

At a meeting of the CABINET held in the CIVIC CENTRE (COMMITTEE ROOM NO. 1) on WEDNESDAY, 14TH APRIL, 2010 at 2.00 p.m.

Present:-

Councillor P. Watson in the Chair

Councillors Allan, Anderson, Blackburn, Charlton, Gofton, Trueman, D. Wilson and N. Wright.

Part I

Minutes

The minutes of the meeting of the Cabinet held on 10th March, 2010, Part I (copy circulated) were submitted.

(For copy report – see original minutes).

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

Receipt of Declarations of Interest

The following Councillor declared a personal interest in the undermentioned report as a Member of the authority indicated:-

Item 14 – North East Smart Ticketing Initiative – Collaboration Agreement	Councillor Blackburn	Tyne and Wear Integrated Transport Authority/NEXUS
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Apologies for Absence

An apology for absence was submitted to the meeting on behalf of Councillor P. Smith.

Report of the Meeting of the Personnel Committee, Part I

The report of the meeting of the Personnel Committee held on 25th March, 2010, Part I (copy circulated) was submitted and consideration was given thereto.

(For copy report – see original minutes).

2. RESOLVED that the report of the meeting held on 25th March, 2010, Part I, be noted.

Port of Sunderland Governance Arrangements

The Deputy Chief Executive submitted a report (copy circulated) to provide an update on the progress on the appointment of a new Port Director and the establishment of the Port Board, and to seek approval to the terms of reference for the Board and the details of its proposed composition.

(For copy report – see original minutes).

Councillor Allan reminded Cabinet Members of previous reports on the new governance arrangements for the Port and highlighted that these new arrangements were in line with best practice as set out in the Municipal Ports Review. He reported that a new Port Director had been appointed and that he would take up post on the 1st June, 2010. He advised that a new Port Board was to be established in the new civic year and it was proposed that it should comprise 5 Council Members and at least 2 co-opted appointees with suitable experience, which would give flexibility to appoint more co-optees if these were sufficiently experienced candidates. Expressions of interest had been received for co-opted members and officers would assess these and make recommendations to full Council in due course. He proposed that the Leader of the Council and relevant Portfolio Holder act as Chairman and Vice-Chairman of the Board.

Councillor Allan advised that the report also proposed terms of reference for the Port Board. The Port Director would report to the Board and it was proposed that for the time being the Deputy Chief Executive retained the current delegated officer functions for the Port.

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

3. RESOLVED that:-

- (i) it be recommended to full Council for its approval, the terms of reference for the Port Board and the proposed composition of 5 Council Members (on a politically balanced basis including the Leader of the Council and the Resources Portfolio Holder acting as Chairman and Vice-Chairman) and at least 2 co-opted appointees with suitable experience, to operate in the new Civic Year 2010/11, and

- (ii) the Deputy Chief Executive be authorised to assess the expressions of interest received for the position of co-opted Board Members and to make recommendations to full Council in due course for the formal appointment of the relevant individuals.

Disposal of Land at Camberwell Way, Doxford International Business Park, Sunderland

The Deputy Chief Executive submitted a report (copy circulated) on the proposed disposal of the Council's freehold interest in 1.29 acres of land at Camberwell Way, Doxford International Business Park, Sunderland.

(For copy report – see original minutes).

Councillor Allan reported that the Council had been approached by Cloverleaf Restaurants to acquire and develop Council owned land at Camberwell Way, Doxford Park, for a business park amenity restaurant. He explained that Cloverleaf operated a number of business park restaurants across the country. He advised that the proposed restaurant would provide an amenity which was not currently available at Doxford, and which would complement the businesses that were located there. In particular it would offer restaurant and business meeting facilities, and would have 270 covers also available to the general public. He was pleased to report that the development would create some 65-70 new jobs.

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

4. RESOLVED that approval be given to the disposal of the Council's freehold interest in 1.29 acres of land at Camberwell Way, Doxford International Business Park, Sunderland to Cloverleaf Restaurants Limited for the price set out in the report on Part II of the agenda and otherwise on terms to be agreed by the Deputy Chief Executive.

Procurement of Combined Heat and Power Unit at Washington Leisure Centre

The Deputy Chief Executive submitted a report (copy circulated) on the proposed procurement of a replacement Combined Heat and Power Unit (CHP) at Washington Leisure Centre.

(For copy report – see original minutes).

Councillor Allan highlighted that the existing CHP unit at the Centre was 17 years old and needed replacing. The current unit was leased and operated by CHP provider Energ and a fresh procurement exercise was needed. He explained that CHP units could generate heat and electricity at lower cost and lower carbon emissions compared to grid supplied energy. Swimming pools were an ideal application for this technology and it was therefore considered that a new CHP unit should be installed at the Leisure Centre.

Councillor Allan advised that it was not in the Council's best interests to acquire the unit via capital purchase as this placed operational risk and maintenance of a specialist piece of equipment with the Council. He explained that the industry standard alternative was a Discount Energy Purchasing arrangement where the Council agreed to buy electricity from the CHP provider at a lower cost than that supplied from the grid. This would be a similar arrangement to those in place at the Aquatic Centre and Hetton and Silksworth Pools.

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

5. RESOLVED that the Deputy Chief Executive be authorised to commence the procurement of a CHP unit under a no capital cost discount energy purchasing arrangement as part of the planned refurbishment programme at Washington Leisure Centre.

Variation of Order of Business

At the instance of the Chairman, it was agreed that the order of business on the agenda be varied to consider item 15, "Procurement of Replacement Equipment for Sunderland Telecare" as the next item as Councillor Trueman had to attend another meeting.

Procurement of Replacement Equipment for Sunderland Telecare

The Executive Director of Health, Housing and Adult Services submitted a report (copy circulated) to seek endorsement of the decision to procure replacement telecare equipment from Tunstall in line with the requirements of BT 21CN Programme.

(For copy report – see original minutes).

Councillor Trueman reported that the purchase of replacement telecare units for Sunderland Telecare was required to install in customers homes, due to British Telecom changing its communication network as part of its 21CN Programme. He advised that much of Sunderland telecare's existing equipment was not compatible with the new network and the service was required to transfer to 21CN otherwise its telecom functions would not be reliable, impacting on the quality of service to its customers, many of whom were vulnerable. He emphasised that if the incompatible equipment was not replaced then responses to emergency alarms would be compromised.

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

6. RESOLVED that the decision to procure replacement telecare equipment to ensure Sunderland Telecare services are compatible with BT new communications network, the '21CN Programme', be endorsed.

At this juncture, Councillor Trueman withdrew from the meeting.

Strategic Investment Plan – Building Management System

The Deputy Chief Executive submitted a report (copy circulated) requesting approval to release up to £100,000 from funding provided to implement the Strategic Investment Plan, to fund the upgrade of the Building Management Systems in 34 Council operational properties.

(For copy report – see original minutes).

Councillor Allan reminded Cabinet Members of the “Sustainable City” project as part of the Strategic Investment Programme. He reported that part of this bid was to fund the replacement of Building Management Systems (BMS) control heating and ventilation plant at over 150 schools and operational properties throughout the City. He explained that after examining all of the BMS, 34 operational properties had been identified as requiring upgrades due to the current systems being obsolete and resulting maintenance issues. As well as addressing this issue the new systems would be able to deliver financial and carbon savings due to increased functionality.

Councillor Allan advised that the estimated cost of the project was £132,000 which would be funded by £100,000 from the SIP and the remainder from the Council’s Salix energy conservation fund. He added that savings in excess of £25,000 per annum would result from the implementation of the upgrade.

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

7. RESOLVED that expenditure of £100,000 be approved to meet the costs of the Building Management System upgrade programme.

Hendon and East End Regeneration Framework

The Deputy Chief Executive submitted a report (copy circulated) to present the completed Hendon and East End Regeneration Framework.

(For copy report – see original minutes).

Councillor Charlton highlighted that this Framework had been produced by consultants appointed by Back on the Map and its partners, including the Council. It set out to identify the issues facing the New Deal for Communities area and the opportunities to address them in a spatial framework. He explained that the Framework presented a vision for Hendon and the East End that recognised the area’s strengths and history, but acknowledged the need for change. It envisaged a place where people would aspire to live, with a clean, pleasant environment, safe from crime and anti-social behaviour and with greater opportunities for employment, life-long learning and good health and well-being.

Councillor Charlton reported that the Framework proposed a range of improvements grouped under 5 themes namely, community legacy and heritage; accessible local amenities; great streets for people; welcoming, safe neighbourhoods and supporting local employment. It also identified key aspects of what would shape a strong local community, by retaining key buildings important to local heritage; a strong community spirit; a sense of place; living close to where you work; creating a thriving centre for enterprise; development of the Port and its continuing links to the area; local amenities and good connections to surrounding areas.

Cabinet Members were advised that the production of the Framework had involved extensive consultation with community representatives, interest groups, public agencies, local businesses and other stakeholders. However, the Framework could not be formally adopted by the Council, for example as a Supplementary Planning Document (SPD), because it had not undergone the necessary statutory process and it also sought to allocate land for particular uses, which could not be done in an SPD.

Councillor Charlton reported that the Framework could be considered as a community plan and as such it could form part of the evidence base in the preparation of higher level planning policy, including the emerging Local Development Framework Core Strategy and Allocations DPD. It could also be used to inform the preparation of other policies and proposals for the area. He explained that the acceptance of the Framework did not necessarily endorse its proposals or formally commit the Council or its partners to deliver them.

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

8. RESOLVED that the Hendon and East End Regeneration Framework be accepted as a community plan to be considered in the preparation of the City's Local Development Framework.

Electricity Supply for the Low Carbon Economic Area in Washington

The Chief Executive and the Director of Financial Resources submitted a report (copy circulated) to seek approval to a proposed financial contribution by the Council towards the cost of providing new electrical infrastructure in the Washington area.

(For copy report – see original minutes).

Councillor Allan reported that the Council could be justifiably proud of its record of creating the environment in which businesses could establish, grow and flourish and with that create many jobs for local people. He advised that making a financial contribution to a new electricity substation was just one way in which the Council used its power for the economic well-being of the area. He added that the survey of existing supply and anticipated demand clearly identified a gap in provision. In addition the projected growth at Nissan required the company to upgrade their own supply to service their new battery plant.

Councillor Allan advised that together with ONE North East and Nissan the Council had an ideal opportunity to provide the additional capacity required by the new Low Carbon Economic Area in Washington.

Cabinet Members having commended the proposal as this infrastructure would hopefully support the growth of an exciting new sector in Sunderland's economy, it was:-

9. RESOLVED that:-

- (i) a Council contribution of £1 million towards the cost of the provision of new electrical infrastructure in the Washington area, matched by a £1 million Single Programme Grant from ONE North East (ONE) be approved, and
- (ii) the Chief Executive and the Director of Financial Resources be authorised to agree suitable contract terms with the Council's delivery partner, Nissan, in relation to the procurement of the infrastructure.

Future Jobs Fund Phase 2

The Deputy Chief Executive submitted a report (copy circulated) to seek approval of the Council's role in co-ordinating and managing Phase 2 of the Future Jobs Fund programme in Sunderland, from April 2010 – December 2011.

(For copy report – see original minutes).

Councillor Charlton highlighted that the Future Jobs Fund was designed primarily to prevent young people slipping into long term unemployment but which also could offer employment to adult benefit claimants. He explained that the Council's involvement in the Future Jobs Fund was part of a bid which was co-ordinated by North Tyneside Council on behalf of the Tyne and Wear City Region. Cabinet approved the Council's role in managing Phase 1 of the bid in November 2009. He added that North Tyneside had now received the Phase 2 approval which would bring a further £11.96m grant to the city region and the Council would receive a grant of £1.54m to generate a further 238 jobs.

Cabinet Members were advised that Phase 1 had been relatively successful and so far, 245 of the 313 jobs identified in the bid had been created and 146 had been filled. The Phase 2 target of 238 jobs would bring the total to 551 and employer interest continued to be positive and 49 opportunities had been registered already for Phase 2.

Councillor Charlton reported that the Council was seeking to create 30 Future Jobs Fund positions itself in parallel with its apprenticeship programme.

Cabinet Members having welcomed the proposals, it was:-

10. RESOLVED that:-

- (i) the Council's role in developing and managing Phase 2 of the Future Jobs Fund programme be approved which will provide an estimated £1,547,000 funding additional to the £2,034,500 that was allocated under Phase 1 of the programme, approved by Cabinet on 4th November, 2009, and
- (ii) the programme be managed by the Council in agreement with North Tyneside Council which is the accountable body for the Tyne and Wear City Region with the Future Jobs Fund programme being managed nationally by the Department for Work and Pensions.

Local Democracy, Economic Development and Construction Act 2009

The Chief Solicitor submitted a report (copy circulated) on the above Act which received Royal Assent on 12th November, 2009. The report summarised its contents, except for Part 8 which dealt with construction contracts.

(For copy report – see original minutes).

Councillor Allan highlighted the new duties to be placed on the Council included the promotion of understanding among local people of:-

- its functions as an authority and those of connected authorities;
- its democratic arrangements;
- how members of the public could take part in those democratic arrangements and what was involved in taking part;
- understanding of courts boards, independent monitoring boards for prisons and immigration removal centres; youth offending teams and lay justices.

He added that the Council was also required to provide a facility for people to submit petitions electronically and to make, publicise and comply with a scheme for handling both paper and electronic petitions.

Cabinet Members were advised that other provisions included:-

- the Secretary of State being given power to establish a body to represent (nationally) the views and interests of housing tenants in England, in both social housing and other residential property.
- to extend the existing power of some local authorities to appoint men or women as honorary freemen to all local authorities, including parish councils.
- to remove the salary threshold for defining politically restricted posts.

- the appointment of a designated “Scrutiny Officer” to promote the role of overview and scrutiny committees and provide support and guidance to Members and Officers in relation to their functions. The Personnel Committee had appointed Charlotte Burnham as the designated Scrutiny Officer at its meeting on 25th March, 2010.

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

11. RESOLVED that the summary and the steps which are being taken to implement the provisions of the Act be noted and a further report be prepared for Council to consider a petitions scheme.

Carriageway Reconstruction and Surfacing Contract 2010 to 2014 – Approval to Variation Order

The Executive Director of City Services submitted a report (copy circulated) to seek approval to a Variation Order for the Carriageway Reconstruction and Surfacing Contract.

(For copy report – see original minutes).

Councillor Blackburn highlighted in September 2009, Cabinet approved the letting of the Carriageway Reconstruction and Surfacing Contract and following that a review of the newly formed Streetscene Services had commenced which might have had an impact on this area of work and so the procurement process had been put on hold.

Councillor Blackburn reported that the review had progressed to a stage where the procurement stage should now continue, however due to the length of time required to follow EU regulations the earliest commencement date for the new contract was October 2010. He explained that as there was a need to carry out surfacing work over the summer months it was proposed to extend the current contractor’s arrangement until October 2010. He anticipated that approximately £700,000 worth of work would be undertaken during this period.

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

12. RESOLVED that the Variation Order of approximately £700,000 for the Carriageway Reconstruction and Surfacing Contract be approved.

North East Smart Ticketing Initiative – Collaboration Agreement

The Executive Director of City Services submitted a report (copy circulated) to obtain approval to enter into formal collaboration with the other Councils in the north east region to deliver the North East Smart Ticketing Initiative (NESTI) project.

(For copy report – see original minutes).

Councillor Blackburn reported that Nexus had been working informally with regional partners on the development of a project that would deliver a smart ticketing infrastructure in the north east region similar to the Oystercard system in London. He advised that it would have many benefits not least simplifying the process of paying for the use of public transport and speeding up boarding and the introduction of such a system would improve the experience of using public transport and should encourage greater use of public transport.

Councillor Blackburn highlighted that £10 million of funding had been obtained from the DfT via a transfer from the Regional Funding Allocation to the Integrated Transport Block Allocations of Councils in the region. He reported that the North East Leaders/Elected Mayors had approved the initiation of the NESTI project, approved the use of the additional funding to finance the development and implementation of the project and approved the creation of a Partnership Board and governance structure. He explained that the purpose of the report was to obtain approval to complete the collaboration agreement with the other Councils and so ensure that the Council was fully involved with the project and able to have some influence on project outcomes.

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

13. RESOLVED that:-

- (i) full participation in the NESTI project be approved, and
- (ii) the completion of the Collaboration Agreement with the other Councils be authorised.

Procurement of the Provision of a Companionship Service (Carer Relief)

The Executive Director of Health, Housing and Adult Services submitted a report (copy circulated) to set out the arrangements for the procurement of the provision of a Companionship Service (Carer Relief) and to seek approval to undertake a tender process.

(For copy report – see original minutes).

Councillor Wright highlighted that the Companionship Service enabled carers to have a much needed break from their caring role through providing companionship to the individual who was cared for either inside or outside of the home. She reported that the service was immensely valued by carers as it allowed them to have a break and to spend their time as they wished with the reassurance that the cared for person was being looked after and having quality time with a companion.

Councillor Wright advised that the current contract for the provision of the Companionship Service ended on the 31st August 2010, therefore the Council was seeking approval to retender for this service to ensure that the service continued to be provided.

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

14. RESOLVED that the arrangements for the procurement of a Companionship Service (Carer Relief) be approved and approval be given to undertake a tender process and to award the contract to the successful bidder(s) providing that they can demonstrate a value for money proposal.

Procurement of the Provision of Social Care for Adults with a Learning Disability

The Executive Director of Health, Housing and Adult Services submitted a report (copy circulated) to set out the arrangements for the procurement of the provision of social care for adults with a learning disability living in nine residential homes in the City and to seek approval to undertake a restricted tender process.

(For copy report – see original minutes).

Councillor Wright reported that currently Northumberland, Tyne and Wear NHS Trust managed some, and provided care within all of the homes. She added that national guidance stated that the NHS should not be providing purely social care and this alongside rising costs had led to the need for the Council to commission this service and undertake a procurement exercise to identify suitable providers who could deliver this service.

Councillor Wright explained that this arrangement would enable residents to have more choice and control and be financially better off, as the specification for service providers would include deregistration as care homes to assured tenancies with care provided on a domiciliary 24 hour basis. She added that the proposals outlined in the report would enable the Council to commission the appropriate services necessary to meet individuals' needs and secure contracts with suitable social care providers at a price that reflected best value.

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

15. RESOLVED that the arrangements for the procurement of the provision of social care for adults with a learning disability in nine homes within the City of Sunderland and to undertake a restricted tender process be approved.

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

At the instance of the Chairman, it was:-

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

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

(Signed) P. WATSON,
Chairman.

Note:-

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

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