

**CABINET MEETING – 27 NOVEMBER 2013**  
**EXECUTIVE SUMMARY SHEET – PART I**

**Title of Report:**

MINUTES, PART I

**Author(s):**

Head of Law and Governance

**Purpose of Report:**

Presents the minutes of the last meeting held on 6 November 2013 Part I.

**Action Required:**

To confirm the minutes as a correct record.



**At a meeting of the CABINET held in the CIVIC CENTRE (COMMITTEE ROOM NO. 2) on Wednesday 6 November 2013 at 2.00pm.**

**Present:-**

Councillor P Watson in the Chair

Councillors Blackburn, Gofton, Kelly, G Miller, P Smith, Speding and H Trueman.

**Also in attendance:-**

Councillor Oliver

**Part I**

**Minutes**

The minutes of the meeting of the Cabinet held on 9 October 2013 Part I (copy circulated) were submitted.

(For copy report - see original minutes).

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

**Receipt of Declarations of Interest**

Councillor Kelly declared a personal interest in item 8 'Beamish Museum – Change of Governance Arrangements' as a Board Member of Beamish Museum Limited.

Councillor H Trueman declared a disclosable pecuniary interest in item 13 'Procurement of Alarms Monitoring Communication Equipment and Services' as he was in receipt of a pension from the service provider. He withdrew from the meeting during consideration of the report.

## **Apologies for Absence**

There were no apologies for absence.

## **Annual Audit Letter 2012/2013**

The Executive Director of Commercial and Corporate Services submitted a report (copy circulated) which detailed the Annual Audit Letter covering the year 2012/2013 produced by Mazars, the Council's external auditors.

(For copy report - see original minutes).

The Chairman highlighted that the report set out an overview of the Annual Audit Letter summarising the findings of the 2012/13 audit, which were comprised of two elements, namely an audit of the Council's financial statements and an assessment of the Council's arrangements to secure value for money in the use of its resources. He welcomed Mark Kirkham, Engagement Lead and Gavin Barker, Senior Audit Manager from Mazars, to introduce the main findings.

Mark Kirkham expressed his pleasure at being able to present the first Annual Audit Letter from Mazars and confirmed that the findings were positive with the external auditors being able to give an unqualified audit opinion and a clean Value for Money conclusion.

Gavin Barker informed Members that the audit of the Council's financial statements had been a smooth process. All deadlines had been met and Mazars had received excellent assistance from Council officers. Referring to the Value for Money conclusion, he advised that the Council had been found to have proper arrangements for securing economy and effectiveness which was particularly pertinent given the financial pressures which it was operating under.

The external auditor had reflected on the £100m of savings which had been delivered in the past three years and highlighted that this had been achieved through strong leadership, early preparation and a 'can do' attitude and culture. He also commented that the Council had achieved this whilst sustaining and improving services and that it had maintained good relationships with, and was well respected by, partners.

Looking to the future, the Annual Audit Letter highlighted the key challenges which the Council would have to respond to over the next few years including: -

- Continuing to deliver good quality services but with fewer resources, delivering some services in new ways and using alternative models of service delivery
- Making a success of major projects such as the local asset backed vehicle (LABV), City Deal and the new Wear Crossing
- Working with its partners to deliver the proposals for a Combined Authority and for the North East Local Enterprise Partnership (NELEP)

The Council's external auditors had concluded that the Authority was well placed to move things forward.

Councillor Gofton welcomed the comments of the external auditor, particularly that the Council had achieved an 'excellent' result and an unqualified opinion. She congratulated the officers and leadership team involved in getting the Council where it needed to be.

The Chair stated that the Council would use the Annual Audit Letter to inform how it planned for the future. It was good to hear an independent view and the Council had achieved what it set out to do as a result of excellent advice from officers and auditors and the will of politicians to follow this through. He added that this did not diminish the size of upcoming challenges and discussions about what the Authority could not do in the future and this was combined with the weight of public expectation about what the Council would do. There were a large number of areas where people depended on the Council and excellence was expected.

The Chair having thanked Mazars for their report, it was:-

2. RESOLVED that:-
  - (i) the contents of the report be received and noted, and
  - (ii) the report be referred to Council for consideration.

### **Response from Scrutiny Committee – 10 October 2013 – Proposals for Budget Consultation 2014/2015**

The Head of Law and Governance submitted a report (copy circulated) to advise of the views of the Scrutiny Committee on the proposals for the budget consultation strategy and framework to inform the preparation of the Budget for 2014/2015.

(For copy report – see original minutes).

Cabinet Members having been advised that the Scrutiny Committee had endorsed the budget consultation strategy and framework for 2014/15, it was

3. RESOLVED that the views of the Scrutiny Committee be noted.

### **Response from Scrutiny Committee – 10 October 2013 – Budget Planning Framework 2014/2015 and Medium Term Financial Strategy 2014/2015 – 2016/2017**

The Head of Law and Governance submitted a report (copy circulated) to advise of the comments of the Scrutiny Committee on a joint report of the Chief Executive and the Executive Director of Commercial and Corporate Services which identified the key factors influencing the development of the Council's financial plans into the medium term and sets out the budget planning framework for the Council for

2014/2015 and the headlines and context for the Medium Term Financial Strategy for 2014/2015 to 2016/2017.

(For copy report – see original minutes).

Cabinet Members having been advised that the Scrutiny Committee supported the proposed Budget Planning Framework and endorsed the Medium Term Financial Strategy and supported the Cabinet recommendation that both be submitted to Council for approval, it was:-

4. RESOLVED that the views of the Scrutiny Committee be noted.

#### **Response from Scrutiny Committee – 10 October 2013 - Revenue Budget Second Review 2013/2014**

The Head of Law and Governance submitted a report (copy circulated) to advise of the comments of the Scrutiny Committee on an aspect of the report on the Revenue Budget Second Review 2013/2014 namely, requesting the Council to approve the transfer of funds.

(For copy report – see original minutes).

Cabinet Members were advised that the Scrutiny Committee supported the transfer of funds to support the overall 2013/2014 position together with the transitional costs arising from the 2014/2015 budget setting process and supported the Cabinet recommendation that the transfer be submitted to Council for approval.

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

5. RESOLVED that the views of the Scrutiny Committee be noted and it be recommended to Council to approve the proposed transfer of funds.

#### **Response from Scrutiny Committee – 10 October 2013 – Feed and Food Controls Service Plan 2013/2014**

The Head of Law and Governance submitted a report (copy circulated) to advise of the comments of the Scrutiny Committee on a report presenting the Feed and Food Controls Service Plan 2013/2014 to be used by the Public Protection and Regulatory Services section of the Street Scene service which had been formulated to comply with the current recommendations of the Food Standards Agency Framework Agreement and outlines the national priorities and standards for service delivery.

(For copy report – see original minutes).

Cabinet Members having been advised that the Scrutiny Committee endorsed the Feed and Food Controls Service Plan 2013/2014 and supported the Cabinet recommendation to submit the Service Plan to Council for approval, it was:-

6. RESOLVED that the views of the Scrutiny Committee be noted and it be recommended to Council to approve the Feed and Food Controls Service Plan 2013/2014.

### **Chief Finance Officer - Section 151 Local Government Act 1972**

The Chief Executive and the Head of Law and Governance submitted a joint report (copy circulated) on the proposed interim arrangements for the allocation of Chief Finance Officer responsibilities.

(For copy report – see original minutes).

The Chair advised that the report proposed interim arrangements for the allocation of Chief Finance Officer responsibilities following the resignation of the Executive Director of Commercial and Corporate Services. He explained that the arrangements, if agreed by Cabinet and Council, would take effect from 1 December 2013.

Cabinet Members were advised that Section 151 of the Local Government Act 1972 required the Council to appoint an officer to be responsible for financial administration and for the purposes of Sunderland's Constitution this role was described as the Chief Finance Officer.

The Chair reported that it was proposed that the Council's Head of Financial Resources should be designated to carry out the role of Chief Finance Officer pending a permanent appointment being made, as she had the required qualifications and experience to carry out this role. He added that in the event of a Chief Officer post being vacant, the Council's delegation scheme permitted the relevant Heads of Service within that Department to exercise delegated powers so far as permitted by law and this would enable continuity of services within each of the existing Directorate service areas to be maintained.

The Chair thanked the Head of Financial Resources for stepping into this role and expressed his confidence in the interim arrangements.

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

7. RESOLVED that it be recommended to Council to note and endorse the interim arrangements for the allocation of Chief Finance Officer responsibilities (Section 151 Local Government Act 1972) set out in the report, pending a permanent appointment being made.

## **Proposed amendments to the Council's Delegation Scheme - Dog Control Orders**

The Deputy Chief Executive and the Head of Law and Governance submitted a joint report (copy circulated) to seek approval to amend the Council's Delegation Scheme to provide for the following:-

- (a) To authorise the Deputy Chief Executive to exercise the Council's full enforcement powers in respect of Dog Control under Part 6 of the Clean Neighbourhoods and Environment Act 2005, including the making of Dog Control Orders under section 55 of the said Act, and
- (b) To set the amount of the fixed penalty for breach of a Dog Control Order.

(For copy report – see original minutes).

Councillor Blackburn drew attention to the changes which would be required to the Council's Constitution if the Cabinet approved the approach, namely that the Delegation Scheme in Part 3 of the Constitution be amended as follows:-

Firstly to delete the existing Paragraph 2.96(i) relating to the Deputy Chief Executive.

Secondly it is substituted with a new section 2.96(i) that reads:-

“Clean Neighbourhoods and Environment Act 2005 (Sections 3-9 Vehicles, sections 18 – 19 Litter, sections 55-68 Controls on Dogs (including, for the avoidance of doubt, the power to make dog control orders under section 55, subject to taking into account the views of the relevant Area Committee in cases where representations are received in response to consultation) and sections 69 -81 and 82 -86 Noise).”

And thirdly that the amount of a fixed penalty payable in respect of an offence under a dog control order be set at £75 (discounted to £50 if paid within 10 days).

Councillor Blackburn explained that these changes would be necessary to ensure that the Deputy Chief Executive was authorised to exercise all necessary operational enforcement powers under the Clean Neighbourhoods and Environment Act 2005 in respect of Dog Control Orders and that the Council had a robust approach to control dog fouling and related problems, the delivery of which would be influenced locally through Place Boards and Area Committees.

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

8. RESOLVED that it be recommended to Council to:-

- (i) to amend the Council's Delegation Scheme in Part 3 of the Constitution as follows:-

Paragraph 2.96(i) - (Deputy Chief Executive) be deleted and substituted as follows:-

- “2.96 (i) Clean Neighbourhoods and Environment Act 2005 (Sections 3-9 Vehicles, sections 18 – 19 Litter, sections 55-68 Controls on Dogs (including, for the avoidance of doubt, the power to make dog control orders under section 55, subject to taking into account the views of the relevant Area Committee in cases where representations are received in response to consultation) and sections 69 -81 and 82 -86 Noise)”.
- (ii) to note and endorse that the amount of a fixed penalty payable in respect of an offence under a dog control order be set at £75 (discounted to £50 if paid within 10 days).

### **Beamish Museum – Change of Governance Arrangements**

The Executive Director of Commercial and Corporate Services and the Executive Director of People Services submitted a joint report (copy circulated) to seek approval to disband the Joint Committee for the North of England Open Air Museum and to agree that the Council’s involvement in the management of the museum should in future be through the Regional Stakeholders Group and the right to nominate directors to the Board of Beamish Museum.

(For copy report – see original minutes).

Councillor Kelly reported that approval was sought to changes in the governance arrangements for the North of England Open Air Museum. He explained that it was proposed that the Council’s involvement in the management of the museum should be through a Regional Stakeholders Group and to have the right to nominate directors to the Board of Beamish Museum. The Regional Stakeholders Group would have representatives from all 12 local authorities, with up to three seats each.

Cabinet Members were advised that the new governance model had been recommended by the Regional Advisory Panel and approved by the Joint Committee.

Councillor Kelly reported that the review would ensure the modernisation of governance arrangements for Beamish, ensure that they were fit for purpose, minimise duplication in decision making processes, take into account the future needs of the Museum, local authorities and key stakeholders.

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

9. RESOLVED that:-

- (i) the Joint Committee for the North of England Open Air Museum be disbanded and be replaced by a Regional Stakeholder group;
- (ii) the proposed amendments to the Constitution of the Board of Directors of Beamish Museum be approved;

- (iii) a new fifty year lease of the site of the museum be granted to the charitable company Beamish Museum on terms to be negotiated by the Head of Law and Governance; and
- (iv) the collections held at the museum be leased to the charitable company Beamish Museum on terms to be approved by the Head of Law and Governance.

### **Procurement of the provision of an Overnight Care and Support Service.**

The Executive Director of People Services submitted a report (copy circulated) to seek authority to vary the existing Care and Support at Home contract framework to include an Overnight Care and Support Service.

(For copy report – see original minutes).

Councillor Miller highlighted that approval was being sought to vary the existing Care and Support at Home contract framework to include an Overnight Care and Support Service from 1 May 2014. He explained that the Framework consisted of three lots namely:-

- Lot 1, a zoned care and support at home service with each of the ten contracted providers delivering care and support into their contracted zoned area;
- Lot 2, care and support services within core and cluster provision; and
- Lot 3, social care that supported the development of independence for adults with complex needs.

Councillor Miller advised that the Framework would be varied to include a citywide zone in Lot 1 of the Framework to allow an Overnight Care and Support Service mini competition to be carried out to identify a provider from within the existing contracted providers to deliver the citywide Overnight Care and Support Service. He added that all ten existing providers would have an equal and unbiased opportunity to submit bids.

Cabinet Members were advised that the Council's in-house Telecare Service currently provided care and support to people who required planned visits outside of the normal operating hours of the Care and Support at Home Service (7am-11pm, seven days a week). Demand for overnight support was increasing as more people chose to be supported in their own homes. This was putting pressure on the Telecare Service, reducing its capacity to respond to emergency and unplanned calls.

Councillor Miller reported that a pilot scheme had been running for 12 months whereby a private sector care and support provider from the existing Framework had been operating two runs across the City delivering overnight care and support to 32 people who required planned visits during the night. He reported that the service had been successful with the provider supporting a number of people to remain in their own homes, therefore a decision had been made to commission the service.

Cabinet Members were advised that under these proposed arrangements the contract for the Overnight Care and Support Service would sit within the existing overarching Care and Support at Home Framework underpinned by its terms and conditions. The benefits of using the current Framework arrangements rather than undertaking a full procurement exercise were that the Care and Support element had previously been subject to a tendering exercise and this would be duplication of the contracting opportunity albeit the hours of work would be different. A separate tendering exercise would yield the same outcome as the proposed approach of varying the existing Framework.

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

10. RESOLVED that:-

- (i) approval be given to vary the existing Framework, and
- (ii) the procurement of a citywide Overnight Care and Support Service from current contracted providers be authorised.

#### **Commissioning of Children's Centre Services from April 2014**

The Executive Director of People Services submitted a report (copy circulated) to seek agreement to re-commission a range externally provided children centre services, whilst taking into consideration existing internal provision to avoid duplication of resources. The contract awards would be from April 2014 for a period of two years.

(For copy report – see original minutes).

Councillor Smith reported that under the Childcare Act 2006 the Local Authority had particular statutory responsibilities to improve outcomes for young children and in Sunderland this was met through Children's Centre and Childcare Services through a range of internal and external delivery.

Councillor Smith reminded Cabinet Members that an in depth review of children centre delivery was carried out in 2011/12 which had resulted in a new approach to delivery, reduced the number of designated centres from 17 to five and led to the de-commissioning of some services. She reported that the review also saw the establishment of Children's Local Area Boards and agreed that a range of service delivery should be considered by these local Boards. This had now been completed and proposals for change had been determined.

Cabinet Members were advised that for externally delivered services new contracts would be based on specifications which focused on making the best use of available resources across the Council and partner agencies and measuring outcomes for children pre-birth to 5 years and their families as statutorily required and as appropriate.

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

11. RESOLVED that:-

- (i) the process and consultation undertaken to shape and influence the commissioning of children centre services to ensure that the Council meets its statutory requirements be noted;
- (ii) outcomes led services be procured for a period of two years from April 2014; and
- (iii) a further report be submitted to Cabinet in March 2014 on the outcomes of re-commissioning process.

### **Hylton Castle Redevelopment Project**

The Executive Director of People Services submitted a report (copy circulated) to:-

- (a) provide an update on the plans to redevelop Hylton Castle, and
- (b) seek approval to appoint a suitable Design Team to lead and deliver the design elements of the project.

(For copy report – see original minutes).

Councillor Kelly highlighted the report and advised that in order to progress the project it was necessary to appoint a design team using a number of specialists to co-ordinate the delivery of the costed design proposals to RIBA stage D.

Cabinet Members were requested to approve the allocation of the total design team fees for the project, which were estimated to be in the region of £276k, with budget allocated from the Heritage Lottery Fund and Sunderland City Council. Cabinet approval was required based on the procurement regulations set by the City Council and Heritage Lottery Fund.

Councillor Kelly reported that the total projected costs associated with the construction element of the development were in the region of £2.125m. RIBA Stage D design costs would be in the region of £166k with a further £100k required should a round 2 grant be awarded by Heritage Lottery Fund. He added that the appointment of a Project Manager for the development was currently underway with interviews set for later in the month. The Project Manager would be primarily responsible for leading the project to the point of submission of the Round 2 bid to Heritage Lottery Fund.

The Chair commented that it was good to see Heritage Lottery Funding coming into the city in such a large amount.

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

12. RESOLVED that:-

- (i) the progress in relation to the redevelopment of Hylton Castle be noted,
- (ii) the use of a specialist consultant design team to lead on the design elements of the redevelopment of Hylton Castle be approved, and
- (iii) approval be given to the allocation of the total design team fees for the project (estimated to be in the region of £276k), with budget allocated from the Heritage Lottery Fund and Sunderland City Council.

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

At the instance of the Chairman it was: -

13. RESOLVED that in accordance with the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during consideration of the remaining business as it was considered to involve a likely disclosure of information relating to the financial or business affairs of any particular person (including the authority holding that information) (Local Government Act 1972, Schedule 12A, Part I, Paragraph 3). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.

(Signed) P WATSON ,  
Chairman.

### **Note:-**

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

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

