

**CABINET MEETING – 14 MARCH 2012**  
**EXECUTIVE SUMMARY SHEET – PART I**

**Title of Report:**

MINUTES, PART I

**Author(s):**

Head of Law and Governance

**Purpose of Report:**

Presents the minutes of the last meeting held on 15 February 2012 Part I.

**Action Required:**

To confirm the minutes as a correct record.



**At a meeting of the CABINET held in the CIVIC CENTRE (COMMITTEE ROOM NO. 1) on Wednesday 15 February 2012 at 2.00 p.m.**

**Present:-**

Councillor P. Watson in the Chair

Councillors Allan, Blackburn, Charlton, Gofton, P. Smith, Speding, Trueman and T. Wright.

**Also in attendance:-**

Councillors Oliver and Wood.

**Part I**

**Minutes**

The minutes of the meeting of the Cabinet held on 11 January 2012, Part I (copy circulated) were submitted.

(For copy report - see original minutes).

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

**Receipt of Declarations of Interest**

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

Item 5 – Wearmouth Masterplan and Design Code – Supplementary Planning Document	Councillor Blackburn	Tyne and Wear Integrated Transport Authority
	Councillor Gofton	ANEC, Board of Governors of the University of Sunderland
	Councillors Speding, Trueman and P. Watson	ANEC

Item 6 – Collection Fund 2011/2012	Councillor Blackburn	Hetton Town Council
Item 7(i) – Capital Programme 2012/2013 including Prudential Indicators and Treasury Management Strategy	Councillor Allan	Board of Governors of Thorney Close Primary School
	Councillor Blackburn	Tyne and Wear Integrated Transport Authority
	Councillor Speding	Football Foundation
Item 7(ii) – Revenue Budget and Proposed Council Tax 2012/2013 and Medium Term Financial Strategy 2011/2012 – 2014/2015	Councillor Allan	Local Government Pension Scheme, GMB, Unison
	Councillor Blackburn	GMB, Tyne and Wear Integrated Transport Authority, South Tyne and Wear Waste Management Joint Partnership
	Councillors Charlton, P. Smith	Local Government Pension Scheme, GMB
	Councillor Gofton	Local Government Pension Scheme, ANEC, Sunderland Empire Theatre Trust
	Councillor Speding	GMB, ANEC, Substitute Member of South Tyne and Wear Waste Management Joint Partnership
	Councillor Trueman	Local Government Pension Scheme, ANEC, Sunderland Partnership
	Councillor P. Watson	GMB, ANEC, North East Local Enterprise Partnership, Sunderland Partnership
	Councillor T. Wright	South Tyne and Wear Waste Management Partnership, Sunderland Empire Theatre Trust

Item 8 – Association of North east Councils Limited      Councillors Gofton, Speding, Trueman and P. Watson      ANEC

### **Apologies for Absence**

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

### **Report of the Meeting of the Personnel Committee, Part I**

The report of the meeting of the Personnel Committee held on 26 January 2012, 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 of the Personnel Committee held on 26 January 2012, Part I be noted.

### **Wearmouth Masterplan and Design Code: Supplementary Planning Document**

The Deputy Chief Executive submitted a report (copy circulated) to advise of the outcome of public consultation on the draft Wearmouth Masterplan and Design Code and to seek approval to adopt the document as an Supplementary Planning Document as part of the council's Local Development Framework.

(For copy report – see original minutes).

Councillor Charlton highlighted that the Council's Unitary Development Plan Alteration No.2 identified St. Peter's Riverside and Bonnersfield as a Strategic Location for Change, where development was to be encouraged. He added that however, the area also formed part of the 'buffer zone' of the Wearmouth-Jarrow candidate World Heritage Site at St Peter's and so its regeneration should protect and enhance the potential World Heritage Site.

Councillor Charlton reported that the boundary of the Wearmouth Masterplan had therefore been drawn to match the buffer zone of the candidate World Heritage Site and it established a range of urban design principles which must be followed by developers and which protect key views of the candidate World Heritage site.

Cabinet Members were advised that following previous statutory public consultation resulting in concerns raised by English Heritage the document had been re-drafted and further consultation was carried out over a four week period in November and December 2011. The adoption of the Masterplan and Design Code as a Supplementary Planning Document would provide the robust planning framework required to determine planning applications and secure the proper regeneration of

the St Peter's and Bonnersfield areas, as well as guiding future development along the opposite shore of the River Wear.

Councillor Charlton reported that the existence of an adopted planning framework for the area was important to the success of the World Heritage Bid and if adopted, the document would immediately be submitted to the International Council on Monuments and Sites to aid its deliberations on the bid.

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

3. RESOLVED that:-

- (i) the amendments made to the draft Wearmouth Masterplan and Design Code in light of responses received during the public consultation on the document and other considerations, be noted, and
- (ii) the amended Wearmouth Masterplan and Design Code be adopted as a Supplementary Planning Document.

### **Collection Fund 2011/2012**

The Executive Director of Commercial and Corporate Services submitted a report (copy circulated) to advise of the estimated balance on the Collection Fund for 2011/2012 and the amounts available to the Council and its major precepting authorities for use in setting Council Tax levels for 2012/2013.

(For copy report – see original minutes).

Councillor Speding reported that the exercise to determine the estimated balance on the Collection Fund at the end of the financial year, legally, must be carried out on 15 January of each year. He advised that where a surplus was projected on the Collection Fund, the Council had a legal requirement to return those surpluses to the Council and its Precepting Bodies so that they could be taken into account in calculating the Council Tax for the following year.

The attention of Cabinet Members was drawn to paragraph 5.4 of the report which highlighted that it was estimated that there would be a projected surplus on the Collection Fund as at 31 March 2012 and that £566,124 would be used in 2012/2013. Accordingly, of this sum £500,000 was available to the Council to take into account when determining the Council Tax for 2012/2013. Councillor Speding was pleased to report that this is a very positive position and reflected the continued excellent performance of the Council in terms of Council Tax collection.

Councillor Speding reported that there was also a legal requirement that the Council must notify its Precepting Bodies of their share of the surplus to be used within 7 working days from the calculation date of 15 January and this requirement had already been complied with.

Councillor Wright referred to the impact of the Government's changes to Working Tax Credits and the increase in the requirement to work at least 24 hours per week rather than 16 hours per week. He enquired whether this would be taken into account when collecting Council Tax. Cabinet Members acknowledged that this could affect part-time, low paid workers in the City and requested that some research be undertaken on the matter.

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

4. RESOLVED that the position in relation to the Collection Fund for 2011/2012 and the surplus of £500,000 which will be taken into account when setting the Council Tax level for the Council for 2012/2013 be noted.

### **Capital Programme 2012/2013 and Treasury Management Policy and Strategy 2012/2013, including Prudential Indicators for 2012/2013 to 2014/2015**

The Executive Director of Commercial and Corporate Services submitted a report (copy circulated) to provide an update on the level of capital resources and commitments for the forthcoming financial year and to seek a recommendation to Council to the overall Capital Programme 2012/2013 and the Treasury Management Policy and Strategy (including both borrowing and investment strategies) for 2012/2013 and to approve the Prudential Indicators for 2012/2013 to 2014/2015.

(For copy report – see original minutes).

Councillor Speding highlighted that this was a detailed and technical report mainly due to the complex nature of capital finance and the legal requirements involved. He drew attention to the Capital Programme for 2012/2013 which totalled over £60 million and within the current challenging context; this was a very positive and strong programme and a big vote of confidence in our City. He reported that the Programme was made up of new starts of over £30 million together with the costs of continuing schemes from previous years of just over £30 million and this demonstrated that the Council was making a major commitment to regeneration of the area despite ongoing reductions in specific grants.

Councillor Speding reported that it was testament to the Council's vision for the city and careful consideration of its resources that it could propose this capital programme for future years, especially at a time when capital funding from the government had been cut across all service areas. He advised that the Council continued to support projects that benefited the neediest and had ensured that grants allocated to Children's Services, Transport, and Health and Housing Services were earmarked for priorities within these services. He added that the approach would enable programmes such as disabled facilities grants and school modernisation to progress.

Cabinet Members were advised that, despite the economic context, significant investment was proposed in the city centre and seafront to support the implementation of the Economic Masterplan and to promote private sector investment. This was in addition to the support to the new Wear Bridge which would help create thousands of new jobs, on the construction of the bridge itself and by improving links between the A19, the city centre and the Port of Sunderland.

Councillor Speding was pleased to highlight a proposal to build a new Leisure Centre in Washington which would address another key priority for residents. In addition he added that the increasingly commercial approach to be taken in key areas of the programme was anticipated to result in significant private sector investment alongside Council resources over time.

Turning to the Council's Treasury Management Policy statement, Councillor Speding advised that it was not proposed to make any major changes to the overall Treasury Management Strategy in 2011/2012 which would, especially in these times of economic uncertainty, maintain the careful and prudent low risk approach adopted by the Council in previous years. He assured Cabinet Members that the Strategy complied fully with the revised Treasury Management Code of Practice and observed best practice.

Cabinet Members commended the proposed Capital Programme and thanked the Executive Director of Commercial and Corporate Services and officers for their work in bringing forward the schemes, especially in improving the leisure offer to residents by building a new Leisure Centre in Washington, particularly in light of the current economic uncertainty and backdrop of Government budget and grant cuts.

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

5. RESOLVED that it be recommended to Council to approve:-
  - (i) the proposed Capital Programme for 2012/2013,
  - (ii) the Treasury Management Policy and Strategy for 2012/2013 (including specifically the Annual Borrowing and Investment Strategies),
  - (iii) the Prudential Indicators for 2012/2013 to 2014/2015, and
  - (iv) the Minimum Revenue Provision Statement for 2012/2013.

### **Revenue Budget and Proposed Council Tax for 2012/2013 and Medium Term Financial Strategy 2011/2012 to 2014/2015**

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



- (a) the overall revenue budget position for 2012/2013;
- (b) the projected balances position as at 31st March, 2012 and 31st March, 2013 and advise on their level;
- (c) a risk analysis of the Revenue Budget 2012/2013;
- (d) a summary of the emerging medium term financial position facing the Council from 2013/2014 to 2014/2015;
- (e) any views received from the North East Chamber of Commerce and Trade Unions;
- (f) the final General Summary for the Revenue Estimates and the proposed Contingencies and Provisions for Strategic Priorities for 2012/2013 set out at Annex 1;
- (g) recommendations to be made to Council with respect to Council Tax levels for 2012/2013, subject to the approval of the Revenue Budget 2012/2013. The Council Tax is calculated using the tax bases for the areas of the City Council and Hetton Town Council as confirmed by Council on 25th January 2012. There are a number of resolutions required to be made to determine the Council Tax including precepts from the Major Precepting Authorities and the Parish of Hetton Town Council;
- (h) the required statutory requirements that in summary mean that Cabinet is recommending to Council a proposal to set a Council Tax Requirement (previously the Net Budget Requirement) that will mean a freeze to the Council Tax for 2012/2013; and
- (i) changes to the Local Government Finance Act 1992 following the implementation of the Localism Act 2011.

(For copy report – see original minutes).

Councillor Speding reported that once again this was a very difficult budget as the Council was faced with significant Formula grant reductions and cost pressures resulting in a savings requirement of £28million for 2012/2013. He added that this came on top of almost £58million of reductions that was required in 2011/2012. He thanked Cabinet colleagues for working in a positive and constructive way to identify proposals to address this very difficult and challenging position.

Councillor Speding highlighted that in order to address the overall reductions required; savings had been identified as follows:

- £15million of savings coming from Directorate 3 Year Improvement Plans,
- Almost £8m of savings coming from the continued review of Strategic and Shared Services, ICT and Smarter Working, and

- £3million would be made available from a review of contingencies and third party spends.

He added that after taking account of these savings it was also proposed that £2m of transitional funding was temporarily applied to enable phasing of proposals, which would be replaced with additional savings in 2013/2014.

Cabinet Members were advised that the proposals represented a robust approach to ensure a balanced budget whilst trying as far as possible to protect frontline services.

Councillor Trueman referred to paragraph 6.6.3 of the report which highlighted the implementation of the Council's apprenticeship scheme within the Street Scene service of the Council. He reported that the scheme had recently received an award from the GMB at the national 'Apprenticeships: Quality and Equality' conference in London which he planned to present at a future Council meeting. He advised that the scheme was excellent and he had been honoured to be part of the presentation.

Councillor Speding then drew attention to Appendix D which had been tabled separately. He reported that a council tax freeze was proposed and that confirmation of the precept proposals from Northumbria Police and Tyne and Wear Fire and Rescue Authority might require an amendment to the final proposal. He advised that this course of action recognised the economic climate and the challenges facing the residents of the city and that the Council would continue to do everything it could to try to mitigate the impact of these external challenges.

In conclusion, Councillor Speding reported that as the future outlook was one of further government funding reductions, this, and on-going Government reviews on local government funding and welfare reform had made this year all the more uncertain. He assured Cabinet Members that in accordance with the Council's usual best practice, a medium-term approach to financial planning had been adopted in order to ensure that next year's budget was as sustainable as possible. He added that the medium term strategy was fully set out at Appendix E and represented an important planning tool that would be regularly updated as new information emerged.

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

6. RESOLVED that it be recommended to Council:-

- (i) to approve the proposed Revenue Budget for 2012/2013 set out at Appendix I of the report,
- (ii) to note the medium term financial strategy 2011/2012 to 2014/2015 as set out in Appendix E,
- (iii) that it be noted that at its meeting on 25 January 2012 the Council approved the following amounts for the year 2012/2013 in accordance with the amended regulations made under Section 31B(3) of the Local Government Finance Act 1992:

- (a) £81,202 being the amount calculated by the Council, in accordance with the above regulation of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax Base for the year (Item T).
  - (b) £4,130 being the amount calculated by the Council, in accordance with the Regulations, as the amount of its Council Tax Base for the year for dwellings in the area of the Parish of Hetton Town Council.
- (iv) that the following amounts be now calculated by the Council for the year 2012/2013 in accordance with Sections 31 to 36 of the Local Government and Finance Act 1992:
- (a) £729,371,824 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils.
  - (b) £633,015,356 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
  - (c) £96,356,468 being the amount by which the aggregate at (iv) (a) above, exceeds the aggregate at (iv) (b) above calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax Requirement for the year (Item R in the formula in Section 31A(4) of the Act).
  - (d) £1,186.6268 being the amount at (iv) (c) above (Item R) all divided by Item T ((iii) (a) above), calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - (e) £54,144 being the precept notified by Hetton Town Council as a special item under Section 34 (1) of the Act.

- (f) £1,185.9600 being the amount at (iv) (d) above less the result given by dividing the amount at (iv) (e) above by the Item T ((iii) (a) above), calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
- (g) £1,199.0699 being the amount given by adding to the amount at (iv) (f) above the amount (iv) (e) divided by the amount at (iii) (b) above, calculated by the Council in accordance with Section 34 (3) of the Act as the basic amounts of its Council Tax for the year for dwellings in the area of the Parish of Hetton Town Council.

#### **Parts of the Council's Area**

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

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

- (v) that it be noted that for the year 2012/2013, Tyne and Wear Fire and Rescue Authority and Northumbria Police Authority have supplied their best estimate of their proposed precepts, which have still to be approved by their respective Authorities. Consequently, the following amounts for both the Tyne and Wear Fire and Rescue Authority and the Northumbria Police Authority represent the provisional precepts for 2012/2013, which may be issued to the Council, in accordance with

Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings as follows:

**Precepting Authority**

Valuation Bands	Northumbria Police Authority	Tyne & Wear Fire and Rescue Authority
A	£ 55.79	£ 48.77
B	£ 65.08	£ 56.90
C	£ 74.38	£ 65.03
D	£ 83.68	£ 73.16
E	£102.28	£ 89.42
F	£120.87	£105.68
G	£139.47	£121.93
H	£167.36	£146.32

- (vi) that having calculated the aggregate in each case of the amounts at (iv) (h) and (v) above but not having received confirmation of the precept in paragraph (v), the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, estimate the following amounts as the amounts of Council Tax for the year 2012/2013 for each of the categories of dwellings shown below at this point in time. The exact levels will only become known once formal notification of the precepts from the Tyne and Wear Fire and Rescue Authority and Northumbria Police Authority are received.

**Parts of the Council's Area**

Valuation Bands	Hetton Town Council	All other parts of the Council's Area
A	£ 903.94	£ 895.20
B	£ 1,054.59	£ 1,044.39
C	£ 1,205.25	£ 1,193.60
D	£ 1,355.91	£ 1,342.80
E	£ 1,657.23	£ 1,641.21
F	£ 1,958.54	£ 1,939.60
G	£ 2,259.85	£ 2,238.00
H	£ 2,711.82	£ 2,685.60

- (vi) that they note that the proposed Council Tax Freeze for 2012/13 means that the Council does not need to hold a referendum on its proposed council tax. New regulations introduced by the government (Section 52ZC of the Local government Finance Act 1992) requires all billing authorities (councils and precept authorities (i.e. Fire and Police authorities)) to hold a referendum on their proposed level of basic Council tax each year from 2012/13 if they exceed government guidelines set out annually.

For 2012/13 the guideline increase for the council was 3.5%.

As the council is proposing a council tax freeze for 2012/13 then the above regulations have no impact for 2012/13.

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

### **Draft Council Tax Leaflet 2012/2013**

The Chief Executive and the Executive Director of Commercial and Corporate Services submitted a joint report (copy circulated) on the draft Council Tax Leaflet 2012/2013.

(For copy report – see original minutes).

Councillor Speding reported that the Local Government and Finance Act 1992 required Local Authorities to produce a Summary of Financial Information to accompany the annual Council Tax Bill. He added that the Council Tax Leaflet fulfilled this requirement and provided information on the progress the Council was making in relation to its priorities and the Council's finances, focusing on demonstrable service improvements and developments.

Councillor Speding highlighted that the financial information and related performance information could not be included at this time, but would be included following Council approval at its Budget meeting in March. A full copy of the Leaflet could not therefore be made available prior to Cabinet.

Cabinet Members were advised that the format was based on the 2011/2012 leaflet and a copy of the latest working draft was tabled at the meeting. Final sign off of the leaflet would be by the Leader, the Chief Executive and the Executive Director of Commercial and Corporate Services.

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

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

### **Association of North East Councils Limited**

The Executive Director of Commercial and Corporate Services submitted a report (copy circulated) to advise of a request from the Association of North East Councils Limited (ANEC Limited) for all member authorities to formalise their membership in accordance with the Articles of Association of the Company and to recommend a procedure for the exercise by the Council of Company Members' rights.

(For copy report – see original minutes).

The Chairman reminded Cabinet Members that the Council was a member of the Association of North East Councils (ANEC) which represented the interests of local authorities in the north-east area. He explained that as an unincorporated association, ANEC did not have its own legal identity, so in 2004 a limited company was formed – ANEC Limited.

The Chairman advised that at first the company did not trade but in 2009 the member authorities agreed that a company should be formed to employ the ANEC staff, hold contracts and leases and conduct litigation on the Association's behalf. He added that the original company ANEC Limited was retained but in November 2010 a new Memorandum and Articles for the company was adopted to better suit its role and each member authority was represented on the Directors Board of ANEC Limited by their Leader or Elected Mayor.

Cabinet Members were advised that under the new Articles, the members of ANEC Limited were the local authority members of ANEC however there was also a requirement under the Articles for membership applications to be submitted for approval by the directors. Therefore, to ensure full compliance with the Articles, each member authority had now been asked to submit a formal application for approval and Cabinet was therefore being asked to authorise the submission of the application.

The Chairman drew attention to the second aspect of the report which highlighted that each member authority was required to have an authorised representative to represent it at General Meetings of ANEC Limited and to vote on its behalf.

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

8. RESOLVED that the Chief Executive be authorised to:-
  - (i) complete and submit an application for membership of ANEC Limited on behalf of Sunderland City Council in accordance with Article 3.3 of the Company's Articles of Association, and
  - (ii) nominate, from time to time, a member or officer of the Council to act as the Council's duly authorised representative to exercise members' rights in the Company on behalf of the Council.

## **Sure Start Review and An Integrated Early Intervention Service**

The Executive Director Children's Services submitted a report (copy circulated) to provide an update on the current position in relation to the development of an early intervention service which included services delivered as part of the former Sure Start, Early Years and Childcare Grant (SSEYCG), to detail the outcomes of the recent formal consultation exercise and to request consideration of how changes would be implemented following consultation. In addition the report described proposals for service delivery for the 12 months from April 2012 and sought approval to develop proposals for commissioning services from April 2013 linked to the establishment of Area Boards.

(For copy report – see original minutes).

Councillor Smith reminded Cabinet Members that they had considered a report on 2 November 2011 on the proposed review of Sure Start Grant and Children's Centres and had agreed to three broad areas of further work in relation to this. She reported that consultation on the proposal to reduce the number of 'designated' children's centres from 17 to 5 with the other 12 centres remaining open as service delivery centres had taken place and that there had been clear support for this proposal.

Councillor Smith proposed that recommendation 2.1(i) of the report be agreed and also requested Cabinet Members agree the criteria set out at paragraph 5.1 of the report that would be used to decide which would be the designated centres. She explained that if agreed, once this criterion had been applied then these designations would be considered by the five area committees.

Councillor Smith then highlighted that it had been agreed that there should be consultation on increasing community involvement in children's centres through the introduction of Area Community Boards and there had been very strong support for this proposal also. She requested Cabinet Members to agree the recommendation at 2.1 (iii) of the report in order that work could begin to establish the Community Area Boards from April 2012.

Cabinet Members were reminded of the agreement made in November that arrangements be made to procure children's centre services for one year so that these were up and running from April 2012. Councillor Smith referred to Sections 6 and 7 of the report which detailed the services that were being commissioned and how these services would be focused on outcomes for young children and their families with some services targeted to meet the needs of those families needing the most help.



Councillor Smith then drew attention to the views of respondents on prioritising some services for those requiring extra help, as detailed in the report, which required careful consideration. She reported that any move towards more targeting of services would need to be communicated well so that families understood that some sessions would continue to be available to everyone and some would be targeted for specific families based upon needs. She added that this would become clearer through the Children's Centre programme of activities from April which was currently being developed.

In conclusion, Councillor Smith reported that implementation of the proposals in this report was set to achieve the full required efficiencies on a permanent basis from April 2012 of £1.777 million. She explained that the full detail of the savings would be known once the procurement of services had been completed and suggested that a further report be submitted to Cabinet in due course. She added that the programme of activities in children's centres from April and the developing picture for Area Community Boards would also be included in the further report to Cabinet.

Cabinet Members commended the report, particularly in the current climate when other authorities were having to close children's centres and thanked the Portfolio Holder and the Executive Directorate for bringing the proposals forward.

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

9. RESOLVED that approval be given to:-

- (i) the number of Children's Centres which are designated be reduced from 17 to 5 in the 5 localities and that the remaining 12 centres remain open as service delivery centres;
- (ii) the criteria set out in paragraph 5.1 of the report to be applied to determine which of the 17 centres will be the 5 designated centres and that Area Committees are asked to consider this;
- (iii) arrangements for Area Community Boards for each of the five areas are established from April 2012 in order that these Boards shape and direct service delivery and the further development of Children' centres moving forward;
- (iv) the proposal to prioritise families needing additional support being progressed, recognising that criteria relating to need will be clearly defined and that a range of services will continue to be delivered on a universal basis;
- (v) proposals to secure service delivery from April to be progressed in line with the recommendation of 2 November 2011 for one year from April 2012, with services from April 2013 identified and prioritised by the newly established Area Community Boards; and
- (vi) receive a further report on progress in due course.

## **Procurement of Refuse Collection and Gully Cleansing Vehicles**

The Executive Director of City Services submitted a report (copy circulated) on a proposal to procure 10 Refuse Collection Vehicles and 2 Gully Cleansing vehicles for the Highways Drainage Service and to support Streetscene operational services.

(For copy report – see original minutes).

Councillor Blackburn highlighted that the proposal to procure of 2 new gully cleansing vehicles was to replace the current vehicles which were 8 and 10 years old respectively and were no longer fit for service due to age and increasing cost of maintenance. He reported that the refuse collection service had a large number of vehicles ranging from 9 to 12 years old. He advised that the fleet manager had reviewed vehicle needs and the estimated minimum number that were required to be replaced due to age and potential future working arrangements, and concluded that 10 replacements were required.

Cabinet Members were informed that the total costs of procuring these vehicles was expected to be £1.75m and this would be reflected in annual revenue costs to the Council of around £250,000 through either leasing or hire arrangements whichever method provided the best value for money for the Council. Councillor Blackburn reported that these costs were essential to ensure the vehicles operated by the Council were fit for purpose and maintained efficiently and the cost for these vehicles would be met from existing revenue budgets from 2012/13.

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

10. RESOLVED that approval be given to procure 10 refuse collection and 2 gully cleansing vehicles to replace the equivalent number for use throughout the city.

## **Sunderland Strategic Transport Corridor (SSTC) – New Wear Crossing Progress Update**

The Executive Director of City Services and the Executive Director of Commercial and Corporate Services submitted a joint report (copy circulated) to advise of the receipt of the Funding Decision from the Department for Transport (DfT) and to seek endorsement of the continued implementation of the scheme.

(For copy report – see original minutes).

Councillor Blackburn reported that the DfT had confirmed on 14 December 2012 that Ministers had agreed to provide the Council with £82.563m of funding towards delivery of the new Bridge and had reconfirmed Programme Entry. He added that the local contribution of £35.079m remained unchanged from the level approved by Cabinet in September 2009 and drew attention to the funding decision letter, dated 21 December 2011, attached as an appendix to the report which detailed the DfT's conditions attached to its offer of funding.

Councillor Blackburn explained that the conditions were not unusual for a scheme of this nature with the DfT confirming that the Council must underwrite any additional cost above the estimated project cost of £117.642m, and that the funding offer of £82.563m was the maximum that DfT would contribute. He requested the Cabinet to endorse the continued delivery of the scheme through to full implementation and to authorise the Executive Director of City Services and Executive Director of Commercial and Corporate Services, in consultation with the Portfolio Holder for Attractive and Inclusive City, to finalise and submit an application for Full Approval to DfT following procurement of the main works contractor.

Councillor Blackburn reported that it was estimated that further expenditure of £981,000 in 2012 would be required to undertake the work required to achieve Full Approval. He added that subject to the confirmation of the statutory orders, the Council would be required to proceed with the acquisition of land through the implementation of the Compulsory Purchase Order and that, whilst not all land would be acquired prior to Full Approval, it was estimated that expenditure of £2.5m would be incurred due to the need to acquire some land earlier for the progression of the scheme.

Cabinet Members were also requested to authorise the Executive Director of City Services and Executive Director of Commercial and Corporate Services, in consultation with the Portfolio Holder for Attractive and Inclusive City, to enter into all necessary professional services appointments for the procurement and delivery phase of the project.

Councillor Blackburn highlighted that following the receipt of Full Approval of the project by DfT, the Council would be able to formally appoint the successful contractor, which would then enable construction to commence in early 2013. He added that further reports would be submitted as the project progressed, including the outcome of the procurement process, and to approve the appointment of the main works contractor prior to contract award.

Councillor Blackburn then drew attention to the summary of the ongoing maintenance costs associated with the scheme, which would vary from year to year, depending on the need for periodic planned maintenance or exceptional maintenance, such as re-painting the bridge masts and replacing the cables.

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

11. RESOLVED that:-

- (i) the DfT's funding offer of a maximum of £82.563m towards the SSTC – New Wear Crossing and the terms and conditions contained in the DfT's Funding Decision Letter of 21 December 2011 be noted;
- (ii) the continued delivery of the scheme through to full implementation be endorsed;

- (iii) the Executive Director of City Services in consultation with the Executive Director of Commercial and Corporate Services, in consultation with the Portfolio Holder for Attractive and Inclusive City, be authorised to finalise and submit an application for Full Approval to DfT in due course, subject to the confirmation of the statutory orders for the scheme and successful conclusion of the procurement process for the main works contract;
- (iv) the Executive Director of City Services and the Executive Director of Commercial and Corporate Services, in consultation with the Portfolio Holder for Attractive and Inclusive City, be authorised to enter into all necessary professional services appointments for the procurement and delivery phase of the project; and
- (v) further reports be submitted as the project progresses, including on the outcome of the procurement process, and to approve the appointment of, the main works contractor prior to contract award.

### **Social Care Contributions Policy for Personalisation**

The Executive Director of Health, Housing and Adult Services submitted a report (copy circulated) to seek agreement to the proposed Social Care Contributions Policy.

(For copy report – see original minutes).

Councillor Allan highlighted that the new Contributions Policy had been developed to allow the Council to bring its charging for social care in line with the changes needed to fully implement personalisation. He explained that this meant that customers would be assessed in order to calculate what they could afford to contribute towards their personal budget instead of being charged for individual services as had happened in the past. He added that the need to change was also set out by the Government through their Fairer Contributions Guidance.

Councillor Allan reported that a 12 week consultation had been conducted and there had been broad agreement of the policy with 62% of respondents agreeing that individuals should be asked to contribute what they can afford, and 60% agreeing that short breaks should be incorporated into the single contribution. He advised that it was therefore recommended that the maximum charge in Sunderland would remain unchanged at £108.70 per week pending the publication of the White Paper after which the issue would be reviewed. He added that if it was agreed today the new policy would be implemented in early March and that all customers would have moved over to a personal budget with a contribution calculated under this new policy by March 2013.

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

12. RESOLVED that the new Contributions Policy be implemented to support the ongoing implementation of personalisation within Social Care, consistent with the Council's vision for Social Care and with national developments.

### **Procurement of a Local HealthWatch in line with the Health and Social Care bill 2010-2011**

The Executive Director Health, Housing and Adult Services submitted a report (copy circulated) to seek approval for the commissioning of a Local HealthWatch.

(For copy report – see original minutes).

Councillor Allan highlighted the report which detailed the proposed arrangements for procuring the provision of a local HealthWatch and to award a contract to the successful provider following a tender process. He explained that under the proposals in the Health and Social Care Bill 2010 - 2011, the Council would have a duty to establish a Local HealthWatch in Sunderland from April 2013.

Councillor Allan reported that the proposals outlined in the report would enable the Council to commission local HealthWatch, a new independent consumer champion, to promote better outcomes in health and social care. He added that the procurement process would ensure that the successful organisation was able to carry out existing duties of the current Local Involvement Networks, known as LINKs, and the additional duties outlined in the bill.

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

13. RESOLVED that approval be given to procure a Local HealthWatch and it be noted that the exact value of the contract will not be confirmed until the Department of Health has completed its 2012/13 financial planning round.

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

At the instance of the Chairman, it was:-

14. 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), to consultations or negotiations in connection with labour relations matters arising between the Authority and employees of the Authority and in respect of which a claim to professional privilege could be maintained in legal proceedings (Local Government Act 1972, Schedule 12A, Part 1, Paragraphs 1, 2, 3, 4 and 5).

(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.