent by the Care Quality Commission in 2009.

The teenage pregnancy is high in Sunderland and is not reducing significantly. In the last year the rate has increased to 57.3 per 1,000 females aged 15-17, in line with regional and national trends. Increasingly co-ordinated action by partners in Sunderland is targeted at specific areas and groups, including the expansion of the Healthy Schools Programme to colleges.

Obesity in 11 year old children in 2008/09 was 21% in Sunderland compared to the national average of 18%. The Council, schools, and other partners are tackling obesity levels through the Healthy Schools Programme. During the past two years, 99 schools and 30,000 children have been involved in the Sunderland Food in Schools Programme, which focuses on teaching youngsters the benefits of healthy eating and how to prepare and cook simple balanced meals. There are a good and increasing number of children taking school lunches in both Primary and Secondary schools.

## Safe City

The Council is working well with partners and local people to help communities feel safer. Overall crime in Sunderland is lower than similar areas in England and Wales. Feelings of safety are also improving and the gap between actual crime rates and perceptions of crime is now closing. In 2008/09 recorded crime was down three per cent from the previous year. A 2008 survey shows reductions in perceptions of Anti Social Behaviour (ASB), drink and drug related behaviour, though all are still above national averages

and those in similar authorities. The perception of ASB as a problem has fallen by 28 percentage points from 51% in 2003 to 23% in 2008, though this is still above national and North East averages and the highest of the five Tyne & Wear areas.

There are positive outcomes from a range of targeted work to reduce crime, substance misuse, Anti Social Behaviour and perception on crime that the Council contributes to. These include drug treatment programmes, a safer homes initiative, youth engagement projects, environmental enforcement work and parenting initiatives.

Re-offending by young people in Sunderland is lower than in similar areas. Youth crime in Sunderland has fallen by 6% in the last year. There has also been a reduction of 18.3 per cent in the rate of re-offences when comparing offending over a 12 month period for young people in 2008 compared to 2005. The Youth Offending Service works well and there are a number of schemes that provide good support and as a result fewer young people receive a custodial sentence. Young offenders in employment, education or training increased from 76% in 2004 to 91% in 2009, well above the national average. In recognition of good work Sunderland City Council and partners were announced as a Beacon Authority for 'Reducing Re-offending' in March 2008.

Safeguarding children is a high priority in the area. Families receive timely support to prevent young people entering the care system. When referrals are made to social care, assessments are completed promptly. But, recent data indicates a higher number of children have been subject to a second child protection plan and there are also some difficulties in completing assessments on time. Looked after children are in stable placements and their reviews are held within the required timescale. Most are placed close to their families and friends.

## Attractive and Inclusive City

Sunderland is clean and well kept with good levels of open green space including well maintained parks. Roker Beach was again awarded a 'Blue Flag' for cleanliness in 2009. However, people have mixed views about the areas they live in. Overall satisfaction with the local area is up to 76.8% and satisfaction with cleanliness improved to 54.4% in 2008 surveys, but both these figures remain slightly below national and North East averages. Parks and open spaces satisfaction, at 63.3%, is in line with the North East average, although below the national average.

The amount of waste collected and delivered to landfill reduced by 96 tonnes in 2008/09. However, recycling rates did not improve in 2008/09, falling from 26.8% to 25.6% - remaining below national and North East average performance. New arrangements to increase the amount being recycled are being introduced. This, and the work with Gateshead and South Tyneside Councils, to provide new waste treatment facilities, aims to significantly reduce waste going to landfill.

Social housing within the City is in a good condition. 99.4% of properties owned by registered social landlords in the area meet the Government's Decent Homes Standard. Tenants and their families live in dwellings that are

of a good standard with consequent benefits to their health and wellbeing.

Reducing homelessness is a top priority for Sunderland. There is a particular focus on preventing people becoming homeless, and on looking to reduce the numbers of people who are repeatedly homeless. Repeat homelessness is reducing, through more support including increased home visits. The number of homeless has reduced from 634 down to 217 in 2008/09 and the number of people using early prevention services is up from 378 to 673.

Availability of affordable housing is a significant issue for Sunderland. During 2008/09 230 affordable new homes have been provided. To help, the Council supported Registered Social Landlords (RSLs) in their bids for National Affordable Housing Programme funding and liaison with the planning department to give all schemes the best opportunity for success. The 299 additional homes were built during 2008/2009 which is an improvement on the previous year's figure of 186 additional homes. The Council and partners have begun to further address these problems, and plans have been developed for identified areas for development. This includes supporting Gentoo to provide a range of housing over the next 18 months through £40 million funding from the Government's 'Kickstart' scheme.

There is a clear focus on the needs of hard to reach and excluded groups. The 2008 Place Survey identified a lack of cohesion across different communities. An above average 64.6 per cent of people feel they belong to their neighbourhood. But 67.2% of people - which is below average - agree that their local area is a place where people from different backgrounds get on. A well above average number of people - 39 per cent - think there is a problem with people not treating each other with respect. Conscious of these issues, the Council and partners have delivered a successful pilot project in Hendon which reduced racial tensions and improved community cohesion - this is being rolled out across the City. There is more contact with young people and increased local area working helping to identify local issues and bring local communities together. The Council has achieved level three of the Equality Standard for Local Government.

The Council is addressing a number of aspects of sustainability well and has won a national award for tackling climate change. The Council's Carbon Plan is bringing projects forward that will reduce the City's carbon footprint through using wood to burn for energy, wind energy and Carbon Trust supported programmes. Carbon emissions per capita in Sunderland reduced by 1.4% in 2008/09.

Access to services is improving. A network of customer service centres promotes local access to co-located services. The Council has introduced 24/7 customer access to Council services through the contact centre for neighbourhood-based services. This work has been done in partnership with Newcastle City Council in a model that reduces the costs to individual organisations by approximately 40%.

The Council's Sport and Leisure service are increasing chances to participate in physical activity. There are a number of City programmes and projects which are provided at a local level. Many of these programmes are offered with local partners on an area basis. Examples of current developments include the Barnes Park regeneration and two new pools at Hetton and Silksworth. Satisfaction with sport and leisure facilities, libraries,

museum/galleries and theatres/concert halls are all above national and North East averages. The modernisation of the City's swimming provision has provided a new Aquatic Centre.

## Corporate Improvement Priorities

The Council's Corporate Improvement Plan (CIP) provides a clear way forward for the Council to improve and deliver its improvement objectives. The council has developed a Business Improvement Programme (BIP) to transform the council into an efficient and effective, customer focussed organisation. This is being updated to ensure a stronger focus on efficiency and use of technology. In addition the council is moving to a new Operating Model and has adopted the new Sunderland Way of Working to deliver improved customer service and ensure better use of resources. There is a good understanding of what is important for local areas, and how well local services are delivered, and a track record of responding effectively to performance issues. Local Area Plans (LAPs) have been developed for all five Area Committee localities in the City. This was through an extensive process where the Council and its elected members have engaged with the Sunderland Partnership, including community and voluntary stakeholders; and residents to identify, shape and approve local priorities.

The Council is financially secure. A comprehensive medium term financial plan is in place and the Corporate Improvement Plan integrates service plans, corporate strategies and improvement targets with financial budgets and sets out the staffing resources required to deliver the Council's plans. Good financial planning has contributed to improved outcomes on priorities such as the wellness agenda, adult social care and safeguarding children. There has been a sustained focus on achieving priorities by shifting resources from low- to high-priority areas, for example through investment in planning services, libraries, streetscape and recycling.

The capacity of the Council to continue to deliver improvements is good and being strengthened through the Business Improvement Programme and recent recruitment. Political and managerial leadership is good. Recent additions to senior management in the Council have increased capability to deliver the changes to services and structures that the Council needs to meet future challenges. The Council is working more with neighbouring Councils to improve services. Examples include the South Tyne and Wear Waste Management Partnership to reduce waste to landfill and the Tyne and Wear City Region - where joint working is aiming to improve employment opportunities and transport in the region.

The scrutiny function in the Council is improving. It has made some useful contributions to policy development and is working well. It is embedding the principles of effective scrutiny, one of which is to develop the critical challenge to the council's Cabinet, through consideration of the Executive's Forward Plan in advance of decisions being made. All other Council committees appear to be working well. A second annual Overview and Scrutiny Conference in June 2009 helped focus on delivering more effective scrutiny. The Council works well with partners with a clear focus on improving the City. This is being enhanced further through the Community Leadership Programme. The focus of the Community Leadership Programme is 'making Sunderland work better', stressing the importance of trust, satisfaction and feedback. The

Programme has spread from an initial focus on enhancing the role of councillors to the Sunderland Partnership as a whole and its role in delivering the Sunderland Strategy. The Partnership has changed the way it is structured, including a new Delivery and Improvement Board and Theme Delivery Plans for the five priorities, to further help the delivery of change. A major challenge is to maximise the contribution of the voluntary sector. Current work with the Sunderland Community Network on the Community Cohesion Strategy, Community Development Plan and area arrangements includes a key role for the voluntary sector.

CAA looks at how well local public services, working together, are meeting the needs of the people they serve. It's a joint assessment made by a group of independent watchdogs about the performance of local public services, and how likely they are to meet local priorities. From 9 December you will find the results of Comprehensive Area Assessment on the Oneplace website - <http://oneplace.direct.gov.uk/>



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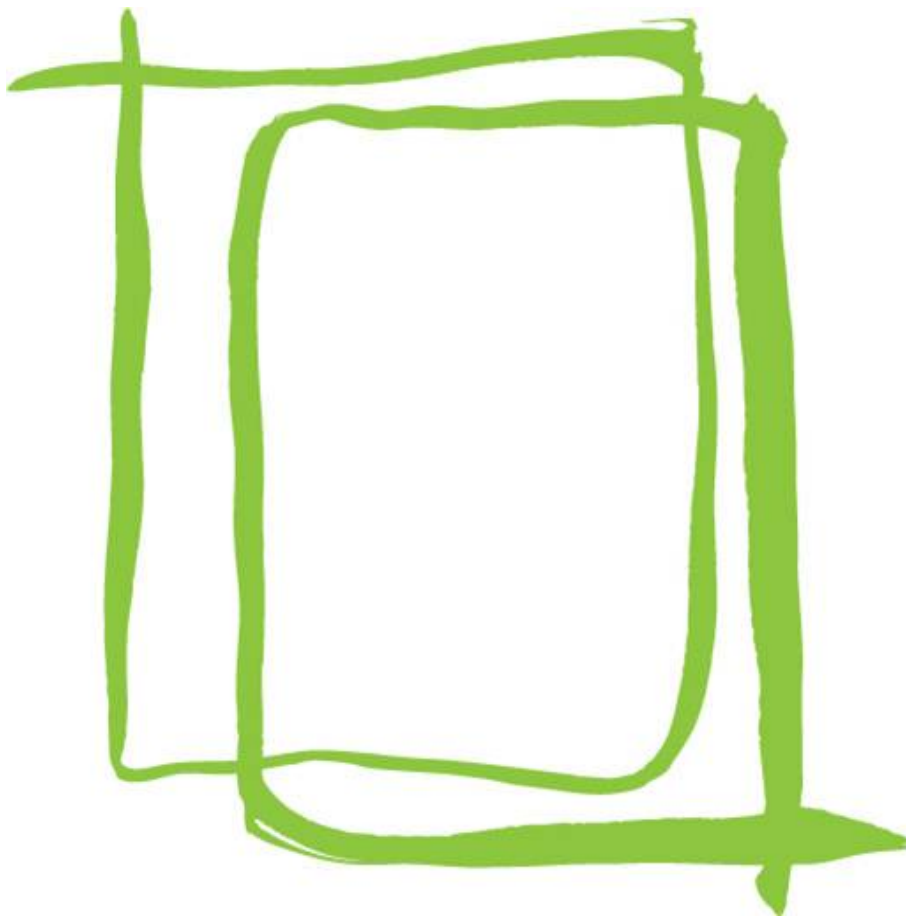
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# Use of Resources

Sunderland City Council

Audit 2008/09

October 2009





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## **Status of our reports**

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/ members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
  - any third party.
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# Summary

**This report summarises the key findings from our assessment of how Sunderland City Council is managing and using its resources to deliver value for money and better and sustainable outcomes for local people.**

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- 1 The Audit Commission has assessed the Council's arrangements overall at level 3 (performing well).
- 2 There are elements of particularly strong performance across a number of the use of resources Key Lines of Enquiry (KLOE), in particular:
  - provision of value for money services, particularly adult social care;
  - risk management arrangements; and
  - partnership governance.
- 3 The Council successfully integrates service and financial planning and has secured significant efficiency savings in recent years while at the same time investing in corporate priorities and improvements for local people. Processes for good governance and internal control are well established and effective.
- 4 In setting the context for the scores this year it is important to highlight that the use of resources methodology has changed. Judgements are now much more strategic and less detailed, with a focus on outcomes rather than processes. The standard required to demonstrate level 3 performance has been raised, and level 4 scores reserved for genuinely exceptional performance.
- 5 Our detailed findings against each of the themes and KLOEs are set out below.

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# Introduction

- 6 This report sets out my conclusions on how well Sunderland City Council (the Council) is managing and using its resources to deliver value for money and better and sustainable outcomes for local people and give scored use of resources theme judgements.
- 7 In forming my scored theme judgements, I have followed the methodology set out in the [use of resources framework: overall approach and key lines of enquiry \(KLOE\) document](#) and the use of resources [auditor guidance](#). For each of the specific risks identified in relation to our use of resources work, which were set out in our audit plan, we considered the arrangements put in place by the Council to mitigate the risk and planned our work accordingly.

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## Use of resources framework

- 8 From 2008/09, the new use of resources assessment forms part of the [Comprehensive Area Assessment \(CAA\)](#) and comprises three themes that focus on:
  - sound and strategic financial management;
  - strategic commissioning and good governance; and
  - the management of natural resources, assets and people.
- 9 The scores for each theme are based on the scores assessed by me on underlying KLOE. The KLOE are generic and applicable equally to all organisations subject to use of resources judgements under CAA. This promotes consistency, demonstrating all organisations within a CAA area are treated in the same way, and to the same standards.
- 10 The Commission specifies in its [annual work programme and fees document](#), which KLOE are assessed each year.
- 11 Judgements have been made for each KLOE using the Commission's current four point scale from 1 to 4, with 4 being the highest, please see table one. Level 1 represents a failure to meet the minimum requirements at level 2. To ensure consistency, scores are subject to rigorous review at both regional and national level.

## Introduction

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**Table 1**      **Levels of performance**

<b>Level 1</b>	Does not meet minimum requirements – performs poorly
<b>Level 2</b>	Meeting minimum requirements – performs adequately
<b>Level 3</b>	Exceeds minimum requirements – performs well
<b>Level 4</b>	Significantly exceeds minimum requirements – performs excellently

Source: [use of resources framework: overall approach and KLOE document](#)

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# Use of resources judgements

## Scored judgements

- 12 The Council's use of resources theme scores are shown in table 2. In setting the context for the Council's scores this year it is important to highlight that the focus of use of resources is now more on outputs and outcomes rather than processes, and is more strategic than detailed. As a result:
- the standard required to demonstrate level three performance has been raised, and focuses on the outputs and outcomes that demonstrate effective arrangements which have the intended impact; and
  - assessments in relation to value for money and partnership working are embedded across all KLOE areas rather than considered separately in isolation.

**Table 2 Use of resources theme scores**

Use of resources theme	Scored judgement
<p><b>Managing finances</b> How effectively does the organisation manage its finances to deliver value for money?</p>	Level 3
<p><b>Governing the business</b> How well does the organisation govern itself and commission services that provide value for money and deliver better outcomes for local people?</p>	Level 3
<p><b>Managing resources</b> How well does the organisation manage its natural resources, physical assets and people to meet current and future needs and deliver value for money?</p>	Level 2

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### Managing finances

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**Table 3** Managing finances - KLOE scores

KLOE	Score	Overall theme score
1.1 Financial planning	4	Level 3
1.2 Understanding costs and performance	3	
1.3 Reporting financial performance	3	

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### Financial planning

- 13** A comprehensive medium term financial plan is in place and the annual 'Corporate Improvement Plan' integrates service plans, corporate strategies and improvement targets with financial budgets and sets out the staffing resources required to deliver the Council's plans. Budget setting and the medium term financial plan are informed by public meetings and a high profile 'State of the City' debate each year. Area based committees have been developed in 2008/09 and ring fenced budgets allocated accordingly. No significant overspends have occurred in recent years despite high levels of delegated budget management, and the Council is well placed in terms of balances and reserves.
- 14** There has been a sustained focus on achieving priorities by shifting resources from low-to high-priority areas, for example through investment in planning services, libraries, streetscape and recycling. Virements are used proactively throughout the year to reinvest savings in priority areas. This has been reflected in improved BVPI performance, for example on planning where the service leapt from bottom to top quartile within two years.
- 15** Good financial planning has contributed to improved outcomes on priorities such as the wellness agenda, adult social care and safeguarding children. The review of adult social care provision this year has been identified as a notable practice example of how a local authority can challenge and change established patterns of resource use in consultation with partners. The review has led to a move away from residential provision and greater investment in preventative measures and home based support.
- 16** The capital programme is well managed, and the Council is successful at securing external sources of finance. Developing the 'Sunderland Model' for BSF schools has led to new schools and refurbishments being financed from DCFS grant rather than loans or PFI credits, and the PFI scheme and joint waste strategy being delivered in partnership with Gateshead and South Tyneside MBCs is another example of the Council exploring new ways to deliver priorities and improve value for money.

- 17 Charges for services are reviewed each year to ensure they help to deliver financial and social priorities in a strategic way' - for example, fees and charges for sports facilities have been reduced for target groups through the exercise on prescription scheme and a rent concessions policy is in place to attract local businesses to deprived areas of the city.
- 18 The Council makes extensive use of financial modelling, activity analysis and unit costing, this has been done particularly in 2008/9 to challenge the use of resources in relation to looked after children, leading to a significant reduction in residential provision. Equality impact assessments have been carried out for all key service areas and major projects, and are a compulsory component of the business improvement programme. Financial resources have been allocated to address weaknesses highlighted eg in respect of access to buildings and to improve translation/interpreter services.

### Understanding costs and performance and achieving efficiencies

- 19 The Council has a good understanding of costs, cost drivers, and the relationship between cost and quality of service. There is a significant redirection of financial resources each year - the 2009/10 budget identified £11.67m efficiency savings but also £9.24m improvement funding. All new projects, capital or revenue, are subject to appraisal or a detailed business case for funding. Each policy change is informed by a summary of the financial implications in both revenue and capital terms, then fed into the medium term financial plan, which is regularly updated.
- 20 The Council prepares an annual value for money self assessment which considers a range of information including spend, investment, improvements to date, residents perception and both national and local indicators, including those within the Local Area Agreement. The Significant Partnership Annual Report sets out both financial and performance information for each significant partnership for both the current and previous years. This report also indicates how the partnership is providing value for money and additional benefits.
- 21 Costs for key services are benchmarked and demonstrate good value. At an overall level the Council has all CPA assessed services performing well or strongly, with lower median quartile expenditure for above median levels of deprivation. Significant redirection of resources has enabled priority areas to be addressed - the 2009/10 budget process identified £11.670m efficiency savings but also £9.235m improvement funding.
- 22 Efficiency saving targets are being achieved. £33.12m between 2005/06 and 2007/08 represented 13.2 per cent of spending against a target of 7.5 per cent for the period. The cumulative cash releasing efficiency savings to 31 March 2009 were £13.2m which equates to 4.4 per cent of spending.

## Use of resources judgements

### Reporting financial information

- 23 The Council has used citizens' panel and MORI polls to seek the views of stakeholders about what information is required in its external reporting and has tailored its approach accordingly. Council tax leaflets and the annual report are concise, user friendly documents which include glossaries of technical terms and the use of charts to highlight key figures from the accounts.
- 24 The most recent published accounts and annual audit letter are available to the public and appear on the Council's website together with equalities information. Information is available in a wide range of formats including foreign languages, braille and voicetape. External reporting includes environmental and sustainability information with an analysis of the Council's environmental footprint.
- 25 Budget monitoring and forecasting information is reliable and up to date, although reports to members could be streamlined. The council regularly reviews financial performance of significant partnerships, and it shares and acts on these results with partners. All finance reports include forecast information which is subject to risk and sensitivity analysis. The Council's 2008/09 accounts were prepared to a high standard, and officers have responded to challenges such as the drive for faster accounts closure, and improved standards of working papers.

**Table 4**      **Governing the business - KLOE scores**

KLOE	Score	Overall theme score
2.1 Commissioning and procurement	3	Level 3
2.2 Data quality	3	
2.3 Good governance	3	
2.4 Risk management and internal control	4	

### Commissioning and procurement

- 26 There is a good understanding of local communities and their needs for services through regular consultation with relevant groups. Many services are commissioned jointly with partner agencies and voluntary sector assistance and guidance is being improved. A Joint Needs Self Assessment analysis of Public Health / Adult Services and Children's Services information has been undertaken and informs future commissioning intentions.
- 27 Actively identifying and implementing new ways of delivering services and working with others is resulting in more efficient working. The South Tyne and Wear Waste Management Partnership and membership of the North Eastern Purchasing Organisation (NEPO) are examples which have realised measurable financial benefits. The Council has also implemented a category management approach to procurement across specific areas of spend. Scoping reports consider alternative procurement options, analysing the current market and soft market testing.



- 28** The Council's Procurement Strategy includes a requirement to periodically explore alternative methods of service delivery across the whole range of services, and the Annual Procurement Plan provides a forward plan of categories of spend and procurement opportunities which are programmed to be reviewed. Procurement strategies require officers to consider equality and diversity issues when awarding contracts and procurement pages on the Council's website provide information for suppliers and tenderers.
- 29** There is good use of e-procurement techniques, such as online catalogues and particularly e-auctions. E-auction success through use of OGC (20 organisations) for computers yielded a 50 per cent saving on a £15m joint bid. The Council is developing a Supplier Relationship Management (SRM) tool, incorporating electronic catalogues and on-line approvals which has introduced an improved element of control and evaluation.

### Data quality

- 30** The Council produces relevant and reliable data and works with partners on the quality of data which is relevant to shared priorities. There is a clear corporate statement on the importance of high data quality standards and guidance on the Council's approach to achieving them, against which directorates are required to demonstrate progress. Members recognise the importance of good data quality and a Cabinet member acts as data quality 'champion'.
- 31** Responsibility for data quality is defined in strategies and the Council has taken steps to embed these through training and QA by both the corporate improvement team and Internal Audit. The Council is ensuring that appropriate arrangements are in place for the new national data set, including developing a data quality checklist for inclusion into partnership performance arrangements and mapping datasets to the national framework.
- 32** The Council ensures that decision making is based on robust data. Trend data, performance against target and benchmarking with other authorities are used to support the corporate Value for Money framework and specific resourcing decisions. A robust reporting timetable is in place. Performance management reports have been reviewed during 2008/9 and now show a much clearer link between financial allocations, performance against target, and remedial action required. An IT-based performance management system (performance plus) is now in place. The scrutiny function in the Council is improving in terms of both critical challenge to the Cabinet and review of performance information.
- 33** The Council ensures data security and compliance with relevant statutory requirements. There are adequate business continuity and disaster recovery arrangements in place for financial systems, but not for all non-financial data collection systems.

## Use of resources judgements

### Data quality - audit spot checks

- 34 We have undertaken spot checks on the following.
- NI 132 - Timeliness of social care assessment (adult services).
  - NI 59 - Initial assessments for children's social care carried out within seven working days of referral.
  - NI 173 - people falling out of work and on to incapacity benefits.
  - Local PIs on provision of community disability equipment.
- 35 In all cases we established and evaluated the systems in place to capture the data, checked the basis of calculations and sample tested source data. No errors were identified from this sample testing, therefore at this stage we have no concerns over the quality of data used to measure the Council's performance. We will undertake detailed testing on housing benefits NIs as part of our grant claims work later in the year.

### Good governance

- 36 The Council's constitution clearly describes roles and responsibilities for members and officers. The Constitution is underpinned by a wide range of other supporting guidance, including schemes of delegation, guidance on the discharge of statutory functions and protocols on officer and member relations. The scrutiny function has made some useful contributions to policy development but it does not, as a general rule, challenge cabinet decisions. A working group has been established to address this and all other Council committees appear to be working well. There are constructive working relationships between members, management and staff. The Council provides a wide range of training and development opportunities for members and staff, which balance the needs of the organisation with personal development.
- 37 The Sunderland Community Strategy, and the local area agreement, demonstrate a good understanding of the local area. A multi area agreement is also in place. The Corporate Improvement Plan is focussed on the actions the Council needs to take to contribute towards shared partnership outcomes as well as internal improvement actions. Officers have identified a number of instances where consultation outcomes have influenced important decisions on school meals, school admissions policies and special needs provision.
- 38 A corporate consultation strategy is in place and the Council engages with local people in a variety of ways, including:
- area committees, public meetings and the 'State of the City' debate;
  - an interactive website;
  - citizens panel and MORI polls; and
  - independent advisory groups representing all identified communities of interest.

- 39** The Council has adopted codes of conduct for its members and staff, and these are widely publicised. All council members are required to make a declaration that they agree to abide by the code of conduct, and all staff are bound by the Employees' Code. Policies for whistleblowing and 'comments, compliments and complaints' are well publicised and prompt action is taken in response to any allegations made. The Chief Executive has set out clearly, in public documents, its expectation that all elected members will provide visible and credible local community leadership. Registers of interests, gifts and hospitality can be viewed on the Council website.
- 40** The Council has a comprehensive code of practice for partnerships which has been identified as notable practice. It can evidence examples of this code improving outcomes eg on CRDP and Tyne Wear Sport. There are constructive working relationships between the Council and its partnerships, with data sharing protocols in place to ensure appropriate information is shared in a timely manner. The LSP has been awarded a 'green' rating from GONE. The council regularly reviews the effectiveness of its partnership working using a scorecard approach, and an annual report to Cabinet assesses each key partnership in terms of the outcomes achieved and value for money. A voluntary compact is in place with the third sector, underpinned by codes of practice.

### Risk management and internal control

- 41** Risk Management is fully integrated into all corporate processes and has been used to especially good effect on BSF delivery and in formulating the medium term financial plan. All schools and significant partnerships have their own risk registers. Demonstrating effective risk management has enabled the Council to reduce insurance premiums, increase insurance cover at no extra cost and extend self insurance schemes.
- 42** A comprehensive code of practice for partnerships sets out expected arrangements for risk and performance management, procurement and value for money and includes template agreements for different forms of partnerships. This is reinforced through training and Internal Audit coverage. Adopting the code has enabled partnerships to improve outcomes and access additional sources of finance. The Council regularly reviews the effectiveness of its partnership working using a scorecard approach, and an annual report to Cabinet assesses each key partnership in terms of the outcomes achieved and value for money.
- 43** Arrangements for producing the annual governance statement are robust. The statement is underpinned by an annual report from Internal Audit, a detailed risk assessment and an annual review setting out the sources of assurance examined. Any issues arising are incorporated into a corporate action plan but no significant internal control failures have been identified in recent years. The quality and scope of Internal Audit coverage is good. Anti Fraud and Corruption Policy and Whistleblowing Policies are published on the Council's website and intranet. A Money Laundering Policy is also in place and training for staff and members has taken place to reinforce the importance of probity and good governance.

## Use of resources judgements

- 44 There have been no cases of proven fraud or corruption in recent years, except for Benefits claims. The Benefits Investigation Unit has consistently met its targets for successful prosecutions, with 164 cases in 2008. Counter fraud arrangements have been assessed against the newly issued 'red book' from CIPFA, and appear to be meeting all identified criteria. The Council can demonstrate it is creating a strong deterrent effect, by poster campaigns and local press coverage of successful cases of proven benefit fraud.
- 45 Business Continuity Plans are in place which comply with Civil Contingencies Act 2004 requirements. Corporate arrangements currently being reviewed in line with the new British Standard. A review in March 2008 considered the business continuity of significant contractors and put an assessment matrix, register and additional support in place. Procurement process ensures that potential contractors have adequate insurance and contingency plans to ensure continuous service delivery.

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## Managing resources

**Table 5** Managing resources - KLOE scores

KLOE	Score	Overall theme score
3.1 Natural resources	2	Level 2
3.2 Asset management	2	

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## Natural resources

- 46 Sunderland has the eighth lowest per capita consumption of natural resources of all UK cities, is recognised by the Carbon Trust as a national leader in managing carbon emissions, and recently won the LGC and HSJ Sustainable Communities Award 2009 for Tackling Climate Change. The city has had a 'Sustainable Development Strategy' since 2001, and the Council benefits from a dedicated and enthusiastic sustainability team. The need to make effective use of natural resources is clear in corporate strategies and plans, and Sunderland was one of the first local authorities to develop its Ecological Footprint. But this level of awareness is not yet fully embedded across all of the Council's activities, and not always evidenced in departmental service plans.
- 47 Over the past 4 years the Council has made significant steps in understanding and starting to manage its use of key natural resources. Sustainability impact assessments and baselines exist for waste, water, energy, road fuels, carbon emissions and travel. Assessments are now part of all major project development and procurement decisions, but have not yet been undertaken across all service areas. To improve further, the baseline of services with indirect impacts such as impact of procured goods and services is to be assessed through the creation of a natural resources register. This aims to help all service areas, understand and contribute more to better use of natural resource.

- 48** Strategies and programmes are in place to manage and reduce the most significant natural resources and the Council is in the process of consolidating these programmes within an overarching Sustainability Policy which is scheduled to be adopted in November 2009. Management of energy and water consumption is improving through automatic meters, other initiatives such as vehicle tracking are reducing fuel demand, and the Council's biggest waste stream, road planings, are 100 per cent recycled.
- 49** The Council's is aiming to cut its annual carbon emissions by 10 per cent and business miles by 10 per cent between 2007 and 2012. In the first two years, at the end of 2008/09, the Council has cut carbon emissions by 4 per cent, reduced business travel miles by 3.5 per cent and achieved an 8 per cent drop in lease car CO2 emissions. It appears to be on track to meet its 2012 targets.
- 50** Sunderland's 10 per cent carbon reduction target allows for an expected 10 per cent increase in carbon emissions during the five years from service expansion such as leisure centre and street lighting provision. Therefore the 10 per cent target, is in reality a 20 per cent cut. But neighbouring councils have set, and appear to be delivering, more challenging targets.
- 51** Additional dedicated resources have been provided to implement plans for continued improvement during 2009/10. These include:
- the development of a Waste Plan to set targets for recycling of office and service waste;
  - creation of a natural resources register to capture key resource consumption areas; and
  - a joint strategic waste plan in partnership with Gateshead and South Tyneside MBCs.

### Asset management

- 52** The Council displays a number of strengths in respect of asset management, for example:
- excellent examples of outcomes from partnership working, most notably the Primary Care centres at Washington and Bunny Hill;
  - purpose built one stop shops across the City; and
  - successful delivery of major projects such as the Aquatic Centre and the first wave of (predominantly new build) BSF schools.
- 53** Appraisal processes to prioritise capital investment are good, and the Council is successful at securing external sources of capital funding. There is good consultation with users and stakeholders on new projects, less so in relation to existing facilities.
- 54** The Council has considered the use of a Local Asset Based Vehicle to promote economic regeneration, and can point to a number of successful regeneration initiatives, for example at Doxford Park, Sunnyside and Rainton Bridge. Alongside partners, a City-wide regeneration strategy is now being developed to better target outward focused asset management and capital investment.

## Use of resources judgements

- 55 Council property is used to support wider corporate and partnership objectives, for example the use of swimming pools and leisure centres to support the 'Wellness' agenda. There is scope to improve the ways in which Council owned commercial property and industrial units are being used to support wider corporate objectives, especially in respect of regeneration and combating the recession.
- 56 Comparative data and benchmarking are used to assess and help improve value for money. The depot rationalisation programme has been recognised as an example of good practice nationally, and GIS mapping data, shared with partners, has also been used to help rationalise the property portfolio.
- 57 The estate is fit for purpose in that it meets relevant health and safety standards. The Council has not significantly reduced backlog maintenance on buildings over the past 4 years, but £1m of additional finance has been allocated to address this, and overall backlog levels compare well with similar authorities. Officers accept there are issues to address in respect of operational property management, for example on the timeliness of rent reviews and tenancy enforcement.

## Use of resources 2009/10

- 58 The key lines of enquiry specified for the assessment are set out in the Audit Commission's work programme and scales of fees 2009/10. My work on use of resources informs my 2009/10 value for money conclusion. In my letter of 30 April 2009 about the audit fee for 2009/10, I outlined that there were no significant risks I was aware of in relation to my value for money conclusion. This is still the case.
- 59 In assessing the 'managing resources' theme my work next year will focus on KLOE 3.2 - Asset Management, and KLOE 3.3 - Workforce planning. I have also considered whether there are any additional risks arising from my 2008/09 value for money conclusion and reported that there are none.

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**REVENUE BUDGET 2010/2011**

**Report of the Chief Executive and Director of Financial Resources**

**1. Purpose of Report**

- 1.1 Following the receipt of the provisional Local Government Finance Settlement on 26<sup>th</sup> November 2009, attention has been given to the impact of the settlement on the Budget Planning Framework for 2010/2011 established and approved by Cabinet at its October 2009 meeting.
- 1.2 This report sets out the provisional budget proposals for 2010/2011, as a basis for the continuation of budget consultation, prior to the receipt of the final Local Government Finance Settlement 2010/2011.

**2. Description of Decision**

- 2.1 Members are requested 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 2010/2011.

**3. Impact of the Provisional Local Government Finance Settlement on the Budget Planning Framework for 2010/2011**

- 3.1 The outcome of the provisional Local Government Finance Settlement for 2010/2011 was announced on 26<sup>th</sup> November 2009 and is the subject of a separate report on this Cabinet agenda. The provisional settlement for 2010/2011 is the final year of the three year settlement announced in December 2007.

A brief summary of the main features of the settlement is set out below:

**General Formula Grant System**

- 3.2 The Provisional 2010/2011 Settlement continues to be based on the four block system for the allocation of general formula grant, comprising:
  - Relative Needs Block - designed to measure the relative resource needs of each local authority
  - Relative Resource Amount - to take account of the relative resources available to each local authority through council tax - this is a negative amount within the formula
  - Central Allocation - a fixed amount per head of population
  - Floor Damping Block - this block ensures that all Authorities receive a minimum grant increase in line with the Government's proposals by type of Authority. Different increases for each type of Authority have

been announced in the settlement. The table below sets out the level of the floor for each type of local authority:

	<b>2010/2011</b>
Education and Social Services Authorities	1.5%
District Councils	0.5%
Police Authorities	2.5%
Fire Authorities	0.5%

Whilst it is difficult to argue against the use of floor increases, particularly as the Council has benefited from this measure in the past, it would be fairer and more beneficial to the Council if government funded the floor element in future settlements so that each authority receives the full benefit from grant formula allocations. The effect of scaling back the Council's settlement is a reduction in grant of £1.344 million in 2010/2011.

### **Provisional Settlement for 2010/2011**

- 3.3 The provisional settlement for 2010/2011 of £157.462 million remains unchanged from the indicative figures announced in late January 2009 and is welcomed. It is hoped and expected that the settlement will remain unchanged once it is approved by Parliament.
- 3.4 The Council's grant increase of 1.84%, although below the national average increase of 2.65%, is still above the minimum (floor) increases for Education and Social Services Authorities, of 1.5%.

### **Formula Review**

- 3.5 The government has not made any changes to the formula grant system, consequently the Authority's formula grant increase for 2010/2011 has not been affected by the settlement and the increase set out in the consultation paper, remains unchanged at 1.84%. However, the Council expressed concerns in December 2007 when the original three year settlement was announced about the use of the population figures released by the Office for National Statistics. Following representations from this and other Councils, the Minister subsequently commissioned a national review of the methodology used to determine the population figures and the results of the review are now being consulted upon to inform the inclusion of population figures in future Comprehensive Spending Reviews. The initial proposals, would, if adopted, benefit the Council. It is proposed that representations be made to give general support to the government's proposals.

### **Dedicated Schools Grant Position**

- 3.6 Schools funding is separate from the General Formula Grant system and is instead funded through the ring fenced Dedicated Schools Grant (DSG). However, Non Schools Education Services (Local Authority

central education functions) are still financed through the General Formula Grant system.

- 3.6.1 The headline national increases announced as part of the 3 year settlement were for 2010/2011:

	<b>2010/2011</b>
DSG	4.3%
Per Pupil Increase	4.3%

- 3.6.2 To protect Authorities with sharply falling school rolls a minimum cash increase in DSG of 2.0% was established. The DSG for Sunderland is forecast to increase in cash terms by 2.0% in 2010/2011, although the precise increases will be determined by the final pupil numbers submitted to the Department for Children, Schools and Families (DCSF) in February. The DSG cash increases locally reflect the falling school rolls experienced in Sunderland Schools. The per pupil increases are, however, much nearer to the national average increases, with a per pupil increase for 2010/2011 of 4.2%.
- 3.6.3 The strong focus on personalising teaching and learning to meet the needs of every child continues over the three year period, with £912 million in 2010/2011 earmarked within the DSG. This additional funding is to support the universal roll out of a personalised offer to all pupils – including those with special educational needs. To complement this increased funding through DSG, the DCSF are continuing to roll out specific grant funding of £315 million in 2010/2011, to help improve the rate at which children progress, ensuring all children can meet their potential, and those who are behind expectations, or are falling behind, get back on track.
- 3.6.4 The increased funding for progression will continue to be delivered through the Standards Fund for next year, as will increases in funding to extend the entitlement to free nursery education from 12.5 to 15 hours.
- 3.6.5 In addition, the government has prescribed a Minimum Funding Guarantee (MFG) at school level based on a percentage uplift per pupil. The MFG reflects the average cost pressures and an assumed efficiency gain of 1.0%. The MFG for all schools was set at 2.1% for all 3 years of the 3 year settlement period.

The application of the MFG of 2.1% has also been applied to the majority of School Based Grants.

- 3.6.6 The level of funding to be received from the Skills Funding Agency (previously the Learning and Skills Council) in 2010/2011 is awaited. At this stage it has been assumed that the level of funding will be at 2009/2010 levels.

3.6.7 The table below details the potential call on the total indicative funding available:

	£m
<b>Total Indicative Funding Available</b>	<b>175.521</b>
MFG Requirement (2.1%)	159.818
Rates	2.338
Needs Led Formula Requirement	1.719
<b>Total ISB Budget</b>	<b>163.875</b>
School Contingency	0.644
School Block - Other Expenditure	10.370
Total Indicative Call on Funding	174.889
Indicative Available Headroom	0.632
<b>Total Indicative Funding Available</b>	<b>175.521</b>

3.6.8 The Schools Forum will consider the allocation of the indicative Dedicated Schools Grant at its January 2010 meeting. The outcome of that consideration will be reported to Cabinet in February 2010.

### **Specific and Special Grants**

3.7 Notwithstanding the flexibilities that the Council enjoys as a top rated Council, specific and special grants continue to be allocated for specific purposes, with the final determination for use to be agreed as part of the overall budget by Cabinet, or otherwise where Cabinet deems appropriate, in consultation with the relevant Cabinet Portfolio holder.

3.7.1 Specific and special grants included within the AEF will increase by 4.7% for 2010/2011 as compared to the 2009/2010 adjusted figures. Grants were expected to increase in overall terms by 5.2% in January 2009 but these have decreased mainly because of changes to grant funding particularly in Education and Children's services in respect of reduced DSG, due to the inclusion of revised pupil numbers, and various other grant changes announced by the government.

3.7.2 The government has announced a consultation paper in respect of a new initiative to provide free personal care at home to people with high personal needs. The scheme is expected to come into force on 1<sup>st</sup> October 2010 and will cost an estimated £670m in a full year. The government is proposing that they will route funding for this through the Area Based Grant (the grant amounts to £210m in the first year 2010/2011 and £420m for a full year). The remainder is to be funded by local government efficiencies (amounting to £125m in 2010/2011 and

£250m in each full year thereafter). The consultation formally ends on 23<sup>rd</sup> February 2010 and comments are required preferably by 26<sup>th</sup> January 2010 to the Department of Health.

The Council welcomes the initiative to help fund free personal care for those with high personal needs and will respond fully to the consultation paper issued in due course. However, the Council would have preferred it if the government was to meet the full costs of this initiative, rather than leaving just over a third of the costs to be met by further Council efficiencies.

### **Area Based Grant**

3.8 There are a number of external funding streams supporting programmes, projects and initiatives, which are allied to Council mainstream funding and address the strategic priorities set out in the Sunderland Strategy.

3.8.1 As part of the first 3 year Local Government Finance Settlement (for the period 2008/2009 to 2010/2011) the Government introduced an Area Based Grant (ABG) allocation for each council which relaxed the controls over a number of its previous specific grants so that councils have more freedom and flexibility to use this funding as they deem appropriate.

3.8.2 The provisional ABG allocation for 2010/2011 is £39.0 million but at this stage the government has not yet confirmed the final allocation for 2010/2011. Major previous specific grants included are Supporting People (£11.3m) and Working Neighbourhoods Fund (WNF) (£11.0m). The Council has largely adopted an approach of allocating the Area Based Grant to those areas of the Council which were previously in receipt of the specific grants allocated. In this way, the performance and service expectations that accompanied the previous specific grants can continue to be delivered. Where it has been possible to identify efficiency savings through the use of the grant these have been realised and used to meet the efficiency targets associated with the budget planning framework.

### **Capping Powers and Reserve Powers**

3.9 The Government has retained capping and reserve powers. The government has re-emphasised that it will use capping powers if necessary and that it expects to see Council Tax increases fall further from this years (2009/2010) average Council Tax increase of 3%.

Barbara Follett MP, Parliamentary Under Secretary of State wrote to all local authorities on 9<sup>th</sup> December 2009 stating that capping principles have always been determined on a year by year basis to take account of the current economic and social circumstances and this will again be the case in 2010/2011. It would therefore be a mistake for any authority to assume that previous years' capping principles will apply to 2010/2011.

#### 4. Directorate Cash Limits

4.1 When the Budget Planning Framework was approved in October 2009 it was agreed that Directorate cash limits would take the following factors into account:

- provision for pay and price increases to be included on the basis of prudent assumptions given the economic outlook;
- the next actuarial review for pensions is planned for 31<sup>st</sup> March 2010, the results of which will be implemented in 2011/2012. At this stage it is difficult to determine with any certainty whether further increases in pension costs may occur. Issues to take into account are the phased financial impact of the introduction of the new pension arrangements, increasing mortality age and the current volatility of investment performance in financial markets;
- the current inflation levels, although rising, are still comparatively low by historical measures. In light of this, provision for contracts has been made as follows:
  - o Independent Care Providers - provision has been included for fees which were agreed as part of a two year settlement in 2009/2010;
  - o Energy costs remain volatile; prudent provision has been earmarked at this stage and will be updated as necessary;
  - o Other Contracts – provision made to reflect contractual obligations.
- provision for increased fees and charges – the policy of assuming an increase of fees and charges in cash limits to provide an incentive to maximise resources has resulted in a significant increase in income in recent years; however, where it has been demonstrated that this is no longer possible due to market conditions, exemptions have been agreed. For all other areas an assumption of 2% has been made and where this has proven to be unachievable efficiency reductions are to be generated to compensate;
- provision to be made for spending commitments in respect of:
  - o ITA levy;
  - o debt charges and interest receipts;
  - o landfill tax and waste disposal;
- Economic downturn: additional provision to be made after taking into consideration measures to mitigate costs;
- that the commitments against balances be noted and the scope to utilise resources temporarily from this source be explored;
- that the identified spending pressures be noted and that all spending pressures not specifically identified within the budget planning framework be accommodated within Directorate cash limits;
- that a review of Area Based Grants and Specific Grants be undertaken with the objective of identifying 4% efficiency savings;
- that, taking into account the Sunderland Way of Working and

existing modernisation strategies and efficiency initiatives, Directors be requested to bring forward options for efficiency savings wherever possible without service or policy implications amounting to 4% of their net delegated budgets; and

- that Directors be requested to commence preparation of longer term efficiency plans to identify efficiency savings, wherever possible without service or policy implications, covering a further three year period based on targets of 5% for 2011/2012 and 6% for both 2012/2013 and 2013/2014, such targets to be kept under review in light of the extent and period of the constraints applied to public sector spending.

4.2 Since the Budget Planning Framework 2010/2011 report was approved by Cabinet in October 2009, and in light of the Provisional Local Government Finance Settlement, draft budgets have been amended to reflect:

- Pay – Teachers pay award (part of two year settlement); and prudent provision for outstanding awards;
- Single Status Phase 2 – prudent provision;
- Energy prices – latest contractual arrangements with a contingency for distribution charge increases;
- ITA – an increase of 1.5% has been notified;
- Fees and charges increased where possible, having regard to impact;
- a re-assessment of the provision for waste disposal to reflect latest projections of waste collection, increased landfill tax and the impact of recycling initiatives;
- reduced level of interest on deposits from investments;
- additional impact of the economic downturn e.g. Leisure income, building control income, planning application fees, legal fees.

4.3 Directors have reviewed their budgets after consultation with relevant Cabinet Portfolio Holders. All Directorates returned their budgets within the cash limit.

## **5. Budget Consultation**

5.1 The Budget and Policy Framework procedure rules contained within the Constitution of the Council requires consultation on budget proposals to take place. In September 2009 Cabinet approved proposals regarding the consultation strategy and framework for the budget for 2010/2011 and proposed briefings to the following stakeholders:

- Trade Unions;
- North East Chamber of Commerce;
- Independent Advisory Groups (IAGs);
- Youth Parliament;
- Local partners through the Sunderland Partnership;
- Schools Forum, Head Teachers and Governors.

To date, presentations have been made to the first three stakeholder categories. Events are planned to be held with the Schools Forum, Headteachers and the Youth Parliament in January, 2010.

At each stage in the budget preparation process reports are referred to the Management Scrutiny Committee for review.

5.2 In addition to the above stakeholder consultation, a survey was undertaken with the citizen's panel - Community Spirit - on seven priorities for further investment:

1. Creating Safer Communities;
2. Clean Streets;
3. City Centre;
4. Customer Service;
5. Getting Along with Each Other (community cohesion);
6. Activities and Facilities for Young People;
7. Roads and Footways.

5.3 To supplement the survey, focus groups were held, with Community Spirit panel members and representatives from the voluntary and community sector, in different locations throughout the city. An eighth priority of "Helping people to live independently in their own home" was added to the seven priorities in the survey as this area had previously been identified as a high priority. Attendees were asked to work in small groups to prioritise 16 interventions to addressing the eight budget priorities.

The six highest ranking interventions were:

1. Extend the range of support services (for example, advice and advocacy services) to enable more people to direct their own social care budgets.
2. Youth Crime Family Intervention Programme – Project Workers to work with young people at high risk of offending who come from a small number of families with a history of offending.
3. Investing additional funds in our footways to help reduce trip hazards and the potential for pedestrians to suffer slips, trips or falls.
4. Continue to extend the availability and range of services that can be provided through the evening and overnight e.g. the Sunderland Telecare Service.
5. Staffing and running costs of the new 'state of the art' mobile youth buses to bring provision and services into areas where there are no suitable venues.
6. Review the way in which we identify people who are highly vulnerable due to their personal, social or economic circumstances and are at high risk of becoming victims of crime and anti-social behaviour.



5.4 In addition to the above budget consultation, other consultation has been conducted on the following, which will also be taken into account in the budget proposals:

- Sea Front;
- Waste Disposal and Recycling.

5.5 Detailed analysis of the feedback undertaken is still being finalised but the provisional budget proposals in this report are consistent with the summary findings to date. This report will become the basis for second stage consultation. Elements of the consultation undertaken to date, which has not yet been fully analysed, together with the results of the second stage of consultation will be considered in framing the final budget proposals to be submitted to Cabinet in February, 2010.

## **6. Spending Pressures and Priorities**

6.1 At this point in the preparation of the Revenue Budget for 2010/2011, provision has been made to address a number of spending pressures and priorities. This provision is recognition of the need to invest additional resources to high priority areas and takes account of the consultation undertaken to date. The paragraphs below include details of the proposed additional provisions in each strategic and corporate improvement priority area:

### **6.2 Healthy City**

The following proposals are made:

In October 2008, the Vision for 2025 was launched which sets out the clear vision for transforming adult social care. The first 3 year Delivery Plan to start the journey to achieve the vision was also launched. Additional provision of £2.636 million has been earmarked for Adult Services, some as a contingency provision, in recognition of the need to address the second year of a two year agreement on fees with independent providers of care, to fund the investment in Telecare, and to provide a contingency for additional costs that may arise through the recent announcement to provide free personal care to those with assessed high needs.

In addition, the Social Care Reform Grant amounting to £1.580 million in 2010/2011 continues to be allocated to Adult Social Care, as intended by the government, to support the modernisation of Adult Social Care services.

Further details are set out below:

#### **Independent Care Providers**

A two year agreement was negotiated with independent care providers in 2009/2010 for a new scale of fees based on gold, silver, and bronze standard quality ratings, as recommended by the Care Quality

Commission, for residential and nursing accommodation. Budget provision is proposed to meet the cost increases arising from the second year of the negotiated agreement and also other social care services contracts during 2010/2011. Notwithstanding the modernisation of Adult Services underway, it is important that capacity is retained in the independent care market.

#### Telecare

The steps taken to increase the level of independence of clients across the city has required an expansion of the Council's Telecare service. This has created a financial pressure which needs to be addressed in the 2010/2011 budget if the required levels of service is to be delivered. Additional provision is therefore proposed of £343,000. This will enable the continued employment of additional staff and the provision of a range of equipment for installation in customers' homes which can be attached to an alarm system that can activate an alarm to a control room in an emergency, resulting in a response to the alarm call. The fundamental objective of the Telecare Service enables people to live in their own home for longer, with increased safety, confidence and independence.

#### Free Personal Care - October 2010

The government is consulting on options for the allocation of grant to support the provision of free personal care for people with assessed high care needs from October, 2010. The government's assumption is that the government grant will cover two thirds of the cost and that the remaining one third will need to be met from efficiencies generated by local government. The financial implications of this change are still being assessed and will continue to be reviewed as the new measure may result in clients, currently unknown to the local authority, becoming its responsibility, and the prospective gradual increase in liability due to demographics over time. Accordingly, at this stage it is proposed to create an earmarked contingency provision of £1 million to cater for any unforeseen increased costs.

#### Commissioning Strategy - Three Year Delivery Plan

The Social Care Reform Grant was introduced in 2008/2009 to help Councils modernise Adult Social Services and thereby deliver more cost efficient and effective care packages for all client groups. A sum of £1.580 million was allocated for 2010/2011 as part of the 3 year grant settlement announced on introduction of the grant.

The grant is earmarked to assist in funding the three year delivery plan, to support new methods of care which seek to maximise independence and enable more people to live in their own homes independently for longer

### 6.3 Children and Learning City

The following proposals are made:

#### Fostering and Adoption Services

The Foster Care Recruitment and Retention Strategy is designed to deliver better outcomes for vulnerable children in a cost effective way. The Strategy was allocated additional resources of £475,000 in 2009/2010, and it is proposed that a further sum of £140,000 be provided for 2010/2011. It is proposed that the additional funding will be used to further build capacity in terms of the number of foster carers but also aim to enable children with more complex needs to be safely cared for within the community. This Strategy will also result in a reduced reliance on relatively costly external placements.

#### Youth Initiatives

Cabinet approved a report in September 2009 regarding the Sunderland XL Youth Village Programme and the utilisation of funding of £300,000 included in the Provision for Strategic Priorities agreed as part of the Council's Revenue Budget for 2009/2010.

A sum of £200,000 is proposed to be included in the Revenue Budget for 2010/2011 which will be used to support an expansion of youth initiatives, details of which will be considered and confirmed over the coming months.

#### Fees for Independent Care Providers

An additional £119,000 is proposed to be provided to assist in funding fees for independent care providers for children's social care in 2010/2011.

#### Safeguarding

A sum of £636,000 is proposed to fund the following:

- As a result of the increase in contacts following the Baby Peter case and the subsequent Lord Laming review, an interim increase of 6 staff into the Initial Referral Team (IRT) was implemented in 2009/2010. This is a pressure, not just in Sunderland but nationally, and the Council is working with partners, particularly in health and police, to manage contacts. In order to maintain the necessary response to the levels of contact being experienced within the IRT a sum of £250,000 is proposed to be allocated to continue to fund the additional staffing beyond March 2010.
- Historically, the safeguarding employees budget has included an allowance for the delay in filling of vacant posts. However, in recent months, to meet the demands upon the service and to address the Laming recommendations, the Service has needed to staff to full capacity. This requires the allocation of an additional sum of £236,000.

- The new Independent Safeguarding Authority (ISA) was set up in October 2009 to run the new national Vetting and Barring Scheme which aims to further protect children and vulnerable adults from those who may do them harm. Many council staff and volunteers will need to be registered with the ISA, a process which begins in July 2010. ISA registration is a statutory requirement but doesn't replace the CRB (Criminal Records Bureau) check but rather adds further safeguards. The Government has given organisations 5 years to register all current staff and volunteers who fall under the remit of the ISA and this will be done on a 'rolling programme' basis. Whilst the financial implications associated with these new responsibilities are still being assessed, it is proposed to allocate a contingency sum of £150,000 to support this scheme at this stage.

#### 6.4 Safer City

The following proposals are made:

##### Citywide Events Programme

Provision of £250,000 is proposed to enable the enhanced and developing City Wide Festivals and Events Programme to continue to be funded. This funding will support the leverage, in the longer term, of other external funding.

##### Family Intervention Project

A sum of £98,000 is proposed to replace grant funding for the Family Intervention Project, which is subject to grant tapering arrangements. The gross cost of the project is £145,000 per annum.

The main objective of the Family Intervention Project is to stop the anti-social behaviour of families and restore safety to their homes and to the wider community, through a dual approach which includes help for families to address the causes of the behavioural problems being experienced, alongside supervision and enforcement to provide the incentives to change.

##### Identification of Vulnerable People at Risk of Anti Social Behaviour and Crime

Additional funding from the Home Office of £79,000 is earmarked to provide training for staff across partner agencies in the identification of those at risk of or vulnerable to anti social behaviour and crime and also enable a review of processes and procedures, and implementation of infrastructure and IT improvements. It will also provide support to witnesses and victims of anti social behaviour.

## 6.5 Sustainable Communities

The following proposals are made:

### Empty Properties

A sum of £90,000 is proposed for Empty Properties to encourage, advise and support landlords, and encouraging owners to care about the condition of their properties and find alternative approaches to bring properties back into use. This will result in a greater reduction in the number of empty properties, fewer anti-social behaviour complaints, and more homeless people being able to be housed into empty properties.

### Waste Disposal

In accordance with the policy of gradually building up provision within the Council's base budget to fund the eventual affordability gap associated with the Waste Disposal Solution, it is proposed to make provision of £1 million for 2010/2011, taking into account the landfill tax that will be saved when the Waste Disposal Strategic Solution comes on stream.

The overriding intention of the strategic solution is to minimise the use of landfill as a means of waste disposal in the future. Whilst the Outline Business Case contains affordability gaps at this stage based on a wide range of assumptions, it is clear that the annual affordability gap will be significant for all three partners within the partnership (Gateshead MBC, South Tyneside MBC and this Council).

Whilst the final annual affordability gap is not yet known, the proposal is to increase provision by a further £1,000,000. This represents a prudent approach given the timescales which are being worked to. The strategic waste disposal solution is not planned to become operational until September 2013 at the earliest.

### Community Cohesion

The government has allocated a grant of £164,000 to support the Preventing Violent Extremism (Prevent) Strategy as part of the Government's response to the severe and enduring threat from international terrorism. Prevent has five key elements:

- Challenge violent extremist ideology and support mainstream voices;
- Disrupt the ideologies who promote violent extremism and protect the vulnerable institutions where they work;
- Support vulnerable individuals who are being targeted and recruited to the violent extremism cause;
- Increase the resilience of communities to violent extremism; and
- Address the grievances which ideologies are exploiting.

Funding to support this provision is being allocated through the Area Based Grant.

## 6.6 **Attractive and Inclusive City**

The following proposals are made:

### Transport and Engineering

A sum of £300,000 is proposed to fund support to the development and improvement of the Transport and Engineering Service within the Council. In addition, it is proposed to allocate a one off sum of £300,000 to enable the pump priming of the initial improvement and development work.

### Swimming – Silksworth Pool / Free Swimming Initiative

An additional sum of £100,000 is proposed in respect of the new Silksworth Pool to reflect the full year running costs of the pool which is due to open early 2010.

An amount of £116,000 is also proposed to supplement the specific government grant available, to support the free swimming initiative for the over 60's and under 16's for the remaining year of a two year time limited period.

### Play Parks Maintenance

An additional sum of £85,000 is proposed to fund the revenue implications of implementing the Play Parks Strategy. The programme to implement the strategy was accelerated as a result of the receipt of external funding from the Big Lottery Fund and securing Pathfinder funding.

### 'Kerb It' Replacement Scheme

A sum of £159,000 is proposed to meet the additional costs of leasing vehicles to support the new 'blue bin' scheme which will replace the existing 'kerb it' scheme. This will allow for the provision of rear end loading vehicles to accommodate the new bin which will replace the black box from April 2010.

This change accords with wishes expressed by residents through a range of consultation feedback over recent years. The distribution of the new wheeled bins to all conventional domestic properties will commence in late 2009/2010 and continue into 2010/2011 on a phased basis.

## 6.7 **Resources Portfolio**

The following proposals are made:

### Occupational Health Unit

Provision of £150,000 was included in the Revenue Budget for 2009/2010, which facilitated the reduction in waiting times for physician appointments from 6 weeks to just under 2 weeks. Early intervention by

HR teams and referral to Occupational Health is the key to preventing and resolving absence attributed to sickness. The intervention of the occupational health physician has helped achieve successful resolution of long term cases of absence over the last 18 months, resulting in a significant reduction in the number of current long term sickness cases.

A sum of £150,000 is proposed for 2010/2011 to enable the budget to be mainstreamed and included in the Council's Base Budget on an ongoing basis.

## **6.8 Responsive Services and Customer Care**

### **Community Leadership Programme**

Provision of £50,000 is proposed to provide further support for the Community Leadership Programme to seek to ensure its timely implementation. The Community Leadership Programme is one of three strategic improvement programmes promoted by the Council with its key partners and is an integral part of the Improvement Agenda and the move towards the Sunderland Way of Working operating model.

## **6.9 Revenue Contributions to Capital Programme**

A sum to be finalised is proposed to fund new starts for the Other Services Block for capital expenditure and other 'one off' revenue budget pressures and priorities arising from the budget consultation undertaken. Further details will be reported to Cabinet in February once proposals have been finalised.

## **7. Other Priorities**

### **7.1 Equal Pay and Single Status**

Funds have previously been agreed to meet compensation payments necessary to settle equal pay claims or the outcome of Employment Tribunal proceedings. It is possible that further sums will be required and the position will be kept under review and additional funding earmarked as appropriate.

With regard to Single Status, prudent provision has been included for the further impact of implementing Single Status generally.

## **8. Efficiency Savings**

8.1 Cabinet agreed the Efficiency Strategy 2009/2010 to 2013/2014 in October 2009. This set out the strategy by which the Council aims to satisfy the Government's latest expectations for achieving efficiency within the public sector and recognised the need for longer term planning for efficiency savings. It also reinforced the direction that the Council is taking through the Sunderland Way of Working.

8.2 Given the anticipated significant long term pressure on public finances and the fact that resources available for local government over the medium to long term, the Budget Planning Framework recognised the need to plan for savings over a longer period. Directorates were therefore asked to consider options to cover a four-year period in order to ensure timely action can be taken to maximise efficiency savings. The following targets were set:

<b>Year</b>	<b>%</b>
2010/2011	4
2011/2012	5
2012/2013	6
2013/2014	6

Whilst a longer-term approach to planning to generate efficiency has been adopted, only the first year's efficiency savings are to be determined at this stage. It is clear that the position in relation to the severity and length of the economic downturn remains uncertain, as does the extent and period of the constraints applied to public sector spending. The above targets will therefore be subject to review as future government spending plans are announced. The Council's Improvement Programme will play a key role in contributing efficiency savings to meet these targets.

8.3 The identification of efficiency savings for inclusion in the 2010/2011 Budget have been generated through:

- specific efficiency savings from Corporate / Cross Cutting Efficiency Projects;
- efficiency savings arising from modernisation strategies, and policy and service reviews;
- realising emerging efficiency savings from the new Sunderland Way of Working;

8.4 The efficiency savings submitted by Directorates in response to the Budget Planning Framework guidelines were assessed against the following criteria:

- that the efficiency savings should have no material effect on policy or front line services except where already approved by Cabinet and/or Council;
- that they should minimise the effect on job losses and seek to ensure so far as possible no compulsory redundancies.



- 8.5 The following table shows the financial impact of draft efficiency savings proposed to be taken into account in the budget for 2010/2011:

<b>Service</b>	<b>£000</b>
Back Office / Support Services / Corporate Services /	1,007
Additional or Alternative Sources of Income	1,432
Overheads/General Efficiencies	1,074
Procurement	2,768
Service Review and Modernisation	1,437
<b>TOTAL</b>	<b>7,718</b>

The focus of the above proposed efficiency savings is on back office / support services, income generation, reducing overheads and procurement arrangements.

At this stage, whilst there is confidence that the total level of efficiency savings detailed above can be achieved, necessary due diligence is being undertaken to scrutinise each proposal in detail to validate the precise sums, and where appropriate the consequential actions necessary. The efficiency savings will be reflected in the Revenue Budget 2010/2011 in due course.

## **9. Draft Budget 2010/2011**

- 9.1 The position in relation to the preparation of the draft budget for next year is set out in the table below taking account of the financial impact of both the funding for the proposed investments to address the Spending Commitments and Pressures and the proposed Efficiency Savings.

	£000	£000
<b>Spending Commitments</b>		
- Pay Awards, Price Increases and Service Pressures taking into account the effects of the economic downturn	3,558	
- Energy Price Increases	1,459	
- Passenger Transport Levy	278	
- Interest on Balances	1,000	
- Waste Disposal/Recycling	1,344	
		7,639
<b>Spending Priorities (by Strategic Priority area)</b>		
- Healthy City	2,636	
- Children and Learning City	1,095	
- Safer City	348	
- Sustainable Communities	1,254	
- Attractive and Inclusive City	760	
- Resources	150	
- Responsive Services and Customer Care	50	6,293
<b>Efficiency Savings</b>		
- Back Office / Support Services / Corporate Services	(1,007)	
- Additional or Alternative Sources of Income	(1,432)	
- Overheads / General Efficiencies	(1,074)	
- Procurement	(2,768)	
- Service Modernisation	(1,437)	(7,718)

## Outstanding Uncertainties

- 9.2 There are a number of uncertainties still to be resolved in relation to next year's budget, including:
- the impact of introduction from 1<sup>st</sup> October 2010 of Free Personal Care for those with high needs, for which the grant methodology is not yet finalised;
  - the outcome of negotiations on the pay round for 2010/2011, which is unlikely to be known before the Budget is considered by Cabinet in February and Council in March;
  - the outcome of the Final Local Government Revenue Support Grant Settlement for 2010/2011;
  - any amount which may be made available from balances principally to fund one off items of expenditure;
  - the final Collection Fund position;
  - the outcome of the continuing assessment of the impact of the economic downturn on Council services;
  - the outcome of the final review of the council's contingency provision;
  - the outcome of the latest review of energy prices and the impact on the council's contingency provision;
  - the final decisions arising from the continued review of energy

- prices;
- the impact of final estimates of returns on deposits on Interest on Balances;
- any impact on the Council's budget of initiatives recently announced in the Pre Budget Report e.g. energy efficiency initiatives, extension of free school meals in primary schools.

In addition, it will be necessary to consider the outcome of further consultation to take place on the budget.

### **General Balances**

9.3 A Statement of General Balances is attached at Appendix A.

Whilst some savings are being generated in 2009/2010 from Interest on Balances and Debt Charges, and unutilised contingency provisions, the savings generated from Interest on Balances in particular will be significantly affected by the current historically low bank base rate determined by the Bank of England in response to the recession. However, any savings generated will be required to fund the following significant one off spending pressures:

- Investment to improve and develop the Transport and Engineering Service;
- Continued investment in Highway and Footway Maintenance and Highways Drainage;
- Invest to save costs associated with the Improvement Programme;
- Seafront Improvements.
- The development of Single Status Phase 2 proposals and enabling progress of the Service Transformation Project;
- Other Services Capital Programme developments including Economic Development.

The balances position will be updated / reviewed as the budget is progressed. A full risk analysis will be presented with the final budget proposals to the February meeting of Cabinet.

### **Council Tax**

9.4 At this stage it is proposed to consult on the basis of a Council Tax increase within government guidelines. Clearly, the increase will be finalised in light of the next stage of the budget consultation and further clarification in relation to the uncertainties outlined above.

## **10. Suggested Reason for Decision**

10.1 To enable constitutional requirements relating to the development of the revenue budget to be met.

**11. Alternative options to be considered and recommended to be rejected:**

11.1 There are no alternative options recommended for approval.

**12. Background Papers**

Local Authority Finance (England) Revenue Support Grant 2010/2011  
and related Matters  
Budget and Planning Framework 2010/2011

## Appendix A

### Statement of General Balances

	£000	£000
<b>Balances as at 31<sup>st</sup> March 2009</b>		<b>11,553</b>
<b>Use of Balances 2009/2010</b>		
- Contribution to Revenue Budget	(431)	
- Contribution to fund the Capital Programme	(3,065)	
- Contribution to Economic Development Grants	(488)	(3,984)
<b>Estimated Balances 31<sup>st</sup> March 2010</b>		<b>7,569</b>

The above position will be reviewed and updated and reported to Cabinet as part of the final budget proposals in February, 2010.

## **Cabinet – 13 January 2010**

### **Calculation of Council Tax Base**

#### **Report of the Director of Financial Resources**

##### **1. Purpose of Report**

- 1.1. To detail the calculation of the Council Tax Base for 2010/2011 and to seek approval to recommend to Council the Council Tax Base for 2010/2011 in accordance with the Local Government Finance Act 1992.

##### **2. Description of Decision**

Cabinet is recommended to recommend to Council:

- 2.1 That the report for the calculation of the Tax Bases for the City Council and Hetton Town Council for 2010/2011 be approved.
- 2.2 That pursuant to the report, and in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, and the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003, the amount calculated by Sunderland City Council as its Council Tax Base for the year 2010/2011, shall be £80,260, and for the area of Hetton Town Council shall be £4,043.

##### **3. Background to the Calculation of the Council Tax Base**

- 3.1 The Council Tax Base is the estimated number of properties in each valuation band adjusted to take account of the estimated number of discounts, disregards and exemptions. The Council levies a Council Tax on the basis of properties in band D and thus the numbers for each valuation band are adjusted to the proportion which their number is to band D. The Council must then estimate its level of collection for the year and apply this figure to arrive at the Council Tax Base figure.
- 3.2 The Council Tax Base must be calculated for both the Billing Authority and for the Hetton Town Council (a local parish precept). The Billing Authority Tax Base will be used to calculate the Council Tax for the City Council and as the basis for the major precepting authorities (Northumbria Police Authority and Tyne and Wear Fire and Rescue Authority) to determine their precept requirements.
- 3.3 Under the Council Tax (Reductions for Disabilities) Regulations 1992 properties adapted to meet the needs of a disabled person are charged at a rate equal to the next lowest valuation band. For instance a qualifying band C property would be charged at the band B rate. This lower band is described as the 'alternative valuation band'. Prior to 1<sup>st</sup> April 2000 properties already in band A could not qualify for any disabled reduction as there was not a lower band to be charged at. From the 1<sup>st</sup> April 2000, however, the regulations were amended to introduce an additional 'alternative valuation band' (below band A) to allow band A properties to qualify for a disabled reduction. Instead of paying the normal band A charge (six-

ninths of the band D charge) a qualifying band A property is now charged at five-ninths of the band D charge. For the purpose of the Council Tax Base calculation it is necessary to show Band A properties which qualify for a disabled reduction as if it was an additional valuation band. In this report the 'additional' valuation band is shown as either (A) or Disabled (A).

#### 4. Calculations of the Billing Authority's Council Tax Base

- 4.1 This calculation is in two parts – 'A' - the calculation of the estimated adjusted band D properties and 'B' - the estimated level of collection.
- 4.2 The calculation of 'A' - the relevant amounts for each band is complex and includes a number of calculations which are shown at Appendix 1.
- 4.3 The relevant amounts 'A' as calculated in Appendix 1 are shown below:

BAND	RELEVANT AMOUNT 'A'	
	£	p
Disabled (A)	113.75	
A	44,579.67	
B	11,500.61	
C	12,742.67	
D	7,431.25	
E	3,261.19	
F	1,338.28	
G	901.25	
H	<u>29.00</u>	
	<u>81,897.67</u>	

#### 4.4 Calculation of Item 'B' - Estimate of Collection Rate

This element of the formula is to reflect the level of collection anticipated. Last year an anticipated collection rate of 98% was assumed. On the basis of current collection levels it is suggested that the collection rate should remain at 98% for 2010/2011. The position will be kept under review in light of the length and severity of the economic downturn and any associated impact on future collection. It is proposed, as part of the budget for 2009/2010, to utilise 'one-off' insurance savings and specific grants to increase resources for Council Tax collection to seek to ensure at least the current levels are maintained.

#### 4.5 Calculation of Council Tax Base

The Council's Tax Base is therefore:

$$\begin{aligned} & \text{'A' x 'B'} \\ & \text{£81,897.67 x 98\% = £80,259.72} \end{aligned}$$

(for comparison, the tax base for the current financial year is £80,088.68).

Appendix 2 shows, for Members information, the Tax Base for each property band.

#### 4.6 Reason for the variation in the Tax Base

The main reason for the increase in the Tax Base from 2009/2010 to 2010/2011 of £171.04 (0.21%) is that the Council has carried out a full review of its application of the single persons household discount of 25% in order to ensure that those in receipt of the discount are in fact entitled to receive it.

### 5. Calculation of Council Tax Base for Hetton Town Council - Local Precept

5.1 The rules for calculating the Council Tax Base for the area covered by Hetton Town Council are similar to those used in calculating the Billing Authority's Tax Base. These detailed calculations are shown in Appendix 3.

5.2 The amounts calculated for each band are shown below:

BAND	RELEVANT AMOUNT 'A'	
	£	p
Disabled (A)		7.50
A	2,775.83	
B	648.28	
C	330.44	
D	200.00	
E	94.72	
F	49.83	
G	17.50	
H		1.00
		<u>4,125.10</u>

5.3 The same collection rate is required to be used for Parish precepts as for the Billing Authority. The Tax Base for Hetton Town Council is therefore:

$$\begin{aligned} & \text{'A' x 'B' (where 'B' is the estimated collection rate)} \\ & \text{£4,125.10 x 98\% = £4,042.60.} \end{aligned}$$

(for comparison, the tax base for the current financial year is £4,031.53)

Appendix 2 shows, for Members information, the Tax Base for each property band.

### 6. Background Papers

6.1 Working papers on individual Tax Band calculations.

6.2 Statutory Instrument 2003 No. 3012

6.3 Council Tax Base Report 2009/2010



## Calculation of the Billing Authority's Council Tax Base

- 1.1 Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (S.I. 1992 No. 612), and amended by (S.I. 2003 No. 3012), states that a Billing Authority's Council Tax Base for a financial year shall be calculated by applying the formula -

$$'A' \times 'B'$$

Where 'A' is the total of the relevant amounts for each of the Valuation Bands which are shown or likely to be shown in the Authority's Valuation List as at 30 November in the year prior to the year in question and where 'B' is the Authority's estimate of its collection rate for that year.

- 1.2 As stated above, the Council is required to approve the calculation of both items 'A' and 'B' in arriving at its Tax Base.

Calculation of Item 'A' - relevant amounts for each Valuation Band:

- a) Regulation 5 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended, states that item 'A' should be calculated by applying the following formula:

$$(H - Q + J) \times (F/G)$$

where H = number of chargeable dwellings  
Q = is a factor to take account of discounts of Council Tax payable. It is calculated as  $Q = (R \times S)$   
R = number of discounts estimated to be payable in respect of these dwellings  
S = the percentage relating to discounts  
J = adjustment (whether positive or negative) in the numbers of dwellings or discounts during the period  
F = the relevant prescribed proportions for each Band  
G = the relevant prescribed proportion for Band D

- b) The calculation of each of the above items is, where appropriate, to be made in accordance with paragraph 2-11 of Regulation 5 of the Local Authorities (Calculation of Council Tax Base) Regulations 2003. The different items are to be calculated as follows:

Item H - the number of chargeable dwellings is the sum of:

The number of dwellings listed in each Band in the copy of the Valuation List on the relevant day less an estimate of the number of such dwellings which were exempt on that day.



1.4 Applying the figure on the previous page to the calculation  $(H - Q + J) \times (F/G)$  produces a relevant amount for each Valuation Band - Item A in Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2003 as follows:

<b>BAND</b>	<b>RELEVANT AMOUNT</b>
	<b>'A'</b>
	<b>£ p</b>
Disabled (A)	113.75
A	44,579.67
B	11,500.61
C	12,742.67
D	7,431.25
E	3,261.19
F	1,338.28
G	901.25
H	<u>29.00</u>
	<u>81,897.67</u>

## Council Tax Base - City of Sunderland

Band	Item 'A'		Item 'B'	Tax Base 'A' x 'B'	
	£	p		%	£
(A)		113.75	98		111.47
A	44,579.67		98	43,688.08	
B	11,500.61		98	11,270.60	
C	12,742.67		98	12,487.82	
D	7,431.25		98	7,282.63	
E	3,261.19		98	3,195.97	
F	1,338.28		98	1,311.51	
G	901.25		98	883.22	
H		29.00	98		28.42
		<u>81,897.67</u>			<u>80,259.72</u>

## Council Tax Base - Hetton Town Council

Band	Item 'A'		Item 'B'	Tax Base 'A' x 'B'	
	£	p		%	£
(A)		7.50	98		7.35
A	2,775.83		98	2,720.31	
B	648.28		98	635.32	
C	330.44		98	323.83	
D	200.00		98	196.00	
E	94.72		98	92.83	
F	49.83		98	48.83	
G	17.50		98	17.15	
H		1.00	98		0.98
		<u>4,125.10</u>			<u>4,042.60</u>

### Calculation of Council Tax Base For Hetton Town Council - Local Precept

1.1. The rules for calculating the Council Tax Base for any part of a Billing Authority's area (e.g. Local Parish) are the same as the rules contained in Appendix 1 except that chargeable dwellings and discounts are to be taken for only those dwellings and discounts relating to the area for which the Council Tax Base is to be calculated.

1.2. As in Appendix 1 the rules require the calculations of items 'A' and 'B'.

Item A is calculated by the formula:

$$(H - Q + J) \times (F/G)$$

1.3. The calculations detailed above have been carried out in respect of the Hetton Town Council for each relevant band and the result of the calculations is shown below:

1.4. Tax Base Calculation - Hetton  $(H - Q + J) \times (F/G)$

	Disabled Band	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Item H	14	4,799	874	399	208	79	37	12	1
Item R	2	2,505	250	113	40	22	10	6	2
Item S	25	25	25	25	25	25	25	25	25
Item J	0	-9	22	1	2	4	0	0	0
Item F	5	6	7	8	9	11	13	15	18
Item G	9	9	9	9	9	9	9	9	9

#### BAND RELEVANT AMOUNT

	'A'
	£ p
Disabled (A)	7.50
A	2,775.83
B	648.28
C	330.44
D	200.00
E	94.72
F	49.83
G	17.50
H	1.00
	<u>4,125.10</u>

**Capital Programme – Third Review 2009/2010, Provisional Resources  
2010/2011 and Treasury Management Review 2009/2010**

**Extract**

**Scheme Variations since the Second Capital Review 2009/2010**

	£000	£000
<b>Additional Schemes since the Second Review 2009/2010</b>		
<b>Children and Learning City</b>		
BSF Wave 2 Project Resource Plan As reported to Cabinet on the 4 November 2009 Sunderland's Readiness to Deliver submission for the next Wave of BSF has been approved by Partnerships for Schools. This approval allows Sunderland's second wave project to progress to the 'operational phase'. A number of tasks are scheduled to be completed by the end of the financial year including the recruitment of external support (as approved by Cabinet in November 2009), school surveys, school building plan drawings and scheme scoping. The capital programme has been increased by £0.300 million in 2009/2010 to reflect this expenditure, which it is proposed will be funded from the Council's Strategic Investment Reserve on a temporary basis until the resourcing of this phase of the BSF programme is finalised. A detailed project resource plan containing future year's expenditure and funding is being developed and will be agreed as part of the Outline Business Case to be submitted to Partnerships for Schools and approved by Cabinet in September / October 2010.		300
<b>Attractive and Inclusive City</b>		
Smart Ticketing The City Council has received a share of additional Regional Funding Allocation from the Department for Transport in respect of Integrated Transport. The grant of £0.928 million will be passported to Nexus to enable the implementation of Smart Ticketing. Smart Ticketing will make public transport easier to use and link up transport and wider public services making them more accessible to customers. The intention is for customer to be able to load their regular travel products onto smartcards and a 'pay as you go' system to be accepted by transport operators across the North East. Card readers are to be installed at stations and on buses which will check passenger's entitlement to travel.		928

**UPDATING THE CONSTITUTION**

**Report of the Chief Executive and Chief Solicitor**

**1. Purpose of the Report**

- 1.1 To propose further amendments to the Constitution.

**2. Description of Decision**

- 2.1 That Council be recommended to note and endorse as appropriate
- (a) that the Chief Solicitor be granted delegated powers to take proceedings in relation to Drink Banning Orders under the Violent Crime Reduction Act 2006;
  - (b) that the Chief Solicitor be granted delegated powers to issue Closure Notices and issue and conduct proceedings in relation to Closure Orders under Part 1A of the Anti Social Behaviour Act 2003 following consultation with Northumbria Police;
  - (c) the additional amendments to the Council's Constitution detailed in this report.

**3. Introduction and Background**

- 3.1 It is necessary to amend the Council's Constitution from time to time in order to address the provisions of new legislation, to reflect changes in existing legislation and to ensure that the document remains up to date and reflects current practice within the Council.
- 3.2 The report deals with changes in relation to executive functions which Cabinet may approve and to Council functions (e.g. the terms of reference of the Personnel Committee, the Audit and Governance Committee and the Development Control Sub-Committees).

**4. Current Position**

- 4.1 The main proposed amendments are in relation to the Violent Crime Reductions Act 2006 and the Criminal Justice and Immigration Act 2008.

The rationale for all the amendments is set out below.

## **Violent Crime Reduction Act 2006**

- 4.2 Drink Banning Orders (DBOs) have been introduced through Sections 1-5 and 9-14 of the Violent Crime Reduction Act 2006 and have been available to Local Authorities and the Police from 31 August 2009. DBOs are designed to address an individual's alcohol misuse behaviour and protect others and their property from such behaviour.
- 4.3 The Safer Sunderland Partnership, after consultation with Northumbria Police has requested that the Council agree to exercise these powers in appropriate cases.
- 4.4 Alcohol misuse, and particularly that associated with anti-social and disorderly behaviour, is a significant concern for many people in communities and is a strong contributory factor associated with a wide range of crimes or disorderly behaviour.
- 4.5 Drink Banning Orders are civil orders that can be made against an individual aged 16 or over if they have engaged in criminal or disorderly conduct while under the influence of alcohol. The orders may last for a minimum of two months and a maximum of two years.
- 4.6 The aim of the order is to protect the community from a specific range of behaviour that is associated with an individual's alcohol misuse. Individuals subject to an order have the opportunity to attend an approved course voluntarily in order to address their alcohol related behaviour. Any individual that successfully completes such a course will be entitled to a reduction in their order.
- 4.7 Drink Banning Orders can be made against individuals aged 16 or over and who have engaged in criminal or disorderly conduct while under the influence of alcohol. Individuals can appeal against the making of an order against them.
- 4.8 A DBO prohibits the individual subject to the order from doing things described in the order. The prohibitions must be necessary for protecting others from the individual's criminal or disorderly conduct. The relevant authority can propose the prohibitions it believes are necessary when making an application; however it will be for the court to decide which prohibitions are necessary. For example they may:
- Prevent an individual from entering premises that sell alcohol; and
  - Ban an individual from entering pubs/clubs in a given vicinity.
- 4.9 Approved courses, undertaken on a voluntary basis will focus on educating individuals about the serious social and health impact of heavy alcohol consumption. If a person completes the course satisfactorily, the length of the ban can be reduced.



- 4.10 Offenders who breach a DBO will be liable to a fine not exceeding level 4 (£2,500). There is no custodial penalty for breach of an order although breach of a subsequent court sanction could result in a custodial sentence.
- 4.11 It is recommended that the Chief Solicitor be given delegated powers to take proceedings in relation to Drink Banning Orders under the Violent Crime Reduction Act 2006,

### **Criminal Justice and Immigration Act 2008**

- 4.12 Section 118 of the Criminal Justice and Immigration Act 2008 has recently amended the Anti-Social Behaviour Act 2003 by inserting provisions which extend the powers available to make closure notices and closure orders in respect of premises. Previously, the 2003 Act contained provisions which allowed the police, after consulting with the local authority, to serve closure notices and apply for closure orders in respect of premises where drugs were being used unlawfully. The 2008 Act has now inserted new provisions which allow both the Police and local authorities to serve closure notices in cases where premises are associated with persistent disorder or nuisance.
- 4.13 The definition of premises is very wide and closure notices/orders can be made in respect of any land or place – whether enclosed or not – and any outbuildings that are used as part of premises. A closure notice can be made by the Police or local authority, following consultation by each with the other, if they are satisfied that within the last three months a person has engaged in anti-social behaviour on the premises and that use of the premises is associated with significant and persistent disorder or persistent serious nuisance to members of the public. The effect of the notice is to prohibit access to the premises by any person other than a person who owns or habitually resides at premises.
- 4.14 Once a closure notice has been served, application must be made to the magistrates' court within 48 hours for a closure order. A closure order has the effect of closing the premises to **all** persons for a specified period of up to three months. Applications can be made to the court to extend or further extend that period in appropriate cases. Any person who remains on or enters closed premises commits an offence in respect of which they are liable upon conviction to up to 51 weeks imprisonment and/or a fine of up to £5,000.
- 4.15 The power to make closure notices and seek closure orders in relation to premises associated with persistent disorder or nuisance is another useful tool in combating anti-social behaviour and a protocol will be drawn up in consultation with safer Sunderland partners regarding its use. It is proposed that the Chief Solicitor be granted delegated power to issue closure notices and make application for closure orders following statutory consultation with Northumbria Police under the Anti-Social Behaviour Act 2003.
- 4.16 Under paragraphs 4.9 to 4.11 of the existing delegation scheme, the Chief Solicitor was previously given the power to apply for the discharge of a Closure Order, respond to Police consultation in respect of designation of areas for dispersal of groups and respond to consultation from social

landlords in relation to applications for ASBOs, following consultation with the then Director of Development and Regeneration. Following internal re-organisation this was amended to consultation with the Deputy Chief Executive. However, in view of his remit in connection with neighbourhood relations/anti-social behaviour it is suggested that the Executive Director of Health, Housing and Adult Services also be added as a consultee.

### **Constitution: Part 3 – Responsibility for Functions**

#### 4.17 Section 2 – A Functions relating to Town and Country Planning, Development Control and Highways

##### Development Control Sub-Committees

The Planning and Highways Committee considered a report on 17 December 2009 regarding consultations from neighbouring authorities about planning applications which affect sites close to the common boundary with the City of Sunderland. The Committee agreed an addition to the functions of the Area Development Control Sub-Committees as follows:

“To respond to consultations from neighbouring authorities on all planning applications close to a common boundary with the City of Sunderland”.

#### 4.18 Section 2 – I Functions relating to Personnel Matters

The Personnel Committee considered a report on 26 November 2009 relating to the Council’s policy on flexible retirement and agreed changes which require amendments to the functions of the Committee and the delegations to the Director of Human Resources and Organisational Development. The delegations are dealt with later in this report.

It is proposed that the functions relating to Personnel Committee matters be amended by the introduction of the italicised words as follows:

“2. To exercise the Council’s functions relating to Pensions including the consideration of applications for early retirements *and flexible retirement* in accordance with the Council’s policy”.

#### 4.19 Section 2 – M Audit and Governance Committee

The current terms of reference for Audit and Governance Committee were established in April 2006 as set out in the Constitution.

The Audit and Governance Committee considered an assessment of their remit and effectiveness on 29 September 2009 and as a result of recommendations agreed by the Committee, changes are required to its current terms of reference.

The additional terms of reference of the Committee are as follows:-

- “(12) The Committee will exercise delegated powers from the Council in relation to item (1) above and in relation to the remaining functions act as an advisory committee.
- (13) The Committee will treat the auditors, the executive and management equally.
- (14) The Committee can call any officer or agency of the Council as required.
- (15) The Committee will meet regularly and at least four times per year.
- (16) The Director of Financial Resources, Head of Audit and Procurement and the External Auditor will be regular attendees. Other attendees may include the Chief Solicitor and the Chief Executive. These officers all have access to the Committee, or the Chair as required.

The following elements are to be added to the features of the Committee:

- (a) The Committee Members will have the opportunity to meet privately and informally with the Head of Audit and Procurement and the external auditor, at a meeting following a normal Committee meeting, and otherwise as necessary, throughout the year.
- (b) The Committee will assess its effectiveness, including its Terms of Reference, every three years.
- (c) An Annual Report will be presented to Council regarding the work of the Committee throughout the year”.

### **Constitution: Part 3 – Section 4 – Delegations to Chief Officers**

4.20 Following a review of the delegation scheme for officers and in order to reflect previous Cabinet decisions, changes to Employer Discretions and the policy on flexible retirement considered by Personnel Committee at meetings held on 29 October and 26 November 2009 respectively, it is necessary to record amendments to the delegations to Chief Officers. In some cases the amendments are of a minor nature mostly to reflect legislative changes and these have been italicised for ease of reference.

#### 1. Chief Executive

New paragraph 1.18

“To approve, in consultation with the Chief Solicitor and Director of Financial Resources, the payment of an indemnity to any Member or Officer up to a maximum of £50,000 in accordance with the approved policy with requests above this sum being referred to Cabinet for consideration”.

[This was previously agreed by Cabinet on 8 June 2005]

Re-number existing paragraph 1.18 to 1.19.

2. Deputy Chief Executive

Amend paragraph 2.10.

“To determine all forms of planning and other applications under Part III of the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act, the Planning (Hazardous Substances) Act 1990, *the Planning Act 2008* or under any related secondary legislation, except those reserved to the Planning and Highways Committee and the Development Control Sub-Committee.”

Amend paragraph 2.13.

“To determine applications for reserved matters following the granting of planning permission (except applications in respect of local authority developments), *for discharge of conditions* and for minor alterations to existing permissions (i.e. design and materials).

Amend existing paragraph 2.14.

“To determine applications for consent under Orders under Section 198 of the Town and Country Planning Act 1990 for the cutting down, topping, lopping or *felling* of trees.”

Amend existing paragraph 2.21.

“To exercise the Council’s functions to control advertisements under *Part VIII* of the Town and Country Planning Act 1990 and the Town and Country Planning (Control of Advertisements) (England) Regulations 2007 including the service of any notices.”

Amend existing paragraph 2.26.

“To exercise the functions of the Council in respect of oil pollution planning, storm tide warnings *under the Civil Contingencies Act 2004*.”

Insert new delegations as follows:

“To agree abnormal development costs for all sites up to a maximum of 10% of the original highest offer and to refer to Cabinet those costs exceeding 10% of the original highest offer.”

[This was agreed by Cabinet on 2 December 2009.]

“To authorise the agreement of rent concessions up to a value of £25,000 per year per property and up to a total of £50,000 over the term of the lease and that rent concessions above these sums are referred to the Cabinet for consideration.”

[This was agreed by Cabinet on 2 December 2009.]

“To exercise the functions of the Council in relation to the management, inspection and control of asbestos, (Control of Asbestos at Work Regulations), and water systems in relation to Legionella (Approved Code of Practice for Minimisation of Legionella in Water Systems (L8)).”

(Reflects existing practice and professional and managerial responsibilities).

“To exercise the Council’s functions under the Safety of Sports Grounds Act 1975 and the Fire Safety and Safety of Places of Sport Act 1987.”

(Reflects existing practice and professional and managerial responsibilities).

3. Director of Financial Resources

New paragraph 3.22

“To abate pension remuneration and service in consultation with the Director of Human Resources and Organisational Development.”

[This was agreed by Personnel Committee on 29 October 2009.]

5. Director of Human Resources and Organisational Development

Insert new delegations.

“To consider requests, in consultation with the Director of Financial Resources, to extend the 12 month time limit for transfer of non LGPS pension funds to be aggregated, where it is in the employers’ interest to do so or in circumstances where an LGPS member missed the time limit for reasons beyond their control.”

[This was agreed by Personnel Committee on 29 October 2009.]

“To consider, and where considered appropriate, to refuse requests for the release of pension benefits on compassionate grounds and to refer to Personnel Committee those requests which are recommended for approval.”

[This was previously agreed by Personnel Committee on 28 June 2007.]

“To consider, and where considered appropriate, to refuse requests for flexible retirement and to refer to Personnel Committee those requests which are recommended for approval.”

[This was approved by Personnel Committee on 26 November 2009]

“To authorise recruitment and retention incentives in consultation with the Director of Financial Resources”.

[This reflects existing practice and professional and managerial responsibilities].

6. Executive Director of Health Housing and Adult Services

Insert new delegation after existing paragraph 7.13.

“To exercise any of the functions of a nearest relative under the Mental Health Act 1983 (as amended) in respect of a patient.”

[This reflects existing practice and professional and managerial responsibilities].

7. Executive Director of City Services

Transfer of existing delegation 2.35 to the Executive Director of City Services.

“To make Orders and give notices under the Town Police Clauses Act 1847.”

Amend existing paragraph 8.39.

“To authorise the issuing of instructions and variation orders to a contract, as Engineer, in accordance with the Council’s Procurement Procedure Rules.”

Delete existing paragraph 8.41 as the delegation is no longer relevant.

[Add delegations to reflect existing practice and professional and managerial responsibilities].

“To name or rename streets.”

“To exercise the powers of Traffic Manager and other functions under the Traffic Management Act 2004”.

“To act as the Technical Approval Authority for bridges and other highway structures”.

Constitution Part 4, Section 7 Procurement Procedure Rules

Paragraph 11 of the Rules deals with contracts exceeding EU thresholds. These need to be amended to reflect the revised thresholds operative from 1

January 2010. For services and supplies contracts the threshold is now £156,442 and £3,927,260 for works contracts.

**5. Reasons for Decision**

- 5.1 The exercise of powers under the Violent Crime Reduction Act 2006 and the Anti Social Behaviour Act 2003 (as amended) is consistent with the Council's duties under S17 of the Crime and Disorder Act 1998.
- 5.2 It is also necessary to revise and update the Constitution for the detailed reasons set out in the report.

**6. Alternative Options**

- 6.1 None are submitted for consideration.

**7. Background Papers**

Sunderland City Council Constitution.