

## SCRUTINY CO-ORDINATING COMMITTEE

### AGENDA

**Meeting to be held in the Civic Centre (Council Chamber) on Thursday, 15<sup>th</sup> July, 2021 at 5.30 p.m.**

#### Membership

Cllrs Butler, Doyle, Hartnack, Heron, Hodson, D. MacKnight (Chairman), N. MacKnight, Mann, O'Brien, Peacock, P. Smith, D. Snowdon, D.E. Snowdon (Vice Chairman) and Thornton

| ITEM |   | PAGE |
|------|---|------|
| 1.   | <b>Apologies for Absence</b>  | -    |
| 2.   | <b>Minutes of the last meeting of the Committee held on 17<sup>th</sup> June, 2021 (copy attached).</b>                 | 1    |
| 3.   | <b>Declarations of Interest (including Whipping Declarations)</b>   | -    |
|      | <b>Part A – Cabinet Referrals and Responses</b>   |      |
| 4.   | <b>Reference from Cabinet – 13 July 2021 - Capital Programme First Review 2021/2022 (including Treasury Management)</b> | 12   |
|      | Report of the Assistant Director of Law and Governance (copy attached).   |      |

5. **Reference from Cabinet – 13 July 2021 - First Revenue Budget Review 2021/2022** 27

Report of the Assistant Director of Law and Governance (copy attached).

**Part B – Scrutiny Business**

6. **Review of Scrutiny Arrangements in Sunderland** 44

Report of the Scrutiny, Mayoral and Member Support Co-ordinator (copy attached).

7. **Annual Work Programme 2021-22** 48

Report of the Scrutiny, Mayoral and Member Support Co-ordinator (copy attached).

8. **Notice of Key Decisions** 53

Report of the Scrutiny, Mayoral and Member Support Co-ordinator (copy attached).

**Part C – Health Substantial Variations to Service**

No items.

**Part D - CCFA/Members' Items/Petitions**

No items.

E. WAUGH,  
Assistant Director of Law and Governance,  
Civic Centre,  
SUNDERLAND.

7<sup>th</sup> July, 2021.

**At a meeting of the SCRUTINY CO-ORDINATING COMMITTEE held in the CIVIC CENTRE, SUNDERLAND on THURSDAY 17<sup>th</sup> JUNE, 2021 at 5.30 p.m.**

**Present:-**

Councillor D. MacKnight in the Chair

Councillors Butler, Doyle, Hartnack, Heron, Hodson, O'Brien, Peacock, D. Snowdon and D. E. Snowdon

Also in attendance:-

Mr Chris Binding, Local Democracy Reporter

Mr Nigel Cummings, Scrutiny Officer, Law and Governance, Corporate Services Directorate

Ms Liz St Louis, Assistant Director of Smart Cities, Corporate Services Directorate

Mr Jon Ritchie, Executive Director of Corporate Services

Mrs Christine Tilley, Community Governance Services Team Leader, Law and Governance, Corporate Services Directorate

The Chairman welcomed everyone to the meeting and introductions were made.

**Apologies for Absence**

Apologies for absence were received from Councillors N. MacKnight, P. Smith and Thornton.

**Minutes of the last meeting of the Committee held on 15<sup>th</sup> April, 2021**

1. RESOLVED that the minutes of the last meeting of the Committee held on 15<sup>th</sup> April, 2021 (copy circulated), be confirmed and signed as a correct record.

**Declarations of Interest (including Whipping Declarations)**

**Item 8 - Notice of Key Decisions**

Councillor Doyle made an open declaration in relation to item no. 210510/593 in relation to Sunnyside Redevelopment as his employer undertakes consultancy work concerning the project.

Councillors D. and D.E. Snowdon made open declarations in relation to item no. 210513/599 regarding a proposed extension to the lease and management agreement with Ambassador Theatre Group for the Empire Theatre as a family Member worked there.

## **Reference from Cabinet – 15 June 2021 – Revenue Budget Outturn 2020/2021**

The Assistant Director of Law and Governance submitted a report (copy circulated) setting out for the advice and consideration of the Scrutiny Committee, a report by the Executive Director of Corporate Services, which was considered by Cabinet on 15 June 2021, on the outcome of the Revenue Budget Outturn for 2020/2021 including the budget transfers, contingency and reserves transfers proposed.

(For copy report – see original minutes.)

Mr Jon Ritchie, Executive Director of Corporate Services proceeded to brief the Committee on the report and referred Members to paragraph 3.2.2 where a summary of the outturn position was set out in the table showing the final outturn position of £0.264m. He highlighted the Government un-ringfenced COVID support grant funding received by the Council of £26.158m in recognition of cost pressures faced by councils as a result of the pandemic and the use of reserves set out in paragraph 3.7 totalling £19.615m to meet a number of high priorities aligned to COVID recovery.

Mr Ritchie drew attention to the General Fund Balances at paragraph 4 and his declaration that the level of General Fund balance which would represent 5.4% of the Council's net budget requirement, remained at a level considered appropriate for a large unitary council. He also referred the Committee to paragraph 5 which detailed a review of existing reserves.

In response to Councillor O'Brien, Mr Ritchie referred to section 4 of the report and advised that 5.4% of the Council's net budget requirement, which was £12m as detailed in Appendix C, was a reasonable level of reserves in his professional view and that this was based on a number of factors.

Councillor Hodson referred to the Sport and Leisure overspend of £1.127m and the lost income from Derwent Hill and enquired whether pumping money in ensured the viability of those facilities.

Mr Ritchie advised that as the Sport and Leisure was a Joint Venture the Council had received specific funding from Government for this year and last year to bridge the gap. Bookings were now coming in for Derwent Hill and forecasts were positive for this year. Social distancing measures had been put in place and health sanitiser etc. had been provided. It was his opinion that Derwent Hill would bounce back. Schools were wanting to continue to use it. A review was being undertaken with SLM and business cases were being revised because of the extension to the roadmap. There were budgetary pressures in relation to sport and leisure, but it was hoped that by next year the business would be on an even keel.

Councillor Hodson enquired whether SLM was back up to pre pandemic staffing levels.

Mr Ritchie advised that as a general rule, Local Authorities had not furloughed their staff and so staff at Derwent Hill had been reassigned to admin tasks and vacant posts had not been filled, however recruitment was now underway. He added that a large number of staff had been furloughed at SLM and the company had started to bring staff back as things were opening up and as restrictions were being eased, although he did not know if all staff had returned back to work.

Mr Ritchie stated that he would get detailed information in relation to the above to ascertain whether any staff had lost their jobs at Everyone Active and forward this to Councillor Hodson.

Councillor Hodson enquired as to the reason for the waste collection and recycling and waste disposal overspends.

Mr Ritchie advised that there had been a spike and extra money had been put into the Medium-Term Financial Plan that year. If high levels continued, they would need to react to this and would need to look at the financial impact, for example, if weekly collections resumed.

Councillor Hodson enquired about the £1.2m overspend querying how much of this had been on staffing.

In response, Mr Ritchie reported that most had been on environmental services and refuse collection wages; any subsequent change would need to be taken to Cabinet for approval in future years.

Councillor Doyle enquired whether the Council's General Fund balance of 5.4% was comparable with other Local Authorities.

Mr Ritchie advised that looking at the CIPFA Financial Resilience Index, similar organisations to the Council were mostly in the 5% area, however a range of factors were considered in coming to a decision as to what was appropriate.

Councillor Doyle referred to the earmarking of specific reserves and asked whether the enforcement activity was specific to COVID or wider.

Mr Ritchie confirmed that the enforcement activity was not purely COVID related but in relation to the wider long-term environmental improvements.

Councillors Butler and D. E. Snowdon remarked on the future of triathlons being held in the city and what a coup this would be, together with the longer term potential financial benefits they would have in bringing business to the area.

Mr Ritchie advised that the intention was to continue to attract events to the city and commented that although the financial benefits would not come directly to the Council, they would benefit businesses in the city and help towards having a vibrant economy which would benefit residents. Estimates had been drawn up as to how much would come into the city as a result.

In response to Councillor Snowdon, Mr Ritchie advised that more than £90m had been paid out in business grants in the city based on national criteria.

The Chairman commented that it was good news that the planned increase in telecare charges had not been progressed on 2020/2021.

Full consideration having been given to the report, there being no further questions of Mr Ritchie and the Chairman having thanked him for his very comprehensive report and having asked that he pass on the thanks of the Committee to the finance staff for all the hard work they had undertaken, it was:-

2. RESOLVED that the Scrutiny Committee notes the content of the report and the overall outturn position of the Council for 2020/2021.

## **Performance Management Update – Quarter 4 of 2020/21 and 2020/21 Year-End**

The Chief Executive submitted a report (copy circulated), to provide the Committee with the Corporate Performance Report for Quarter 4 of 2020/21 and 2020/21 year-end.

(For copy report – see original minutes.)

Ms Liz St Louis, Assistant Director of Smart Cities presented the report and advised that the Council's Corporate Performance Management Framework was aligned to the Sunderland City Plan 2019 – 2030 and to the three key themes of the City Plan, Dynamic City, Healthy City and Vibrant City, as well as including the organisational health indicators. The report set out the progress made to the end of Quarter 4 of 2020/21.

Ms St Louis took the Committee through the summary for the three key themes of Dynamic City, Healthy City and Vibrant City of the Sunderland City Plan, highlighting commitments, achievements and progress made for each key theme, as well as performance against each of the five aspirations for each theme and against the additional Council indicators for good organisational health, productive and innovative working, strong financial management and a Council ready for the future.

A number of Councillors made enquiries on the information provided in the report which are set out below. Where responses from Officers could be provided at the meeting the information is also set out below. Where Officers were unable to answer the questions, it was noted that the question would be taken back to the relevant service area to provide a response.

Councillor Butler referred to influencing the type of events taking place on council land. He stated that he was particularly interested in somewhere for the use of off-road bikes etc. which could be supervised and be a safety compliant activity and also reduce stress on residents where it was taking place in neighbourhood residential areas.

Councillor Doyle enquired how the number of affordable homes completed in 2020/21 compared with the previous year, 2019/20.

Councillor Doyle asked what was being done about the proportion of adults in Sunderland who were overweight or obese as this was significant.

Councillor Doyle enquired if a definition could be provided as to how the Council defined cycle ways and for a breakdown of the cycle ways in the City.

Councillor Hodson requested further information on the 50 empty properties that had been brought back into use.

Councillor Hodson asked for information on the mental health indicators and interventions the Council was focussing on to be included in the report.

Councillor Hodson enquired as to what was being done to improve recycling across the city.

Cllr Hodson referred to the Quarter 4 enforcement activities and asked how many successful fines/enforcements there had been from the 312 investigations and 1,140 warning letters.

Councillor Hodson asked whether the Council had a published cycling strategy.

Councillor Hodson commented that the Museum and Arts Centre Graphic detailing the number of visitors did not highlight other cultural venues across the city e.g. the Empire Theatre, the Glass Centre etc and could be improved upon.

Councillor Hodson also enquired about the building of a new Cultural House, whether there would be a large increase in staffing, where the money was coming for this and if this was to be operated by Sunderland Culture or kept in-house. Councillor Hodson expressed concern that this would be running in direct competition if it was run by the Council.

In response to the above Mr Jon Ritchie, Executive Director of Corporate Services reported that the High Street Fund was funding the Culture House and all costs associated with it had been factored in. It was his understanding that the Culture House was meant to be complementary, however he would raise the matter with the appropriate service department.

Councillor O'Brien enquired about the range of rents across the city and in particular, affordable rents based on financial evaluations and how many homes were covered by this.

Councillor D. Snowdon enquired whether there was concern that city centre buildings/office space was not being used.

Ms St Louis said that she would take the question back to the Riverside Team as to what the impact of COVID had been on plans for the city centre.

Councillor D. Snowdon raised concern about the potential for further impacts on foodbank usage when, in September, the additional £20 universal credit was removed which 5,000 people were receiving and he asked what support was in place for them.

Ms St Louis advised that a lot of additional support had been put in place, including financial checks to ensure they were receiving whatever they were entitled to, community sector organisations were providing support and the Council Tax support scheme was available to help.

Mr Ritchie added that the Council had put in £1m to support families through the Welfare Rights Team.

Councillor D. Snowdon enquired whether the sickness and absence rates were attributable to COVID related issues or general health issues.

Councillor Butler commented that he was pleased to hear that £1m had been put in to help families who were struggling and that he hoped this could also be used to support the working poor.

Councillor D. E. Snowdon praised the 'Local 0' approach where all test and trace cases in Sunderland were followed up locally and she asked that thanks go back to Team for the work carried out.

Councillor D. E. Snowdon also encouraged everyone to sign up to Step Up Sunderland.

Councillor O'Brien enquired asked about the 5G rollout timeline.

Ms St Louis advised that full rollout across the city would take 10-15 years, however there was lots of progress. She briefed the Committee in terms of CityFibre which would have its first connection at the end of the calendar year, advising that Virgin Media was building out and would have connectivity that summer and that they were out to procure a 5G partner and an announcement would be made in due course.

Councillor Doyle referred to business incubator occupancy noting that there had been a decrease due to COVID but enquired about rent reductions for businesses operating in council properties and in particular a possible reduction in service charges.

Mr Ritchie advised that 1 month's free rental had been given to all Council and Siglion owned properties. The Council would continue to work in a pragmatic way with individual businesses, however they were not in a position to offer further rent reductions without affecting Council finances.

Councillor Hartnack enquired as to how many jobs had been created in the construction industry for Sunderland residents.

Ms St Louis advised that she would get the above information but advised that the Council did pay great attention to the social value in contracts and by way of example advised that the contract with CityFibre was going to employ 90 fulltime equivalent people locally and was going to create 24 apprenticeships through the contract over three years.

Mr Ritchie added that there was also an expectation that businesses paid the real living wage.

Full discussion having taken place on the report, it was:-

3. RESOLVED that the information provided on corporate performance in the report and the comments made, be received and noted and responses be provided to the questions raised, as detailed above.

## **Compliments, Complaints and Feedback**



The Assistant Director of Smart Cities submitted a report (copy circulated) to provide the Committee with information regarding compliments, complaints and feedback received by the Council.

(For copy report – see original minutes.)

Ms Liz St Louis, Assistant Director of Smart Cities, Corporate Services Directorate briefed the Committee on the report advising that it was the Annual Report for the financial year April 2020-March 2021 and presented an overview across the full range of complaints and feedback received by the Council. Ms St Louis advised that it had not been possible to present a separate report covering Quarter 4 (January – March 2021) and information about Quarter 4 had been incorporated into the Annual Report.

Ms St Louis referred the Committee to Part A, the Complaints and Compliments overview by type received which provided a departmental or company breakdown.

Ms St Louis referred Members to Part B which set out the procedures by which the Council and its companies operated.

Ms St Louis referred to Part C Appendix 1 highlighting the 909 compliments received by the Council during the year. Some examples of compliments received in Quarter 4 were detailed in the report which covered a range of services and expressed customers' appreciation.

Ms St Louis referred Members to Appendix 2 of the report which detailed that the Council had received 19 complaints from the Ombudsman for the period 2020-21 which was a significant drop from the previous year's figure of 38 or 50% less.

Ms St Louis referred to Appendix 3 which covered corporate complaints and showed comparative data for the previous years. She pointed out that there had been 2689 complaints received at Stage One during 2020-21 and that they were broken down into Directorates with 82%, that is, 2214 being in respect of the Neighbourhoods Directorate. She pointed out that of the 2214 complaints, 2093 were in respect of Environmental Services.

In terms of Stage two complaints, 21 reviews had been undertaken during the course of the year and 2 of those were upheld in full, 6 upheld in part and 13 were not upheld. The Directorate breakdown was set out in the report along with a summary of the complaints which were upheld in quarter 4.

Ms St Louis referred to Appendix 4 which provided a summary of Adult Social Care complaints of which there were 76 received in total for the year. A breakdown was shown alongside the nature of the complaint. Out of the 76 complaints, 25 had some element upheld, 49 were either not upheld, withdrawn, not eligible or classified as 'other' and 2 were ongoing with outcomes not yet known.

Ms St Louis stated that Appendix 5 provided a summary of complaints received in quarter 4.

Ms St Louis stated that Appendix 6 provided a summary of compliments and complaints for Sunderland Care and Support received in quarter 4. There had been 41 compliments received in quarter 4 and a summary was provided in the report.

There were 18 complaints during the period and details of the those were provided in the report. Ms St Louis pointed out that half, that is 9 of the complaints were not upheld, 3 were upheld in part, 5 were upheld in full and 1 remained in the process of being resolved.

Ms St Louis referred the Committee to the Together for Children Customer Feedback Annual Report 2020-2021. She pointed out that they had received 387 compliments from children and young people, parents and other family members, foster carers, external professionals and staff within TfC. There had been a total of 145 pre-complaints and enquiries for 2020/21. In 2020/21 there had been 44 statutory stage one complaints compared with 125 in 2019/20.

A number of Councillors made enquiries on the information provided in the report which are set out below. Where responses from Officers could be provided at the meeting the information is also set out below. Where Officers were unable to answer the questions, it was noted that the question would be taken back to the relevant service area to provide a response.

Councillor Butler raised a query about the inconsistent approach to the collection of bagged waste collected by refuse teams from affluent areas in comparison with other areas. Councillor Butler asked if there was a reason for this and if a more consistent approach could be taken.

Ms St Louis commented that this should not be the case and that there was one policy across the city.

Councillor Doyle asked for a breakdown of the number of complaints which resulted from consultation and whether the complaints related to the consultation not being done properly or in time.

Councillor Doyle stated in terms of the wedding ceremony where the complaint had been upheld, that he was curious as to whether the offer had been accepted.

Councillor Hodson commented that it was good to hear that a number of compliments had been received.

In terms of Environmental Services' complaints, Councillor Hodson commented that these were only the people taking an interest, many people did not know how to make a complaint and he queried whether the department was sufficiently staffed.

Councillor Hodson highlighted that for the past year or two with regards to the rodent reporting system on the Council's website, anyone reporting an issue did not receive a reference number or a response and it was not being monitored in the same way as other complaints were.

Ms St Louis advised that there was an extension programme of reporting issues such as Councillor Hodson had mentioned which were being picked up and prioritised.

The Chairman commented that Councillor reporting of issues was quite frustrating, often with long delays in receiving responses and she asked whether this could also be looked at.

Councillor D. E. Snowdon commented that she was delighted to see that the number of compliments had increased. Council staff were doing a fabulous job and the comments from the public were powerful.

Ms St Louis advised that she would ensure that this was passed on to staff.

Councillor Hartnack commented that the compliments were positive.

Councillor Hartnack referred to the Customer Service Network and commented that his own experience had been very negative in that he had not once been put through to the person he had wanted to speak to. He asked whether the Council examined lost calls data to determine satisfaction or could they identify an indicator of dissatisfaction.

Ms St Louis confirmed that lost calls, abandoned calls, average length of calls were all looked at with the aim of dealing with calls as quickly as possible but effectively. She advised that there had been difficulties with the automated switchboard and getting through was more difficult at the moment due to staff working from home. Ms St Louis confirmed that the data in relation to the above could and had been scrutinised in the past and could be prioritised.

Councillor D.E. Snowdon commented that it might also be useful to break the complaints about environmental services down into Area Committee level.

Councillor Hodson commented that the data showed that it was a localised problem in the city and suggested that individual teams and staffing rotas needed to be looked at.

Councillor Hodson referred to the complaints in respect of refuse collection and the point made regarding street sweepers coming round before the refuse collectors and then rubbish being left everywhere. He asked if this could be looked at and communication between the teams and service areas improved.

Ms St Louis advised that a complete review of the service was being undertaken at that time and she would take the point back to Senior Officers.

4. RESOLVED that the information provided regarding compliments, complaints and feedback received by the Local Authority, as detailed in the report and the comments made, be received and noted and responses be provided to the questions raised as detailed above.

## **Annual Scrutiny Work Programme for 2021-22**

The Scrutiny and Members' Support Co-ordinator submitted a report (copy circulated) to provide options, support and advise Members on the development of the scrutiny work programmes for 2021/22.

(For copy report – see original minutes.)

Mr Nigel Cummings, Scrutiny Officer referred the Committee to paragraph 2.2 of the report which detailed the principles guiding the development of Scrutiny Work Programmes. He reminded Members of the workshop being held to develop the work programmes on 24<sup>th</sup> June where key Officers would also be in attendance.

Councillor Hodson enquired about the full review of the scrutiny function and the role the Scrutiny Co-ordinating Committee would play.

Mr Cummings advised that the Centre for Public Scrutiny had drafted up a remit for the review and would embark on that in the next couple of weeks. The Scrutiny Co-ordinating Committee would be used as representation for the review and to gather evidence. A final report would be submitted to this committee for consideration.

Mr Cummings advised that Scrutiny Officers would be working with staff from the Centre, however the review would be done independently.

Full consideration having been given to the report it was:-

5. RESOLVED that the scrutiny work programme be developed through a working group session; the aim of the session to be to provide a number of relevant issues and topics for consideration and approval by the Scrutiny Coordinating Committee.

## **Notice of Key Decisions**

The Scrutiny and Members' Support Co-ordinator submitted a report (copy circulated), providing Members with an opportunity to consider those items on the Executive's Notice of Key Decisions for the 28-day period from 17<sup>th</sup> May, 2021.

(For copy report – see original minutes.)

Mr Nigel Cummings, Scrutiny Officer, advised that there had been an updated Notice of Key Decisions published earlier that week and if there was anything on either notice which any Member wanted further information on to let him know and he would be happy to take that forward on their behalf.

Councillor O'Brien enquired about item no. 210513/599 regarding a proposed extension to the lease and management agreement with Ambassador Theatre Group for the Empire Theatre.

Mr Jon Ritchie, Executive Director of Corporate Services advised that the report had not been submitted to the Cabinet on 15<sup>th</sup> June 2021 as scheduled.

Mr Cummings agreed to make some enquiries with the relevant Officers.

6. RESOLVED that the Notice of Key Decisions be received and noted.

The Chairman in closing, thanked everyone for their attendance that evening which she commented had been a very comprehensive scrutiny meeting.

(Signed) D. MACKNIGHT,  
Chairman.

**REFERENCE FROM CABINET – 13 JULY 2021**

**CAPITAL PROGRAMME FIRST REVIEW 2021/2022 (INCLUDING TREASURY MANAGEMENT)**

**Report of the Assistant Director of Law and Governance**

**1. Purpose of the Report**

- 1.1 To set out for advice and consideration of the Committee the report on the Capital Programme First Review 2021/2022 (including Treasury Management).

**2. Background and Current Position**

- 2.1 The Cabinet, at its meeting on 13 July 2020, will give consideration to a report of the Executive Director of Corporate Services. The report details the:-

- the outcome of the First Capital Review for 2021/2022; and
- progress in implementing the Treasury Management Borrowing and Investment Strategy for 2021/2022.

- 2.2 As the report seeks approval to the inclusion of additional schemes or variations to existing schemes for 2021/2022 (detailed at Appendix A of the report), as well as the funding arrangements, set out in paragraph 4.2 of the attached report, for Farringdon Academy, as a variation to the Capital Programme it is referred to the Committee requesting Members' views in accordance with the Budget and Policy Framework Procedure Rules.

- 2.3 The Cabinet is recommended to:-

- In respect of the first capital review for 2021/2022 to approve the inclusion of additional schemes or variations to existing schemes for 2021/2022 detailed at Appendix A, as well as the funding arrangements set out in paragraph 4.2 for Farringdon Academy, as a variation to the Capital Programme; and
- In relation to the Treasury Management Strategy, Cabinet is asked to note the progress in implementing the 2021/2022 Treasury Management Strategy and Prudential Indicators.

- 2.5 An update on the comments and decision of Cabinet will be provided to the meeting.

### **3 Conclusion**

- 3.1 The report is referred to this Committee for advice and consideration. The comments from the Committee will be reported to Cabinet on 14 September 2021.

### **4 Recommendation**

- 4.1 The Committee is invited to give advice and consideration on the report of the Executive Director of Corporate Services.

### **5 Background Papers**

- 5.1 Cabinet Agenda, 13 July 2021.
- 5.2 A copy of the Agenda is available for inspection from the Assistant Director of Law and Governance or can be viewed on-line at:-

[Cabinet Agenda, 13 July 2021](#)

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|                 |   |   |
|-----------------|---|---|
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## CABINET MEETING –13 JULY 2021

### EXECUTIVE SUMMARY SHEET – PART I

**Title of Report:**

Capital Programme First Review 2021/2022 (including Treasury Management)

**Author(s):**

Executive Director of Corporate Services

**Purpose of Report:**

This report details:

- the outcome of the First Capital Review for 2021/2022; and
- progress in implementing the Treasury Management Borrowing and Investment Strategy for 2021/2022.

**Description of Decision:**

Cabinet is recommended to:

- In respect of the first capital review for 2021/2022 to approve the inclusion of additional schemes or variations to existing schemes for 2021/2022 detailed at Appendix A, as well as the funding arrangements set out in paragraph 4.2 for Farringdon Academy, as a variation to the Capital Programme; and
- In relation to the Treasury Management Strategy, Cabinet is asked to note the progress in implementing the 2021/2022 Treasury Management Strategy and Prudential Indicators.

**Is the decision consistent with the Budget/Policy Framework?** Yes

**If not, Council approval is required to change the Budget/Policy Framework**

**Suggested reason(s) for Decision:**

As included in the Council's constitution, Cabinet is required to exercise control over capital spend and resources and receives quarterly reports to support this. This report notes the inclusion of additional capital schemes since approval by Council on 3rd March 2021.

Cabinet is also requested to note the progress in implementing the Treasury Management Strategy for 2021/2022, which is in line with the approved Treasury Management Policies.



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

No alternative options are proposed.

**Impacts analysed:**

**Equality** ☒ **Privacy** ☒ **Sustainability** ☒ **Crime and Disorder** ☒

**Is the Decision consistent with the Council's Co-Operative Values?** Yes

**Is this a "Key Decision" as defined in the Constitution?** Yes -  
additional capital spending detailed at Appendix B estimated to cost above £250,000.

**Is it included in the 28 Day Notice of Decisions?** Yes

## **CABINET – 13 JULY 2021**

### **CAPITAL PROGRAMME FIRST REVIEW 2021/2022 (INCLUDING TREASURY MANAGEMENT)**

#### **Report of the Executive Director of Corporate Services**

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

##### **1.1 This report details:**

- the outcome of the First Capital Review for 2021/2022; and
- progress in implementing the Treasury Management Borrowing and Investment Strategy for 2021/2022.

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

##### **2.1 Cabinet is recommended to:**

- In respect of the first capital review for 2021/2022 to approve the inclusion of additional schemes or variations to existing schemes for 2021/2022 detailed at Appendix A, as well as the funding arrangements set out in paragraph 4.2 for Farringdon Academy, as a variation to the Capital Programme; and
- In relation to the Treasury Management Strategy, Cabinet is asked to note the progress in implementing the 2021/2022 Treasury Management Strategy and Prudential Indicators.

#### **3. Introduction**

- 3.1 The Capital Programme changes during the year as notifications of additional schemes and resourcing are received and the phasing of schemes is reviewed. Variations to the 2021/2022 capital programme since the 2020/2021 Capital Outturn report to Cabinet on 15<sup>th</sup> June 2021, are shown in section 4 of this report.
- 3.2 Performance in implementing the Treasury Management Strategy and adhering to the agreed Prudential Indicators is detailed in section 5 along with confirmation that the Council is operating within its agreed borrowing limits.

#### **4. Capital Programme First Review 2021/2022**

- 4.1 Since the Capital Programme was reported to Council in March 2021, there have been changes to the 2021/2022 Capital Programme both in terms of expenditure and resourcing. In June 2021 the Capital Programme Outturn position for 2020/2021 was reported to Cabinet, which included reprofiling of expenditure from 2020/2021 to 2021/2022 totalling £24.511m, resulting in a revised budget of £273.274m for the 2021/2022 financial year. During the first quarter of 2021/2022 further reprofiling and other adjustments have been identified increasing the Capital Programme by £4.024m to £277.298m. This is summarised below:

- Reprofiled expenditure of £14.801m from 2021/2022 into future years. The primary reasons for this reprofiling relate to external influences outside of the Council's control, including as a result of impacts from Covid-19, or the realignment of projects to ensure best value is achieved; and
- Additional schemes and scheme variations approved since the Capital Programme update, leading to a net increase of £18.825m in 2021/2022.

- 4.2 To support the Sunderland South Growth Area (SSGA), there had been plans to extend the Farringdon Academy to provide additional pupil places, supported by funding from Homes England via their Housing Infrastructure Fund (HIF). However, recently the Department for Education (DfE) has confirmed that they are to replace this academy with a new build as part of their new school building programme, and their requirements are to replace like-for-like i.e. without provision for any additional places. Given the need in the SSGA, the DfE have offered to deliver an enhanced new build to provide additional places, but are requiring the Council to fund the difference in cost; DfE have estimated this additional cost to be £4m, which will provide for 150 further places to the current school. The HIF funding currently available to support this cost is £0.735m, with the balance of £3.265m proposed to come from available Capital resource. The school is scheduled to open September 2023, with the main works estimated to start May 2022. The agreement between the Council and DfE would be for the Council's contribution to be paid to the DfE upon the confirmation and agreement with the Council of the final cost for the additional works. This is expected to be April/May 2022 i.e. in the 2022/2023 financial year.
- 4.3 Appendix A sets out the detail of the above changes to expenditure and resources for 2021/2022, which is based on the new Cabinet Portfolio areas.
- 4.4 The Capital Programme delivery has been impacted by the Covid-19 pandemic and the associated national lockdowns and localised restrictions since March 2020. The Capital Programme Outturn 2020/2021 to Cabinet 15<sup>th</sup> June 2021 advised that during the final quarter of that financial year there have been notable increases in some material prices – primarily steel and timber - across the construction sector following demand and supply imbalances. Industry commentators are indicating that these uncertainties continue with upward cost pressures remaining on construction contracts exacerbated by global supply issues with raw materials (both availability and the timing of supplies) alongside labour cost pressures. This may manifest itself in increased costs and / or projects being delayed. As yet, there is no confirmation that these increases will be unaffordable against current approved capital programme scheme costs, but this will be monitored and reported to Cabinet as necessary, following receipt of tender prices.

## **5. Review of the Prudential Indicators and Treasury Management Strategy for 2021/2022**

- 5.1 The Prudential Indicators for 2021/2022 were approved by the Council on 3rd March 2021 and are regularly reviewed to ensure that:
- the Council remained within its Authorised Limit for External Debt;
  - treasury management decisions are taken in accordance with the Treasury Management Code of Practice and existing Council Treasury Management Policy and Strategy Statement; and

- the Capital expenditure control framework operated locally is consistent with, and supportive of, local strategic planning, local asset management planning, and proper option appraisal.

5.2 Internal monitoring procedures track performance daily against the various prudential indicators agreed by the Council. At this stage, the Council is operating within its Authorised Borrowing Limit, which is a statutory limit determined under Section 3 (1) of the Local Government Act 2003 and there are no areas of concern or any issues which require any review of the indicators as originally approved.

### **Borrowing Strategy – 2021/2022**

5.3 The Council's strategy for 2021/2022 is to continue to adopt a pragmatic approach in identifying the low points in the interest rate cycle at which to borrow to secure benefit for the Council. A benchmark financing rate of 2.60% for long-term borrowing was set in the Treasury Management Policy and Strategy Statement for 2021/2022 reflecting the views prevalent at the time.

5.4 Due to high levels of volatility in the financial markets and with borrowing rates forecast to remain low over the short to medium-term, no new borrowing or debt rescheduling has been undertaken in 2021/2022 to 30<sup>th</sup> June 2021. Consideration will be given to various options, including utilising some investment balances to fund the Council's borrowing requirements in 2021/2022.

### **Investment Strategy – 2021/2022**

5.5 The primary aim of the Investment Strategy is the security of Council funds, then having regard to liquidity, i.e. the availability of cash to meet the Council's liabilities, and finally to secure a reasonable rate of return on its investments.

5.6 The Organisation for Economic Co-operation and Development (OECD) has revised its 2021 UK GDP growth forecast from 5.1% to 7.2%, the fastest rate of growth amongst its 37 member countries. The release of May 2021 GDP data is expected to provide further evidence of the economy regaining pre-Covid levels by year-end.

5.7 In March 2020, the Bank of England's Monetary Policy Committee (MPC), in response to the economic impact of the Covid-19 pandemic, cut the Base Rate to 0.10% and this historically low rate has remained since. Market analysts currently forecast the first rise in the Base Rate will occur in the quarter ending September 2023 but this remains under constant review, especially in light of national and international inflationary pressures.

5.8 As at 30<sup>th</sup> May 2021 the Council achieved a rate of return on its investments of 0.09% compared with the 7-day London Interbank Bid (LIBID) rate of -0.08%. Whilst returns available in the market remain historically low, the performance achieved continues to be above the benchmark rate, whilst adhering to the prudent policy agreed by the Council.

## **6. Reasons for Decision**

- 6.1 As included in the Council's constitution, Cabinet is required to exercise control over capital spend and resources, and as such receives quarterly reports to support this. This report notes the inclusion of additional capital schemes since Council on 3rd March 2021.
- 6.2 Cabinet is also requested to note the progress in implementing the Treasury Management Strategy for 2021/2022, which is in line with the approved Treasury Management Policies.

## **7. Alternative Options**

- 7.1 No alternative options are proposed.

## **8. Impact Analysis**

- 8.1 Impact assessments will be undertaken by Directorates to ensure programmes are delivered within budget.

## **9. List of Appendices**

- 9.1 Appendix A – Variations to the 2021/2022 Capital Programme.

## **10. Background Papers**

Capital Programme 2021/2022 to 2024/2025 and Treasury Management Policy and Strategy 2021/2022, including Prudential Indicators for 2021/2022 to 2024/2025.

Capital Programme Outturn 2020/2021.

## Variations to the 2021/2022 Capital Programme

| Portfolio / Project                   | Latest Revised Budget 2021/2022 £'000 ** | Reprofiling of Expenditure 2021/2022 £'000 | Additional Schemes and Cost Variations to Existing Projects 2021/2022 £'000 | Technical Adjustments 2021/2022 £'000 | Revised Budget 2021/2022 £'000 | Comment   |
|---------------------------------------|--|--|---|---------------------------------------|--------------------------------|---|
| <b>Leader</b>                         | <b>1,000</b>                             | <b>0</b>                                   | <b>0</b>  | <b>0</b>                              | <b>1,000</b>                   | <b>No variations.</b>   |
| <b>Deputy Leader</b>                  |  |  |   |                                       |                                |   |
| Strategic Cycle Network               | 3,109                                    | (2,609)                                    | 0   | 0                                     | 500                            | The planned improvements to the strategic cycle network are reliant upon full approval of the Transforming Cities Fund (TCF) which is funding the majority of this project. However, the design of the routes is progressing from the Council match funding and, subject to TCF approval, construction works will commence early 2022. To re-align the Capital Programme against latest project timelines, £2.609m will therefore be reprofiled into 2022/2023.   |
| A183 Whitburn Road Two-Way Cycle Lane | 0  | 0  | 1,250   | 0                                     | 1,250                          | Following approval by Cabinet on 15th June 2021, there is £1.250m to deliver these works, with £1.125m provided from the Emergency Active Travel Fund (Tranche 2) and £0.125m match funding provided from the current Integrated Transport budget from the Council's 2021/2022 LTP grant allocation.  |
| Integrated Transport                  | 2,548                                    | 0  | (125)   | 0                                     | 2,423                          | See A183 Whitburn Road Two-Way Cycle Lane above.  |
| Investment Corridors                  | 1,918                                    | (1,188)                                    | 0   | 0                                     | 730                            | Garden Place works will complete this year, and further works to public realm improvements which includes narrowing the carriageway, along High Street from Keel Square to St Michael's Way, are planned to start January 2022. Following the successful Future High Street Fund bid for funding that will support works in the city centre and also a review of the High Street proposals post-Covid, £1.188m is to be reprofiled from 2021/2022 into 2022/2023 to align with current project timelines. |

| Portfolio / Project             | Latest Revised Budget 2021/2022 £'000 ** | Reprofiling of Expenditure 2021/2022 £'000 | Additional Schemes and Cost Variations to Existing Projects 2021/2022 £'000 | Technical Adjustments 2021/2022 £'000 | Revised Budget 2021/2022 £'000 | Comment   |
|---------------------------------|--|--|---|---------------------------------------|--------------------------------|---|
| Highways Maintenance            | 4,826                                    | 0  | 927   | 0                                     | 5,753                          | The approved 2021/2022 Capital Programme included estimated funding for Highways Maintenance (£3.214m) and Local Transport Plan (LTP - £1.606m) grants for 2021/2022, based on allocations for prior years. The Department for Transport has now confirmed these allocations, being £2.294m for Highways Maintenance (for both Core and Incentive Funding), £1.835m for Potholes, and £1.618m for LTP. There is therefore an increase of £0.927m funding that is to be provided for Highways Maintenance. |
| City Way Dualling               | 5,669                                    | (979)                                      | 0   | 0                                     | 4,690                          | Construction on the City Way Dualling to support the South Sunderland Growth Area development commenced April 2021. Construction timelines have been agreed with the main contractor, resulting in £0.979m to be reprofiled from 2021/2022 into 2022/2023. The road is anticipated to be complete Summer 2022.  |
| SSGA - Ryhope Doxford Link Road | 3,678                                    | (563)                                      | 0   | 0                                     | 3,115                          | Following prolonged design development work and survey investigations, construction of the Ryhope Doxford Link Road to support the South Sunderland Growth Area development is now expected to commence October 2021, and complete Autumn 2022. This has resulted in £0.563m to be reprofiled from 2021/2022 into 2022/2023.  |
| Panns East Quay Replacement     | 804                                      | 0  | 500   | 0                                     | 1,304                          | Cabinet on 15th June 2021 approved an increase of £0.500m to deliver these works.   |
| Vehicle Replacement Programme   | 2,699                                    | (729)                                      | 0   | 0                                     | 1,970                          | The timing of vehicle replacements is continuously reviewed to ensure vehicles are only replaced when needed i.e. seeking maximum economic life from the fleet whilst taking in to account maintenance costs. This has resulted in £0.729m of the budget to be reprofiled from 2021/2022 into 2022/2023.  |
| Other Projects                  | 84,559                                   | 0  | 21  | 0                                     | 84,580                         | Minor fully funded variations.  |
| <b>Total Deputy Leader</b>      | <b>109,810</b>                           | <b>(6,068)</b>                             | <b>2,573</b>  | <b>0</b>                              | <b>106,315</b>                 |   |

|  |               |              |              |          |               |  |
|--|---------------|--------------|--------------|----------|---------------|--|
| <b>Cabinet Secretary</b>                             |               |              |              |          |               |  |
| Public Sector Decarbonisation Scheme                 | 0             | 0            | 2,216        | 0        | 2,216         | Following approval by Cabinet on 15th June 2021, there is £2.219m to deliver this project, fully funded by the Department for Business, Energy and Industrial Strategy and administered by SALIX on their behalf (£2.216m in 2021/2022). This is to provide low carbon heating and hot water systems focusing on 8 Council properties and will achieve significant energy demand reduction resulting in expected carbon savings of 375 tonnes per annum. |
| Green Homes Grant – Local Authority Delivery Phase 2 | 0             | 0            | 1,750        | 0        | 1,750         | Following approval by Cabinet on 15th June 2021, there is £1.750m to deliver this project, fully funded by the Department for Business, Energy and Industrial Strategy. This is to carry out approximately 500 energy efficiency and low carbon interventions in 270 properties across a wide range of tenures on a city-wide basis.   |
| ICT Infrastructure                                   | 644           | (168)        | 0            | 0        | 476           | A full audit of all end user devices across the Council has identified assets that can be utilised for a longer period and therefore fewer end user devices needing to be deployed during 2021/2022 and instead, some device replacements will be provided in 2022/2023 and 2023/2024, resulting in £0.168m to be reprofiled from 2021/2022 into those years.  |
| Other Projects                                       | 19,220        | 0            | 0            | 0        | 19,220        |  |
| <b>Total Cabinet Secretary</b>                       | <b>19,864</b> | <b>(168)</b> | <b>3,966</b> | <b>0</b> | <b>23,662</b> |  |
| <b>Children, Learning &amp; Skills</b>               |               |              |              |          |               |  |
| Schools Devolved Capital                             | 547           | 0            | 315          | 0        | 862           | The 2021/2022 capital allocations for schools devolved funding has been confirmed at £0.315m. This provides a total budget of £0.862m for 2021/2022 including the balances brought forward.  |
| Other Projects                                       | 20,732        | 0            | 0            | 0        | 20,732        |  |
| <b>Total Children, Learning &amp; Skills</b>         | <b>21,279</b> | <b>0</b>     | <b>315</b>   | <b>0</b> | <b>21,594</b> |  |



| Dynamic City   |       |         |       |   |       |  |
|--|-------|---------|-------|---|-------|--|
| HICSA (Housing Innovation Construction & Skills Academy) | 5,000 | (4,293) | 0     | 0 | 707   | The design of the Housing Innovation Construction & Skills Academy has progressed. As reported to Cabinet on 15th June 2021, the Council has submitted a bid to secure Levelling Up Fund (LUF) grant of £8.751m. Providing the LUF bid is successful, it is envisaged that construction will commence May 2022 with expected completion to be August 2023, resulting in £4.293m to be reprofiled from 2021/2022 into 2022/2023 and 2023/2024.  |
| Northern Spire Park                                      | 2,500 | (1,750) | 0     | 0 | 750   | The Northern Spire Park project is to deliver infrastructure, remediation works and the strategic acquisition of adjacent land and buildings to enable a high quality and affordable new housing development on the former Groves Cranes site. It is envisaged that expenditure will commence towards the end of 2021 following on from the feasibility works. Therefore, £1.750m budget is to reprofiled from 2021/2022 into 2023/2024 to align to revised timescales, however the project remains on target to complete in 2025. |
| Housing Other Sites                                      | 1,624 | (1,000) | 0     | 0 | 624   | Provision is included in the Capital Programme for planning and infrastructure works to allow the Council to bring forward a number of pipeline development sites to meet the city's strategic housing need and optimise land receipts. A review of the timelines for works on potential sites requires £1.0m to be reprofiled from 2021/2022 into 2022/2023.  |
| Crowtree Enabling Works                                  | 1,467 | 0       | 5,240 | 0 | 6,707 | Cabinet on 23rd March 2021 approved the receipt of £25m Future High Street Funding following a successful bid for this grant. Part of this approval is for infrastructure works on the Crowtree site to enable a new leisure led development, resulting in a fully funded budget increase in 2021/2022 of £5.240m.   |
| Keel Square Hotel  | 0     | 0       | 1,575 | 0 | 1,575 | Cabinet on 23rd March 2021 approved the receipt of £25m Future High Street Funding following a successful bid for this grant. Part of this approval is to provide fit out to two of the ground floor commercial units in Keel Square Hotel due to open Winter 2021/2022, resulting in a fully funded budget increase in 2021/2022 of £1.575m.  |

|   |       |       |     |   |     |  |
|---|-------|-------|-----|---|-----|--|
| Heritage Action Zone (HAZ) Partnership Grant Scheme | 280   | (89)  | 143 | 0 | 334 | Cabinet on 23rd March 2021 approved the receipt of £25m Future High Street Funding following a successful bid for this grant. Part of this approval is to convert upper floors in the Elephant Tea Room building to residential units and ground floor to commercial units, resulting in a fully funded budget increase in 2021/2022 of £0.120m. Historic England have also provided a further £0.023m to support the HAZ project (which includes the Elephant Tea Room), to repair, restore and enhance key landmark listed buildings in the City, following some known cost increases due to delays from Covid-19. There is also £0.089m to be re-profiled from 2021/2022 to 2022/2023 following these delays.           |
| Social Housing Decarbonisation Fund Demonstrator    | 0     | 0     | 906 | 0 | 906 | Following approval by Cabinet on 23rd March 2021, there is £0.906m to deliver this project, fully funded by the Department for Business, Energy and Industrial Strategy. Gentoo will deliver the project on behalf of the Council, focusing on 46 properties in the Fatfield, Washington area to deliver a fabric first low carbon scheme, to decentralise, digitalise and decarbonise homes whilst making them warmer, more comfortable, more energy efficient and healthier places to live.  |
| Bishopwearmouth Townscape Initiative Phase 2        | 1,022 | (533) | 0   | 0 | 489 | This project, supported by the Heritage Lottery Fund, provides grants to owners / tenants to repair and restore historic properties in the Bishopwearmouth area. Whilst there has been positive progress to date with over £1.2m improvements to business properties and the Town Park, Covid-19 lockdowns and restrictions have significantly reduced incomes of bars, restaurants, and cafes, including the businesses intended to participate in this scheme. Due to their current financial considerations, business owners are seeking to delay contributing to building works until the economy is expected to improve. This has resulted in £0.533m budget to reprofiled from 2021/2022 to 2022/2023 and 2023/2024. |

|  |                |                |              |          |                |   |
|--|----------------|----------------|--------------|----------|----------------|---|
| Housing – Hetton Downs Regeneration and Empty Properties Programme | 1,806          | (900)          | 180          | 0        | 1,086          | Following a consultation with local residents, it is proposed that £0.916m that had previously been earmarked for purchase and repairs of properties in Edward and Fairy streets will instead support a Edward and Fairy Street Development (in Hetton Downs) which will provide landscaping and environmental improvements including provision of gardens to homes. With consideration to lead in times and further consultation with residents, £0.900m is to be reprofiled from 2021/2022 into 2022/2023. In addition, there is £0.180m further S106 funding to facilitate the city-wide empty properties purchase and repair programme that will be used to fill a viability gap to achieve the targets as outlined within the HDIP. These properties will be let as affordable rental units. |
| Other Projects   | 99,999         | 0              | 0            | 0        | 99,999         |   |
| <b>Total Dynamic City</b>  | <b>113,698</b> | <b>(8,565)</b> | <b>8,044</b> | <b>0</b> | <b>113,177</b> |   |
| <b>Healthy City</b>  |                |                |              |          |                |   |
| Disabled Facilities Grants   | 477            | 0              | 3,674        | 0        | 4,151          | The national allocations for the Disabled Facilities Grant (DFG) 2021/2022 have been confirmed at £573m. Whilst there has not been confirmation yet of individual Local Authority allocations, the national amount is the same as the prior two years, which provided £3.574m to Sunderland. It is proposed therefore to include this value in the Capital Programme pending formal confirmation. Also, as in recent years, there is further funding available for DFGs of £0.100m from Gentoo; this brings the total additional budget in 2021/2022 to £3.674m.  |
| Other Projects   | 2,879          | 0              | 0            | 0        | 2,879          |   |
| <b>Total Healthy City</b>  | <b>3,356</b>   | <b>0</b>       | <b>3,674</b> | <b>0</b> | <b>7,030</b>   |   |
| <b>Vibrant City</b>  |                |                |              |          |                |   |
| Neighbourhood Renewal  | 2,156          | 0              | 153          | 0        | 2,309          | £0.153m has been secured from the Council's Neighbourhood Fund to support Capital works, mainly in relation to Green Gyms and CCTV provision.   |

|                                |                |                 |               |          |                |   |
|--------------------------------|----------------|-----------------|---------------|----------|----------------|---|
| Parklife Football Hubs         | 5              | 0               | 100           | 0        | 105            | There is an unavoidable cost increase of £0.1m across the three football hubs, primarily the Downhill site due to unforeseen temporary utilities supply, provision of a new fire hydrant and meter, as well as additional external hardstanding requirements. This is to be funded from available Capital resource. |
| Other Projects                 | 2,106          | 0               | 0             | 0        | 2,106          |   |
| <b>Total Vibrant City</b>      | <b>4,267</b>   | <b>0</b>        | <b>253</b>    | <b>0</b> | <b>4,520</b>   |   |
| <b>TOTAL CAPITAL PROGRAMME</b> | <b>273,274</b> | <b>(14,801)</b> | <b>18,825</b> | <b>0</b> | <b>277,298</b> |   |

**\*\* Note – Reconciliation to Original Approved 2021/2022 Capital Programme**

|   |                |  |  |  |  |  |
|---|----------------|--|--|--|--|--|
| <i>Cabinet 15th June 2021 – Capital Programme Outturn 2020/2021</i> | (24,511)       |  |  |  |  | <i>2020/2021 Outturn: Reprofiling of expenditure between 2020/2021 and 2021/2022 reported to Cabinet 15th June 2021.</i> |
| <b>ORIGINAL 2021/2022 CAPITAL PROGRAMME</b>                         | <b>248,763</b> |  |  |  |  | <b>Original Capital Programme approved by Full Council 3rd March 2021</b>  |

**REFERENCE FROM CABINET – 13 JULY 2021**

**FIRST REVENUE BUDGET REVIEW 2021/2022**

**REPORT OF THE ASSISTANT DIRECTOR OF LAW AND GOVERNANCE**

**1. Purpose of this Report**

- 1.1 To set out for advice and consideration of the Committee the report on the First Revenue Budget Review 2021/2022.

**2. Background and Current Position**

- 2.1 The Cabinet, at its meeting on 13 July 2020, will give consideration to a report of the Executive Director of Corporate Services. The report details the outcome of the Revenue Budget First Review for 2021/2022 including proposed contingency transfers.
- 2.2 The contingency transfers proposed are set out at Section 3.4.
- 2.3 Copies of the 13 July 2021 Cabinet agenda can be accessed electronically on the Council website by all Members of the Council.
- 2.4 The Cabinet is recommended to:-
- Note the contents of the report; and
  - Approve the contingency transfers proposed at Section 3.4.
- 2.5 An update on the comments and decision of Cabinet will be provided to the meeting.

**3. Conclusion**

- 3.1 The report is referred to this Committee for advice and consideration. The comments from the Committee will be reported to Cabinet on 14 September 2021.

**4. Recommendation**

- 4.1 The Committee is invited to give advice and consideration on the report of the Executive Director of Corporate Services.

## **5. Background Papers**

5.1 Cabinet Agenda, 13 July 2021.

5.2 A copy of the Agenda is available for inspection from the Assistant Director of Law and Governance or can be viewed on-line at:-

[Cabinet Agenda, 13 July 2021](#)

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|  |  |
|--|--|
| <p align="center"><b>CABINET MEETING – 13 JULY 2021</b></p> <p align="center"><b>EXECUTIVE SUMMARY SHEET – PART I</b></p>  |  |
| <b>Title of Report:</b><br>First Revenue Budget Review 2021/2022   |  |
| <b>Author(s):</b><br>Executive Director of Corporate Services  |  |
| <b>Purpose of Report:</b><br>To report details of the outcome of the Revenue Budget First Review for 2021/2022   |  |
| <b>Description of Decision:</b><br>Cabinet is recommended to: <ul style="list-style-type: none"> <li>• Note the contents of the report; and</li> <li>• Approve the contingency transfers proposed at Section 3.4.</li> </ul> |  |
| <b>Is the decision consistent with the Budget/Policy Framework?</b> Yes  |  |
| <b>If not, Council approval is required to change the Budget/Policy Framework</b>  |  |
| <b>Suggested reason(s) for Decision:</b><br>To respond to variations in expenditure and income which have arisen in 2021/2022 and enable effective budgetary control to be exercised.  |  |
| <b>Alternative options to be considered and recommended to be rejected:</b><br>No alternative options are proposed   |  |
| <b>Impacts analysed;</b><br>Equality <input type="text" value="N/A"/> Privacy <input type="text" value="N/A"/> Sustainability <input type="text" value="N/A"/> Crime and Disorder <input type="text" value="N/A"/>           |  |
| <b>Is the Decision consistent with the Council's co-operative values?</b> Yes  |  |
| <b>Is this a “Key Decision” as defined in the Constitution?</b> Yes  |  |
| <b>Is it included in the 28 day Notice of Decisions?</b> Yes   |  |

**FIRST REVENUE BUDGET REVIEW FOR 2021/2022****Report of the Executive Director of Corporate Services****1. Purpose of Report**

- 1.1 This report advises Members of the overall Revenue Budget position following the first review for 2021/2022 including proposed contingency transfers.

**2. Description of Decision (Recommendations)**

- 2.1 Cabinet is recommended to:

- Note the contents of the report; and
- Approve the contingency transfers proposed at Section 3.4.

**3. Revenue Budget Monitoring 2021/2022**

- 3.1 Overall Position

- 3.1.1 The budgets for 2021/2022 are as approved by Council in March 2021. A full review has been undertaken for each Portfolio, together with contingency allocations proposed for the first quarter.
- 3.1.2 At this early stage in the financial year the forecast outturn position reflects the challenge the Council faces in delivering savings approved by Council in order to balance the budget, known areas of pressure, and the continued impact of the Covid-19 pandemic. The financial consequences of the latter are included within the position, but a degree of caution should be noted at this early stage in the financial year given the continued uncertainties arising from the pandemic and its future impact.
- 3.1.3 The overall forecast outturn position for 2021/2022 is a deficit £5.729m, and is summarised in the table below, with further detail provided within Appendix A, Appendix B, and the remainder of Section 3 below.

| Area of Variance                 | Para reference | Variance Overspend / (Underspend) £m |
|----------------------------------|----------------|--------------------------------------|
| Delegated Forecast Outturn       | 3.3            | 17.237                               |
| Contingency Transfers            | 3.4            | 0.000                                |
| Covid Contingency                | 3.5            | (9.133)                              |
| Treasury Management Savings      | 3.7            | (1.500)                              |
| Grants                           | 3.1.5          | (0.875)                              |
| <b>Forecast Outturn position</b> |                | <b>5.729</b>                         |



- 3.1.4 The Council's financial position continues to be significantly impacted by the Covid-19 pandemic and its wider economic consequences. Covid general support grant funding was provided by the Government for 2021/2022 (£8.914m), this was included within the approved budget and is held in the Covid-19 contingency along with other resource to mitigate the impact of the pandemic.
- 3.1.5 Since the budget was approved, the Government have confirmed further support measures for local government, these have been factored in to forecast outturn position where necessary, and are noted below:
- An extension of the irrecoverable Sales, Fees and Charges compensation scheme, with the Government continuing to cover 75% of losses beyond 5% of planned income for the period April to June 2021;
  - A further Contain Outbreak Management Fund grant allocation for 2021/2022 of £2.300m;
  - Infection control (£1.117m) and Rapid Testing (£0.785m) grant allocations for 2021/2022, primarily passported to Care Homes;
  - Local Support Grant Scheme (£0.252m) to provide support to vulnerable households and families with children and LA Practical Support grant for those self isolating (£0.148m).
  - Business Rates reliefs for impacted sectors on the basis of 100% relief for the period April – June 2021 and 66% for the remainder of the year to March 2022; and
  - New burdens grant of £0.291m for the administration of business rates support.
- 3.1.6 It should be noted that the financial impact of Covid-19 on the City's residents and businesses could result in a deficit position on the council tax and / or business rates collection funds. Any deficit will not impact on the current year's general fund position, but would need to be taken into account in the budget setting process for 2022/2023.
- 3.1.7 The Council, including through the likes of ANEC, SIGOMA and the LGA, continue to make the case for additional funding to meet the current shortfalls and equally a full and fair financial settlement to address the significant ongoing impact to the Council's finances.
- 3.2 Budget Transfers
- 3.2.1 Budget transfers undertaken at the first review primarily reflect the need to realign budgets to ensure correct accountability of the approved budget. These are set out in Appendix A.

### 3.3 Portfolio Budgets – Overall Summary

3.3.1 Details of the forecast major variations for each portfolio, are set out at Appendix A. In overall terms there is currently a forecast net service pressure of £17.237m, inclusive of the savings plan position detailed at Section 3.3.2 below.

3.3.2 Progress in the implementation of the £6.267mm approved savings plans for 2021/2022 has continued and overall shows positive progress. The position is positive for this stage of the financial year given the demands and pressures services are experiencing. Portfolio holders and Executive Directors continue to take the necessary action to mitigate any delays in implementation and, as such, the position is expected to improve as the year progresses.

- £2.825m (45%) of the savings have been fully realised to date.
- £2.001 (32%) of reductions where good progress is being made, with a good prospect that full savings will be achieved.
- £0.1441m (23%) is in respect of areas where delays and issues have been encountered, hence where corrective actions or alternative options are being considered, which require close attention to ensure a positive outcome and timely delivery of savings. For budget monitoring purposes these are included as a forecast outturn pressure within the delegated budgets if appropriate.

3.3.3 Transitional reserves continue to be held to meet any profiling delays in the implementation of the 2021/2022 savings plans and any additional pressures arising.

3.3.4 The forecast position for the Local Authority Controlled Companies is included within the delegated budget outturn within the relevant portfolio at Appendix A, and budgetary issues highlighted as required. This includes the continued impact of the Covid-19 pandemic.

### 3.4 General Contingency Transfers

3.4.1 Transfers from the general contingency fund take place on a quarterly basis to reflect expenditure actually incurred in respect of approved provisions. First quarter contingency transfers, totalling £1.995m have been enacted as follows;

- Adult Social Care Inflation (£1.300m)  
Drawdown from provision to meet the impact of inflationary increases for 2021/2022 following agreement with service providers. Some contracts are still to be finalise so the inflationary uplift of these will be drawn down at a future review.
- Regional Adoption Agency (£0.050m)  
Following the introduction of the Regional Adoption Agency (RAA) each local authority partner is to contribute £0.050m towards the staffing cost of the RAA.

- TfC Ofsted Support (£0.500m)  
One-off funding of £0.500m provided to TfC in 2021/2022 to support forecast pressures.
- 'My Sunderland' website (£0.050m)  
Funding to support the development and maintenance of the Council's 'My Sunderland' website.
- Additional Communications City Brand Post (£0.065m)  
Funding to support an additional post within the Communications team to provide support for City Brand development.
- ICT Mobiles (£0.020m)  
Provision for mobile phone requirements linked to additional home working as a result of Covid-19 and agile working arrangements.
- Levies (£0.010m)  
Following confirmation of the final levies for 2021/2022, additional provision has been drawn down for the Environment Agency (£0.001m) and North East Inshore Fisheries (£0.009m) levies.

3.4.2 Based on the forecast use of contingencies, at this early stage in the financial year the general contingency provision is anticipated to be fully utilised.

### 3.5 Covid Contingency

3.5.1 This contingency totals £13.583m, which was funded by; Covid general support grant funding (£8.914m), Local Council Tax Support grant funding (£3.669m) and a £1.000m from Council resources for the Covid-19 Local Response fund. At present there have been no drawdowns from the Covid Contingency budget. This budget will be used to support Covid Recovery initiatives, with the forecast balance of £9.133m held to mitigate the additional spend pressures within the Council's overall forecast deficit position.

### 3.6 Transitional costs

3.6.1 The potential need to utilise capital receipt flexibility to fund transitional costs arising in 2021/2022 will be confirmed at outturn, in light of the overall resources position at that time. At this stage, no unbudgeted transitional costs are forecast to be incurred during 2021/2022.

### **3.7 Treasury Management Savings**

- 3.7.1 Net one-off savings on debt charges and interest on investments of £1.500m are anticipated at this stage. This reflects the position reported in the Capital Programme First Review, elsewhere on the agenda, and investment income generated. It is proposed that any savings at outturn be utilised to support the overall Council position.

## **4. Review of Existing Reserves**

- 4.1 During the finalisation of the Statement of Accounts, a small number of amendments between reserves were enacted to comply with technical requirements. These amendments had no impact on the overall balance of reserves. The opening balance at Appendix C reflects the position as reported in the Statement of Accounts.
- 4.2 Following a full review of planned usage, the Council's reserves are forecast to decrease by £56.337m in 2021/2022 to £147.862m as reserves are utilised for their agreed purpose, including in support of the capital programme and meeting the business rates collection fund 2020/2021 deficit (covid-related impact), which due to the required technical accounting treatment needs to be met in 2021/2022.
- 4.3 With the exception of the General Fund, useable reserves are earmarked for specific purposes and commitments, and are subject to regular review.

## **5. Collection Fund**

### **5.1 Business Rates**

The budget sets out a Local Business Rate requirement of £24.881m. As noted in 3.1.5 further reliefs, have reduced the collectable business rates for 2021/2022. However, the Council will be compensated for this reduction through further Section 31 grant. Further business rates reliefs of £1.5bn nationally have been announced by the Government, although, as yet, no details on when and how these are to be applied alongside allocations to individual local authorities have been confirmed. Given the uncertainties at this stage, the position will be kept under review and a further update will be provided at the second revenue review.

### **5.2 Council Tax**

The budget sets out a Council Tax requirement of element of £108.165m. Based on current forecasts a balanced budget is anticipated. As with Business Rates, should a shortfall arise this would manifest itself as a deficit to be taken into account in setting the 2022/2023 budget. A further update will be provided at second review.

**6. Reasons for Decision**

- 6.1 To respond to variations in expenditure and income which have arisen in 2021/2022 and enable effective budgetary control to be exercised.

**7. Alternative Options**

- 7.1 No alternative options are proposed.

**8. Impact Analysis**

- 8.1 Impact assessments of Directorate actions to ensure the achievement of savings targets and a balanced budget position will be undertaken within Directorates as each action is developed.

**9. Other Relevant Considerations / Consultations**

- 9.1 None

**10. List of Appendices**

- Appendix A - Major Variations 2021/2022
- Appendix B - Overall Position 2021/2022
- Appendix C - Major Earmarked Reserves

**11. Background Papers**

None

**Cabinet Meeting 13<sup>th</sup> July 2021**  
**Major Variations 2021/2022**

| Portfolio            | Original Budget (Budget Book) £m | Contingency Transfers £m | Budget Adjustments £m | Current Revised Budget £m | Forecast Outturn £m | Forecast Variation Under / (Over Spend) £m | Reason for Variation  |
|----------------------|----------------------------------|--------------------------|-----------------------|---------------------------|---------------------|--|---|
| <b>Leader</b>        | <b>4.957</b>                     | <b>0</b>                 | <b>0</b>              | <b>4.957</b>              | <b>4.967</b>        | <b>(0.010)</b>                             | <ul style="list-style-type: none"> <li>Minor staffing overspends of £0.010m</li> </ul>  |
| <b>Deputy Leader</b> | <b>52.605</b>                    | <b>0.116</b>             | <b>(0.093)</b>        | <b>52.628</b>             | <b>55.842</b>       | <b>(3.214)</b>                             | <ul style="list-style-type: none"> <li>Parking Services - a forecast shortfall against budgeted surplus of £1.300m due to the continued reduced car park usage and suspension of permit requirements. The position also reflects the reduced footfall in the City Centre.</li> <li>Business and Investment (£0.359m overspend) – loss of income due to rental and room hire shortfalls arising from the impact of the pandemic on the business centres.</li> <li>Building Services – a forecast shortfall against budgeted surplus of £0.563m, primary linked to the ability to achieve the additional income target. A restructure of the service is currently underway, to ensure maximisation of income earning opportunities.</li> <li>Schools Meals - £0.190m forecast shortfall in income due to slow recovery from pandemic, resulting in lower school attendance in the summer term.</li> <li>Waste Collection and Recycling – forecast overspend of £0.194m due to additional staff costs from Covid-19 workforce pressures.</li> <li>Waste disposal – forecasts overspend of £0.324m due to increased forecast waste tonnage volumes during 2021/2022. This area is subject to further review based on volume data from the waste partnership.</li> <li>Civic Catering - £0.034m forecast loss of income due to reduced usage / temporary closure of 'The Social'.</li> </ul> |

## Appendix A (continued)

| Portfolio                            | Original Budget (Budget Book) £m | Contingency Transfers £m | Budget Adjustments £m | Current Revised Budget £m | Forecast Outturn £m | Forecast Variation Under / (Over Spend) £m | Reason for Variation   |
|--------------------------------------|----------------------------------|--------------------------|-----------------------|---------------------------|---------------------|--|--|
|                                      |                                  |                          |                       |                           |                     |  | <ul style="list-style-type: none"> <li>Fleet – a forecast shortfall against budget of £0.125m, primary linked to the delay in the ability to achieve savings targets from reduced operational costs. The pending relocation of the service to the Parsons depot will allow savings to be realised at that point.</li> <li>Net variations totalling £0.125m overspend on a number of service areas linked to additional staffing and cleaning costs.</li> </ul>   |
| <b>Cabinet Secretary</b>             | <b>12.075</b>                    | <b>0.020</b>             | <b>0.033</b>          | <b>12.128</b>             | <b>12.650</b>       | <b>(0.522)</b>                             | <ul style="list-style-type: none"> <li>Revenues – forecast net overspend of £0.566m from unachieved enforcement and court fee income as a result of reduced enforcement action and court hearings for Council Tax and Business Rate collection, partially offset by staff vacancies and new burdens grant funding.</li> <li>Numerous variations totalling a net £0.044m underspend linked to staffing cost variations, premises costs and reductions in income.</li> </ul>   |
| <b>Children, Learning and Skills</b> | <b>72.671</b>                    | <b>0.550</b>             | <b>0</b>              | <b>73.221</b>             | <b>79.845</b>       | <b>(6.624)</b>                             | <ul style="list-style-type: none"> <li>Together for Children (TfC) - The TfC Board is responsible for monitoring the financial position of the company, with updates provided to the Council through the established contract performance monitoring arrangements.</li> <li>The current forecast overspend is £6.000m, including those pressures as a result of the Covid-19 pandemic.</li> <li>Derwent Hill – net lost income of £0.578m as result of lost trade due to the pandemic.</li> <li>Minor overspends of £0.046m on other budgets areas.</li> </ul> |

## Appendix A (continued)

| Portfolio    | Original Budget (Budget Book) £m | Contingency Transfers £m | Budget Adjustments £m | Current Revised Budget £m | Forecast Outturn £m | Forecast Variation Under / (Over Spend) £m | Reason for Variation  |
|--------------|----------------------------------|--------------------------|-----------------------|---------------------------|---------------------|--|---|
| Dynamic City | 5.195                            | 0                        | (0.006)               | 5.189                     | 5.294               | (0.105)                                    | <ul style="list-style-type: none"> <li>• Access to Housing – overspend of £0.075m relating to additional homelessness provision due to the pandemic.</li> <li>• Building and Development Control – forecast underspend of £0.049m primarily in relation to additional planning regulation and inspection fee income.</li> <li>• Supporting People – forecast overspend of £0.061m due to increased support payments to organisations linked to the pandemic.</li> <li>• Other minor staffing variations on a number of service areas has created an overspend of £0.018m.</li> </ul>  |
| Healthy City | 89.883                           | 1.300                    | 0                     | 91.183                    | 97.809              | (6.626)                                    | <ul style="list-style-type: none"> <li>• Adult Social Care - continued additional financial pressures of £6.025m in respect of Adult Social Care. This forecast overspend comprises a net £1.325m Covid-19 response cost pressure after taking account of anticipated contributions from the CCG, £4.790m general demand pressures on the ASC service and staffing underspend due to vacancies (£0.090m).</li> <li>• Adult Social Care / SCAS Strategic Commissioning – forecast overspend of £0.593m primarily linked to Covid-19 related workforce cost pressures (£0.300m) and income loss (£0.480m) partially offset by salary underspends in Integrated Commissioning and Strategic Advice (£0.187m)</li> <li>• Welfare Reform – minor forecast overspend of £0.008m.</li> </ul> |



## Appendix A (continued)

| Portfolio                                | Original Budget (Budget Book) £m | Contingency Transfers £m | Budget Adjustments £m | Current Revised Budget £m | Forecast Outturn £m | Forecast Variation Under / (Over Spend) £m | Reason for Variation   |
|--|----------------------------------|--------------------------|-----------------------|---------------------------|---------------------|--|--|
| Vibrant City                             | 14.028                           | 0                        | 0.066                 | 14.094                    | 14.230              | (0.136)                                    | <ul style="list-style-type: none"> <li>Environmental Enforcement – forecast £0.114m shortfall on income due to the temporary suspension of the service and the reallocation of staff to support the pandemic.</li> <li>Other minor variations on a number of service areas has created an overspend of £0.022m.</li> </ul> |
| <b>Total Service (Delegated) Outturn</b> | <b>251.414</b>                   | <b>1.986</b>             | <b>0</b>              | <b>253.400</b>            | <b>270.637</b>      | <b>(17.237)</b>                            |  |

## Appendix B

### Cabinet Meeting 13<sup>th</sup> July 2021 Overall Position 2021/2022

|  | Original<br>Budget<br><br>£m | Contingency<br>Transfers /<br>Budget<br>Adjustments<br><br>£m | Current<br>Budget<br><br>£m | Forecast<br>Outturn<br><br>£m | Variance<br>Under /<br>(Over)<br>Spend<br>£m |
|--|------------------------------|---|-----------------------------|-------------------------------|--|
| Leader Portfolio   | 4.957                        | 0.000   | <b>4.957</b>                | 4.967                         | <b>(0.010)</b>                               |
| Deputy Leader Portfolio  | 52.605                       | 0.023   | <b>52.628</b>               | 55.842                        | <b>(3.214)</b>                               |
| Cabinet Secretary Portfolio  | 12.075                       | 0.053   | <b>12.128</b>               | 12.650                        | <b>(0.522)</b>                               |
| Children, Learning and Skills Portfolio                            | 72.671                       | 0.550   | <b>73.221</b>               | 79.845                        | <b>(6.624)</b>                               |
| Dynamic City Portfolio   | 5.195                        | (0.006)   | <b>5.189</b>                | 5.294                         | <b>(0.105)</b>                               |
| Healthy City Portfolio   | 89.883                       | 1.300   | <b>91.183</b>               | 97.809                        | <b>(6.626)</b>                               |
| Vibrant City Portfolio   | 14.028                       | 0.066   | <b>14.094</b>               | 14.230                        | <b>(0.136)</b>                               |
| <b>Total Service (Delegated) Expenditure</b>                       | <b>251.414</b>               | <b>1.986</b>  | <b>253.400</b>              | <b>270.637</b>                | <b>(17.237)</b>                              |
| Provision for General Contingencies and other<br>Corporate Budgets | 12.414                       | (1.996)   | <b>10.418</b>               | 10.418                        | <b>0.000</b>                                 |
| Covid Contingency  | 13.583                       | 0.000   | <b>13.583</b>               | 4.450                         | <b>9.133</b>                                 |
| Capital Financing Costs  | 20.247                       | 0.000   | <b>20.247</b>               | 18.747                        | <b>1.500</b>                                 |
| Transfer to/from Reserves  | (19.915)                     | 0.000   | <b>(19.915)</b>             | (19.915)                      | <b>0.000</b>                                 |
| Technical Adjustments  | (33.676)                     | 0.000   | <b>(33.676)</b>             | (33.676)                      | <b>0.000</b>                                 |
| Levies   | 15.159                       | 0.010   | <b>15.169</b>               | 15.169                        | <b>0.000</b>                                 |
| Hetton Town Council  | 0.067                        | 0.000   | <b>0.067</b>                | 0.067                         | <b>0.000</b>                                 |
| Less Grants  | (54.413)                     | 0.000   | <b>(54.413)</b>             | (55.288)                      | <b>0.875</b>                                 |
| <b>Total Net Expenditure</b>                                       | <b>204.880</b>               | <b>0.000</b>  | <b>204.880</b>              | <b>210.609</b>                | <b>(5.729)</b>                               |
| Revenue Support Grant  | (28.110)                     | 0.000   | <b>(28.110)</b>             | (28.110)                      | <b>0.000</b>                                 |
| National Non-Domestic Rates/Retained Business<br>Rates             | (24.881)                     | 0.000   | <b>(24.881)</b>             | (24.881)                      | <b>0.000</b>                                 |
| Top Up Grant   | (43.724)                     | 0.000   | <b>(43.724)</b>             | (43.724)                      | <b>0.000</b>                                 |
| Council Tax Requirement  | (108.165)                    | 0.000   | <b>(108.165)</b>            | (108.165)                     | <b>0.000</b>                                 |
| <b>Forecast Outturn Position</b>                                   | <b>0.000</b>                 | <b>0.000</b>  | <b>0.000</b>                | <b>5.729</b>                  | <b>(5.729)</b>                               |
|  |                              |   |                             |                               |  |

**Cabinet Meeting 13<sup>th</sup> July 2021**  
**Major Earmarked Reserves**

| <b>Reserves</b>                                  | <b>Purpose of the Reserve</b>   | <b>Opening<br/>Balance<br/>01.04.2021<br/>£m</b> | <b>Forecast<br/>Movement<br/>in Year<br/>£m</b> | <b>Closing<br/>Balance<br/>31.03.2022<br/>£m</b> |
|--|---|--|---|--|
| General Fund                                     | General Fund of the Council   | 12.000   | 0.000   | 12.000   |
| School Balances                                  | Balances held by schools under a scheme of delegation   | 10.742   | (2.380)   | 8.362  |
| <b>Earmarked General Fund Reserves – Capital</b> |   |  |   |  |
| Riverside Transfer                               | Reserve established to fund capital works associated with the Homes and Communities Agency land transferred to the Council.   | 9.041  | (0.393)   | 8.648  |
| Capital Priorities Reserve                       | A reserve established to address some of the Council's key capital developments and strategic priorities.   | 8.192  | (0.397)   | 7.795  |
| Section 106 Reserves                             | Under Section 106 of the Town and Country Planning Act 1990, developers make financial contributions to the Council relating to affordable housing, public open spaces including allotments and locally equipped play parks, educational facilities, highways and public transport improvements, sports and recreational facilities and environmental improvements. | 7.995  | (1.230)   | 6.765  |
| Strategic Investment Reserve (Capital)           | A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.  | 3.782  | (3.096)   | 0.686  |
| Commercial and Economic Development Activity     | Reserve established to take advantage of commercial and economic development opportunities that will meet priorities of the Council.  | 1.007  | (0.700)   | 0.307  |
| Strategic Investment Plan Reserve                | This reserve is necessary to fund part of the Council's contribution to its Strategic Investment Plan   | 0.162  | (0.162)   | 0.000  |
| Other Earmarked Capital Reserve                  | Funding set aside to fund future capital projects previously approved.  | 1.358  | (0.583)   | 0.775  |

## Appendix C (continued)

| Earmarked General Fund Reserves – Revenue                       |  |        |          |        |
|---|--|--------|----------|--------|
| NNDR Covid Retail, Hospitality and Leisure Relief Grant Reserve | Reserve established to manage the requirement to fund Collection Fund deficits in the proceeding financial year. Section 31 Retail, Hospitality and Leisure Relief Grant held to offset deficit in 2021/2022.                        | 19.874 | (19.874) | 0.000  |
| Medium Term Planning Smoothing Reserve                          | This reserve has been established to address any potential impact arising from increased risk and uncertainty with the Business Rate Retention Scheme. It is being used to smooth the impact of government funding uncertainties.    | 17.861 | (2.248)  | 15.613 |
| Service Reduction Reserve                                       | This reserve is to provide temporary transitional funding relating to the implementation of planned service reductions.  | 12.145 | 0.000    | 12.145 |
| Strategic Regeneration Reserve                                  | A reserve to support the Council's regeneration ambitions, specifically to smooth any revenue impact of projects until they become self-sustaining.  | 9.997  | 0.000    | 9.997  |
| Strategic Investment Reserve (Revenue)                          | A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.   | 5.749  | (2.442)  | 3.307  |
| Insurance Reserve   | This reserve has been established to provide for potential future claims or claim increases.   | 5.600  | 0.000    | 5.600  |
| Street Lighting and Highway Signs PFI Smoothing Reserve         | The reserve was established to smooth the financial impact to the Council across the 25 years of the contract life.  | 4.281  | (0.285)  | 3.996  |
| SIB Reserve   | A reserve held to fund future allocations through the Strategic Initiatives Budget.  | 4.179  | (0.500)  | 3.679  |
| Smart Cities  | This reserve was established to set aside revenue funding to cover 8-10 years, to support the best value for money solution for 5G and Wireless within the city.   | 4.000  | 0.000    | 4.000  |
| Streetscene and Open Space                                      | A reserve to enhance the city's recovery from the covid pandemic and ensure that the full benefit can be made of the regeneration activities across the city. This reserve will fund a range of streetscene and open space projects. | 3.500  | (0.500)  | 3.000  |
| HCA Stadium Park  | Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.   | 3.109  | 0.000    | 3.109  |
| Transformation Reserve  | To support the changes that are likely to be required over the next 12-18 months to address financial pressures as the city emerges from the pandemic and MTFP challenges.   | 3.000  | (1.500)  | 1.500  |

## Appendix C (continued)

|                                       |   |                |                 |                |
|---------------------------------------|---|----------------|-----------------|----------------|
| Children's Social Care                | A reserve to fund any one-off Children's Social Care costs that may arise in the future.  | 3.000          | 0.000           | 3.000          |
| Public Health Grant                   | Ringfenced Public Health grant funding, to deliver future public health initiatives.  | 4.142          | (2.100)         | 2.042          |
| Sandhill Centre PFI Smoothing Reserve | The reserve was established to smooth the financial impact to the Council across the 25 years of the contract life.                             | 2.151          | (0.147)         | 2.004          |
| Education Redundancy Reserve          | The reserve was established to meet the anticipated costs of redundancies as a result of falling pupil rolls within maintained schools.         | 2.125          | (0.373)         | 1.752          |
| Low Level Family Support              | Reserve to support activities with families and individuals to address the challenges of recovering from the pandemic.                          | 2.000          | (1.000)         | 1.000          |
| Children and Young People Recovery    | The reserve was established for TfC to deliver a range of activities that will support covid-recovery activities.                               | 1.700          | (1.700)         | 0.000          |
| Collection Fund Surplus Reserve       | Reserve established as part of 2018/19 budget setting to smooth the collection fund surplus benefit into future years.                          | 1.533          | 0.000           | 1.533          |
| Covid-19                              | A reserve established from the Government grant to fund the immediate costs and lost income associated with the Covid-19 pandemic.              | 1.512          | (1.512)         | 0.000          |
| Housing Benefit Smoothing Reserve     | This reserve has been established to smooth any potential impact of outstanding debtors as housing benefit is subsumed within universal credit. | 1.298          | (0.250)         | 1.048          |
| Airport Smoothing Reserve             | Reserve established to smooth any delayed airport loan interest payment that may arise.   | 1.253          | 0.000           | 1.253          |
| Triathlon                             | Reserve established to support a bid to secure a multi-year arrangement with British Triathlon to host triathlon events in the City.            | 1.200          | 0.000           | 1.200          |
| Riverside Transfer                    | Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.                                | 1.197          | (0.105)         | 1.092          |
| House Sale Income                     | The reserve relates to the sale of client's homes that will be utilised to support future support needs of those clients.                       | 1.020          | 0.000           | 1.020          |
| Other Earmarked Revenue Reserves      | Numerous small revenue reserves less than £1m which are set up for specific purposes.   | 19.008         | (7.667)         | 11.341         |
| <b>Total General Fund Reserves</b>    |   | <b>190.713</b> | <b>(51.144)</b> | <b>139.569</b> |
| Capital Receipts Reserve              | Balance of capital receipts held, pending use to fund the capital programme.  | 9.401          | (2.996)         | 6.405          |
| Capital Grants Unapplied              | Balance of capital grants held pending expenditure on capital programme.  | 4.085          | (2.197)         | 1.888          |
| <b>Total Usable Reserves</b>          |   | <b>204.199</b> | <b>(56.337)</b> | <b>147.862</b> |

**REVIEW OF SCRUTINY ARRANGEMENTS IN SUNDERLAND**

**REPORT OF THE SCRUTINY, MAYORAL AND MEMBER SUPPORT COORDINATOR**

**1. Purpose of Report**

- 1.1 This report is to inform the Scrutiny Committee of a proposed review of scrutiny arrangements in Sunderland and to seek the Committee's views.

**2. Background**

- 2.1 Mindful of the challenges and opportunities currently facing the council, the Chair of Scrutiny has commissioned an independent review of its scrutiny arrangements. The purpose of the review is to develop a clear and shared understanding on the role, purpose and objectives of the council's scrutiny arrangements.
- 2.2 The Independent Review will be conducted by the Centre for Governance and Scrutiny (CFGs). The Review will engage with all political parties and key officers before finalising a report with recommendations which will form the basis for proposals for improvement to the council's scrutiny and overview model. A member led steering group will oversee the process and establish any necessary improvement activity or formal recommendations to strengthen the scrutiny function in Sunderland.

**3. Current Position**

- 3.1 The current arrangements for the scrutiny function were introduced by Council on 27<sup>th</sup> January 2016.
- 3.2 The scrutiny function is member led in Sunderland. Current scrutiny arrangements include one formal, overarching Coordinating Scrutiny Committee with a coordinating function in relation to the broad strategic issues which may fall within the remit of more than one service-based Scrutiny Committee.
- 3.3 In addition, three themed, service-based Scrutiny Committees have the role of scrutiny of service improvement in relation to health and wellbeing, economic prosperity and children, education and skills.
- 3.4 There are also a number of regional scrutiny committees including the Joint Health Scrutiny Committee with South Tyneside and Durham which looks at the Path to Excellence programme of change, the Joint Overview & Scrutiny Committee for the North East & North Cumbria Integrated Care System & North & Central Integrated Care Partnerships to NHS England and the North East Combined Authority Overview and Scrutiny Committee and Joint Transport Overview and Scrutiny Committee which are outside of the scope of this review.

## **4. Review Framework**

4.1 The following elements will be used by the CFSG as a framework for the review. They are not criteria against which the council's approach will be "judged", but a framework for discussion and debate on those issues and areas most important to Sunderland.

- Organisational commitment and clarity of purpose
- Members leading and fostering good relationships
- Prioritising work and using evidence well
- Having an impact

The following provides examples of the kinds of questions that will usually be asked in interviews, and the general topics that will be explored as part of desktop research during the review process in relation to each element.

### **4.2 Organisational commitment and clarity of purpose**

What do people in leadership positions think of scrutiny and its work?  
How is scrutiny treated as a "strategic function" of the council, and as a resource for corporate improvement?  
How is scrutiny's work integrated with the Council's City Plan?  
How is the relationship between scrutiny and the executive fostered and promoted?  
How do senior officers engage in a timely and proactive way with scrutiny's expectations on the provision of information?  
How is scrutiny's overall role articulated both by scrutiny itself and by the wider council?  
How has this role been based on evidence around what might add most value to the lives of local people?  
How does scrutiny seek to engage with the public, including the promotion of scrutiny generally?

### **4.3 Members leading and fostering good relationships**

How do members in scrutiny chair positions operate? How are these members selected?  
How do those members act to build relationships with those on the executive side, and with other scrutiny members?  
How members have the assurance that they have the necessary skills and capabilities to carry out their role? How does the authority have this assurance?  
What training and development opportunities are provided?  
What further use could be made of co-option to broaden and deepen the expertise to which scrutiny has access?  
How do scrutiny members overall work as part of a team with a common purpose?

### **4.4 Prioritising work and using evidence well**

How does scrutiny use its role to prioritise and focus its workload (i.e., through work programming)?  
How does scrutiny evaluate the likely impact of forthcoming work when it is considering its forward work programme?

Could more be done in task and finish groups to embed scrutiny in the policy development process?  
 How does scrutiny gather evidence and information to support work programming (for example, through regular consideration of key data sources)?  
 How are committee agendas put together, and by whom?  
 How well do councillors (and the wider council) understand scrutiny members' formal information rights?

#### 4.5 Having an impact

How are recommendations formulated and agreed?  
 To what extent does the current scrutiny committee structure support scrutiny to engage with the right issues, in the right way and at the right time?  
 How do scrutiny's relationships with those outside the council influences what and how it recommends?  
 How scrutiny evidences its tangible impact – on local people, major decisions and policy development?  
 How is scrutiny's work, and impact, acknowledged by others (including those outside the council)?

### 5. Evidence gathering

#### 5.1 The CFGS will use a range of mechanisms to gather appropriate evidence to answer the questions outlined in the framework above to undertake the review. Examples will include:

##### **Desktop work:**

- The council's Constitution
- Recent scrutiny annual reports
- The work programmes for committees, including reviewing how those work programmes have evolved in recent months
- Recent committee agendas, minutes and reports
- Executive responses to scrutiny reports and scrutiny recommendations, where relevant

##### **Interviews / workshops with:**

- The Leader
- The Chief Executive
- The Monitoring Officer and section 151 officer.
- Scrutiny chairs
- Opposition party group leaders (x3)
- Senior officers
- Scrutiny support officers and officers working in democratic services
- Individuals who have given evidence to scrutiny over the past 18 months/two years
- Conversations with a member workshop on their reflections of the scrutiny function and its impact.

##### **Survey**

- Carry out a member survey whose questions will reflect our areas of focus



## **Observation**

- Observing selected scrutiny meetings.

## **6. Timescales**

6.1 The review will take approximately 3 to 4 months to complete. Timescales are outlined below and are subject to change depending on the progress of the review and any additional work that may be required.

- Initial evidence gathering - July
- Survey findings, observation and remaining documentary analysis - August
- Summary of key areas of findings including proposed areas for actions - late August / early September
- Action development session with member steering group - mid to late September
- Submission of final report / actions to committee for agreement - October

## **7. Action planning**

7.1 Overall findings and suggested recommendations will be discussed and agreed with the member steering group being established to lead this project to ensure that they are realistic and deliverable as well as having a collective sense of ownership.

## **8. Recommendations**

The Scrutiny Committee is recommended to:

- (a) Comment on the proposed review of scrutiny and agree the composition of a member steering group to oversee the review.
- (b) Agree for the review to commence as per the timescales in the report.

**ANNUAL WORK PROGRAMME 2021/22**

**REPORT OF THE SCRUTINY, MAYORAL AND  
MEMBERS' SUPPORT COORDINATOR**

**1. Purpose of the Report**

- 1.1 The purpose of the report is to consider and agree a work programme for the Committee for the municipal year 2021/22.

**2. Background**

- 2.1 The work programme is designed to set out the key issues to be addressed by the Committee during the year and provide it with a timetable of work. The Committee itself is responsible for setting its own work programme.
- 2.2 To be most effective, the work programme should provide a basis and framework for the work of the Committee, while retaining sufficient flexibility to respond to any important issues that emerge during the course of the year. The work programme is therefore intended to be a working document that the Committee can develop and refer to throughout the year.
- 2.3 In order to ensure that the Committee is able to undertake all of its business and respond to emerging issues, there will be scope for additional meetings or visits not detailed in the work programme.
- 2.4 The remit of the Scrutiny Coordinating Committee covers the following:-

*To review and scrutinise the functions of the Council relating in particular to the budget, corporate plan, external assessments, performance monitoring, quality standards and value for money, property and facilities management, information technology, organisational development, workforce strategy, governance, customer service and communications. To act as the designated scrutiny committee for statutory purposes for crime and disorder and flood risk.*

- 2.5 The work programme should reflect the remit of the Committee and the need to balance its responsibility for undertaking scrutiny, performance management and policy review (where necessary).
- 2.6 The work programme should also reflect and be aligned to the key priorities of the Council as set out in documents such as the City Plan and issues raised during the Health and Wellbeing development session held on 24 June 2021.

**3. DETERMINING THE SCRUTINY WORK PROGRAMME**

- 3.1 Topics for inclusion in the Scrutiny Work Programme will vary from single issue items for consideration such as policy and performance reports through to regular

updates on issues that the committee have adopted a more focused monitoring role.

- 3.2 The table below summarises the relevant single item issues which are likely to be a regular feature of the work programme for 2021/22. The table also summaries a number of issues and topics that members of the committee have discussed at its recent development session. These items will be programmed into the work programme at relevant dates in discussion with the appropriate officers.

| <b>Regular Work Programme Items</b>  |  |
|--|--|
| Performance Management<br>(Quarterly)  | To receive performance management information on a quarterly basis based around three key priorities of City, People and Council.  |
| Compliments, Complaints and Feedback<br>(Quarterly)  | To receive a quarterly report detailing the compliments, complaints and feedback received by the Council in relation to the services it provides.  |
| Council Budget Reports   | To review and scrutinise the various budget reports before agreement by Cabinet and Full Council.  |
| Scrutiny Coordinating Committee and the three thematic scrutiny committee work programmes<br>(Monthly) | To receive the committee's work programme outlining future meetings of the committee and the items scheduled for those meetings. Also to receive the three thematic scrutiny committees work programmes as part of the coordinating role of the committee.   |
| 28 Day Notice of Key Decisions<br>(Monthly)  | To consider the Council's 28 Day Notice of Key Decisions which contains matters which are likely to be the subject of a key decision to be taken by the executive, a committee of the executive, individual members of the executive, officers, area committees or under joint arrangements in the course of the discharge of an executive function during the period covered by the plan. |
| <b>Single Items and/or Potential Review Topics (Items to be scheduled when dates known)</b>            |  |
| City Hall  | To consider how we will hold council meetings making best use of technology in the new City Hall.  |
| Safer Sunderland Partnership   | To receive the annual report from the Safer Sunderland Partnership outlining the previous  |

|                              |   |
|------------------------------|---|
|                              | year's work and the priorities for 2021/22.   |
| City Plan                    | To receive an update on the City Plan and the impact of the pandemic on the themes of the City Plan.  |
| CMIS Governance System       | Understand how the CMIS Governance System works and its suitability in relation to the needs of both Elected Members and the public.        |
| 5G Connectivity              | How will local residents and the public benefit from the City's 5G investment and how will this boost digital careers in the City.          |
| Councillors Service Requests | Consider how Councillor service requests are currently managed and responded to.  |
| Impact of EU Exit            | An update on the impact of Brexit.  |
| Selective Licensing          | Possible piece of work to gather evidence and explore the feasibility of a scheme in Sunderland.  |
| Communications               | A look at internal communications, the move to City Hall and the impact of changing working habits e.g. working from home on communication. |
| Workforce Strategy           | A look at the workforce strategy and the impacts of the pandemic and move to City Hall on this.   |
| Review of Scrutiny           | To provide an independent health check of the scrutiny function in Sunderland and ensure that it remains fit for purpose.                   |

- 3.3 A draft Scrutiny Work Programme for 2021/22 is attached as **Appendix 1**, which following discussions with the Committee and officers will see the work programme populated further.
- 3.4 It should be noted that the work programme is a 'living' document and can be amended throughout the course of the municipal year. Any Elected Member can add an item of business to an agenda for consideration (Protocol 1 within the Overview and Scrutiny Handbook outlines this process).

- 3.5 The Committee also has a coordinating role to avoid duplication, make best use of resources and to provide a corporate overview of the scrutiny function. As such the Scrutiny Coordinating Committee will also receive, on a monthly basis, the work programmes of the three thematic Scrutiny Committees. This will commence with the September 2021 agenda, following discussions taking place at the relevant committees.

#### **4. Dedicated Scrutiny Budget**

- 4.1 A small budgetary provision of £15,000 per annum is available to the Scrutiny Committees to deliver the agreed Scrutiny Committee Work Programmes. The Scrutiny Coordinating Committee will monitor the scrutiny budget on a regular basis through reports received at this committee.

#### **5. Recommendations**

- 5.1 That the Scrutiny Coordinating Committee consider and agrees the draft work programme for 2021/22 and incorporates emerging issues as and when they arise throughout the forthcoming year.

#### **6. Background Papers**

- 6.1 Scrutiny Agendas and Minutes

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Contact Officer: Nigel Cummings  
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**Work Programme Items to be scheduled:**

City Plan Update

| REASON FOR INCLUSION                                      | 17 JUNE 21<br>D/L 7 JUNE 21  | 15 JULY 21<br>D/L 5 JULY 21   | 16 SEPTEMBER 21<br>D/L 6 SEPT 21   | 14 OCTOBER 21<br>D/L 4 OCTOBER 21                               | 11 NOVEMBER 21<br>D/L 1 NOV 21  | 9 DECEMBER 21<br>D/L 29 NOV 21  | 13 JANUARY 22<br>D/L 4 JAN 22   | 10 FEBRUARY 22<br>D/L 31 JAN 22                                 | 10 MARCH 22<br>D/L 28 FEB 22  | 7 APRIL 22<br>D/L 28 MARCH 22                                   |
|---|--|---|--|---|---|---|---|---|---|---|
| <b>Policy Framework / Cabinet Referrals and Responses</b> | Revenue budget Outturn 21/22 (Jon Ritchie)   | Capital Programme First Review 21/22 (incl. treasury management) (Jon Ritchie)<br><br>First Revenue Budget Review 21/22 (Jon Ritchie) |  |   | Budget Planning Framework 2022/23 and Financial Strategy (Jon Ritchie/Paul Wilson)<br><br>Capital Programme Second Review 2021/22 (Jon Ritchie) |   | Capital Programme Planning 2022/2023 to 2025/2026 and Capital Strategy (Jon Ritchie)<br><br>Budget Planning Framework and Medium Term Financial Strategy 2022/2023 to 2025/2026 (Jon Ritchie) |   |   |   |
| <b>Scrutiny Business</b>                                  |  | Scrutiny Review (Gillian Robinson)  |  | Safer Sunderland Partnership Annual Report (Stephen Laverton)   |   |   |   |   |   | Annual Report (N Cummings)                                      |
| <b>Performance / Service Improvement</b>                  | Performance Management Q4 (Liz St Louis)<br><br>Compliments, Complaints & Feedback Annual Report including Q4 (Marie Johnston) |   | Compliments, Complaints & Feedback Q1 including Ombudsman's Annual Letter (Marie Johnston)<br><br>Performance Management Q1 (Liz St Louis) |   |   | Performance Management Q2 (Liz St Louis)<br><br>Compliments, Complaints & Feedback (Marie Johnston) |   |   | Performance Management Q3 (Liz St Louis)<br><br>Compliments, Complaints & Feedback (Marie Johnston) |   |
| <b>Consultation / Information &amp; Awareness Raising</b> | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22  | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22   | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22  | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22 | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22   | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22                                     | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22   | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22 | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22                                     | Notice of Key Decisions<br><br>Scrutiny Work Programmes 2021/22 |

New Ways of Working  
Impact of Covid-19 Partner Organisations

**NOTICE OF KEY DECISIONS****REPORT OF THE SCRUTINY, MAYORAL AND MEMBERS' SUPPORT COORDINATOR****1. PURPOSE OF THE REPORT**

- 1.1 To provide Members with an opportunity to consider the items on the Executive's Notice of Key Decisions for the 28-day period from 14 June 2021.

**2. BACKGROUND INFORMATION**

- 2.1 Holding the Executive to account is one of the main functions of Scrutiny. One of the ways that this can be achieved is by considering the forthcoming decisions of the Executive (as outlined in the Notice of Key Decisions) and deciding whether Scrutiny can add value in advance of the decision being made. This does not negate Non-Executive Members ability to call-in a decision after it has been made.
- 2.2 To this end, the most recent version of the Executive's Notice of Key Decisions is included on the agenda of this Committee. The Notice of Key Decisions for the 28-day period from 14 June 2021 is attached marked **Appendix 1**.

**3. CURRENT POSITION**

- 3.1 In considering the Notice of Key Decisions, Members are asked to consider only those issues where the Scrutiny Committee could make a contribution which would add value prior to the decision being taken.
- 3.2 In the event of Members having any queries that cannot be dealt with directly in the meeting, a response will be sought from the relevant Directorate.

**4. RECOMMENDATION**

- 4.1 To consider the Executive's Notice of Key Decisions for the 28-day period from 14 June 2021 at the Scrutiny Committee meeting.

**5. BACKGROUND PAPERS**

- Cabinet Agenda

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The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Notice is given of the following proposed Key Decisions (whether proposed to be taken in public or in private) and of Executive Decisions including key decisions) intended to be considered in a private meeting:-

| Item no.   | Matter in respect of which a decision is to be made  | Decision-maker (if individual, name and title, if body, its name and see below for list of members) | Key Decision Y/N | Anticipated date of decision/ period in which the decision is to be taken | Private meeting Y/N | Reasons for the meeting to be held in private | Documents submitted to the decision-maker in relation to the matter* | Address to obtain further information  |
|------------|--|---|------------------|---|---------------------|---|--|--|
| 210118/552 | To consider the making of a Compulsory Purchase Order in relation to the New Wear Footbridge.                    | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 210505/587 | To approve the procurement of a Contractor for the Repair Works at Hendon Foreshore Barrier, Port of Sunderland. | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |



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|------------|---|---|------------------|---|---------------------|--|--|--|
| 210419/577 | To approve the dilapidation settlement figure and the procurement of the dilapidation works in respect of the CESAM building. | Cabinet   | Y                | 13 July 2021  | Y                   | The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information. | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

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|------------|--|---|------------------|---|---------------------|---|--|--|
| 210422/582 | Sunderland Mobility Hub – To seek approval for associated procurement and appointment.   | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 210510/588 | To approve the receipt of external funding for the public sector decarbonisation scheme and green homes grant local programme and the procurement of the necessary contractors to deliver the schemes. | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

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|------------|--|---|------------------|---|---------------------|--|--|--|
| 210510/589 | To approve the payment of financial assistance to businesses in relation to the companies' own investment plans in Sunderland.                                 | Cabinet   | Y                | 13 July 2021  | Y                   | The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information. | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 210510/590 | Subject to the receipt of external funding, to approve funding and partnership arrangements to enable support of advanced manufacturing innovation and growth. | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.  | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

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|------------|--|---|------------------|---|---------------------|---|--|--|
| 201201/537 | To give approval to progress with the three schemes (Sunderland Station and Car park, Holmeside bus rationalisation and A690 corridor cycle provision) funded by the governments Transforming Cities Fund. | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 210420/579 | To consider a Local Cycling and Walking Infrastructure Plan  | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

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|------------|---|---|------------------|---|---------------------|---|--|--|
| 210505/586 | To approve the procurement of Rock Armour for the coastal defence structure at Stonehill Wall, Port of Sunderland.                          | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 210513/599 | To seek approval for a proposed extension to the lease and management agreement with Ambassador Theatre Group (ATG) for the Empire theatre. | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 210527/600 | Riverside Sunderland – To authorise proceeding with procurement and construction of a sustainable drainage system in Riverside Park.        | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

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|------------|--|---|------------------|---|---------------------|---|--|--|
| 210528/601 | To consider the establishment of a Bus Enhanced Partnership.                     | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 210528/602 | To procure Training Providers to deliver apprenticeship training from March 2022 | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

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|------------|---|---|------------------|---|---------------------|---|--|--|
| 210602/603 | To approve a proposed partnership agreement with Smart Outdoor in respect of Large Digital Media Advertising Screens. | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 210603/604 | To approve the Capital Programme First Review 2021/2022 (including Treasury Management).                              | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 210603/605 | To approve the First Revenue Budget Review 2021/2022.   | Cabinet   | Y                | 13 July 2021  | N                   | Not applicable.                               | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

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|------------|--|---|------------------|---|---------------------|--|--|--|
| 210607/606 | To seek approval for the Acquisition of Property Interests at Sheepfolds, Sunderland | Cabinet   | Y                | 13 July 2021  | Y                   | The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information. | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |



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|------------|--|---|------------------|---|---------------------|--|--|--|
| 210607/607 | To seek approval for the Disposal of Property Interests at Seaburn, Sunderland | Cabinet   | Y                | 13 July 2021  | Y                   | The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information. | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

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|------------|---|---|------------------|---|---------------------|--|--|--|
| 210607/608 | To seek approval to proposed funding arrangements with Siglion Investments LLP. | Cabinet   | Y                | 13 July 2021  | Y                   | The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information. | Cabinet Report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

| Item no.   | Matter in respect of which a decision is to be made   | Decision-maker (if individual, name and title, if body, its name and see below for list of members) | Key Decision Y/N | Anticipated date of decision/ period in which the decision is to be taken | Private meeting Y/N | Reasons for the meeting to be held in private   | Documents submitted to the decision-maker in relation to the matter* | Address to obtain further information  |
|------------|---|---|------------------|---|---------------------|---|--|--|
| 170927/212 | To approve in principle the establishment of a new police led Road Safety Partnership (Northumbria Road Safety Partnership) embracing the Northumbria Force Area. | Cabinet   | Y                | During the period 14 September to 30 November 2021.                       | N                   | Not applicable.   | Cabinet report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |
| 200813/494 | To approve funding mechanisms for the acquisition of residential properties.  | Cabinet   | Y                | 14 September 2021   | Y                   | This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information. | Cabinet report   | Governance Services<br>Civic Centre<br>PO BOX 100<br>Sunderland<br>SR2 7DN<br><br><a href="mailto:committees@sunderland.gov.uk">committees@sunderland.gov.uk</a> |

**Note;** Some of the documents listed may not be available if they are subject to an exemption, prohibition or restriction on disclosure. Further documents relevant to the matters to be decided can be submitted to the decision-maker. If you wish to request details of those documents (if any) as they become available, or to submit representations about a proposal to hold a meeting in private, you should contact Governance Services at the address below. Subject to any prohibition or restriction on their disclosure, copies of documents submitted to the decision-maker can also be obtained from the Governance Services team PO Box 100, Civic Centre, Sunderland, or by email to [committees@sunderland.gov.uk](mailto:committees@sunderland.gov.uk)

**\*Other documents relevant to the matter may be submitted to the decision maker and requests for details of these documents should be submitted to Governance Services at the address given above.**

**Who will decide;**

Councillor Graeme Miller – Leader; Councillor Claire Rowntree – Deputy Leader; Councillor Paul Stewart - Cabinet Secretary; Councillor Louise Farthing – Children, Learning and Skills; Councillor Kelly Chequer – Healthy City; Councillor Linda Williams – Vibrant City; Councillor Kevin Johnston – Dynamic City.

This is the membership of Cabinet as at the date of this notice. Any changes will be specified on a supplementary notice.

Elaine Waugh,  
Assistant Director of Law and Governance

14 June 2021