

SCRUTINY CO-ORDINATING COMMITTEE

AGENDA

Meeting to be held in the City Hall (Committee Room 1), Plater Way, Sunderland on Thursday 14th July, 2022 at 5.30 p.m.

Membership

Cllrs Bond, Butler, Curtis, Doyle, Edgeworth, Hartnack, Mason-Gage, Mullen, P. Smith, D. Snowdon, D.E. Snowdon (Chair), Thornton, H. Trueman and Watson (Vice Chair).

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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,
City Hall,
SUNDERLAND.

6th July, 2022.

At a meeting of the SCRUTINY CO-ORDINATING COMMITTEE held in CITY HALL, SUNDERLAND on THURSDAY 7th APRIL, 2022 at 5.30 p.m.

Present:-

Councillor D.E. Snowdon in the Chair

Councillors Hartnack, D. MacKnight, Mann, Mullen and D. Snowdon

Also in attendance:-

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

Mr Simon Henry, Quality Control and Review Manager, Transactional Services, Corporate Services Directorate

Mr Nic Marko, Local Democracy Reporter

Mr Jon Ritchie, Executive Director of Corporate Services

Ms Gillian Robinson, Scrutiny, Mayoral and Member Support Co-ordinator, Corporate Services Directorate

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

Mr Paul Wilson, Assistant Director of Finance, Corporate Services Directorate

The Chairman welcomed everyone to the meeting and in particular Councillor D. MacKnight, on her return after a period of absence.

Councillor D. MacKnight thanked Councillor D.E. Snowdon for Chairing the meetings of the Scrutiny Committee in her absence.

Apologies for Absence

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

Minutes of the last meeting of the Committee held on 10th March, 2022

1. RESOLVED that the minutes of the last meeting of the Committee held on 10th March, 2022 (copy circulated), be confirmed and signed as a correct record.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest made.

Council Tax - Empty Homes Premium

The Executive Director of Corporate Services submitted a report (copy circulated) providing the Committee with an overview of the Council Tax - Empty Homes Premium and its application in Sunderland.

(For copy report – see original minutes.)

Mr Paul Wilson, Assistant Director of Finance, Corporate Services Directorate briefed the Committee on the report highlighting paragraphs 2.3 and 2.4 detailing the background to the provisions covering properties that were empty for long periods and paragraph 3 setting out the current position in Sunderland.

Members raised individual cases where residents had received letters seeking payment of the council tax empty homes premium where the property could not be let for security reasons and enquired whether there were any Council properties which fell into this category.

Mr Simon Henry, Quality Control and Review Manager, Transactional Services, Corporate Services Directorate addressed Members' concerns, explained the appeal process and advised that they did look at individual cases and whether they were eligible for consideration under the Discretionary Relief Scheme. He also confirmed that there were old school houses, cemetery houses etc. which could not be let due to safeguarding reasons and therefore could not be subjected to the Council Tax - Empty Homes Premium.

In response to Members' questions, Mr Wilson advised that there were a variety of reasons why properties remained empty, some were difficult to sell, some had negative equity, sometimes people held them as an investment. He advised that the collection rate on houses subject to the premium varied year on year and as they got into the higher bands it became more challenging. There were a number of absent landlords who were not particularly bothered about paying the premium and there were people who struggled but the Council followed the recovery process.

Mr Jon Ritchie, Executive Director of Corporate Services advised that they could provide a copy of the Housing Development and Investment Programme which detailed the different properties and looked at the different ways to deal with them.

In response to the Chair, Mr Henry advised that there wasn't a definition of a furnished property. Government had provided guidance such as there needed to be some white goods, a bed and a chair, but effectively Officers needed to make a determination.

Mr Wilson admitted that there were ways to avoid the premium and if the property was furnished the premium didn't apply. He also added that liability stayed with the property and did not transfer on disposal.

Mr Henry advised however, that the property needed to be furnished/occupied for a 6 week minimum a year, otherwise the premium would be applied.

Members considered the report and the issues raised with individual cases which had to go through the process each year, although they had properties which could

not be let due to various reasons such as security and discussed how residents in this situation could be provided with further advice and guidance and it was:-

2. RESOLVED that the Scrutiny Coordinating Committee noted the report and requested that consideration be given to an additional paragraph to the Council Tax letter, or an alternative communication, to anyone in receipt of a council tax empty homes premium in relation to providing updated information that might need to be taken into account when determining the application of the premium.

Scrutiny Annual Report 2021/2022

The Scrutiny, Mayoral and Member Support Co-ordinator submitted a report (copy circulated) to approve the Scrutiny Annual Report 2021/2022 that was to be presented to Council at a future date.

(For copy report – see original minutes.)

Mr Nigel Cummings, Scrutiny Officer, advised that the Annual report would be submitted to the Council meeting in June.

Councillor D. MacKnight suggested that the Chair of the Children, Education and Skills Scrutiny Committee, Councillor P. Smith's role in Children's Services receiving the Ofsted outstanding rating be acknowledged in the report.

Councillor Mullen commented that his name had been misspelt and Mr Cummings undertook to correct this in the report.

Councillor Mullen commented that it was important that when the Committee was considering the Performance report that appropriate Officers were in attendance to answer any questions which the Committee might have.

Councillor Mullen also commented that it was generous to give positions on Outside Bodies to Opposition Members in his Group to represent the Council, however unfortunately those Members had not received the necessary support to enable them to carry out the role effectively.

Ms Gillian Robinson, Scrutiny, Mayoral and Member Support Co-ordinator advised that this was something which they could pick up as part of the review of scrutiny.

Mr Cummings advised that Performance Monitoring now came under the remit of Ms Beverley Poulter and it was about getting the balance right and practicality. He suggested that it might be better to choose a theme to scrutinise and then they could ensure the appropriate Officers were present to respond to any enquiries Members might have rather than have a whole host of 10-12 Officers present and there being no questions raised for a number of them. Another way of managing this was for Members to advise in advance of the kind of questions they would be raising so that appropriate Officers could be in attendance.

Councillor Mann commented that it would be better to focus on a particular area.

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

3. RESOLVED that subject to the above amendments and comments being taken into account, the Scrutiny Annual Report 2021/2022 be approved for submission to Council.

Work Programme 2021/22

The Scrutiny, Mayoral and Member Support Co-ordinator submitted a report (copy circulated) attaching, for Members' information, the thematic Scrutiny Committee work programmes for 2021/22 and providing an opportunity to review the Committee's own work programme for 2021/22.

(For copy report – see original minutes.)

Mr Nigel Cummings, Scrutiny Officer, advised that those items which had not been included in the work programmes to date would be programmed in for the year ahead.

Councillor Mullen enquired how the review of City Hall had gone and suggested a session be programmed in for six months' time to talk about the issues.

Councillor D. Snowdon advised that the Working Group on the Sunnyside area would continue in the year ahead.

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

4. RESOLVED that the Scrutiny Committees' work programmes for 2021/22 and the variations to these work programmes be noted, together with the scrutiny budget position.

Notice of Key Decisions

The Scrutiny, Mayoral and Member 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 21st February, 2022.

(For copy report – see original minutes.)

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

The Chair paid tribute to Councillor D. MacKnight as the Chair and Lead Member for Scrutiny in the Council and wished her a happy retirement.

Councillor MacKnight replied suitably, thanking Members and Officers for their support and commenting that she would continue to be active in her local community.

The Chair in closing the meeting, thanked everyone for their attendance.

(Signed) D. E. SNOWDON,
Chairman.

REFERENCE FROM CABINET – 9 JUNE 2022

REVENUE BUDGET OUTTURN 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 Revenue Budget Outturn 2021/2022.

2. Background and Current Position

- 2.1 The Cabinet, at its meeting on 9 June 2022, gave consideration to a report of the Executive Director of Corporate Services. The report detailed outcome of the Revenue Budget Outturn for 2021/2022 including the budget transfers, contingency and reserves transfers proposed.
- 2.2 Sections 4 and 5 of the report detailed the general fund balances and the major revenue reserves position and Section 6 detailed the collection fund position for business rates and council tax.
- 2.3 Copies of the 9 June 2022 Cabinet agenda can be accessed electronically on the Council website by all Members of the Council.
- 2.4 The Cabinet:-
- Approved the budget transfers, contingency and reserve transfers proposed within section 3 of the report; and
 - Noted the overall outturn position of the Council.

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 8 September 2022.

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, 9 June 2022.

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, 9 June 2022](#)

Contact Jon Ritchie
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Elaine Waugh
elaine.waugh@sunderland.gov.uk

<p align="center">CABINET MEETING – 9 JUNE 2022</p> <p align="center">EXECUTIVE SUMMARY SHEET – PART I</p>									
Title of Report: Revenue Budget Outturn 2021/2022									
Author(s): Executive Director of Corporate Services									
Purpose of Report: The purpose of the report is to advise Cabinet of the outcome of the Revenue Budget Outturn for 2021/2022 including the budget transfers, contingency and reserves transfers proposed.									
Description of Decision: Cabinet is recommended to: <ul style="list-style-type: none"> • Approve the budget transfers, contingency and reserve transfers proposed within section 3 of the report; and • Note the overall outturn position of the Council. 									
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 the Council's revenue budget and resources and receives quarterly reports to support this. This report sets out the revenue outturn position compared to the budget for 2021/2022.									
Alternative options to be considered and recommended to be rejected: No alternative options are proposed.									
Impacts analysed; <table border="0"> <tr> <td>Equality</td> <td><input type="text" value="N/A"/></td> <td>Privacy</td> <td><input type="text" value="N/A"/></td> <td>Sustainability</td> <td><input type="text" value="N/A"/></td> <td>Crime and Disorder</td> <td><input type="text" value="N/A"/></td> </tr> </table>		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"/>
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"/>		
Is the Decision consistent with the Council's Co-Operative Values? Yes									
Is this a “Key Decision” as defined in the Constitution? Yes									
Is it included in the 28 day Notice of Decisions? Yes									

CABINET 9 JUNE 2022

REVENUE BUDGET OUTTURN 2021/2022

Executive Director of Corporate Services

1. Purpose of Report

- 1.1 The purpose of the report is to advise Cabinet of the outcome of the Revenue Budget Outturn for 2021/2022 including the budget transfers, contingency and reserves transfers proposed.

2. Description of Decision (Recommendations)

- 2.1 Cabinet is recommended to:

- Approve the budget transfers, contingency and reserve transfers proposed within section 3 of the report; and
- Note the overall outturn position of the Council.

3. Revenue Budget Outturn 2021/2022

3.1 Statement of Accounts

- 3.1.1 The statutory deadline for the annual accounts production has been revised in the light of the Covid-19 pandemic and also the ability of the local authority audit market to meet current timescales. The deadline for the draft Statement of Accounts is 31st July 2022 and consultation is currently underway to extend the audited Statement of Accounts deadline from the 30th September 2022 to the 30th November 2022.

- 3.1.2 At this stage, the Council intends to publish its draft Statement of Accounts by the end of June 2022 which is ahead of the deadline. It is intended that the draft Statement of Accounts will therefore be available for public inspection from 1st July 2022 until 12th August 2022. The audited Statement of Accounts is proposed to be presented to the Audit and Governance Committee on the 11th November 2022 for final approval.

- 3.1.3 Should the outturn position be amended prior to publishing the draft Statement of Accounts, an update will be provided to Cabinet as part of the first revenue review in July.

3.2 Overall Position

- 3.2.1 The final revenue outturn overall position is a net underspend of £0.037m. This takes into account service pressures and transitional costs arising in 2021/2022 which have been contained within the overall outturn position, as well as the treatment of a variety of covid-related grants.

3.2.2 The outturn position is summarised in the table below, with further detail provided within Appendix A, Appendix B, and below.

Area of Variance	Paragraph reference	Variance £m (Over) / Under Spend
Delegated Outturn	3.4	2.455
Contingencies Transfers	3.5	6.874
Capital Debt Charges	3.6	3.475
Covid Contingency	3.2	9.133
Central Grant Adjustments		(0.096)
Reserves set aside	3.7	(19.516)
MTFP Smoothing Reserve	3.7	(2.288)
Final Outturn position (Transferred to Medium Term Smoothing Reserve)		0.037

3.2.3 As reported through the quarterly revenue reviews, the Council's expenditure and income continued to be impacted by the Covid-19 pandemic and its wider economic consequences during 2021/2022, particularly within the service areas of children's and adult social care. In addition, inflation levels experienced during the final quarters of 2021/2022 have impacted all service areas with particular pressures arising from energy and fuel cost rises. The inflationary pressures have also placed an additional financial burden on the social care sector which was already suffering from pandemic demand increases and staff retention issues.

3.2.4 The Government provided further unringfenced Covid support grant funding to Local Authorities for 2021/2022 with Sunderland receiving a total of £12.583m. Of this allocation, as approved when the 2021/2022 budget was set, £9.133m was held centrally within the Covid Contingency to support the overall budget position given the pressures forecast within service areas. The balance was transferred to reserves to fund the continuation of covid response activities.

3.2.5 The Government also provided compensation for Sales, Fees and Charges income losses being suffered by councils for quarter 1 of the year. The value claimed for this period totalled £0.429m. No financial support was provided beyond quarter 1.

3.2.6 In accordance with accounting requirements and as noted in previous updates, a number of specific grant allocations have been allocated directly to the service areas to which each grant relates. This has reduced the pressure on the service budget arising from the increased expenditure required in delivering these activities and responding to the pandemic. Some of these support initiatives and activities have continued beyond March 2022, as such any unspent grant has been carried forward for use 2022/2023 in line with the respective grant conditions.

3.3 Budget Transfers

- 3.3.1 Budget transfers have been undertaken at year end, principally to ensure that budgets are correctly allocated to services for Statement of Accounts presentation purposes and to ensure that technical entries are correctly recorded. These have included the allocation of the Improved Better Care Fund and other Adult Social Care grants to the Health City portfolio.

3.4 Delegated Budgets – Overall Summary

- 3.4.1 Details of major variations for each service area, which have led to the outturn position, are set out at Appendix A. In overall terms there was a delegated budget net underspend of £2.455m. The overall delegated underspend position was primarily achieved through the receipt of £9.336m of additional income provided by Sunderland's Clinical Care Group to support adult social care pressures and delivery in the City.

- 3.4.2 Progress in the implementation of the £6.267m approved savings plans for 2021/2022 continued during the fourth quarter. Analysis of the achievement of savings during 2021/2022 is shown below. Where savings haven't been achieved in full, the position is included in the delegated outturn position detail at Appendix A.

- £5.041m (80%) of the savings have been fully realised; and
- £1.226m (20%) of savings are no longer anticipated to be delivered as originally planned. This relates to;
 - £0.103m Derwent Hill additional income generation targets which have been unachievable due to reduced bookings as a consequence of the pandemic.
 - £0.893m proposals relating to service growth and income generating opportunities within Building Services, which have not been possible primarily due to the pandemic and associated slowing in the housing market;
 - £0.125m savings within Fleet and Winter Maintenance relating to reductions in vehicle parts and staffing savings which are no longer achievable due to rising maintenance costs and until the service is relocated and restructured; and
 - £0.105m proposals relating to service growth and income generating opportunities within areas including Waste Collection and Catering. These have not been achievable due to the ongoing economic downturn resulting from the pandemic.

- 3.4.3 The accounts for the Local Authority Trading Companies are being finalised and will be reflected in the Council's Statement of Accounts. The outturn position for each is reflected within the delegated budget outturn within the relevant portfolio, and, where appropriate, reported as such in Appendix A.

3.4.4 The outturn position reflects the establishment of a number of new or increased reserves, totaling £19.516m for known service commitments. The creation of these reserves reflects the fact that the commitment has been established, but the goods or services have not been delivered during 2021/2022. These reserves, which are detailed further at section 3.7, will therefore meet those commitments when they arise.

3.5 Contingency Transfers

3.5.1 Transfers from the Contingency Fund take place on a quarterly basis to reflect expenditure actually incurred in respect of approved provisions. Final quarter contingency transfers, totalling £2.157m have been enacted as noted below, leaving an overall underspend of £6.874m on the Council's contingency budget. The transfers in the final quarter are:

- Adult Social Care Inflation £2.660m
Return to contingencies of the inflationary requirement for Adult Social Care contacts for 2021/2022, following drawdown in a prior quarter. The Contain Outbreak Management Fund grant provided by the Government has met this requirement for 2021/2022 as a one-off.
- Additional Pay Award (£1.373m)
Following agreement of the employee pay award for 2021/2022, funding has been released from contingencies to service area budgets.
- Council Tax Hardship and Other Reliefs (£1.193m)
During 2020/2021 grant funding was utilised to deliver additional council tax hardship support to those in receipt of Local Council Tax support. This scheme was extended to 2021/2022 (total cost £2.704m) funded by utilising the remaining £1.511m grant carried forward from 2020/2021, with the £1.193m balance met from contingencies.
- Environmental Services Review (£0.500m)
A review of the Environmental Services budget commenced in January 2021 and highlighted that additional staffing budgets for Local Services and Waste Collection would be required for 2021/2022 onwards. The review has now been completed and budgets have been realigned to create an operational structure which is fit for purpose, improves succession planning through better use of apprentices and reduces the reliance on agency staff. The contingency drawdown provides funding in 2021/2022 and has been incorporated into the service's base budget from 2022/2023 onwards.
- Bridges Rent (£0.452m)
Due to the continued covid impact on the high street and general downturn, a shortfall on the rental income from the Council's interest in the Bridges has been incurred.

- **Communications Branding (£0.080m)**
Funding has been drawn down to support the development of the My Sunderland website to create a place-based web platform bringing together inward investment and destination management elements. Review and redevelopment of content and key areas of sunderland.gov.uk to ensure content is accessible and user-centric in its design, as part of wider improvement activity.
- **Business Operating Model (£0.135m)**
External support to aid the development and delivery of a range of customer focused improvements as the Council transitions to a new target operating model, which is better equipped to serve our residents and communities.
- **ICT Digital Platform (£0.150m)**
A new and improved digital platform which has enabled the Council to deliver a whole range of self-serve options for external customers and across internal services, helping us to achieve a position where over 55% of customers are now accessing our services on-line, providing greater choice and convenience.
- **Utilities £0.134m**
Return to contingencies of the underspend in respect of utility costs during 2021/22. Utility cost rises have in part been mitigated by further savings arising from reduced energy consumption following the LED street lighting replacement programme.
- **Regeneration Properties (£0.073m)**
Overspend of £0.073m relating to premises holding costs of properties in council ownership.
- **By Elections (£0.027m)**
Costs to deliver by-elections during 2021/2022 for Hetton and Redhill wards.
- **Doubtful Debt Impairment Allowance (£0.485m)**
In light of the current economic uncertainties and associated increased risk to debtor payments, a prudent increase to the doubtful debt impairment allowance has been made.
- **Winter Maintenance (£0.364m)**
Specific contingency drawdown to support the winter maintenance base budget provision covering the full winter period.
- **Other miscellaneous drawdowns (£0.119m)**

3.6 Treasury Management Savings

- 3.6.1 As reported during the year, debt charge and investment savings have accrued during 2021/2022. A total underspend of £3.475m has been generated during 2021/2022 as a result of reprofiling on the capital programme, which is reported elsewhere on today's agenda, and securing borrowing at lower than forecast interest rates during the year.

3.7 Reserves

- 3.7.1 Earmarking of specific reserves totaling £19.516m is proposed, to meet a number of expected pressures:

- **Energy and General Inflation (£5.750m)**
The cost of living crisis fuelled by inflation is impacting on council service provision as well as households. The creation of a reserve would set aside funding to manage the forecast impact of energy price rises and also support other inflationary and trading impacts expected during 2022/2023 and potentially beyond.
- **Health and Social Care (£9.336m)**
Additional external income from in-year Health funding utilised to create a reserve to support health and social care services in Sunderland in the short to medium term.
- **Culture House (£3.000m)**
A reserve has been set aside to provide funding for a range of immersive technologies in the new Culture House. The base budget for 2023/24 already includes an estimate for the annual revenue/running costs of £1.000m and the capital programme includes the required budgets for the building of the new facility.
- **Together for Children (TfC) transformation and Covid Recovery funding (£0.680m)**
TfC benefited from the award of Department for Education transformation funding during 2020/2021, the majority of funding has now been spent with £0.100m transferred to reserves to fund ongoing initiatives in to 2022/2023. Similarly, £0.580m of Covid Response Support funding will be transferred to this reserve to fund ongoing response initiatives within children's services.
- **Strategic Regeneration (£0.750m)**
To support the Council's development ambitions this will provide additional funding in to the Council's regeneration reserve, specifically to smooth any revenue impact of projects until they become self-sustaining.

- 3.7.2 In addition, the underspend on the ringfenced core Public Health Grant (£1.045m) has been transferred to the Public Health reserve at the year end.

- 3.7.3 The 2021/2022 budget was set with an assumed drawdown of £2.288m from the medium term planning smoothing reserve. Given the revenue underspend position this drawdown has not been required and such the funding remains in the reserve for future use. Reserve levels will be monitored throughout 2022/23 and changes will be reported to Cabinet through the quarterly budget monitoring reports.

4 General Fund Balances

- 4.1 As part of the budget setting process for 2021/2022 the Council's General Fund balance was set at £12m for the year.
- 4.2 Following a review of the risks and taking into account the revenue outturn position, the MTFP and the overall level of reserves, no change to the General Fund balance is proposed. The level of General Fund balance is set out at Appendix C and will represent 5.8% of the Council's net budget requirement, which remains at a level considered appropriate for a large unitary council by the Executive Director of Corporate Services.

5 Review of Existing Reserves

- 5.1 A full Statement of Reserves and their forecast use up to 2025 is set out at Appendix D. As part of the year end process, a full review of reserves and provisions has been completed to ensure compliance with recommended accounting practice.
- 5.2 Overall the Council's reserves have increased by £14.838m in 2021/2022 to £219.020m. A significant element of the improved position reflects the need to hold a National Non-Domestic Rates (NNDR) Covid Reliefs reserve (£8.202m) as explained further in section 6. The reserves have also been increased due to capital programme reprofiling and the improved outturn position.
- 5.3 Cabinet members will be aware that, with the exception of the £12m General Fund set out in section 4 above, these usable reserves are earmarked for specific purposes and commitments, which are subject to regular review. Any decision to apply these reserves for other purposes, would have a detrimental impact on the Council as the reserve could not be used for its intended purposes, which are detailed in Appendix D.

6 Collection Funds

6.1 Business Rates

6.1.1 The Council continued to administer further rounds of the Government's Covid Business Rate Reliefs scheme during 2021/2022 which provided business rates relief for businesses within the Retail, Hospitality and Leisure sectors. The Council has received Covid Business Rates Reliefs grant funding from the Government to compensate for this loss of income. Due to the required technical treatment of the grant, whereby grant received during 2021/2022 cannot be applied until 2022/2023, the collection fund has a significant deficit at the end of the year.

6.1.2 The NNDR1 return to the Government for 2022/2023 set out a forecast deficit of £24.697m at the end of the 2021/2022 financial year, with the Council's 49% share being £12.101m. The forecast Covid Business Rates Relief grant at that time was £10.966m. The forecast deficit was provided for as part of the 2022/2023 budget setting process.

6.1.3 The final business rates position at 31st March 2022 is an overall closing deficit balance of £11.885m, of which £5.824m relates to the Council's 49% share. The Business Rates Relief grant and other section 31 grant increases (£8.202m) have been transferred to a reserve and will be utilised in 2022/2023 to offset the brought forward collection fund deficit in line with accounting requirements.

6.2 Council Tax

6.2.1 As noted in section in section 3.5, the Council has supported those residents accessing Local Council Tax Support, with further hardship council tax support during 2021/2022. This coupled with in an increase in collection following the initial covid related downturn has resulted in the council tax element of the collection fund generating a surplus against budget in 2021/2022. An in-year surplus of £1.632m was recorded as at 31st March 2022, of which the Council's share is £1.422m. This also represents an improvement from the surplus amount (£1.295m Council's share) reported to Cabinet in February 2022.

7. Reasons for Decision

7.1 As included in the Council's constitution, Cabinet is required to exercise control over the Council's revenue budget and resources and receives quarterly reports to support this This report sets out the revenue outturn position compared to the budget for 2021/2022.

8. Alternative Options

8.1 No alternative options are proposed.

9. Impact Analysis

- 9.1 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.

10. Other Relevant Considerations / Consultations

- 10.1 None

11. List of Appendices

- Appendix A - Delegated Budget Major Variations 2021/2022
- Appendix B - Overall Outturn Position 2021/2022
- Appendix C - Statement of General Balances
- Appendix D - Major Earmarked Reserves

12. Background Papers

- None

Cabinet Meeting 9th June 2022
Delegated Budget Major Variations 2021/2022

Portfolio	Latest Revised Budget (Budget Book) £m	Contingency Transfers (detailed in Para 3.5) £m	Budget Adjustments £m	Final Budget* £m	Outturn* £m	Final Variation Under / (Over) Spend £m	Reason for Variation
Leader	5.199	0.012	(0.066)	5.145	4.845	0.300	<ul style="list-style-type: none"> Underspends across a number of services which include £0.125m relating to Members Allowances and an underspend on Member Support supplies and services of £0.097m. Minor underspends of £0.078m on other budget areas.
Deputy Leader	64.221	2.610	(1.891)	64.940	69.518	(4.578)	<p>Net overspend across a number of services including:</p> <ul style="list-style-type: none"> Bereavement Services – overspend of (£0.073m) linked to increased premises costs, video streaming and cremator repairs partially offset by increased income. Corporate Affairs and Communications – (£0.282m) overspend primarily arising through the costs of City Brand £0.122m, Civic Pride Campaign £0.056m and Residents Newsletters £0.094m being met from the service budget rather than through a reserve as previously planned. Building Services – a shortfall of (£1.037m) against budgeted surplus, primarily linked to the ability to achieve the additional income target and partially due to staff self-isolations. A restructure of the service is ongoing, to ensure maximisation of income earning opportunities. Business and Investment – a shortfall of (£0.484m) due to £0.346m reduction in rent and other income across the Council's Business Centres. Plus increases in other expenditure (£0.118m) mainly due to major repairs to both lifts in Rainton Bridge Business Centre. Civic Catering – (£0.075m) loss of income due to reduced usage / temporary closure of 'The Social' café during the year. Coroners Court - £0.129m underspend predominantly due to additional income through post mortem and mortuary fees.

Portfolio	Latest Revised Budget (Budget Book) £m	Contingency Transfers (detailed in Para 3.5) £m	Budget Adjustments £m	Final Budget* £m	Outturn* £m	Final Variation Under / (Over) Spend £m	Reason for Variation
							<ul style="list-style-type: none"> • Fleet – a shortfall against budget of (£0.991m), due to delays in realising operational costs savings target and costs incurred in relation to fuel spillage incident at South Hylton House. • Infrastructure and Transportation – an underspend of £1.040m, primarily as a result of increased trading and fee income. • Local Services – an overspend of (£1.310m) from additional staffing, vehicle and personal protective equipment costs. • Parking Services - a shortfall of (£0.852m) against budget due to the continued reduced car park usage and suspension of permit requirements, partially offset by vacant staffing posts. • Port of Sunderland - £0.141m delegated underspend. Additional income of £0.935m due to additional vessels and cargos was offset by additional staffing, fuel and utility costs and general expenses incurred in support of the additional trading activity. • Public Protection and Regulatory Services - £0.190m underspend due to salary savings. • Schools Meals – (£0.427m) shortfall in income due to lower uptake of the service and increasing staff costs due to self isolation/extended lunchtime arrangements. Outturn includes the impact of increased food and energy price increases. • Strategic and Operational HR – (£0.310m) overspend mainly due to unachieved income • Street Lighting – (£0.112m) overspend position as funding not drawn down from the smoothing reserve as originally forecast. • Waste Collection and Recycling –overspend of (£0.429m) due to additional staffing costs from Covid-19 workforce pressures.

Appendix A (continued)

Portfolio	Latest Revised Budget (Budget Book) £m	Contingency Transfers (detailed in Para 3.5) £m	Budget Adjustments £m	Final Budget* £m	Outturn* £m	Final Variation Under / (Over) Spend £m	Reason for Variation
							<ul style="list-style-type: none"> Waste Disposal – underspend of £0.147m due to contract savings arising from HWRC move to Pallion site and reduced PFI Waste Disposal charges. Net variations totalling £0.157m on a number of service areas linked to additional income generation, partially offset by additional staffing and other costs.
Cabinet Secretary	21.166	2.312	(2.797)	20.681	19.331	1.350	<ul style="list-style-type: none"> Revenues – net underspend of £0.787m, arising through £0.328m staffing underspend in relation to flexible working and vacant posts not recruited to; additional New Burdens income of £0.497m to primarily support delivery of the various business grants programmes; net reduction in court and enforcement fee income £0.211m; and other reductions in supplies and services costs of £0.173m. Asset Management - £0.160m underspend due to unfilled vacant posts (£0.054m) and additional income from surveying (£0.100m). Various minor over and underspends with a net underspend £0.006m. Audit and Risk – net underspend of £0.162m due to reduced staffing costs and supplies and services savings partially offset by unachieved income generation. Benefits Service - £0.955m underspend due to additional New Burdens income of £0.741m to support the delivery of the Test and Trace Isolation Payment programme; salaries underspend of £0.120m; net rent allowances and housing benefit subsidy underspend of £1.014m and movement of £0.900m to the Corporate Services review reserve.

Appendix A (continued)

Portfolio	Latest Revised Budget (Budget Book) £m	Contingency Transfers (detailed in Para 3.5) £m	Budget Adjustments £m	Final Budget* £m	Outturn* £m	Final Variation Under / (Over) Spend £m	Reason for Variation
							<ul style="list-style-type: none"> • Business Support – underspend of £0.164m due to reduced staffing costs, transport and supplies & services savings and additional income generation. • Civic Buildings – (£0.915m) overspend due to funds not being drawn down from reserves as originally anticipated for Sandhill View and City Hall. • Corporate Management – net underspend of £0.133m relating to loan repayments and additional grant funding partially offset by one off COVID expenditure and pension fund adjustments. • Procurement underspend of £0.161m due to salary slippage, underspend on supplies and services and additional income. • Repairs and Renewals – (£0.342) overspend covering a number of repairs areas including storm damage of (£0.100m). • Various over and underspends across a number of services, including costs and lost income in respect of the pandemic, but offset by savings elsewhere, particularly in respect of vacant posts and reduced hours resulting in a net underspend of £0.085m.
Children, Learning and Skills	78.083	(0.039)	0.175	78.219	84.187	(5.968)	<ul style="list-style-type: none"> • 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. <p>The financial year end position was an overspend of (£5.646m) including those pressures as a result of the Covid-19 pandemic.</p> <ul style="list-style-type: none"> • Derwent Hill – net lost income of (£0.362m) as result of lost trade due to the pandemic. • Minor underspends of £0.040m on other budgets areas.

Portfolio	Latest Revised Budget (Budget Book) £m	Contingency Transfers (detailed in Para 3.5) £m	Budget Adjustments £m	Final Budget* £m	Outturn* £m	Final Variation Under / (Over) Spend £m	Reason for Variation
Vibrant City	12.846	1.063	0.247	14.156	14.031	0.125	<ul style="list-style-type: none"> • Sport and Leisure – underspend of £0.304m primarily relating to required contributions to the Council's Leisure Joint Venture which has experienced significant income losses due to closures and restricted use during the Covid-19 pandemic offset by Public Health contributions and grant funding. • Events – (£0.147) additional cost relates to funding the cost of hiring lighting to deliver the Festival of Light in lieu of planned capital expenditure. • Environmental Enforcement – (£0.127m) shortfall on income due to the temporary suspension of the service and the reallocation of staff to support the wider council response to the pandemic. • Other minor variations on a number of service areas have created an underspend of £0.095m.
Healthy City	95.199	(0.027)	(32.363)	62.809	53.826	8.983	<ul style="list-style-type: none"> • Adult Social Care (ASC) - £9.887m underspend. This underspend comprises of a net (£2.585m) Covid-19 response cost pressure less £9.336m contributions from the CCG to support hospital discharges and demand pressures within ASC. £2.875m general demand pressures decrease and additional funding in the ASC service, staffing underspend due to vacancies of £0.333m and minor overspends of (£0.072m) • Strategic Commissioning – (£1.323m) overspend from SCAS Workforce Pressures and loss of Income due to COVID-19 (£0.680m), non-drawdown of Recovery at Home Reserve (£0.700m) offset by other minor underspends (0.057m). • Welfare Reform – £0.509m underspend of Clinically Extremely Vulnerable funding due to the lower take up of planned activity as a result of other support provision available. • Joint Commissioning – (£0.090) Overspend due to additional employee costs.

Appendix A (continued)

Portfolio	Latest Revised Budget (Budget Book) £m	Contingency Transfers (detailed in Para 3.5) £m	Budget Adjustments £m	Final Budget* £m	Outturn* £m	Final Variation Under / (Over) Spend £m	Reason for Variation
Dynamic City	7.536	0.676	1.109	9.321	7.078	2.243	<ul style="list-style-type: none"> Development Control - £0.132m underspend primarily in relation to additional planning regulation and inspection fee income. Planning Implementation - £0.103m underspend due to vacant posts. Regeneration Properties - £1.052m underspend due to additional income from the Beam and Nightingale hospital rental income in excess of that assumed within the budget. Miscellaneous Land and Properties (MLP) - £0.474m underspend predominantly on supplies and services, across the whole MLP portfolio. Access to Housing - £0.135m underspend due to additional government grant funding being received. Supporting People - £0.365m underspend relating to reduced spend on supplies & services costs. Other minor variations on a number of service areas have created an overspend of (£0.018m).
Total Service Outturn	284.250	6.607	(35.586)	255.271	252.816	2.455	

* Due to delays with notional IAS19 Pension entries, these transactions have not been reflected in the final Budget or Outturn at the time of publication. These entries are neutral and do not impact on the portfolio variance or overall outturn position.

Cabinet Meeting 9th June 2022
Overall Position 2021/2022

	Revised Budget	Budget Adjustments	Final Budget*	Outturn*	Variance Under / (Over) Spend
	£m	£m	£m	£m	£m
Leader Portfolio	5.199	(0.054)	5.145	4.845	0.300
Deputy Leader Portfolio	64.221	0.719	64.940	69.518	(4.578)
Cabinet Secretary Portfolio	21.166	(0.485)	20.681	19.331	1.350
Children, Learning and Skills Portfolio	78.083	0.136	78.219	84.187	(5.968)
Vibrant City Portfolio	12.846	1.310	14.156	14.031	0.125
Healthy City Portfolio	95.199	(32.390)	62.809	53.826	8.983
Dynamic City Portfolio	7.536	1.785	9.321	7.078	2.243
Total Service Expenditure	284.250	(28.979)	255.271	252.816	2.455
General Contingencies	9.031	(2.157)	6.874	0.000	6.874
Covid Contingencies	13.583	(4.450)	9.133	0.000	9.133
Capital Financing Costs	20.247	0.184	20.431	16.956	3.475
Transfer to/from Reserves	(22.126)	0.000	(22.126)	(19.838)	(2.288)
Technical Adjustments	(63.043)	3.146	(59.897)	(59.897)	0.000
Levies	15.169	0.000	15.169	15.169	0.000
Hetton Town Council	0.067	0.000	0.067	0.067	0.000
Less Grants	(54.509)	32.014	(22.495)	(22.399)	(0.096)
Total Net Expenditure	202.669	(0.242)	202.427	182.874	19.553
Revenue Support Grant	(28.110)	0.000	(28.110)	(28.110)	0.000
National Non-Domestic Rates/Retained Business Rates	(24.881)	0.241	(24.640)	(24.640)	0.000
Top Up Grant	(43.724)	0.001	(43.723)	(43.723)	0.000
Collection Fund Surplus	2.211	0.000	2.211	2.211	0.000
Council Tax Requirement	(108.165)	0.000	(108.165)	(108.165)	0.000
Draft Outturn	0.000	0.000	0.000	(19.553)	19.553
Establishment of / Transfer to Reserves	0.000	0.000	0.000	19.516	(19.516)
Final Outturn Position	0.000	0.000	0.000	(0.037)	0.037

* Due to delays with notional IAS19 Pension entries, these transactions have not been reflected in the final Budget or Outturn at the time of publication. These entries are neutral and do not impact on the portfolio variance or overall outturn position.

Cabinet Meeting 9th June 2022
Statement of General Fund Balances

	£m
Balance as at 1st April 2021	12.000
- Contribution to Revenue Budget	0
Balance as at 31st March 2022	12.000
- Planned Contribution to Revenue Budget	0
Estimated Balance as at 31st March 2023	12.000

Cabinet Meeting 9th June 2022

Major Earmarked Reserves

Reserves	Purpose of the Reserve	Opening Balance 01.04.21	Movement in Year	Closing Balance 31.03.22	Opening Balance 01.04.22	Forecast Movement in Year	Closing Balance 31.03.23	Opening Balance 01.04.23	Forecast Movement in Year	Closing Balance 31.03.24	Opening Balance 01.04.24	Forecast Movement in Year	Closing Balance 31.03.25
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
General Fund	General Fund of the Council	12.000	0.000	12.000	12.000	0.000	12.000	12.000	0.000	12.000	12.000	0.000	12.000
School Balances	Balances held by schools under a scheme of delegation	10.742	(0.960)	9.782	9.782	(4.121)	5.661	5.661	(2.191)	3.470	3.470	(2.000)	1.470
Earmarked General Fund Reserves – Capital													
Riverside Transfer	Reserve established to fund capital works associated with the Homes and Communities Agency land transferred to the Council.	9.041	(0.004)	9.037	9.037	(0.389)	8.648	8.648	0.000	8.648	8.648	0.000	8.648
Capital Priorities Reserve	A reserve established to address some of the Council's key capital developments and strategic priorities.	8.192	(0.335)	7.857	7.857	(4.161)	3.696	3.696	(0.027)	3.669	3.669	(3.669)	0.000
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	1.367	9.362	9.362	(2.006)	7.356	7.356	(2.582)	4.774	4.774	(1.050)	3.724
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	(1.321)	2.461	2.461	(1.374)	1.087	1.087	(1.087)	0.000	0.000	0.000	0.000
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	(0.123)	0.884	0.884	(0.577)	0.307	0.307	(0.307)	0.000	0.000	0.000	0.000
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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Earmarked Capital Reserve	Funding set aside to fund future capital projects previously approved.	1.358	0.440	1.798	1.798	(0.319)	1.479	1.479	(0.050)	1.429	1.429	(0.050)	1.379

Reserves	Purpose of the Reserve	Opening Balance 01.04.21	Movement in Year	Closing Balance 31.03.22	Opening Balance 01.04.22	Forecast Movement in Year	Closing Balance 31.03.23	Opening Balance 01.04.23	Forecast Movement in Year	Closing Balance 31.03.24	Opening Balance 01.04.24	Forecast Movement in Year	Closing Balance 31.03.25
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	(11.672)	8.202	8.202	(8.202)	0.000	0.000	0.000	0.000	0.000	0.000	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.	17.858	16.743	34.601	34.601	(5.543)	29.058	29.058	(9.000)	20.058	20.058	(9.000)	11.058
Service Reduction Reserve	This reserve is to provide temporary transitional funding relating to the implementation of planned service reductions.	12.145	(12.145)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Children's Social Care	A reserve to fund any one-off Children's Social Care costs that may arise in the future.	3.000	(3.000)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
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	0.750	10.747	10.747	(1.500)	9.247	9.247	(3.000)	6.247	6.247	(3.000)	3.247
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	(0.108)	5.641	5.641	(2.882)	2.759	2.759	(1.512)	1.247	1.247	0.000	1.247
Insurance Reserve	This reserve has been established to provide for potential future claims or claim increases.	5.600	(0.130)	5.470	5.470	0.000	5.470	5.470	0.000	5.470	5.470	0.000	5.470
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	0.000	4.281	4.281	(0.300)	3.981	3.981	(0.500)	3.481	3.481	(0.500)	2.981
SIB Reserve	A reserve held to fund future allocations through the Strategic Initiatives Budget.	4.179	0.319	4.498	4.498	(0.500)	3.998	3.998	(0.500)	3.498	3.498	(0.500)	2.998
Public Health Grants	Ringfenced Public Health grant funding, to deliver future public health initiatives.	4.142	0.946	5.088	5.088	(0.520)	4.568	4.568	0.000	4.568	4.568	0.000	4.568
Smart Cities	This reserve was established to set aside revenue funding to cover 8-10 years, to support 5G and Wireless connectivity within the city.	4.000	0.000	4.000	4.000	(0.500)	3.500	3.500	(0.500)	3.000	3.000	(0.500)	2.500

Reserves	Purpose of the Reserve	Opening Balance 01.04.21	Movement in Year	Closing Balance 31.03.22	Opening Balance 01.04.22	Forecast Movement in Year	Closing Balance 31.03.23	Opening Balance 01.04.23	Forecast Movement in Year	Closing Balance 31.03.24	Opening Balance 01.04.24	Forecast Movement in Year	Closing Balance 31.03.25
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	0.698	4.198	4.198	(3.319)	0.879	0.879	(0.879)	0.000	0.000	0.000	0.000
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	3.109	0.000	3.109	3.109	0.000	3.109	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	(0.059)	2.941	2.941	(2.000)	0.941	0.941	(0.941)	0.000	0.000	0.000	0.000
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	(0.046)	2.079	2.079	0.200	2.279	2.279	0.200	2.479	2.479	0.200	2.679
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	0.000	2.151	2.151	(0.247)	1.904	1.904	(0.267)	1.637	1.637	(0.307)	1.330
Low Level Family Support	Reserve to support activities with families and individuals to address the challenges of recovering from the pandemic.	2.000	2.386	4.386	4.386	(2.000)	2.386	2.386	(2.200)	0.186	0.186	(0.186)	0.000
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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	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	1.533	0.000	1.533	1.533	0.000	1.533	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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	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	0.161	1.459	1.459	(0.250)	1.209	1.209	(0.250)	0.959	0.959	(0.250)	0.709
Airport Smoothing Reserve	Reserve established to smooth any delayed airport loan interest payment that may arise.	1.253	0.000	1.253	1.253	0.000	1.253	1.253	0.000	1.253	1.253	0.000	1.253

Reserves	Purpose of the Reserve	Opening Balance 01.04.21	Movement in Year	Closing Balance 31.03.22	Opening Balance 01.04.22	Forecast Movement in Year	Closing Balance 31.03.23	Opening Balance 01.04.23	Forecast Movement in Year	Closing Balance 31.03.24	Opening Balance 01.04.24	Forecast Movement in Year	Closing Balance 31.03.25
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	1.200	(0.250)	0.950	0.950	(0.600)	0.350	0.350	(0.350)	0.000
Riverside Transfer	Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.	1.197	(0.105)	1.092	1.092	(0.105)	0.987	0.987	(0.104)	0.883	0.883	(0.105)	0.778
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	(0.204)	0.816	0.816	(0.204)	0.612	0.612	(0.204)	0.408	0.408	(0.204)	0.204
Health and Social Care Reserve	Additional external income from in-year Health funding to support health and social care services in Sunderland in the short to medium term.	0.000	9.336	9.336	9.336	(3.550)	5.786	5.786	(3.306)	2.480	2.480	(1.378)	1.102
Energy and General Inflation	Reserve established in response to significant inflationary and trading pressures expected to impact council services in the short to medium term	0.000	5.750	5.750	5.750	(4.000)	1.750	1.750	(1.750)	0.000	0.000	0.000	0.000
Culture House	A reserve has been set aside to provide funding for a range of immersive technologies in the new Culture House	0.000	3.000	3.000	3.000	0.000	3.000	3.000	(3.000)	0.000	0.000	0.000	0.000
Member Recovery Fund	Members Covid Response fund	0.000	1.000	1.000	1.000	(1.000)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Earmarked Revenue Reserves	Numerous small revenue reserves less than £1m which are set up for specific purposes.	19.008	0.374	19.382	19.382	(8.283)	11.099	11.099	(3.791)	7.308	7.308	(2.855)	4.453
Total General Fund Reserves		190.711	9.683	200.394	200.394	(57.902)	142.492	142.492	(38.348)	104.144	104.144	(25.704)	78.440
Capital Receipts Reserve	Balance of capital receipts held, pending use to fund the capital programme.	9.386	3.295	12.681	12.681	(7.632)	5.049	5.049	(5.049)	0.000	0.000	0.000	0.000
Capital Grants Unapplied	Balance of capital grants held pending expenditure on capital programme.	4.085	1.860	5.945	5.945	(4.945)	1.000	1.000	(1.000)	0.000	0.000	0.000	0.000
Total Usable Reserves		204.182	14.838	219.020	219.020	(70.479)	148.541	148.541	(44.397)	104.144	104.144	(25.704)	78.440

REFERENCE FROM CABINET – 14 JULY 2022

CAPITAL PROGRAMME FIRST REVIEW 2022/2023 (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 2022/2023 (including Treasury Management).

2. Background and Current Position

- 2.1 The Cabinet, at its meeting on 14 July 2022, 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 2022/2023; and
 - progress in implementing the Treasury Management Borrowing and Investment Strategy for 2022/2023.
- 2.2 As the report seeks approval to the inclusion of additional schemes or variations to existing schemes for 2022/2023 (detailed at Appendix A of the report) 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 2022/2023 to approve the inclusion of additional schemes or variations to existing schemes for 2022/2023 detailed at Appendix A; and
 - In relation to the Treasury Management Strategy, Cabinet is asked to note the progress in implementing the 2022/2023 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 8 September 2022.

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

- 1.1 Cabinet Agenda, 14 July 2022.
- 1.2 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, 14 July 2022](#)

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CABINET MEETING –14 JULY 2022

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Capital Programme First Review 2022/2023 (including Treasury Management)

Author(s):

Executive Director of Corporate Services

Purpose of Report:

This report details:

- the outcome of the First Capital Review for 2022/2023; and
- progress in implementing the Treasury Management Borrowing and Investment Strategy for 2022/2023.

Description of Decision:

Cabinet is recommended to:

- In respect of the first capital review for 2022/2023 to approve the inclusion of additional schemes or variations to existing schemes for 2022/2023 detailed at Appendix A; and
- In relation to the Treasury Management Strategy, Cabinet is asked to note the progress in implementing the 2022/2023 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 2nd March 2022.

Cabinet is also requested to note the progress in implementing the Treasury Management Strategy for 2022/2023, 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 £500,000.

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

CAPITAL PROGRAMME FIRST REVIEW 2022/2023 (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 2022/2023; and
- progress in implementing the Treasury Management Borrowing and Investment Strategy for 2022/2023.

2. Description of Decision:

2.1 Cabinet is recommended to:

- In respect of the first capital review for 2022/2023 to approve the inclusion of additional schemes or variations to existing schemes for 2022/2023 detailed at Appendix A; and
- In relation to the Treasury Management Strategy, Cabinet is asked to note the progress in implementing the 2022/2023 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 2022/2023 capital programme since the 2021/2022 Capital Outturn report to Cabinet on 9th June 2022, 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 2022/2023

- 4.1** Since the Capital Programme was reported to Council in March 2022, there have been changes to the 2022/2023 Capital Programme both in terms of expenditure and resourcing. In June 2022 the Capital Programme Outturn position for 2021/2022 was reported to Cabinet, which included reprofiling of expenditure from 2021/2022 to 2022/2023 totalling £46.052m and a funded cost increase of £0.400m in 2022/2023, resulting in a revised budget of £341.993m for the 2022/2023 financial year. During the first quarter of 2022/2023 further reprofiling and other adjustments have been identified increasing the Capital Programme by £1.603m to £343.596m. This is summarised below:

- Reprofiled expenditure of £10.664m from 2022/2023 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 and Ukraine War, 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 £12.267m in 2022/2023.

4.2 Appendix A sets out the detail of the above changes to expenditure and resources for 2022/2023, which is based on the updated Cabinet Portfolio responsibilities.

4.3 The Capital Programme delivery has been impacted by the Covid-19 pandemic since March 2020. The Capital Programme Reviews for 2021/2022 reported to Cabinet during that year advised that industry commentators were indicating that uncertainties continue, with upward cost pressures on construction contracts being exacerbated by global supply issues for raw materials (both availability and the timing of supplies) alongside labour cost pressures, and that this may manifest itself in further increases in cost and delays. These pressures to the capital programme remain and have increased further due to the impact of the Ukrainian war on materials supply and price, in particular of steel, impacting on the cost and timescales of some projects. As reported in the 2021/2022 outturn report to Cabinet in June 2022, there was confirmation that cost pressures are now manifesting themselves in tender pricing. The capital programme impact continues to be closely monitored and will be reported to Cabinet as necessary, following receipt of future tender prices.

5. Review of the Prudential Indicators and Treasury Management Strategy for 2022/2023

5.1 The Prudential Indicators for 2022/2023 were approved by the Council on 2nd March 2022 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 – 2022/2023

5.3 The Council's strategy for 2022/2023 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 3.00% for long-term borrowing was set in the Treasury Management Policy and Strategy Statement for 2022/2023 reflecting the views prevalent at the time.

- 5.4 Due to the underlying need to borrow for capital purposes (the Capital Financing Requirement – CFR), new borrowing of £100m was prudently undertaken in December from the Public Works Loans Board (PWLB) at a historically low rate of 1.4%. Borrowing rates have since risen but delays in capital programme activity have not necessitated any further borrowing since then. Borrowing rates will continue to be closely monitored and consideration will be given to various options, including utilising some investment balances to fund the Council's borrowing requirements in 2022/2023.

Investment Strategy – 2022/2023

- 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 On the 15th June 2022, the Bank of England's Monetary Policy Committee (MPC) announced it had raised interest rates for the 5th meeting in a row, increasing the Bank Rate by 0.25 percentage points to 1.25%. Rates are forecast to continue to increase and will remain under constant review.
- 5.7 As at 30th May 2022 the Council achieved a rate of return on its investments of 0.61% compared with the benchmark rate SONIA (Sterling Overnight Index Average) rate of -0.80%. Performance to date is below the benchmark rate, due to some longer term investments placed during 2021/2022 being made when only lower rates of return were available in the market. As these investments mature and are reinvested at the now higher rates, the benchmark rate should be surpassed. Recent placements of investments have been at rates considerably higher than the benchmark rate.

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 2nd March 2022.
- 6.2 Cabinet is also requested to note the progress in implementing the Treasury Management Strategy for 2022/2023, 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 2022/2023 Capital Programme.

10. Background Papers

Capital Programme 2022/2023 to 2025/2026 and Treasury Management Policy and Strategy 2022/2023, including Prudential Indicators for 2022/2023 to 2025/2026.

Capital Programme Outturn 2021/2022.

Variations to the 2022/2023 Capital Programme

Portfolio / Project	Latest Revised Budget 2022/2023 £'000 **	Reprofiling of Expenditure 2022/2023 £'000	Additional Schemes and Cost Variations to Existing Projects 2022/2023 £'000	Technical Adjustments 2022/2023 £'000	Revised Budget 2022/2023 £'000	Comment
Deputy Leader and Clean Green City						
Flood and Extreme Weather Mitigation	500	0	717	0	1,217	Funding from the Environment Agency has been secured for several schemes, from which £0.717m will be used to finance works in 2022/2023. Schemes include culvert improvements at Lake Road, Jack Crawford House and Fencehouses. Also, investigation works that may lead to further improvements including at Hetton, Caithness Road and North Moor Lane.
Play and Urban Games	160	0	423	0	583	Upgrade of play areas including at Durham Road, Thompson Park, Low Moorsley and Hetton Lyons Country Park, Sunderland Adventure Centre and St Matthews Field, fully funded by £0.423m S106 developer contributions.
Port General Infrastructure, Equipment & Plant	280	0	60	0	340	The £0.060m received from the sale of the Port's pilot cutter Triton will be utilised to purchase a new pair of mechanical diesel engines for the Port's pilot cutter Heron. These assets require immediate replacement as Scania (the original equipment manufacturer) no longer manufacture these or support with spare parts.
Vehicle Replacement Programme	7,266	(577)	0	0	6,689	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 £0.577m of the budget to be reprofiled from 2022/2023 into 2023/2024.

Portfolio / Project	Latest Revised Budget 2022/2023 £'000 **	Reprofiling of Expenditure 2022/2023 £'000	Additional Schemes and Cost Variations to Existing Projects 2022/2023 £'000	Technical Adjustments 2022/2023 £'000	Revised Budget 2022/2023 £'000	Comment
Other Projects	54,895	0	0	0	54,895	No variations.
Total Deputy Leader and Clean Green City	63,101	(577)	1,200	0	63,724	
Total Cabinet Secretary	25,950	0	(91)	0	25,859	Minor variation only.
Children, Learning & Skills						
Schools Devolved Capital	538	0	0	0	538	The 2022/2023 capital allocations for schools devolved funding have been confirmed at £0.302m. This will be profiled for use in 2023/2024 but can be accelerated if required. The £0.538m currently profiled for use in 2022/2023 is from prior years allocations.
Sunderland Pupil Referral Unit	0	0	600	0	600	Cabinet approved on 9th June 2022 to increase the capacity of Sunderland's Pupil Referral Unit, with the estimated cost of £0.600m to be funded from the schools High Needs Capital funding.

Portfolio / Project	Latest Revised Budget 2022/2023 £'000 **	Reprofiling of Expenditure 2022/2023 £'000	Additional Schemes and Cost Variations to Existing Projects 2022/2023 £'000	Technical Adjustments 2022/2023 £'000	Revised Budget 2022/2023 £'000	Comment
School's Asset Management Unallocated	3,240	0	1,488	0	4,728	<p>The Council has been awarded £2.847m School High Needs Capital funding in 2022/2023, of which £0.600m has been allocated towards the above works at the Sunderland Pupil Referral Unit, leaving a balance of £2.247m currently unallocated.</p> <p>In addition, the Schools Condition Allocation has been confirmed at £1.514m, an increase of £0.417m to the indicative allocation already in the Capital Programme; of this £1.176m has been allocated to planned School Condition Works (below scheme), leaving a current unallocated balance of £0.338m.</p> <p>The total currently unallocated, including £2.143m brought forward from prior years allocations is therefore £4.728m. Within the unallocated budget, it is proposed to set aside £1.281m to support un-scheduled winter maintenance pressures at schools for boilers, roof repairs, etc. This would leave £3.447m for other school priorities including emerging cost pressures on the current school's capital programme linked to construction price increases and a review of requirements to meet changing need. Updates will be reported to Cabinet as necessary.</p>
School Condition Works	0	0	1,176	0	1,176	Allocated from school capital grant allocations, see above.
Newbottle Primary Academy Extension & ASD Unit	2,155	(1,750)	0	0	405	<p>The extension works to the Newbottle Primary school have progressed with provision of a new car park and access road. However, the design of the extension to the building and provision of the ASD (Autism Spectrum Disorder) Unit is still being considered to provide the optimum size ASD Unit and allow low carbon measures to be further integrated. As a result, £1.750m is to be re-profiled from 2022/2023 into future years and is now scheduled to complete in 2024/2025.</p>

Portfolio / Project	Latest Revised Budget 2022/2023 £'000 **	Reprofiling of Expenditure 2022/2023 £'000	Additional Schemes and Cost Variations to Existing Projects 2022/2023 £'000	Technical Adjustments 2022/2023 £'000	Revised Budget 2022/2023 £'000	Comment
Thorney Close Primary School New Build	456	103	0	0	559	The demolition of the current Sunningdale School buildings, which will site the new Thorney Close Primary School, is to be advanced resulting in £0.103m budget to be accelerated to into 2022/2023.
Other Projects	19,738	0	0	0	19,738	No variations.
Total Children, Learning & Skills	26,127	(1,647)	3,264	0	27,744	
Dynamic City						
Vaux Housing	22,869	(6,973)	0	0	15,896	The new residential scheme on the former Vaux site to consist of high-quality carbon neutral dwellings for rent and sale is progressing well. The main contractor was appointed Summer 2021 and the initial phase of enabling works have been completed. Following detailed market testing and value engineering the main development works are now scheduled to commence on site on 20th June 2022. In recognition of the revised programme of works, £6.973m is to be re-profiled from 2022/2023 into future years. The first units are scheduled to complete in December 2023 with further phases completing in Spring 2024.
Dilapidations of Unit 6, IAMP	0	0	2,200	0	2,200	Cabinet approved on 22nd March 2022, the dilapidation works to Unit 6, IAMP. The works are to be funded by the NHS following their tenancy termination.
International Innovation Centre	1,943	0	(1,943)	0	0	Following the prior completion of construction of the International Innovation Centre scheme (now referred to as Unit 6 IAMP above), there is a saving to the Capital Programme of £1.943m.

Portfolio / Project	Latest Revised Budget 2022/2023 £'000 **	Reprofiling of Expenditure 2022/2023 £'000	Additional Schemes and Cost Variations to Existing Projects 2022/2023 £'000	Technical Adjustments 2022/2023 £'000	Revised Budget 2022/2023 £'000	Comment
Highways Maintenance	3,891	0	1,800	0	5,691	The approved 2022/2023 Capital Programme included estimated funding for Highways Maintenance (£2.294m) and Integrated Transport (£1.618m) grants for 2022/2023, based on allocations for prior years. The Department for Transport has now confirmed these allocations are as estimated, but also with the addition of a £1.835m Pothole grant. It is proposed to allocate the majority (£1.800m) of the Pothole grant for Highways Maintenance, and £0.035m to further support Integrated Transport works.
Holmeside Bus Rationalisation (Highways Improvement)	894	0	1,747	0	2,641	Cabinet approved (22nd March 2022) the delivery and funding of the Holmeside Bus Rationalisation (Highways Improvement) project, a one-way gyratory system and public realm works. The total estimated cost is £2.885m, with £2.641m profiled for use in 2022/2023. All funding is from the current approved Capital Programme, including £1.135m for the approved budget for this project, £0.750m to deliver the public realm works around the central station and £1.000m from the Integrated Transport project.
Railway Station Public Realm	747	0	(747)	0	0	Works now to be delivered as part of the above project - £0.750m in total, with £0.747m in 2022/2023 following £0.003m spend in 2021/2022.
Integrated Transport	2,026	0	(933)	0	1,093	Following re-allocation of £1.000m to support the Holmeside Bus Rationalisation project and a proposed re-allocated of £0.067m from the Highways and Bridge Maintenance budgets to this scheme, the revised budget in 2022/2023 for Integrated Transport is £1.093m.

Portfolio / Project	Latest Revised Budget 2022/2023 £'000 **	Reprofiling of Expenditure 2022/2023 £'000	Additional Schemes and Cost Variations to Existing Projects 2022/2023 £'000	Technical Adjustments 2022/2023 £'000	Revised Budget 2022/2023 £'000	Comment
Inspiring Futures Programme	3,041	(1,467)	0	0	1,574	The Inspiring Futures Programme will provide accommodation and support for those who are homeless, have complex needs and require support to move forward with their lives towards independent living. To date there has been difficulty sourcing suitable locations resulting in £1.467m budget is to be reprofiled from 2022/2023 into future years. Suitable locations continue to be explored, and once secured, funding from the Department for Levelling Up, Homes and Communities will be requested to support the developments.
Social Housing Decarbonisation Fund (SHSF) Wave 1	0	0	1,237	0	1,237	Cabinet approved on 22nd March 2022, the delivery of the Social Housing Decarbonisation Fund (SHSF) Wave 1 project. The £1.237m budget is fully funded by the Department for Business, Energy and Industrial Strategy. The Council, as lead applicant for this grant, is working closely with Gentoo as a key registered provider in the city to provide decarbonisation upgrade works to 604 social housing units owned by Gentoo across Sunderland including loft insulation, a combination of loft and window upgrades and fabric enhancements, such as external wall insulation and flat roof upgrades.
Warm Homes Fund (WHF)	0	0	314	0	314	Cabinet approved on 22nd March 2022, the delivery of the Warm Homes Fund (WHF). The £0.314m budget is fully funded by Affordable Warmth Solutions. The project aims to install 135 air source heat pumps at both privately owned and privately rented properties.
Other Projects	170,105	0	64	0	170,169	Minor fully funded variances.
Total Dynamic City	205,516	(8,440)	3,739	0	200,815	

Portfolio / Project	Latest Revised Budget 2022/2023 £'000 **	Reprofiling of Expenditure 2022/2023 £'000	Additional Schemes and Cost Variations to Existing Projects 2022/2023 £'000	Technical Adjustments 2022/2023 £'000	Revised Budget 2022/2023 £'000	Comment
Healthy City						
Disabled Facilities Grants	894	0	4,155	0	5,049	The national allocations for the Disabled Facilities Grant (DFG) 2022/2023 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 three years, which provided a total of £4.055m 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 2022/2023 to £4.155m.
Other Projects	4,090	0	0	0	4,090	No variations.
Total Healthy City	4,984	0	4,155	0	9,139	
Total Vibrant City	16,315	0	0	0	16,315	No variations.
TOTAL CAPITAL PROGRAMME	341,993	(10,664)	12,267	0	343,596	

**** Note – Reconciliation to Original Approved 2022/2023 Capital Programme**

<i>Cabinet 9th June 2022 – Capital Programme Outturn 2021/2022</i>	(46,452)					<i>2021/2022 Outturn: Reprofiling of expenditure between 2021/2022 and 2022/2023, and cost variances in 2022/2023, reported to Cabinet 9th June 2022.</i>
ORIGINAL 2022/2023 CAPITAL PROGRAMME	295,541					Original Capital Programme approved by Full Council 2nd March 2022

REFERENCE FROM CABINET – 14 JULY 2022

FIRST REVENUE BUDGET REVIEW 2022/2023

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 2022/2023.

2. Background and Current Position

- 2.1 The Cabinet, at its meeting on 14 July 2022, 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 2022/2023 including proposed contingency transfers.
- 2.2 The contingency transfers proposed are set out at Section 3.4.
- 2.3 Copies of the 14 July 2022 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 8 September 2022.

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

1.1 Cabinet Agenda, 14 July 2022.

1.2 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, 14 July 2022](#)

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CABINET MEETING – 14 JULY 2022

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

First Revenue Budget Review 2022/2023

Author(s):

Executive Director of Corporate Services

Purpose of Report:

To report details of the outcome of the Revenue Budget First Review for 2022/2023

Description of Decision:

Cabinet is recommended to:

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

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:

To respond to variations in expenditure and income which have arisen in 2022/2023 and enable effective budgetary control to be exercised.

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

Is it included in the 28 day Notice of Decisions? Yes

FIRST REVENUE BUDGET REVIEW FOR 2022/2023**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 2022/2023 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 2022/2023

- 3.1 Overall Position

- 3.1.1 The budget for 2022/2023 is as approved by Council in March 2022. 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 emerging impact of rising inflation which is driving the cost of living crisis. The financial consequences of the latter are factored into the position where known, but a degree of caution should be noted at this early stage in the financial year.
- 3.1.3 The overall forecast outturn position for 2022/2023 is a deficit £3.941m, 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 Underspend / (Overspend) £m
Delegated Forecast Outturn	3.3	(6.441)
Contingency Transfers	3.4	0.000
Treasury Management Savings	3.6	2.500
Grants		0.000
Forecast Outturn position		(3.941)

- 3.1.4 The Council's financial position is being impacted by pressures of rising inflation which is fuelling the cost of living crisis, and also from the legacy impact from the Covid-19 pandemic. The Council's social care services continue to experience both demand pressures and cost increases from providers looking to mitigate inflationary pressures they are experiencing. Other council services are experiencing pressures as contracts are renewed and inflation is noticeably impacting utility and fuel costs. The local government pay award for 2022/2023 is currently being negotiated, following trades unions lodging a claim for an increase in line with RPI inflation (11.1% April 2022).
- 3.1.5 There is no general Covid related grant funding support from government in 2022/2023 and indications from government are that there will be no further funding provided to councils during 2022/2023 to help manage inflation pressures. Contingencies and reserves will be used to mitigate pressures where possible.
- 3.1.6 It should be noted that the financial impact of the cost of living crisis 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 2023/2024.
- 3.1.7 The Council, including through the likes of the Association of North East Councils (ANEC), the Special Interest Group of Municipal Authorities (SIGOMA) and the Local Government Association (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 under funding of Council finances.

3.2 Budget Transfers

- 3.2.1 Following the update of Cabinet Portfolios reported to Council in May, budget transfers have been undertaken at the first review to realign budgets and ensure correct accountability. 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 delegated net service pressure of £6.441m, inclusive of the savings plan position detailed at Section 3.3.3 below.
- 3.3.2 The removal of pest control fees for Sunderland residents is to be continued for a further 6 months, and will now be in place until the end of March 2023. The forecast additional cost of this extension is £0.170m and will be met from contingencies.
- 3.3.3 Progress in the implementation of the £5.821m approved savings plans for 2022/2023 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 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.
- £4.543m (78%) of the savings have been fully realised to date.
 - £1.055m (18%) of reductions where good progress is being made, with a good prospect that full savings will be achieved.
 - £0.223m (4%) 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.

- 3.3.4 Transitional reserves continue to be held to meet any profiling delays in the implementation of the 2022/2023 savings plans and any additional pressures arising.
- 3.3.5 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.

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 £3.645m have been enacted as follows;
 - Adult Social Care Inflation (£2.285m)
Drawdown from provision to meet the impact of inflationary increases from service providers. Some contracts are still to be finalised so the inflationary uplift of these will be drawn down at a future review as required.
 - Pay Award 2021/2022 (£1.371m)
At the time of setting the budget for 2022/2023 the pay award for 2021/2022 was still to be confirmed and as such remained in contingency moving in to 2022/2023. This drawdown from contingencies increases service area employee budgets to reflect the 2021/2022 pay award. Pay negotiations for 2022/2023 are on-going, funding will be drawdown from contingencies at a future review as required.
 - Government Grants £0.011m
Transfer to contingencies for increased Lower Tier Services grant, beyond that assumed at the time of setting budget.
 - 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 Transitional costs
- 3.5.1 The potential need to utilise capital receipt flexibility to fund transitional costs arising in 2022/2023 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 2022/2023.
- ### 3.6 Treasury Management Savings
- 3.6.1 Net one-off savings on debt charges and interest on investments of £2.500m 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 and Capital Programme.

4. Review of Existing Reserves

- 4.1 During the finalisation of the Statement of Accounts amendments between reserves were enacted to comply with technical requirements. These amendments had no impact on the overall balance of reserves but has necessitated a switch between usable capital receipts and unusable capital receipts. The opening balance at Appendix C reflects the position to be reported in the 2021/2022 Statement of Accounts.
- 4.2 Following a full review of planned usage, the Council's reserves are forecast to decrease by £69.453m in 2022/2023 to £146.609m as reserves are utilised for their agreed purpose, including in support of the capital programme and meeting the business rates collection fund 2021/2022 deficit (covid-related impact), which due to the required technical accounting treatment needs to be met in 2022/2023.
- 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 £29.452m. As reported when setting the budget, a further Retail, Hospitality and Leisure reliefs scheme was announced by Government for 2022/2023, this has reduced the collectable business rates for this year. However, the Council will be fully compensated for this reduction through Section 31 grant. Collection is as expected for this stage in the financial year and a balance budget currently forecast. The position will be kept under review, and further updates provided in future review reports.
- 5.2 **Council Tax**
The budget sets out a Council Tax requirement of element of £114.765m. 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 2023/2024 budget. The position will be kept under review, and further updates provided in future review reports.

6. Reasons for Decision

- 6.1 To respond to variations in expenditure and income which have arisen in 2022/2023 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 2022/2023
Appendix B - Overall Position 2022/2023
Appendix C - Major Earmarked Reserves

11. Background Papers

None

**Cabinet Meeting 14th July 2022
Major Variations 2022/2023**

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
Leader	4.846	0.021	(2.161)	2.706	2.756	(0.050)	<ul style="list-style-type: none"> Forecast shortfall in required staff savings (£0.050m).
Deputy Leader and Clean Green City Portfolio Holder	65.126	0.282	(10.795)	54.613	55.110	(0.497)	<ul style="list-style-type: none"> Business and Investment - (£0.062m) Business Centres income shortfall. Port of Sunderland - (£0.350m) income shortfall due to current global issues and uncertainties impacting on Port trading markets. Bereavement - (£0.063m) overspend primarily due to Crematorium repairs. Fleet - forecast shortfall against budget of (£0.893m). (£0.125m) linked to the delay in the ability to achieve savings targets from reduced operational costs. (£0.597m) associated with parts, repairs and insurance pressures. (£0.119m) overspend due to fuel leak repairs/reinstatement. (£0.052m) linked with increased fuel duty as red diesel can no longer be used. Local Services - (£0.076m) unachievable staff savings. Waste Collection and Recycling - forecast overspend of (£0.184m) primarily due to additional staff costs due to interim management arrangements and bin replacement costs. Waste disposal – forecast underspend of £1.159m on Materials Recovery Facility from securing a lower than anticipated renewed contract price and increased income from recycled materials. On-going savings will be factored into future years' medium term financial planning. Public Protection and Regulatory Services (£0.028m) shortfall on income target linked to capital projects.

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
Cabinet Secretary	21.472	0.667	5.146	27.285	28.345	(1.060)	<ul style="list-style-type: none"> • Civic Buildings (£0.179) overspend due to additional rent and service charge costs, partially offset by additional tenant income. • Asset Management £0.053m underspend due to salary slippage. • Building Services (£0.893m) overspend due to continued inability to meet income targets introduced in 2021/2022 savings plans which were linked to; reductions in back-office staffing and income from re-enablement works following hospital discharge, Housing Renewal Programme and Housing Delivery and Investment Plan. • Corporate Management - underspend of £0.075m on pension enhancements and residuary body payments. • Governance Services (£0.133m) overspend due to the timing of Corporate Services savings delivery. • Information Governance (£0.059m) shortfall in Land charges income. • Legal Services (£0.116m) due to the timing of Corporate Services savings delivery. • Revenues £0.065m underspend on staffing due to vacancies and flexible working. • Strategic and Operational HR (£0.587m) unachievable staffing efficiency and income pressures partially offset by drawdown from Transformation Reserves. • Corporate Services Review Reserve to reflect the timing of the savings delivery plan - £0.900m drawdown. • Numerous variations totalling a net (£0.186m) including unachievable staff turnover savings and income shortfalls.

Portfolio	Original Budget (Budget Book)	Contingency Transfers £m	Budget Adjustments £m	Current Revised Budget £m	Forecast Outturn £m	Forecast Variation Under / (Over Spend) £m	Reason for Variation
Children, Learning and Skills	85.799	(0.056)	0.001	85.744	90.045	(4.301)	<ul style="list-style-type: none"> • 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. At this early stage in the financial year £4.300m of pressures have been identified. This position will be subject to continuous monitoring and an update provided at the second review.
Dynamic City	8.237	0.214	7.452	15.903	16.396	(0.493)	<ul style="list-style-type: none"> • Infrastructure and Transportation £0.310m underspend linked to increased forecast income of £0.300m from increased Asset and Network Management activity, license fees and bus shelter advertising. Staffing underspend on Highways Gullies team of £0.010m. • Parking Services – forecast shortfall on income collection of (£0.500m) based on recent usage trends and also factoring in known provision changes. • Regeneration Properties – (£0.228m) overspend linked to property holding costs. • Access to Housing – forecast overspend of (£0.075m) from Environmental Health staffing pressures (£0.063m) and other minor overspends of (£0.012m).
Healthy City	105.305	2.463	0.354	108.122	108.176	(0.054)	<ul style="list-style-type: none"> • Adult Social Care - net overspend of (£0.217m) resulting from demand cost pressures of (£0.345m) offset by staffing underspends of £0.128m. • Strategic Commissioning staffing underspends of £0.163m.
Vibrant City	13.385	0.065	0.003	13.453	13.439	0.014	<ul style="list-style-type: none"> • Minor staffing variations on a number of service areas has created a forecast overspend of £0.014m.
Total Service (Delegated) Outturn	304.170	3.656	0.000	307.826	314.267	(6.441)	

Cabinet Meeting 14th July 2022
Overall Position 2022/2023

	Original Budget £m	Contingency Transfers/ Budget Adjustments £m	Current Budget £m	Forecast Outturn £m	Variance Under / (Over) Spend £m
Leader Portfolio	4.846	(2.140)	2.706	2.756	(0.050)
Deputy Leader and Clean Green City Portfolio Holder	65.126	(10.513)	54.613	55.110	(0.497)
Cabinet Secretary Portfolio	21.472	5.813	27.285	28.345	(1.060)
Children, Learning and Skills Portfolio	85.799	(0.055)	85.744	90.045	(4.301)
Vibrant City Portfolio	13.385	0.068	13.453	13.439	0.014
Healthy City Portfolio	105.305	2.817	108.122	108.176	(0.054)
Dynamic City Portfolio	8.237	7.666	15.903	16.396	(0.493)
Total Service (Delegated) Expenditure	304.170	3.656	307.826	314.267	(6.441)
Provision for General Contingencies and other Corporate Budgets	15.209	(3.645)	11.564	11.564	0.000
Capital Financing Costs	26.821	0.000	26.821	24.321	2.500
Transfer to / from Reserves	(17.688)	0.000	(17.688)	(17.688)	0.000
Technical Adjustments	(64.318)	0.000	(64.318)	(64.318)	0.000
Levies	16.109	0.000	16.109	16.109	0.000
Hetton Town Council	0.070	0.000	0.070	0.070	0.000
Less Grants	(63.458)	(0.011)	(63.469)	(63.469)	0.000
Total Net Expenditure	216.915	0.000	216.915	220.856	(3.941)
Revenue Support Grant	(28.974)	0.000	(28.974)	(28.974)	0.000
National Non-Domestic Rates / Retained Business Rates	(29.452)	0.000	(29.452)	(29.452)	0.000
Top Up Grant	(43.724)	0.000	(43.724)	(43.724)	0.000
Council Tax Requirement	(114.765)	0.000	(114.765)	(114.765)	0.000
Forecast Outturn Position	0.000	0.000	0.000	3.941	(3.941)

Cabinet Meeting 14th July 2022

Major Earmarked Reserves

Reserves	Purpose of the Reserve	Opening Balance 01.04.2022 £m £m	Forecast Movement in Year £m	Closing Balance 31.03.2023 £m £m	Opening Balance 01.04.2023 £m £m	Forecast Movement in Year £m	Closing Balance 31.03.2024 £m £m	Opening Balance 01.04.2024 £m £m	Forecast Movement in Year £m	Closing Balance 31.03.2025 £m £m
General Fund	General Fund of the Council	12.000	0.000	12.000	12.000	0.000	12.000	12.000	0.000	12.000
School Balances	Balances held by schools under a scheme of delegation	9.782	(4.121)	5.661	5.661	(2.191)	3.470	3.470	(2.000)	1.470
Earmarked General Fund Reserves – Capital										
Riverside Transfer	Reserve established to fund capital works associated with the Homes and Communities Agency land transferred to the Council.	9.037	(0.389)	8.648	8.648	0.000	8.648	8.648	0.000	8.648
Capital Priorities Reserve	A reserve established to address some of the Council's key capital developments and strategic priorities.	7.857	(4.161)	3.696	3.696	(0.027)	3.669	3.669	(3.669)	0.000
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.	9.362	(2.006)	7.356	7.356	(2.582)	4.774	4.774	(1.050)	3.724
Strategic Investment Reserve (Capital)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	2.461	(1.374)	1.087	1.087	(1.087)	0.000	0.000	0.000	0.000
Commercial and Economic Development Activity	Reserve established to take advantage of commercial and economic development opportunities that will meet priorities of the Council.	0.884	(0.577)	0.307	0.307	(0.307)	0.000	0.000	0.000	0.000
Culture House	A reserve has been set aside to provide funding for a range of immersive technologies in the new Culture House	3.000	0.000	3.000	3.000	(3.000)	0.000	0.000	0.000	0.000
Strategic Investment Plan Reserve	This reserve is necessary to fund part of the Council's contribution to its Strategic Investment Plan	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Earmarked Capital Reserve	Funding set aside to fund future capital projects previously approved.	1.798	(0.319)	1.479	1.479	(0.050)	1.429	1.429	(0.050)	1.379

Appendix C (continued)

Reserves	Purpose of the Reserve	Opening Balance 01.04.2022 £m	Forecast Movement in Year £m	Closing Balance 31.03.2023 £m	Opening Balance 01.04.2023 £m	Forecast Movement in Year £m	Closing Balance 31.03.2024 £m	Opening Balance 01.04.2024 £m	Forecast Movement in Year £m	Closing Balance 31.03.2025 £m
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.	8.202	(8.202)	0.000	0.000	0.000	0.000	0.000	0.000	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.	34.601	(5.543)	29.058	29.058	(9.000)	20.058	20.058	(9.000)	11.058
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.	10.747	(1.500)	9.247	9.247	(3.000)	6.247	6.247	(3.000)	3.247
Strategic Investment Reserve (Revenue)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	5.641	(2.764)	2.877	2.877	(1.630)	1.247	1.247	0.000	1.247
Insurance Reserve	This reserve has been established to provide for potential future claims or claim increases.	5.470	0.000	5.470	5.470	0.000	5.470	5.470	0.000	5.470
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	(0.300)	3.981	3.981	(0.500)	3.481	3.481	(0.500)	2.981
SIB Reserve	A reserve held to fund future allocations through the Strategic Initiatives Budget.	4.498	(0.500)	3.998	3.998	(0.500)	3.498	3.498	(0.500)	2.998
Public Health Grant	Ringfenced Public Health grant funding, to deliver future public health initiatives.	5.088	(0.520)	4.568	4.568	0.000	4.568	4.568	0.000	4.568
Smart Cities	This reserve was established to set aside revenue funding to cover 8-10 years, to support 5G and Wireless connectivity within the city.	4.000	(0.500)	3.500	3.500	(0.500)	3.000	3.000	(0.500)	2.500
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.	4.198	(3.319)	0.879	0.879	(0.879)	0.000	0.000	0.000	0.000
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	3.109	0.000	3.109	3.109	0.000	3.109

Appendix C (continued)

Reserves	Purpose of the Reserve	Opening Balance 01.04.2022 £m	Forecast Movement in Year £m	Closing Balance 31.03.2023 £m	Opening Balance 01.04.2023 £m	Forecast Movement in Year £m	Closing Balance 31.03.2024 £m	Opening Balance 01.04.2024 £m	Forecast Movement in Year £m	Closing Balance 31.03.2025 £m
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.	2.941	(2.000)	0.941	0.941	(0.941)	0.000	0.000	0.000	0.000
Education Redundancy Reserve	The reserve was established to meet the anticipated costs of redundancies as a result of falling pupil rolls within maintained schools.	2.079	0.200	2.279	2.279	0.200	2.479	2.479	0.200	2.679
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	(0.247)	1.904	1.904	(0.267)	1.637	1.637	(0.307)	1.330
Low Level Family Support	Reserve to support activities with families and individuals to address the challenges of recovering from the pandemic.	4.386	(2.000)	2.386	2.386	(2.200)	0.186	0.186	(0.186)	0.000
Children and Young People Recovery	The reserve was established for TfC to deliver a range of activities that will support covid-recovery activities.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	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	1.533	0.000	1.533	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.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	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.	1.459	(0.250)	1.209	1.209	(0.250)	0.959	0.959	(0.250)	0.709
Airport Smoothing Reserve	Reserve established to smooth any delayed airport loan interest payment that may arise.	1.253	0.000	1.253	1.253	0.000	1.253	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	(0.250)	0.950	0.950	(0.600)	0.350	0.350	(0.350)	0.000
Riverside Transfer	Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.	1.092	(0.105)	0.987	0.987	(0.104)	0.883	0.883	(0.105)	0.778

Appendix C (continued)

Reserves	Purpose of the Reserve	Opening Balance 01.04.2022 £m	Forecast Movement in Year £m	Closing Balance 31.03.2023 £m	Opening Balance 01.04.2023 £m	Forecast Movement in Year £m	Closing Balance 31.03.2024 £m	Opening Balance 01.04.2024 £m	Forecast Movement in Year £m	Closing Balance 31.03.2025 £m
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.	0.816	(0.204)	0.612	0.612	(0.204)	0.408	0.408	(0.204)	0.204
Health and Social Care Reserve	Additional external income from in-year Health funding to support health and social care services in Sunderland in the short to medium term.	9.336	(3.550)	5.786	5.786	(3.306)	2.480	2.480	(1.378)	1.102
Energy and General Inflation	Reserve established in response to significant inflationary pressures expected to impact council services in the short to medium term	5.750	(4.000)	1.750	1.750	(1.750)	0.000	0.000	0.000	0.000
Member Recovery Fund	Members Covid Response fund	1.000	(0.160)	0.840	0.840	(0.840)	0.000	0.000	0.000	0.000
Other Earmarked Revenue Reserves	Numerous small revenue reserves less than £1m which are set up for specific purposes.	19.382	(8.215)	11.167	11.167	(3.299)	7.868	7.868	(2.489)	5.379
Total General Fund Reserves		200.394	(56.876)	143.518	143.518	(38.815)	104.703	104.703	(25.338)	79.365
Capital Receipts Reserve	Balance of capital receipts held, pending use to fund the capital programme.	9.723	(7.632)	2.091	2.091	(2.091)	0.000	0.000	0.000	0.000
Capital Grants Unapplied	Balance of capital grants held pending expenditure on capital programme.	5.945	(4.945)	1.000	1.000	(1.000)	0.000	0.000	0.000	0.000
Total Usable Reserves		216.062	(69.453)	146.609	146.609	(41.906)	104.703	104.703	(25.338)	79.365

PERFORMANCE MANAGEMENT UPDATE – QUARTER 4 OF 2021/22

REPORT OF THE CHIEF EXECUTIVE

1. PURPOSE OF THE REPORT

- 1.1 To provide the Committee with the Corporate Performance Report for Quarter 4 of 2021/22.
- 1.2 The Senior Manager – Corporate Strategy will attend the meeting to respond to questions.

2. CORPORATE PERFORMANCE FRAMEWORK

- 2.1 A key element of the Council's Corporate Performance Management Framework is to present, on a quarterly basis, an update to the Scrutiny Coordinating Committee on key performance information for consideration and discussion.
- 2.2 The Council's Corporate Performance Management Framework is aligned to the Sunderland City Plan 2019 – 2030.
- 2.3 The City Plan 2019-2030 covers:
 - A Vision for the city and Values for the council which provide the focus for the council's activity
 - Three Key Themes – Dynamic Smart City, Healthy Smart City and Vibrant Smart City - which are used to organise the council's aims
 - A set of Commitments for each Key Theme under which the council's Activities are aligned
 - A Timeline of Activities illustrating the council's actions across all of the Key Themes.
- 2.4 The Corporate Performance Report is aligned to the three key themes of the City Plan (*Dynamic Smart City, Healthy Smart City and Vibrant Smart City*) as well as including additional Council indicators for organisational health / productive & innovative working, financial management and a council ready for the future.
- 2.5 The report sets out the progress made to the end of Quarter 4 of 2021/22, against a City Plan that commenced in 2019 and spans an eleven-year period through to 2030.
- 2.6 Following the City Plan's publication in 2019, the first review was undertaken following the conclusion of performance for 2019/20, as the impacts of Covid-19 started to become apparent. The refreshed plan

was adopted from 1st April 2021. This Quarter 4 of 2021/22 performance report is aligned to the refreshed plan.

- 2.7 A review and assurance process will be undertaken each year, to ensure that delivery remains focused on achieving the plan commitments, and the vision to create a connected, international city with opportunity for all by 2030.
- 2.8 The performance information in these quarterly reports informed the latest annual assurance. Analysis of the evidence concluded that the plan remained relevant, but given the significant, focus on tackling global climate change, a related challenge to support the council's and city's commitments in respect of carbon neutrality was included. The City Plan's accompanying Indicative Timeline, that articulates a flavour of key delivery projects and programmes, was also updated – for adoption from 1st April 2022.
- 2.9 It should be noted that detailed performance indicators for Children's Service are separately reported and discussed at the Children, Education and Skills Scrutiny Committee.

3 RECOMMENDATION

- 3.1 The Scrutiny Coordinating Committee is recommended to consider and comment on the information provided in the report.

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Beverley.Poulter@Sunderland.gov.uk

DYNAMIC SMART CITY

A lower carbon city with greater digital connectivity for all – more and better jobs – more local people with better qualifications and skills – a stronger city centre with more businesses, housing, and cultural opportunities – more and better housing.

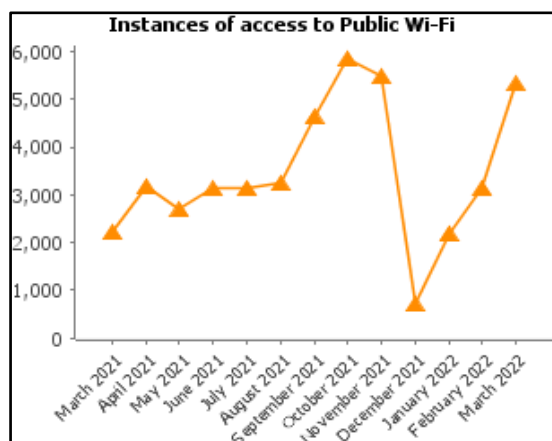


CITY CONTEXT

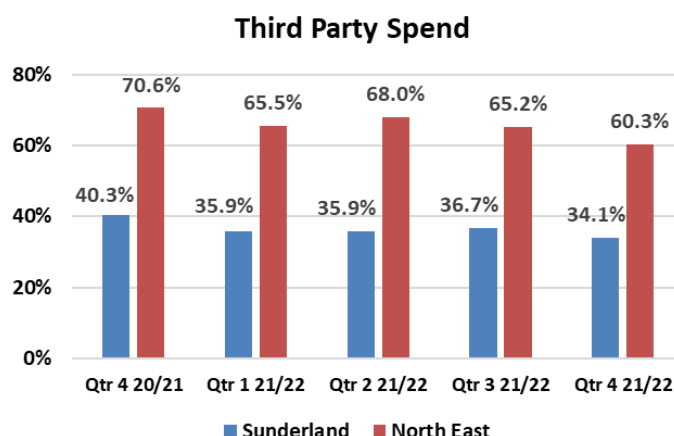
CURRENT DATA (LATEST AVAILABLE)	COMPARATIVE DATA	SUNDERLAND TREND
% Of properties with ultrafast broadband March 2022: 65.3%	UK 69.2%	Improving (March 2021: 64.6)
CO2 emissions estimates for Sunderland (per capita) 2019: 4.2 tonnes	NE 5.5, England 4.9	Improving (2015: 5 tonnes)
Employment rate Jan 2021 - Dec 2021: 68.9%	NE 70.2%, GB 74.8%	Declining (Jan 2020 - Dec 2020: 70.3%)
Proportion of workers earning below Living Wage Foundation rates 2020/21: 17.4% (provisional)	NE 19.6%, GB 17.2%	Improving (2016/17: 21.5%)
Median wage workers 2021: £513.10	NE £539 GB £613	Improving (2017: £493)
% Population NVQ Level 4 qualification 2021: 24.7%	NE 34.4% GB 43.5%	Declining (2017: 27.3%)
GCSE - % achieving a grade 4-9 in Maths & English 2020/21 (Teacher Assessed): 69.8%	NE 70.8%, England 72.2%	N/A (Exams & Teacher Assessed not comparable)
Level 3 (A level & equivalent) attainment by age of 19 in 2020/21: 50.3%	NE 53.5% England 59.8%	N/A (Exams & Teacher Assessed not comparable)
City Centre new homes Qtr. 4 2021/22: 0	N/A	No change (Qtr. 4 2020/21: 0)
People employed in the City Centre 2020: 13,348	N/A	Increasing (2016: 11,882)
Population of the City 2020: 277,846	N/A	Increasing (2016: 277,307)
Net Internal Migration 2020: -403	N/A	Declining (2016: -381)
New homes-built Qtr.4 2021/22: 248	N/A	Declining (Qtr.4 2020/21: 277)
Completed affordable homes Qtr.4 2021/22: 20	N/A	Declining (Qtr.4 2020/21: 41)

COUNCIL LED ACTION & PROGRESS

2021/22 Timeline	Status
Increase in economic activity at the Port	Completed
Onsite development of Sunderland Station	Extended
New City Hall opens on Riverside Sunderland	Completed
Roll out of 5G city-wide (partnership secured)	Completed
Increased business take-up of low carbon initiatives	Extended
Deliver connected, automated logistics project	Extended



*Wi-Fi was unavailable for a period in December due to unplanned maintenance



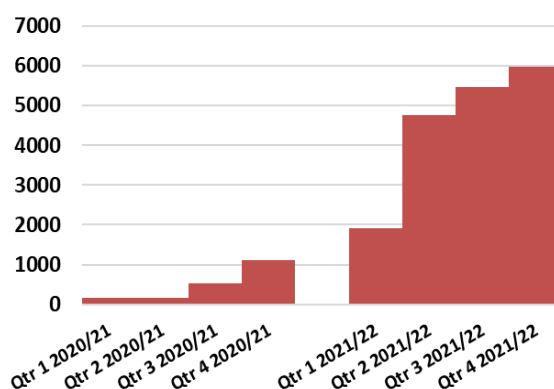
CO₂



6

Small and medium enterprises supported through Low Carbon Projects in Quarter 4

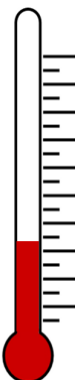
Jobs created with the involvement of the Business Investment team (cumulative)



1,272

people benefitting from Community Led Local Development as at the end of Dec 2021
Target = 2,300 by June 2023

City Centre Office Jobs

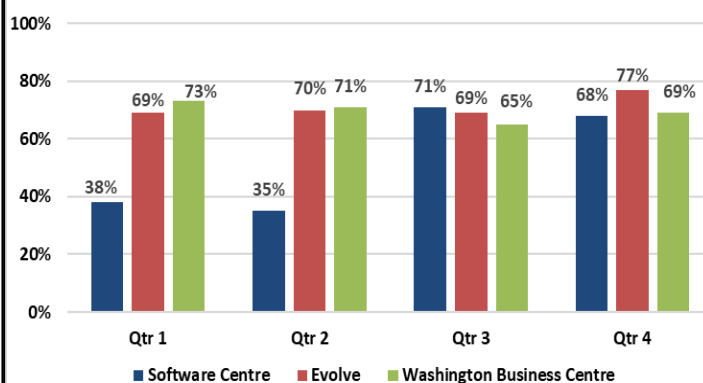


2,000
(target)
By March 2024

772

As at end of Mar 2022

Business Incubator Occupancy



Empty properties back in use



Apr 2021 – Mar 2022

A lower carbon city with greater digital connectivity for all

Our ambition is to lead the way on digital transformation to make Sunderland a Smart City, and through our Smart Cities Strategy we will deliver a range of use cases for smart working and living - with high speed and resilient digital connectivity central to our plans.

The proportion of Sunderland properties with ultrafast broadband had been on a continuous upward trend up to June 2021, reaching 65.1%. In August and December 2021, quality checks were undertaken resulting in the figure being reset at both points. The figure was 65.3% as at the end of 2021/22.

Since March 2021, instances of access to public Wi-Fi in the City Centre had been rising. A lower figure was recorded in December, due to unplanned maintenance resulting in full figures for the month being unavailable. The figure for March 2022 was 5,325 (more than double the March 2021 position of 2,223 instances).

The Connected Automated Logistics Project (CAL) has been extended due to labour shortages, and the project (which will see the automation of a 40-ton truck) is now expected to be completed by the end of Quarter 1 of 2022/23.

With greater digital connectivity there also comes the opportunity to transform our travel patterns, thereby reducing overall emissions. Through our rapid charging station, we continue to support the use of electric vehicles in the city. Transactions were up from 1,572 in Quarter 3 to 1,693 in Quarter 4, taking the total for 2021/22 to 5,236 (up from 1,488 in 2020/21).

We are actively working to become Carbon Neutral as a city by reducing our carbon emissions. Previously published data showed the CO₂ emissions estimate for Sunderland per capita (tonnes per resident) 4.2 for the year 2019 - lower than both the North-East and England.

Completion of an increased business take-up of low carbon initiatives was expected to be achieved in 2021-2022 through the delivery of the Sunderland City Council (SSC) and Northeast (NE) Low Carbon projects. Project plans were originally based upon approximately a third of businesses seeking grants and two thirds seeking advice. As the project has progressed, almost all the businesses engaged are seeking financial assistance to support implementation activity. Take-up of the projects and associated grants has been impacted by Covid restrictions and has initially been slower than anticipated. As restrictions have eased, the number of energy audits conducted and, the number of grants awarded, has risen. The SCC project has been extended (to June 2023) with additional funding in the business support strand.

Through the Sunderland element of the Northeast Low Carbon Support Programme for small and medium-term enterprises (SME's), 17 SME's have been supported in Quarter 4, taking the total for the year to 65.

More and better jobs

Our focus in our City Plan was on increasing the number of well-paid jobs in the city by promoting growth in key sectors including automotive and advanced manufacturing, financial and customer services, digital and software, as well as increasing professional services in the city centre, and port related activity. As the Coronavirus pandemic hit in 2020, and persisted into 2021, businesses and employment were impacted, and our aim now is to ensure that the city and its residents emerge from the Covid-19 pandemic in a strong and competitive position.

The latest figure for the employment rate for Sunderland relates to the calendar year 2021, in which the rate fell to 68.9% (124,900 aged 16+) compared to the calendar year of 2020 (at 70.3%). The Sunderland figure for 2021 is below the Northeast rate of 70.2% and the rate for Great Britain at 74.8%.

Through these challenging times for business, we've continued to ensure that our Council activity supports the local economy where possible. In 2021/22, 64.3% (£242m) of all Council third party spend was within the regional economy, and £33.6m of social value was secured through our procurement projects. The Council's total third party spend (in pounds) with regional suppliers has been increasing steadily since the 2018/19 financial year. In 2021/22, the spend with regional suppliers (excluding Sunderland) increased by a further £5.8 million.

The Port has had a very successful year for increasing its economic activity, as demonstrated by increased tonnage, which rose from 780,371 tonnes in the calendar year 2020 to 953,482 tonnes in calendar year 2021. The increased tonnage has also led to an increase in turnover from £5.967m in 2020/21 to £6.723m in 2021/22. Our aim of increased economic activity at the Port is being supported by funding from the Northeast Local Enterprise Partnership to enable 'shovel ready' sites on the Port Enterprise zones. Works so far have included road improvements (including re-alignment around the quays in the dock), an extension of the rail line across Endurance Park and the upgrade / construction of improved utilities. Alongside this a new crane was fully commissioned enabling heavy lifting capabilities to access the offshore market.

Progress continues at Hillthorn Business Park - the site is expected to deliver 620,000sq ft of industrial and advanced manufacturing space and approx. 1,600 jobs once fully developed. It will complement IAMP in supporting the needs of industrial, advanced manufacturing, storage and distribution business.

As a coastal city, local economic growth has also been supported through the Coastal Communities Fund Round 5 project, which included activity to support creative and cultural businesses.

More local people with better qualifications and skills

Through the City Plan, the aim is to ensure that residents' skills and qualifications enable them to secure good jobs that match the needs of employers in key sectors - thus reducing the gap in the median wage between Sunderland residents and Sunderland workers (with the weekly median wage for Sunderland residents being £29.30 lower than that for workers as of April 2021).

Latest (provisional) published data shows there has been an increase to 17.4% (in the tax year ending April 2021) in workers living below the Living Wage Foundation rate, when compared with the tax year ending 2020 (at 16.1%). Overall, however, the latest figure still represents an improvement in the long term, with the figure for the tax year ending April 2017 at 17.4%. Local data shows there are 57 accredited real Living Wage employers in the city and 6,202 workers employed by them.

As the city and its residents emerge from the pandemic, we will seek to ensure residents have the skills to be in a strong and competitive position to access employment. We will continue to focus on tackling the barriers for those least able to access employment through initiatives such as Community Local Led Development (CLLD).

1,272 people had benefitted from CLLD as at the end of December 2021. Provisional figures indicate that a further 125 have benefitted in Quarter 4 (taking the total to 1,397), however, this figure is likely to increase when final figures are confirmed. Under our Community Wealth Strategy, we are seeking to identify and develop funded opportunities to support local business development, and as at the end of Quarter 4 have a project in delivery – developed through the NE Business Innovation Centre and funded through CLLD.

Previously published data shows that 24.7% of the Sunderland population had a Level 4 qualification in 2021 (compared with the Northeast at 34.4% and Great Britain at 43.5%). In the

summer of 2022 pupils will once again sit exams at GCSE and A-level after Covid disruption resulted in exams being replaced by teacher assessment.

A stronger city centre with more business, housing, and cultural opportunities

As we recover from the COVID-19 pandemic our aspiration is that Sunderland city centre will drive transformational economic growth with Riverside Sunderland clearly demonstrating our investment ambition. In the long term there will be more people living and working in the City Centre.

Through Riverside Sunderland we aim to create a vibrant new city centre residential community of 1,000 sustainable new homes, promoting more city centre living (previously published annual figures show the City Centre residential population at 3,089). Plans are progressing on the *Future Living Expo* that will provide events and experiences to engage visitors in new and sustainable ways of living. The Business Plan is in place including 'Green' and 'Smart' engagement programmes.

Riverside Sunderland will also comprise of 1 million square feet of modern offices, commercial premises, and other employment space, creating new sites for businesses to grow – and it is now home to the Council with the opening of City Hall. Previously published annual figures (for 2020) show 13,348 people employed in the City Centre. At the end of Quarter 4, 772 new city centre office jobs have been created since April 2019.

Riverside Sunderland, along with the wider City Centre will benefit from a new heat and power network and we continue to progress our plans for a range of physical developments such as the onsite development of Sunderland station and new station hotel. In Quarter 4, there was on-site progress on the south entrance of Sunderland station with completion expected Spring 2023.

More and better housing

Through our City Plan we seek to ensure that Sunderland offers the opportunities that families and individuals need to achieve their ambitions – with a housing offer that reflects the homes that people aspire to live in. This includes larger family and high-status homes as well as more affordable homes. This will be achieved through the delivery of key housing sites, and in Quarter 4 phase 2 infrastructure works commenced on the key housing site at Chapelgarth and there was planning consent for the New Ashbrooke housing site (former Civic Centre).

Figures previously published for out migration showed a slowing from a net of -511 in 2019 to -403 in 2020. Whilst the latest figure is higher than the five-year long-term trend figure of -381 for 2016, the 2016 figure was the lowest figure reached before figures declined substantially in 2017 (to -748) and then began reducing year on year.

Although there were fewer newly built properties in Quarter 4, compared with the same period in the previous year, overall, across the year of 2021/22, there have been more than in 2020/21. At the end of 2021/22, there are 964 additional homes across the city (including newly built properties *and conversions*) - of which 579 are in council tax bands C-G. There have been 20 completed affordable homes in Quarter 4, taking the total for 2021/22 to 50.

Alongside more homes, we are also committed to ensuring that the housing we have is of quality - with 4 empty properties brought back into use in Quarter 4 (taking the total for 2021/22 to 39), and 230 privately rented properties inspected for hazards (taking the total for 2021/22 to 616).

HEALTHY SMART CITY

Reduce health inequalities enabling more people to live healthier longer lives – access to equitable opportunities and life chances – people enjoying independent lives – a city with great transport links – cleaner and more attractive city and neighbourhoods.

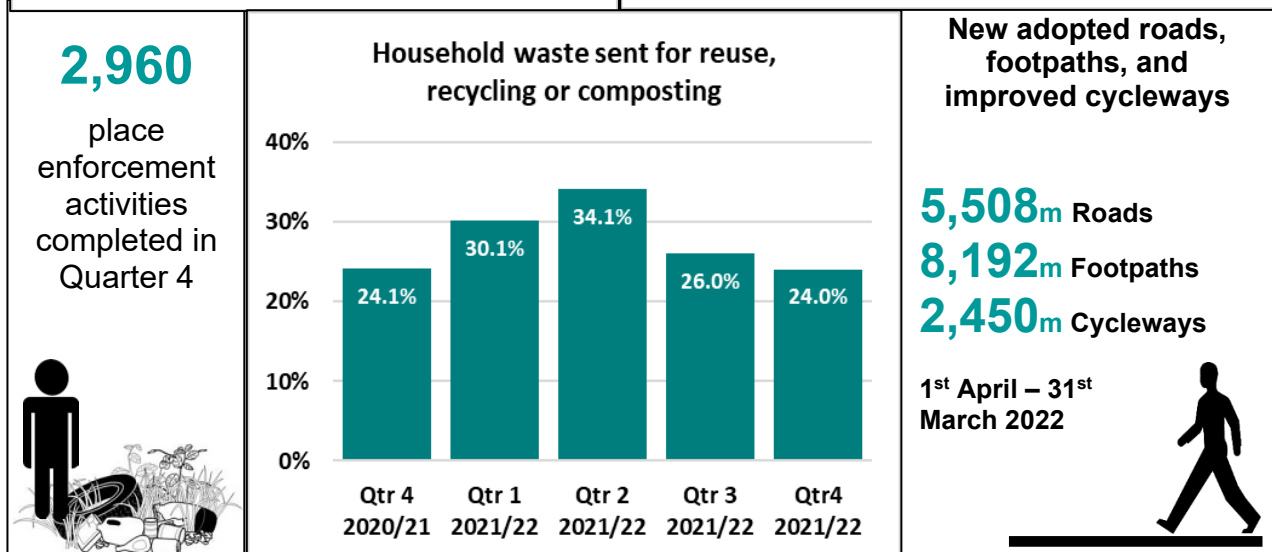
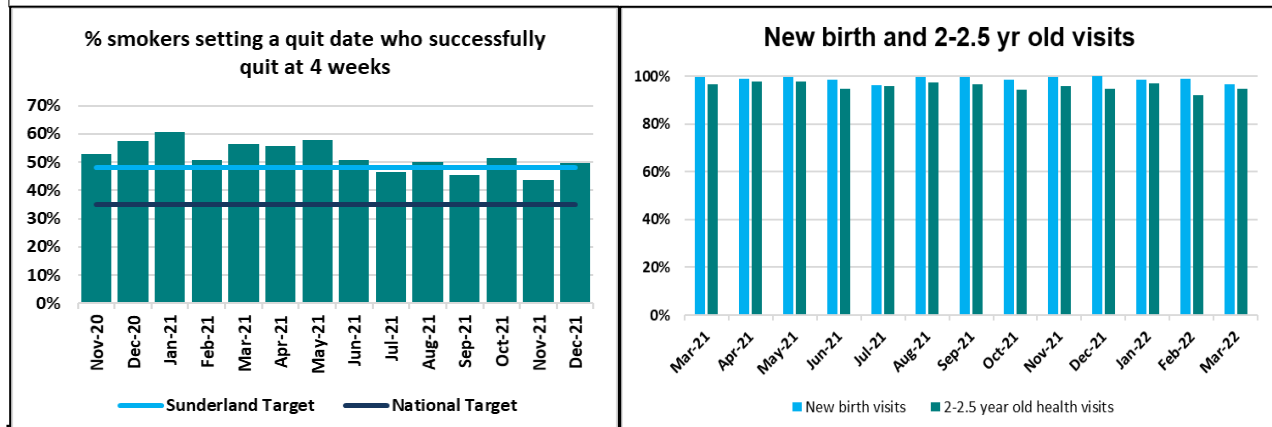
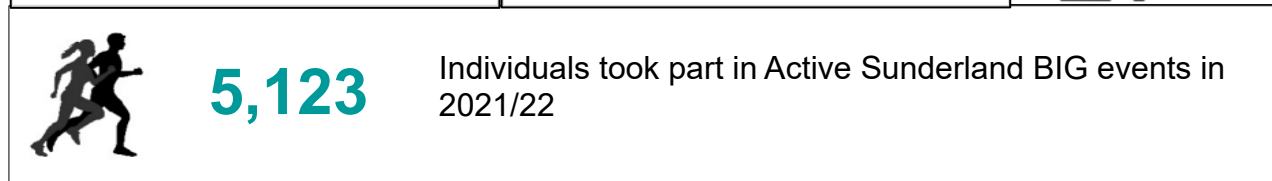
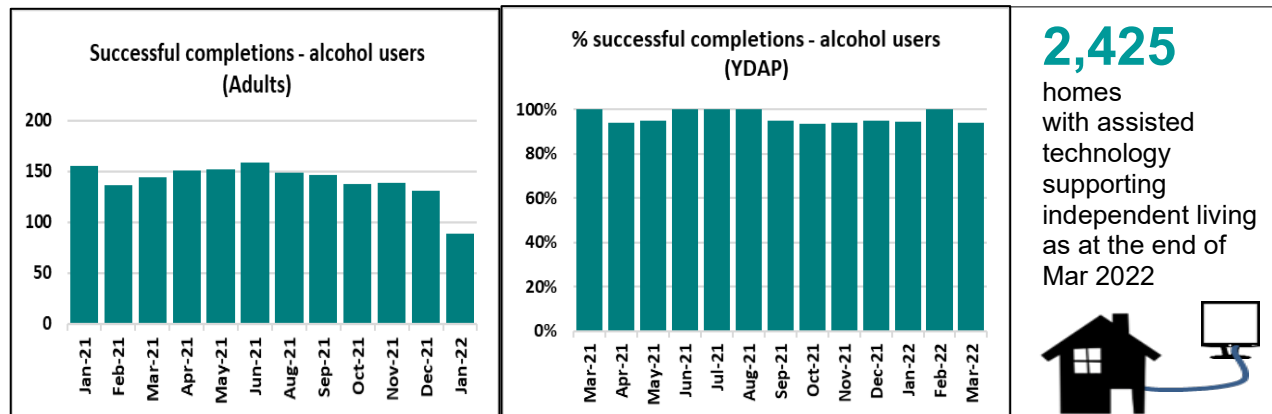


CITY CONTEXT

CURRENT DATA (LATEST AVAILABLE)	COMPARATIVE DATA	SUNDERLAND TREND
Healthy Life Expectancy at birth 2018-2020 as at 2021/22: Female: 56.9 yrs. Male: 56.1 yrs.	England 63.9 yrs. NE 59.7 yrs. England 63.1 yrs. NE 59.1 yrs.	Declining (2014-2016: 59.3 yrs.) Declining (2014-2016: 58.8 yrs.)
Admission episodes alcohol-related 2020/21: 2,401 (Broad, Persons, per 100,000 pop)	England 1,500, NE 1,979	N/A (Not comparable due to change in methodology)
Smoking prevalence: 2019/20: 14.6%	England 12.1%, NE 13.6%	Improving (2015/16: 18%)
The proportion of adults living with overweight or obesity 2020/21: 69.1%	England 63.5%, NE 67.7%	Declining (2016/17: 67.7%)
Prevalence of overweight (incl. obese) among children in Year 6 2019/20: 36.9% (Local authority data not included in the release for 2020/21)	2019/20 England 35.2%, NE 37.5% 2020/21 England 40.9%, NE 44.2%	Improving (2015/16: 39.8%)
% Of people that are fairly active / active (Active Lives – Public Health) 2020/21: 74%	England 76.6%, NE 74.4%	No change (2016/17: 74%)
Women who smoke at time of delivery Qtr. 3 2021/22: 15%	England 8.8% NE 11.8%	Improving (Qtr. 2 2020/21: 15.4%)
EYFSP Good level of development 2018/19: 72.6% (2020/21 data release cancelled)	England 71.8%, NE 71.8%	Improving (2014/15: 66%)
Teenage pregnancy (under 18 conception rate) rolling year: Qtr. 4 2020/21: 22.2	England 14, NE 19.4	Declining (Qtr. 4 2019/20: 21.9)
Proportion of people (18+) living independently (without social care services) Qtr. 4 2021/22: 98.2%	N/A	No change (Qtr.4 2020/21 98.2%)
Litter - % of relevant land & highways with deposits that fall below an acceptable level Qtr. 4 2021/22: 16.4%	N/A	Declining (Qtr.4 2020/21: 15.5%)

COUNCIL LED ACTION & PROGRESS

2021/22 Timeline	Status
Deliver Sunderland Covid-19 Health Inequalities Strategy Action Plan (*2021/22 actions).	Completed*
New Primary School opens	Completed
SSTC3 (Northern Spire to City Centre) opens	Completed



Reduce health inequalities enabling more people to live healthier longer lives

Our City Plan recognises the need to ensure that health and wellbeing outcomes are significantly improved, with recently published healthy life expectancy at birth in Sunderland (at 56.1 years for males and 56.9 for females 2018-2020), lower than the Northeast and England and declining.

The onset of the COVID-19 pandemic in early 2020, brought a new health challenge to the city. In response, our Public Health team led on managing outbreaks in line with the COVID-19 control plan and worked with environmental health and trading standards to provide advice and guidance on compliance with restrictions. The council provided local trace arrangements for positive COVID cases until all contact tracing ceased on 24 February 2022. When the local trace team closed, it had successfully reached 20,563 cases with a success rate of 82%. This compared to a 59% success rate across all similar local schemes in England.

In addition to the impacts of infection, we know that the pandemic will have had wider health implications in relation to behaviours that can cause harms to health such as smoking, alcohol consumption, inactivity, and poor diet (leading to obesity). We will continue to work, with our partners, on areas where we can support people to make healthy choices and stay active. In response to the Covid-19 we developed a Health Inequalities Strategy Action Plan, and the actions set out for 2021/2022 have been delivered with further on-going action incorporated into the Healthy City Plan and other health delivery plans.

An updated figure has been published for hospital admissions (adults) due to alcohol - at 2,401 for Sunderland, 1,979 for the Northeast average and 1,500 for England. Although the figures suggest a reduction (improvement) for Sunderland in comparison to previous figures, with a greater reduction for Sunderland, than for comparator data - due to changes in how the statistics have been compiled figures are not directly comparable with previous trends. In Quarter 4 activity has been completed to support a reduction in the misuse of alcohol through promoting the Dry January campaign.

Activity has also been completed to support a reduction in smoking in the city through the implementation of the Smoke Free Action Plan – including a focus on citywide health inequalities and wider determinants of health. Work has also been undertaken to ensure that pathways and interventions are established through drop-ins delivered by the 0-19 Service. In Quarter 3 (latest available data) 47.9% of smokers setting a quit date successfully quit at 4 weeks (183 successful quitters of 382 quit attempts).

Latest figures for the proportion of adults who are living with overweight, or obesity, show a reduction from 73.5% in 2019/20 to 69.1% in 2020/21 (though figures remain above the Northeast and England). Progress is being made against key actions in the Healthy Weight Action Plan (based on a whole system approach) and the Healthy Weight Declaration was formally signed and adopted in February 2022. The Sunderland Weight Management programme commenced in August 2021 and has already exceeded its aim to support 1,500 residents in the first year (ending June 2022), having received 1,686 referrals by the end of March 2022.

Latest available data published by Public Health England, shows there were 74% of people in Sunderland who were active or fairly active in 2020/21, in line with the Northeast figure of 74.4% (2% behind England at 76%). There were 482,674 Leisure Centre attendances in Quarter 4 (taking the total for 2021/22 to 1,634,494) and 320 new sign-ups to the Sunderland Step up App (taking the total for the year to 841). There were 11,164 visitors through the turnstiles of Football Hubs with 2,254 games played (taking the totals for the year to 186,071 through turnstiles, and 7,714 games). We continue to promote healthy choices by our own people through the Employee Wellness programme, with enhanced communication arrangements and readiness for City Hall completed in 2021/22.

Latest data previously published in September 2021, for the three-year period of 2018-2020, shows the suicide rate for Sunderland increased (in line with the national trend) to 14.4 per 100,000 (age 10+) from 12.4 (for 2017-2019), and is above the England rate of 10.4 and Northeast rate of 12.4. Due to the gap between the reporting period and the publication of Suicide rates data (based on suicides determined through Coroner's inquest), the Northeast Real-Time Data Surveillance System figures (based on suspected suicides from Police reports) is fundamental to understanding and response.

These local live figures show that Sunderland had the highest level in the region of suspected suicide in 2020 and 2021, but following significant local collaborative work focusing on prevention, Sunderland has shown the greatest decrease in the region January to May 2022. Key actions completed include refocusing on the Suicide Prevention partnership, re-establishing a new action plan, embedding a suicide coordination arrangement in place to ensure progress against plans, and significant work in primary care. Alongside this, training for self-resilience has been delivered to residents, workplaces, schools, and wider partnerships. The training programme included SOS Support on Suicide, Emotional Resilience, Mental Health for Managers, Mental Health First Aid and Introduction to Mental Health. In 2021, 190 people were trained, and figures on numbers trained to the end of September 2022 will be available in November. As a Council we are progressing work towards signing up to the Mental Health Concordat.

Access to equitable opportunities and life chances

We are taking a life course approach to health and wellbeing starting with the early life stages of preconception to early years and adolescence under this commitment. The latest figure on women who smoke at time of delivery (for Quarter 3 of 2021/22) is 15% (104 smokers of 694 maternities). This is 0.4% lower than the same period in the previous year.

At 30.3% for Quarter 3 of 2021/22 (latest available data) for the proportion of infants being breastfed exceeded 30% for the first time (based on local records commencing 2012/13), though performance remains below the England position of 48.8% (Northeast figures unavailable). This follows on from work led through the Best Start in Life Working Group to promote a culture of breastfeeding and maternity services achieving UNICEF Baby Friendly accreditation. Work has been undertaken to identify barriers to breastfeeding using the results of the Infant Feeding Research Project and actions have been taken in relation to the 0-19 Service.

Latest available local data (for March 2022), shows a 96.5% of new birth visits and 94.6% of 2.5-year-old checks have been carried out in timescale. Validated national statistics for the earlier period of Quarter 3 of 2021/22, shows performance was better than for England and the North-East. There was no update on the Early Years Foundation Stage Profile (EYFSP) Good Level of Development as the 2020/21 data release was cancelled.

The rate of under 18 conceptions (teenage pregnancy) for Sunderland has risen to 22.2 for 2021/22 (compared with 21.9 for 2020/21) and is above the England and North-East rates (of 14 and 19.4) – with intelligence on the impact of Covid and increased conceptions now starting to show in the data. A revised and focused action plan is being developed based on feedback from the Teenage Pregnancy Action Group. The Children and Young People's Sexual Health Services enhanced offer is in place to provide access to contraception and pregnancy advice options.

Under this commitment we seek to address inequalities in opportunities and life chances that exist across geographical areas through a community asset-based approach, as set out in our Neighbourhood Plans.

People enjoying independent lives

Although 98% of people 18+ in the city live independently (without social care services) based on mid-year population estimates, we remain committed to ensuring people in the city can enjoy independent lives.

In Quarter 4 work was completed in respect of the Health and Social Care Workforce Strategy with the implementation of the Integrated Health and Social Care Team. Action was also taken to complete and implement the findings of Recovery at Home reform.

With the roll out of the assistive technology in the home offer, 2,425 homes had the technology by the end of March 2022. Building on this 'Smart homes' approach for independent living, progress has been made on the Digital Catapult affordable warmth testbed with the deployment of solutions. The additional technology will enable the identification of homes that have become cold or damp. In Quarter 4 work was also completed to develop and implement a remote care offer for reablement, to compliment assisted technology and traditional care packages as an individual or blended approach. The new offer is based on a telephony application to ensure that people receive the equipment they need, and it continues to meet their needs subsequently.

83% of people who use services have control over their daily lives based on latest figures for 2019/20 (there is no update expected for 2020/21 (latest expected data) as the survey was cancelled due to Covid-19). The survey has been completed for 2022, and figures will be published later in the year via the Adult Social Care Outcomes Framework, along with figures from the Short & Long Term (SALT) statistical return.

Previously published data on the rate of emergency hospital admissions due to falls in people aged 65+ (per 100,000), showed an increase from 2,628 in 2019/20, to 3,164 for 2020/21 for Sunderland and figures were above both the Northeast (at 2,311) and England (at 2,023). With a partnership plan in place, agreed through the Aging Well Delivery Board, we are continuing our prevention work. This has included grant funding allocated for the delivery (via 7 voluntary and community sector organisations) of strength and balance activities for the over 65's commencing April 2022.

Great transport links with low carbon and active travel opportunities for all

Our emphasis within this City Plan commitment is about ensuring that people can move around the city with ease through improved transport routes - enabling access to key employment sites. A key Sunderland Strategic Transport Corridor is the dual carriage way link between the A19 and the Port of Sunderland and a key area of progress in 2021/22 was the opening of the 2km link between the Northern Spire and the city centre.

Alongside vehicle transport routes, great travel links is also about having the necessary infrastructure to enable active travel. In Quarter 4 there were 4,068m of adopted roads, 5,312m of adopted footpaths and 100m of new or improved cycleways (taking totals for 1st April 2021 to 31st March 2022 to 5,508m adopted roads, 8,192m adopted footpaths and 2,450m improved cycleways).

79.8% of schools received child pedestrian training (pedestrian training, Go Smarter, Road Safety talks or Safety Works) between April 2021 and March 2022 (4,903 children). 70% of schools received cycle training (Bikeability Levels 1, 2 & 3) in the same period (2,055 children).

Cleaner and more attractive city and neighbourhoods

Our focus here is on promoting environmental responsibility amongst residents to achieve a cleaner and more attractive city.

The percentage of household waste sent for reuse, recycling or composting in Quarter 4 was 24% (6,782 tons recycled, reused or composted of 28,193 tons of total household waste), with

the total for 2021/22 at 28.8% - maintaining the level achieved in 2020/21 (though below the aspiration of 32%). The new Household Waste Recycling Village is open with increased site recycling performance and Joint Municipal Waste Strategy (South of Tyne and Wear Waste Management Partnership) review has been completed (based on the Resource and Strategy for England).

At the end of Quarter 4, the percentage of relevant land and highways assessed as having deposits of litter that fall below an acceptable level was 16.4%, an increase compared with Quarter 4 of 2020/21 (at 15.5%), though within the target of 20%.

To encourage communities to take greater responsibility for their environment, in Quarter 4 we commenced delivery on a communications and education plan and have also completed '*Love where you live*' campaigns across each of the locality areas in the city. The impact of communication and awareness raising activity has been evaluated to refocus future activity based on the findings.

We are also issuing sanctions where appropriate following enforcement investigations. In Quarter 4, 2,960 enforcement activities had been carried out – 291 more than in the same period in the previous year (at 2,669). The enforcement activities included 333 investigations, 1,469 warning letters, 10 Community Protection Warnings, 23 Section 47 notices (businesses) and 927 Section 46 notices (residents). Both section 46 and 47 notices relate to the storage, disposal and presentation of waste under the Environmental Protection Act 1990.

VIBRANT SMART CITY

More resilient people – more people feel safe in their homes and neighbourhoods – more residents participating in their communities – more people visiting Sunderland and more residents informing participating in cultural events, programmes, and activities.

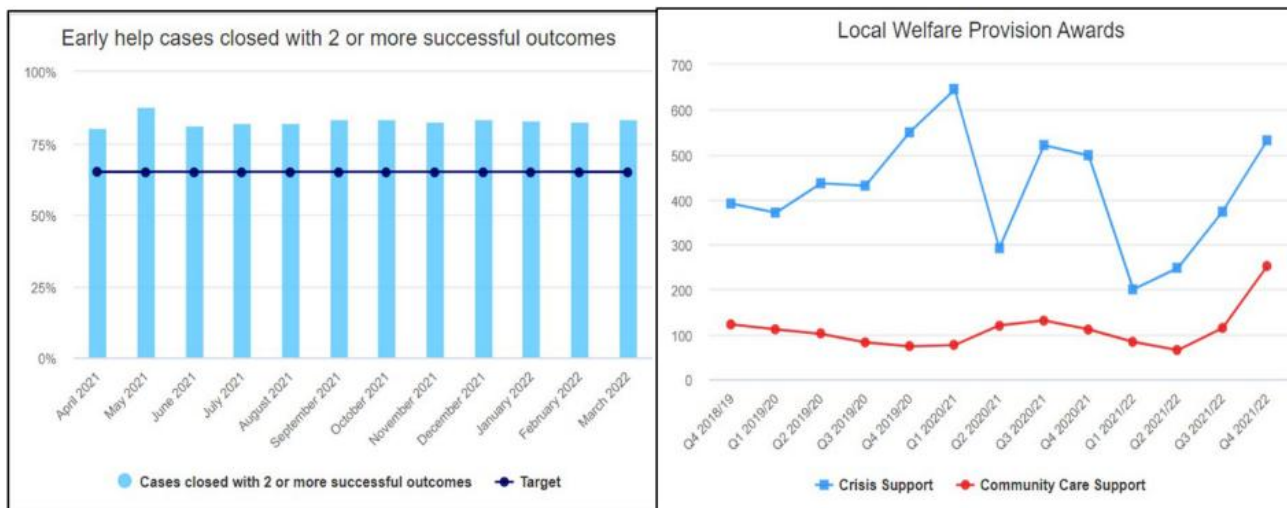



CITY CONTEXT

CURRENT DATA (LATEST AVAILABLE)	COMPARATIVE DATA	SUNDERLAND TREND
Rate of cared for children (per 10k) March 2022: 100.6	England 67 NE 108 SN 105.7	Improving (Mar 2021: 113.8)
Rate of CYP subject to a child protection plan (per 10k) March 2021: 60.2	England 41.4 NE 67.2 SN 56.1	Improving (Mar 2021: 75.5)
Rate of Children in Need (per 10k) March 2022: 388.1	England 321.2 NE 461.2 SN 415.3	Improving (Mar 2021: 426.4)
Residents supported by food banks Qtr.4 2021/22: 5,817	N/A	Declining (Qtr. 4 2020/21: 5,595)
Crime (recorded incidents): 2021/22: 27,982	N/A	Declining (2020/21: 27,422)
Residents' feelings of safety (local) Qtr. 3 2021/22: 95%	N/A	Improving (Qtr.3 2020/21:94%)
The proportion of people who use services who feel safe 2019/20: 79.7% (no survey undertaken in 2020/21)	England 70.2% NE 74.7% SN 72.8%	Improving (2015/16: 71.5%)
Number of visitors to the city 2020: 4,377,000	N/A	Declining (2016: 8,240,000)
Overall spend of visitors to the city 2020: £219m	N/A	Declining (2016: £399m)

COUNCIL LED ACTION & PROGRESS

2021/22 Timeline	Status
Commission new domestic abuse services model	Completed
Deliver Safer Streets (including female safety)	Extended






52 Events

facilitated by the Council, on Council land / in council buildings in 2021/22

3,019

children and young people involved in TFC consultation activity that informs the design, delivery, or evaluation of services in April 2021 – January 2022




Museum & Arts Centre Visitors

Figures not available for Arts Centre Qtr.2 2019/20. Museum / Arts Centres closed Qtr.1 & Qtr. 4 2020/21 due to COVID-19.

36

Activities delivered by the Heritage Partnership

Quarter 4 2021/22




Council supported volunteers Qtr 4 2021/22

- Libraries
- Chaperones
- Place based
- Events/Active programme
- Weekly programme

New Indicator

100% of retailers in the city to be engaged in the responsible retailers' scheme by March 2025.



More resilient people

We will support families to enable them to be resourceful to respond to challenges and achieve the best possible outcomes for their children. The rates of children in need, children subject to a Child Protection Plan, and Cared For children, have all reduced compared with the same period in the previous year.

The following Children's Service's key delivery targets have been met as at the end of Quarter 4: % of early help cases closed with successful outcomes (at 83.4%), % of all referrals with a decision within 24 hours (at 97%), % of children subject to a child protection plan receiving a statutory visit within 20 working days (at 97%), % of Cared for Children that have an up to date Personal Education Plan (at 99.8%), % of Cared for Children that have experienced 3+ placements within the last 12 months (at 8.3%) and % of care experienced young people aged 17-21 in touch with the service within 8 weeks of previous contact (at 87.8%).

We will support our people to be more resilient. We know that our communities have been greatly affected by the COVID-19 pandemic, with increased hardship experienced by some. During the first few months of the pandemic the use of foodbanks more than trebled and high usage continued throughout 2020/21, and into 2021/22. At 5,817 residents supported in Quarter 4 of 2021/22, the figure is higher than the same period in Quarter 4 of 2020/21 (at 5,595).

Although the need for Crisis Support Awards fell at the beginning of 2021/22 (at 200 for Quarter 1), figures then started to rise across the year reaching 532 for Quarter 4 of 2021/22 (compared with 498 for Quarter 4 of 2020/21) and the indications are that figures are continuing to rise into 2022/23. Whilst the aim is to reduce the need for crisis support, by supporting people to manage on an ongoing basis, it is recognised that the rise in the cost of living may push an increased number into crisis. Across 2021/22 Community Care Support has continued to be awarded, with figures also rising across the year and reaching 252 by Quarter 4 of 2021/22 (compared with 111 in 2020/21).

More people feeling safe in their homes and neighbourhoods

This commitment relates both to people feeling safe from crime and vulnerable adults who use our services feeling safe.

Overall, our residents feel safe in their local area, with the percentage consistently at 96% or above since 2012/13 to mid 2020 when figures fell slightly to 94% (based on the Northumbria Police Survey). Latest available data is for Quarter 3 of 2020/21 at 95%. Crime in 2021/22 (at 27,982 incidents) has increased compared with the previous year (27,422 incidents).

We are committed to disrupting criminal and anti-social behaviour through intervention and enforcement with 14 intelligence led pro-active disruption activities carried out in relation to licensing in Quarter 4 (62 in 2021/22). We hope to engage 100% of retailers in the city in our Responsible Retailers Scheme by March 2025. Engagement has commenced with retailers based on a targeted pro-active approach and in response to underage sales offences and other interventions.

A newly commissioned Domestic Abuse Service commenced on 1st April 2022 and is now being mobilised in accordance with the new specification.

The Safer Streets programme, managed through the Safer Sunderland Partnership, aimed to make public spaces including transport, parks and the night-time economy, safer and more inclusive – particularly for women and girls. The scheme was initially planned to the end of March 2022, however, further funding has enabled the programme to be extended into 2022/23.

More residents participating in their communities

This commitment is about residents, including children and young people, being able to engage with and participate in their communities. In Quarter 4, there were 179 active volunteers across a range of volunteering activities including place-based activities, Libraries, Volunteer Chaperones, Events & Active Sunderland and other weekly programme activities. The greatest proportion was place based.

By January 2022 (figures for February & March 2022 not available) there had been 3,019 children and young people involved in Together for Children consultation activities during 2021/22. This engagement will inform the design, delivery or evaluation of services.

'Crowdfund Sunderland' enables people to financially support local projects and causes through an online platform. In 2021/22 there have been 14 projects raising £111,587.

We continue to engage people through Sunderland UK social media channels, with a continuous increase in followers over the year. Facebook followers have increased by 980 (from 23,111 at the end of 2020/21 to 24,091 at the end of 2021/22). Twitter followers have increased by 1,202 (from 39,902 at the end of 2020/21 to 38,700 at the end of 2021/22).

More people visiting Sunderland and more residents participating in cultural events, programmes, and activities

In previous years the number of visitors to the city (and associated spend) has shown a continued upward trend (visitor numbers increased from 8,240,000 in 2016 to 9,490,000 in 2019 and spend from £399m to £500m in the same period). As the Coronavirus pandemic hit the UK in early 2020, however, cultural venues and events were particularly impacted due to the greater challenges of ensuring social distancing and safe delivery. Visitor numbers reduced from the 9,490,000 achieved in 2019 to 4,377,000 in 2020 and visitor spend reduced from the £500m in 2019 to £219m in 2020. Many cultural and visitor attractions remained closed / cancelled after other sectors began recovery.

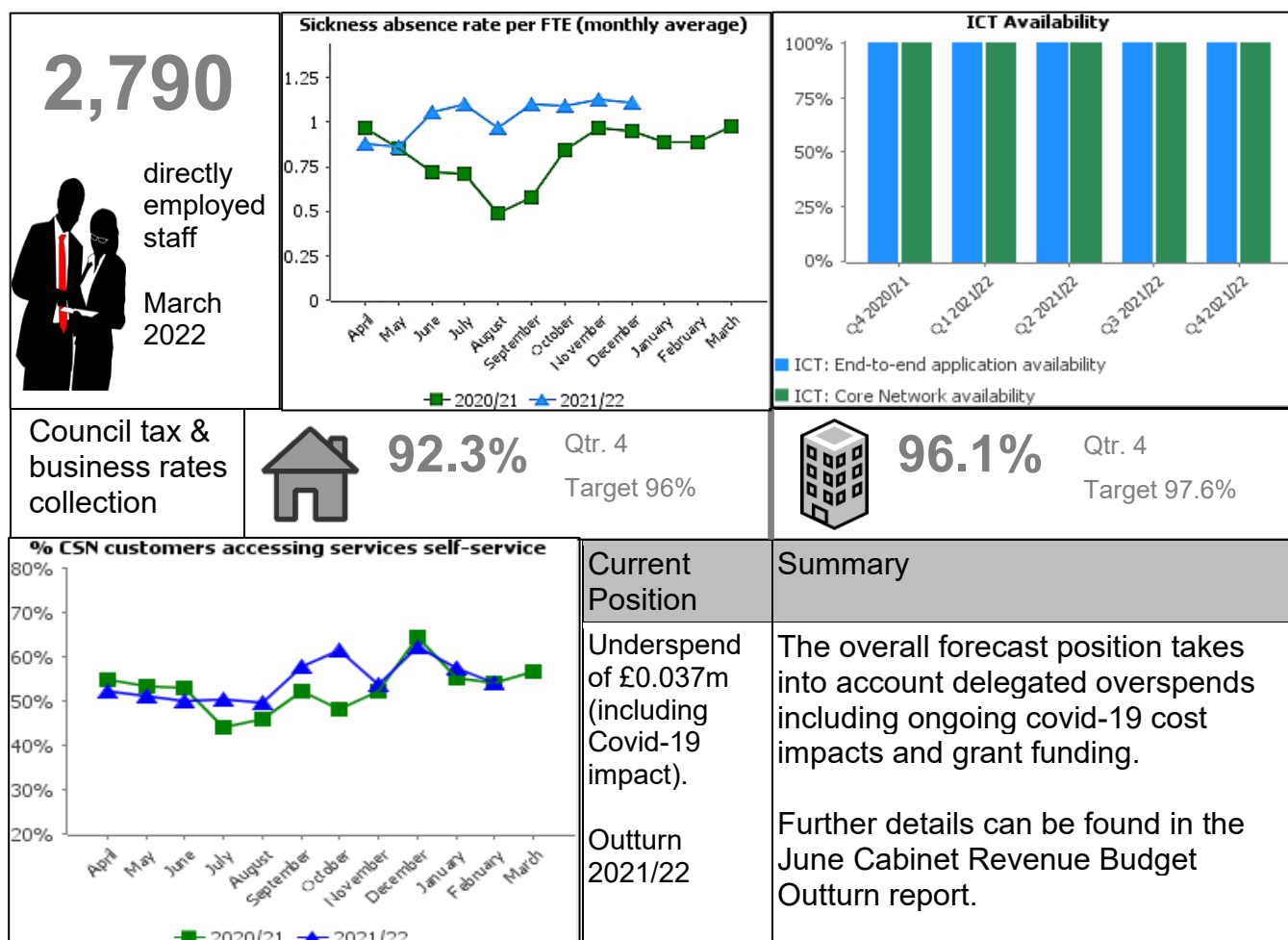
Sunderland Empire Theatre re-opened its doors on 2nd September 2021, attracted 28,556 visitors to the end of September, a further 80,621 visitors in Quarter 3 and 103,060 visitors in Quarter 4. The Museum and Winter Gardens and Washington Arts Centre re-opened mid-way through Quarter 1. In Quarter 4 the Museum and Winter Gardens received 49,583 visitors taking the total for 2021/22 to 184,976, the Washington Arts Centre received 38,219 visitors (taking the total to 83,926) and the National Glass Centre received 35,510 (taking the total to 117,839).

36 activities were delivered by the Heritage Partnership in Quarter 4 taking the total to 131 activities for the year. There were 60 organisations engaged in the Heritage Partnership Practitioners Network as at the end of 2021/22.

In Quarter 2, Libraries opened all sites and in Quarter 4 there were 40,794 library issues (including physical books, eBooks / e-Audio and e-Magazine) taking the total to 159,237 for 2021/22 with 313 new members in Quarter 4 (894 in 2021/22). In Quarter 4 there were 38,008 digital subscriptions (120,523 in 2021/22) and the Books at Home delivery service saw 416 interactions (1,677 in 2021/22).

ORGANISATIONAL HEALTH

Good organisational health – strong financial management – productive and innovative working – a council ready for the future



Good organisational health and strong financial management

At the end of Quarter 4, there were 2,790 directly employed staff, 61 more than in April 2019. We are committed to ensuring that we have a productive and healthy workforce, maintaining lower levels of sickness absence and ensuring we are an employer of choice.

Business Rates Collection (at 96.1%) and Council Tax Collection (at 92.3%) are under the expected levels (of 97.6% and 96%) reflecting the impact of Covid-19 on our businesses and residents.

We are committed to maximising external funding and financing opportunities. In Quarter 4, £3,989,768 has been secured through funding bids approved for a wide range of projects supported by the following programmes/funders: Self and Custom Build Scheme Phase 2 (One Public Estate/DLUHC/Cabinet Office); GP Social Prescribing Feasibility Study (DfT); Northern Spire Park Energy Feasibility Study (NELEP Energy Accelerator Programme/BEIS Heat Network Delivery Unit); Trees for Climate project (DEFRA); Queen's Green Canopy funding competition; Social Housing Decarbonisation Fund Wave 1 (BEIS); Cyber Security Resilience Fund (DLUHC), Historic England; Warm Homes Fund (Affordable Warmth Solutions),

Partnerships for People and Place (DLUHC); Link Together (Heritage Fund); Digital Connectivity Infrastructure Accelerator Pilot (DCMS); and Changing Places Toilets Programme (DLUHC).

There were no reports to the Information Commissioner's Office (ICO) by the Council in Quarter 4.

Productive and innovative working and a council ready for the future

As a Council we continue to deliver on the organisational change required to optimise productive and innovative working, to counteract financial uncertainty and ensure we are a Council ready for the future.

Located in the heart of the Riverside regeneration area, our City Hall is now fully operational and delivering on new ways of working for a modern future Council. The enabling of agile working through building design, facilities and technology is ensuring that staff can be in the right place at the right time to meet our customer needs, and the City Hall mobility hub is enabling sustainable travel options for our business purposes.

We are developing a new operating model to ensure that the council is as customer focused and effective as it can be with all 16 Corporate Support services under review with improvement activity underway, simplifying, automating, and digitising processes and transitioning to a self-help model.

The adoption and enhancement of digital technologies continues, all users have now transitioned to Microsoft Teams and traditional network shares have been decommissioned.

We continue to invest in our digital technologies, particularly our website and digital platform to enable more and higher quality digital interaction with our customers, thereby promoting self-serve. During Quarter 4, additional 'report it' functionality was added to the Elected Members Platform and the Customer Account was released on the Council's website with significant take-up to date. The Together for Children website has now been developed in the new platform as has the Council's intranet which will enable access for all frontline employees that do not have an ICT account. In Quarter 4, 55.7% (235,496) of our Customer Service Network customers accessed services through self-serve – exceeding the target of 46%.

REVIEW OF SCRUTINY ARRANGEMENTS IN SUNDERLAND

REPORT OF THE SCRUTINY, MAYORAL AND MEMBER SUPPORT COORDINATOR

1. Purpose of Report

- 1.1 The report provides the formal response and findings from the Centre for Governance and Scrutiny to their independent review of scrutiny in Sunderland.

2. Background

- 2.1 The review was commissioned to develop a clear and shared understanding on the role, purpose and objectives of the council's scrutiny arrangements.
- 2.2 The Independent Review was conducted by the Centre for Governance and Scrutiny (CFGs), engaging with all political parties and key officers before finalising their report with recommendations. 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 review was completed using a prescribed CFGS framework for discussion and debate on those issues and areas most important to Sunderland. These were:
- Organisational commitment and clarity of purpose
 - Members leading and fostering good relationships
 - Prioritising work and using evidence well
 - Having an impact.
- 3.2 The review was undertaken by Ed Hammond, Deputy Chief Executive CFGS, and Kate Grigg, Senior Research Officer CFGS, and conducted during the latter part of 2021 and completed in early 2022.
- 3.3 The full CfGS report has been circulated previously and is attached at appendix 1 of this report for Member's reference.

4. Findings from the Review

- 4.1 The summary of the report found that scrutiny was performing well overall with some actions required to strengthen certain ways of working. The emphasis was very much on ensuring that scrutiny remained focused on those issues that were important to local people. As well as new approaches to work programming and how that impact is monitored.

Organisational commitment and clarity of purpose

- 4.2 The review found a strong commitment to the support of scrutiny from both Cabinet Members and senior officers within the Council. However, there was a realisation that there needed to be a greater clarity on the role and purpose of scrutiny in the organisation.

- 4.3 The review also recognised the importance of Cabinet-Scrutiny relations and recommended the development of a protocol that could set out mutual expectations and responsibilities. As well as potentially providing an opportunity to formalise feedback on scrutiny recommendations to provide an ability to monitor progress on committee outputs.
- 4.4 It was also recommended through the review findings that improving work programming alignment with the City Plan and forward plan will ensure that the work of scrutiny remains relevant to the Council's main priorities and objectives.

Members leading and fostering good relationships

- 4.5 There is a collegiate way of working within scrutiny in Sunderland but can often favour detail over strategy and the potential to overlook the bigger picture. Therefore the review highlights the importance of better information sharing possibly through triangulation between Scrutiny Chairs, Cabinet Members and Directors to consider future issues and the part that scrutiny can potentially play.
- 4.6 The report also recommends that further work is undertaken to better support members in developing their skills and improve cross-party working. As well as training and development sessions for all Members to understand what is meant by 'good' scrutiny and the use of technical expertise in more complex reviews or task and finish working.

Prioritising work and using evidence well

- 4.7 Work programming is fundamental in ensuring that scrutiny remains focused on strategic issues where it can make the most impact and strengthening the process for developing work programmes. The report recognises that the most important criterion for any scrutiny issue is by looking at the issue what difference it can make to people's lives.
- 4.8 The review also recommended the greater use of briefings and the development of information digests to help in providing information to Members and reducing the number of information items going to Committees. As well as looking at different ways of improving engagement with the public, be that through communications, site visits or social media channels.

Having an impact

- 4.9 As in many Councils the impact of scrutiny is often difficult to discern, and this can be in part due to recommendations often not arising from scrutiny's consideration of an issue. To help improve this the review advises that scrutiny looks at how recommendations are made, and how their impact is measured. As well as increasing the use of task and finish groups which can provide more opportunities for Members to develop recommendations in a considered way.

5. Next Steps

- 5.1 There are a number of recommendations arising from the CfGS Scrutiny Review and they vary in their complexity, time required and involvement of scrutiny members. It will therefore be important to develop an action plan that can monitor the progress of recommendations from the review. It would be for the Scrutiny Coordinating Committee to develop and monitor the action plan as part of the ongoing development of the scrutiny function in Sunderland.

6. Recommendations

The Scrutiny Committee is recommended to:

- (a) Note and agree the Review of Scrutiny as conducted by the Centre for Governance and Scrutiny on behalf of Sunderland City Council.
- (b) Agree to develop an action plan for recommendations.
- (c) That the Scrutiny Coordinating Committee continues as the steering group for the development of the actions in terms of the scrutiny review.

To: Patrick Melia, Chief Executive, Sunderland City Council

Sunderland City Council
February 2022

Dear Patrick,

Scrutiny Improvement Review – CfGS consultancy support

I am writing to thank you for inviting the Centre for Governance and Scrutiny (CfGS) to carry out an evaluation of Sunderland City Council's scrutiny function. This letter provides feedback on our review findings and offers suggestions on how the Council could develop its scrutiny process.

As part of this feedback stage, we would like to facilitate a workshop with Members and Officers to reflect on this review and to discuss options for improvement.

Background

Sunderland City Council commissioned CfGS to advise and support its Members and Officers in a review of the Council's scrutiny function to ensure that it is effective in providing a quality contribution in accountability, policy and decision making, delivery of Council plans and overall improvement.

Sunderland has determined that it wishes to carry out a review to support it to:

- Set the strategic objectives for the scrutiny of services (both Council and partners)
- Develop a shared understanding of the purpose and crucial role that scrutiny plays
- Ensure that the scrutiny work programme is effectively designed to provide rigour and depth
- Focus on the priorities that matter most to local people
- Identify who, when and how scrutiny holds to account – focus on accountability
- Suggest areas where more in-depth scrutiny enquiries may assist the process such as specific task and finish groups
- Provide evidence of the impact of scrutiny and demonstrates that it plays an effective role in ensuring that decisions are effective and drive service improvement

Current scrutiny arrangements include one formal, overarching Co-ordinating Scrutiny Committee with a co-ordinating function in relation to the broad strategic issues which may fall within the remit of more than one service-based Scrutiny Committee. 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.

CfGS undertook a review of these scrutiny arrangements, involving evidence gathering online through conversations with Members and Officers, including the Council Leader and Cabinet Members, Group Leaders, Scrutiny Chairs, Members of the Scrutiny Committees, the Council's senior leadership team as well as Democratic Service Officers. In addition, we reviewed key documents and conducted a Member survey.

The following four elements were used as a framework for discussion, and to ensure that all key aspects of the Council's activity are evaluated and mapped against the council-specific areas of focus identified above.

1. Organisational commitment and clarity of purpose

2. Members leading and fostering good relationships
3. Prioritising work and using evidence well
4. Having an impact

The review was conducted by:

- Ed Hammond – Deputy Chief Executive, Centre for Governance and Scrutiny
- Kate Grigg – Senior Research Officer, Centre for Governance and Scrutiny

The findings and recommendations presented in this letter are intended to advise the Council in strengthening the quality of scrutiny activities, increasing the impact of its outputs, and through its Members, to develop a strong and shared understanding of the role and capability of the scrutiny function.

Summary

Scrutiny at Sunderland is overall performing well.

There are though a range of actions that could be taken to tighten up ways of working, and to ensure that the function continues to focus on the things that really matter for the council and for local people. As the area emerges from the pandemic the time is right to reflect, refocus and reprioritise.

Tackling these matters now – which should be manageable, and which will involve tweaks to ways of working and investment in some additional training and support – should be straightforward.

Most important is the need for concerted and proactive member leadership. Councillors are committed to scrutiny, and want to see it succeed. However, Sunderland's fairly traditional ways of working could do with review and refreshing – particularly given the different dynamics that have come with the shift in political balance at the authority.

The report below sets out some key potential actions:

- A new and clearer focus for scrutiny, led by councillors and vocally supported by the authority's leadership;
- A refreshed approach to work programming, informed by proportionate access to relevant information (including a new approach to public involvement) and;
- More consistency in how the impact of scrutiny's work is monitored, and understood.

Findings

1. Organisational commitment and clarity of purpose

Overall, the Council has a strong ongoing commitment to supporting scrutiny. Senior officers and Cabinet support scrutiny's work, and want to find ways for it to succeed.

As is the case in many councils, this commitment in theory can struggle to make itself felt in practice. All those we spoke to believed that there is the opportunity to make improvements to scrutiny. However, it has been difficult to find agreement on what those improvements might be, and the role that the council's leadership might have in moving things forward.

The function has been historically well-regarded and continues to carry out work of a high quality, but there is evidence of a difficulty more recently in ensuring that the function is focused – evidenced in part by the approach taken to work programming, which we discuss in more detail below. This is not fundamental in nature, but if unaddressed, could risk the emergence of more serious problems.

Members involved in scrutiny could do more to articulate the role that scrutiny should play in being an integral part of the council's governance and decision-making structure and contributing to the council's budgetary and policy making function. Clarity on scrutiny's role will make it easier for scrutiny members to engage with the executive productively. A lack of consistent agreement, or reflection, on what scrutiny is fundamentally for is at the core of this challenge. This looseness feeds through into an approach to work programming which lacks clarity (as we note in more depth below).

Through the conversations we conducted, scrutiny has often been characterised as either retrospective or reactive, focused on the Council's past and immediate action rather than the upcoming risks and opportunities for the city. This is not universally the case, but there should be a recognition that scrutiny needs to be able to probe and challenge more effectively on more strategic issues, especially those that are relevant to the challenges facing the Council. Scrutiny also needs to operate where it can have influence, and where it can input into the decision-making process at an earlier stage than it does currently. More regular engagement between scrutiny and the executive may lead to opportunities for the function to be more involved in policy development. This may involve a commitment to earlier access to and involvement with the core policy and decision-making activities of Cabinet – through review and consideration of the City Plan and Cabinet Forward Plan.

Cabinet members do attend scrutiny meetings, but there needs to be more consistency about the circumstances in which they are invited, and attend. When cabinet members do attend, the focus should be on their political accountability, with members preparing beforehand to be able to ask probing questions based on the tabled reports.

All of the above is founded on regular communication. Regular communication between scrutiny and Cabinet can help put scrutiny on a more equal footing will help create conducive conditions for effective challenge to happen, and will bring benefits in terms of improved decision-making.

This will need to happen in parallel with scrutiny choosing to scrutinise topics in such a way that Cabinet member attendance will add clear value, as we go on to discuss in more depth below.

We would recommend:

- **Clarity – led by scrutiny members themselves – on the role and purpose of scrutiny.** Scrutiny should be seen as a vital part of the governance framework, with the scrutiny function carrying out work which fills a defined niche.
- **Commitment from the executive to work with and actively support scrutiny's role, in particular through the development of a Cabinet-Scrutiny protocol.** A Cabinet-Scrutiny protocol should deal with the practical workings of scrutiny as well as ensuring that mutual expectations are understood and managed well. It might also be useful for feedback on scrutiny's recommendations to be formalised within the protocol, in order for the committees to monitor the progress of their output. Ultimately the council should look to promote a spirit of "parity of esteem" between scrutiny and the executive.
- **Scrutiny committees reviewing the way in which their work programme aligns with the Council's City plan and forward plan .** This will provide an opportunity to hold the Leader and portfolio holders to account for delivery of the city plan, and will ensure that scrutiny's work continues to be relevant to the authority's main priorities.

2. Members leading and fostering good relationships

Good governance is a collective responsibility and is as much about culture and behaviour as it is about systems.

Scrutiny's success is dependent on the right Members, with the right capabilities and attributes, leading and managing the scrutiny function. Chairs have a vital task in leading the committee, ensuring that it builds and maintains strong relationships with the Cabinet, Officers and relevant external partners. Sunderland is clearly committed to Member development, and training was raised by some Members who were aware of the gaps in their knowledge and understanding.

It was highlighted in interviews by opposition members that they would like a different approach to chairing to be considered. There is no single right approach to selecting Chairs - the emphasis ought to be on selecting Chairs based on skill set and capability, as well as providing ongoing training and support. However, there are potential benefits to taking a more pluralistic approach to leadership arrangements on scrutiny, and we suggest that there is potential to explore more leadership roles and responsibilities being made available to the opposition.

Generally, there appears to be a collegiate approach amongst most scrutiny Members, this was emphasised by Members sitting on Health and Wellbeing Scrutiny Committee. However, from our conversations some highlighted that scrutiny was not always a politically neutral space, where Members work effectively as a team. This includes planning work, and planning lines of questioning for Cabinet. There are disagreements about the role that opposition councillors should perform – particularly in respect of the leadership of the function. Recent changes to political balance in the authority have raised the profile of these disagreements. We should stress that disagreement and contention are an integral part of the scrutiny process – the important thing is that members should have the skills, capacity and support needed to address these matters in a way that satisfies, cross-party. As things stand, it has proven difficult to find the necessary solutions.

We heard that proactive engagement between scrutiny and Cabinet could be improved before and after scrutiny meetings. Regular communication between scrutiny Chairs and Cabinet Members (as set out in the section above) is a positive and essential part of ensuring that scrutiny is properly sighted on important issues. Chairs having more structured communications would encourage greater collaboration. This could be strengthened and enhanced through timetabled individual committee quarterly triangulation sessions – an opportunity for member-led planning and discussion of emerging priorities.

Scrutiny meetings in Sunderland can often favour detail over strategy and may overlook the bigger picture. The quality of questioning in scrutiny varies; in some instances, it is forensic and probing, but it is often more general and exploratory and sometimes superficial. There was a general sense from interviewees that questions often do not focus on the right issues and that, if they do, they do not do so in quite the right way. Some Members tend to ask information-gathering questions, rather than questions which explore and challenge issues. Training and development on questioning skills, aligned to the approach on work programming that we talk about below, should be seen as a priority. It is also likely to help if scrutiny is able to draw on the expertise of independent technical experts. Co-option (probably onto individual task groups rather than as standing members of committees) might provide a way to bring in this expertise – alternatively, some councils have in the past secured support from local academics on a more informal basis.

Although we heard there are scrutiny pre-meetings, there is little evidence from the minutes (or from the evidence we took from councillors) of co-ordinated questions or Members acting as a team with clear lines of inquiry. Pre-meetings should allow Members to give voice to their objectives for meetings and allow mutual motivations to be understood and questioning strategies

to be agreed. It is likely that differences (especially between groups) will remain and will in some cases be significant, but the airing of these differences will make it easier for Members to understand where consensus is possible. Pre-meetings need not be formal, resource-intensive events, and need not happen prior to every meeting, but should certainly be seen as a necessity when a scrutiny committee is preparing to look into a complex or high profile topic.

We would recommend:

- **Developing regular communication and information sharing so that scrutiny can be a resource that can inform Cabinet decision making (aligned to our recommendations below on work programming).** This could be achieved through reintroducing triangulation meetings between scrutiny Chairs, Cabinet Members and relevant Directors to consider future issues and the part which scrutiny could play in testing and shaping these forward plans. If the role and function of these meetings were tightly defined, and in line with our earlier recommendations on scrutiny's role, such meetings would also present an opportunity to share and discuss opportunities to involve scrutiny as an improvement asset.
- **Further steps need to be taken to improve cross-party working in scrutiny.** We expect that the development of a clear role for scrutiny, which is understood by all councillors (as suggested in the previous section), will help to develop a more collegiate atmosphere. This will not happen automatically. However, there was a perception that cross-party working could be further developed and a broad agreement that all Members have a duty to uphold their responsibilities as a scrutineer, attend meetings and work towards a shared goal in their committee. The council could consider cross-party mentoring or the drawing in of external coaching and mentoring support from the LGA to support a shift in mindset.
- **Training and development sessions for all committee members to develop a common understanding of what "good" scrutiny practice looks like.** Requiring scrutiny Members to attend basic, introductory training can provide a shared foundation of the powers and purpose of Overview & Scrutiny and how it can work in practice. Officers and Group whips should work together to highlight the importance of such training, and to ensure attendance. We think that it is likely that this introductory training would surface other development needs; the council may therefore need to revisit its member development strategy to expand its general support offer to scrutiny members.
- **Where necessary, securing technical assistance for councillors on more complex reviews** - To assist scrutiny Members in becoming more capable to develop questioning strategies on complex issues that will deliver high-impact and value-adding scrutiny, other councils have explored the appointment of technical advisers, or co-optees who can bring particular professional or personal experiences. Scrutiny councillors should consider, as part of work programme conversations, where drawing in outside support could bring benefits.

3. Prioritising work and using evidence well

Work programming is key to ensuring scrutiny stays focussed on strategic issues where it can make an impact, whilst making the best use of time and resources. In this respect prioritisation is essential, and scrutiny could benefit from an agreed methodology to filter and select topics for the work programme, as currently the methods by which topics on those programmes are selected is unclear.

We noted that each committee has a workshop at start of the year for work programming. Some interviewees felt that individual resident complaints seem to feature heavily in the work programme topics proposed by members, and the workshop for Health and Wellbeing Scrutiny was reported as a forum for personal concerns rather than evidence-based priorities. It is appropriate for the concerns of the public to inform scrutiny work programming; councillors may need to demonstrate more clearly with reference to other evidence why such concerns demonstrate the presence of a systemic issue that deserves scrutiny's time.

A number of members feel they have limited ownership in shaping the work programme and are not clear on how the agenda is set, and by whom. Some people told us that they felt that scrutiny can focus unduly on certain members' "hobby horses". Although it is difficult to see consistent evidence of this from agendas, minutes and reports, the way in which agendas are developed, meeting to meeting, could allow such a view to be fostered, and scrutiny members might need to consider the steps they take to identify and then justify the placement of an issue on the programme. As we have already noted, there is evidence to suggest that scrutiny's approach is fairly reactive – that it focuses more on immediately forthcoming decisions, rather than on broader, strategic matters. There is nothing intrinsically wrong with this approach, but part of a review of scrutiny's overall role should consider if it has the potential to deliver the greatest impact.

In our view members need themselves to collectively exercise more direction on the matters on which they want to focus. The first step will be the agreement of an overall role for scrutiny (as set out in the first section above). The second is the use of this tighter role to prioritise work, in a process led by councillors. Councillors should be responsible for satisfying themselves as to the value, and outcome, of every matter coming to scrutiny. This means more rigour both on topics to be scrutinised and on who is invited to give evidence on those topics.

Good work programming itself relies on more consistent access to high quality information and forward plans, and other management information. Members of all parties will need training and support to understand what high quality information should look like, and what they as elected representatives should expect to see. The 2019 statutory guidance on overview and scrutiny contains advice on how councillors and councils can go about managing information flows; in the short term, a key focus will lie in ensuring that matters are not brought to committee purely for information, with more efficient mechanisms (such as all-member, or Group, briefings) being used to "inform" members of ongoing council business. Currently most items on scrutiny agendas are 'to note' or 'for information' and reports presented to committees tend to be dominated by updates and progress reports. In part this reflects the unusual and unique circumstances prevailing during the pandemic but it was also a feature (less prevalent) of the pre-March 2020 work programme, and so the practice needs consideration.

Another key aspect of information-gathering is gaining insight from the public. We have not seen consistent evidence of scrutiny seeking to engage local people in its work. This is not atypical. Scrutiny functions around the country struggle to engage the public for a range of reasons. But it is important to make the attempt; with a renewed role and a more targeted work programme, scrutiny councillors should reflect on those issues most likely to capture the interest of the public, and the council should consider providing professional communications support to assist members in developing the strategies they need for success.

We would recommend:

- **Further strengthening the annual process for developing work programmes for each scrutiny committee** - Engaging Members, Officers, partners and the public to prioritise the topics for review. This could include selection criteria to identify appropriate topics for the work programme – although care will be needed to ensure that the use of criteria, if adopted, does not become a bureaucratic process. Ultimately, the principal criterion that should be satisfied by every item being considered by scrutiny is – by looking at this will we be able to make a difference to local people's lives? Making time outside committee for more detailed discussion of the work programme would also be sensible - currently the work programme is towards the latter end of the agenda at scrutiny meetings, which inevitably means that less time is spent on it.

Some councils have a single work programme for the entirety of the scrutiny function, rather than individual work programmes for each committee. We do not think that this is the right course for Sunderland at the moment. However, we do think it is important that, in developing work programmes, the chairs and vice-chairs of committees have ongoing regard to the work programmes being developed by other committees. Existing co-ordination does happen, but we think this could benefit from more reflection and challenge to ensure not only that committee agendas are aligned, but that scrutiny resource overall is directed towards those areas of greatest importance – even if this means that some committees have less business than others.

- **Changing the way that information is provided to Councillors for oversight, cutting back on the number of items coming to scrutiny solely for information.** – Making greater use of briefings and the performance information available to Members outside of committee should assist with this. We have suggested, in published material, that councils might consider the regular production of a member "information digest" to make this process more manageable.
- **Securing professional communications advice to improve the way that scrutiny engages with the public.** Rather than an open-ended resource, we think that some support will be needed to get a more rigorous approach to public engagement started, with members being expected to take the lead in due course. Practically speaking this could result in scrutiny going on more site visits in the community, inviting the public to offer ideas for work programmes, and greater use of social media channels for resident input and communicating the progress and impact of scrutiny work.

4. Having an impact

Scrutiny has to make an impact – it has to make some tangible difference to the lives of local people. By participating in scrutiny, elected councillors are fulfilling an important part of their role – it serves their interests, the interests of local people and the interests of local democracy that challenge can be brought to decision-making and that a wider range of voices can be involved in policy development, all with a view to secure meaningful outcomes from scrutiny's work.

But the performance of the scrutiny function is not just of interest to the Council itself. The effectiveness of scrutiny is often considered by external bodies such as auditors and inspectors - and has been highlighted in the recent public interest reports of local authorities undergoing intervention measures – through Best Value reviews and Ofsted and CQC inspection. Weaknesses in scrutiny can therefore create a negative public image of the work of the Council as a whole, and can often be indicative of an organisational culture that is not open to challenge, or failures in service areas.

Scrutiny's impact, as it stands, is difficult to discern. As in many councils we think it is likely that scrutiny does make a difference – that it sharpens up policymaking and brings a different dynamic to the oversight of council services generally. But these outcomes are not captured, and officers and members have found it difficult to articulate to us what the tangible results of scrutiny's work might be.

Some of these limitations rest on the work programming matters we have already discussed – for example, it was highlighted that scrutiny does occasionally receive draft strategy, but it's often very close to decision stage, so scrutiny's potential influence in testing or shaping this strategy is minimised.

Scrutiny Chairs draw conclusions and consensus together well on the conclusion of business in committee, although they don't always appear to be able to find strong recommendations or outcomes from their enquiries to offer to the Cabinet as improvement or challenge proposals. By and large, scrutiny ends its consideration of a matter by simply noting it – a suboptimal approach which does little to satisfy that the function is making a difference.

We note that Cabinet Referrals and Responses forms a part of each scrutiny agenda, but scrutiny members expressed a need for more feedback on scrutiny's reports and monitoring scrutiny's outputs. For scrutiny at Sunderland to achieve greater impact, scrutiny needs to provide a regular source of quality recommendations to the Cabinet, and the Cabinet needs to provide clear feedback so that scrutiny's effectiveness and contribution can be tracked.

There appears to be support from Members to resume the use of task and finish style work to focus on shaping policy or exploring issues of community concern where the council or its partners may need to respond. These task and finish groups or similar focused 'project scrutiny' can, if used well, build more versatility and agility for scrutiny. This can add significant impact and quality to scrutiny activity, and can often assist cross-party working. But task and finish work must be clearly scoped, resourced, time-limited and with clear objectives to be useful and effective. We understand that the use of task and finish arrangements has been limited for logistical reasons over the course of the pandemic

We would recommend:

- **Reviewing how recommendations are made and how impact is measured** – This could include – in the short term - putting a 'recommendations monitoring report' at the beginning of agendas to orientate scrutiny towards outcomes-focused meetings. We think that this would be a temporary measure to focus minds formally on outcomes. Alongside this would come an emphasis on finding strong recommendations from questioning to present to Cabinet (or partners).
- **Considering greater use of task and finish groups** – This more informal type of scrutiny can allow improved cross-party working and detailed investigation of a single issue focussed on producing substantive recommendations. It has yielded success for scrutiny in Sunderland in the past. We do recognise the additional resourcing implications of these groups; they tend to be most successful in dealing with the most complex and contentious issues, and we hope that the authority would recognise that finding cross-party consensus on such matters provides a reason to reinvest in this way of working.

Thank you and acknowledgements

We would like to thank the Chairs, Members of the scrutiny committees, Cabinet Members and Officers who took part in interviews and the survey for their time, insights and open views.

Yours sincerely,

Ed Hammond
Deputy Chief Executive

ANNUAL WORK PROGRAMME 2022/23

**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 2022/23.

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 development session held on 16 June 2022.

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 2022/23. 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.

Regular Work Programme Items	
Performance Management (Quarterly)	To receive performance management information on a quarterly basis based around three key priorities of City, People and Council.
Compliments, Complaints and Feedback (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 (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.
Review of Scrutiny	To continue to monitor and develop actions in respect of the recommendations from the independent review of scrutiny.
28 Day Notice of Key Decisions (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. All decisions, where appropriate, are also subject to call-in.
Single Items and/or Potential Review Topics (Items to be scheduled when dates known)	
Safer Sunderland Partnership	To receive the annual report from the Safer

	Sunderland Partnership outlining the previous year's work and the priorities for 2022/23.
City Plan	To receive updates on City Plan developments and revisions as when required.
Cabinet/Scrutiny Protocol	Establish, as part of implementing the recommendations from the scrutiny review, a task and finish working group to develop a cabinet/scrutiny protocol.
Smart Cities Update	A further update on developments around the Smart City agenda and an overview of how the Council's partnership with BAI Communications is progressing and the benefits this will bring to the City.
Council Organisation and Culture	Consideration of how the Council is working as an organisation following the impacts of the pandemic and transition to City Hall. To include the cultural changes that have taken place, the challenges that face staff and service delivery in a new environment.
Environmental Services	A joint piece of work with Economic Prosperity Scrutiny Committee to consider how changes in Environmental Services will help to drive service delivery and improvement.
Protection of Green Spaces	A joint piece of work with Economic Prosperity Scrutiny Committee to look at Council's policy around the protection of green spaces across the City.
City Centre Regeneration Masterplan	To consider the vision for the City Centre and how this plan supports the delivery of the vision as well as supporting the aims of the City Plan. Again a possible joint piece of work with Economic Prosperity Committee.
Council Notice of Motions	A procedure is already in place to monitor the actioning of notices of motion from council so no further action is required.
Residents Survey	A report on the resident's survey highlighting key findings and areas of success and concern.

Report It Tool	To look at the Members 'Report It' tool, how this works in practice, Member/Officer experience of it, are there improvements that can be made in terms of efficiency, ease of use etc.
Land Acquisitions and Disposals	<p>Assurances around the transparency of future specific acquisitions and disposals for the Council and relevant communities was discussed. It is recommended that a report be brought setting out the process undertaken by City Development, Finance and Legal officers rather than to visit specific transactions.</p> <p><i>Please Note that as key decisions would generally be subject to call-in procedures, it is recommended that specific transactions are considered via that process as appropriate.</i></p>

- 3.3 A draft Scrutiny Work Programme for 2022/23 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 It should also be noted that in terms of task and finish working we will look to run groups successively to manage member and officer capacity and ensure that each working group is completed prior to starting any further groups.
- 3.6 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 2022 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 the range of topics and issues in the development of the work programme for 2022/23, including task and finish

topics, and incorporates emerging issues as and when they arise throughout the forthcoming year.

6. Background Papers

6.1 Scrutiny Agendas and Minutes

Contact Officer: Nigel Cummings

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Nigel.cummings@sunderland.gov.uk

SCRUTINY COORDINATING COMMITTEE – WORK PROGRAMME 2022-23

REASON FOR INCLUSION		14 JULY 22 D/L 4 JULY 22	15 SEPTEMBER 22 D/L 5 SEPT 22	13 OCTOBER 22 D/L 3 OCTOBER 22	10 NOVEMBER 22 D/L 31 OCT 22	8 DECEMBER 22 D/L 28 NOV 22	12 JANUARY 23 D/L 3 JAN 23	9 FEBRUARY 23 D/L 30 JAN 23	9 MARCH 23 D/L 27 FEB 23	6 APRIL 23 D/L 27 MARCH 23
Policy Framework / Cabinet Referrals and Responses		First Revenue Budget Review 21/22 (Jon Ritchie/Paul Wilson) Capital Programme First Review 22/23 (Jon Ritchie/Paul Wilson) First Revenue Budget Review 22/23 (Jon Ritchie/Paul Wilson)			Budget Planning Framework 2022/23 and Financial Strategy (Paul Wilson) Capital Programme Second Review 2021/22 (Paul Wilson)		Capital Programme Planning 2022/2023 to 2025/2026 and Capital Strategy (Paul Wilson) Budget Planning Framework and Medium Term Financial Strategy 2022/2023 to 2025/2026 (Paul Wilson)			
Scrutiny Business		Review of Scrutiny (Gillian Robinson)	Review of Scrutiny – Action Plan (Gillian Robinson/Nigel Cummings)	Safer Sunderland Partnership Annual Report (Stephen Laverton)						Annual Report (N Cummings)
Performance / Service Improvement		Performance Management Q4 (Beverley Poulter)		Performance Management Q1 (Beverly Poulter)		Performance Management Q2 (Beverley Poulter)			Performance Management Q3 (Beverly Poulter)	
Consultation / Information & Awareness Raising		Notice of Key Decisions Scrutiny Work Programmes 2021/22	Notice of Key Decisions Scrutiny Work Programmes 2021/22	Notice of Key Decisions Scrutiny Work Programmes 2021/22	Notice of Key Decisions Scrutiny Work Programmes 2021/22	Notice of Key Decisions Scrutiny Work Programmes 2021/22	Notice of Key Decisions Scrutiny Work Programmes 2021/22	Notice of Key Decisions Scrutiny Work Programmes 2021/22	Notice of Key Decisions Scrutiny Work Programmes 2021/22	Notice of Key Decisions Scrutiny Work Programmes 2021/22

Work Programme Items to be scheduled:

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 15 June 2022.

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 15 June 2022 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 15 June 2022 at the Scrutiny Committee meeting.

5. BACKGROUND PAPERS

- Cabinet Agenda

Contact Officer : Nigel Cummings, Scrutiny Officer
0191 561 1006
Nigel.cummings@sunderland.gov.uk

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
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	14 July 2022	N	Not applicable.	Cabinet report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
210709/612	To authorise the Executive Director of City Development to deliver the Washington F-Pit Museum Heritage Visitor Centre and Albany Park Improvement project, including the procurement of consultants and contractors.	Cabinet	Y	During the period 14 July to 30 September 2022	N	Not applicable.	Cabinet report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk

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
210728/613	To seek approval for strategic land acquisitions in Sunnyside, Sunderland.	Cabinet	Y	14 July 2022	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 City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220207/690	To approve the sale of the former Alex Smiles site and to undertake required remedial works.	Cabinet	Y	14 July 2022	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 City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk

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220106/682	To give consideration to the Draft Bus Enhancement Partnership Plan and Scheme	Cabinet	Y	14 July 2022	N	Not applicable.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
220413/697	In respect of the Local Cycling and Walking Infrastructure Plan, to consider adoption of the final document.	Cabinet	Y	14 July 2022	N	Not applicable.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
220421/701	To approve a scheme for Structural Maintenance of Newcastle Road Bridge	Cabinet	Y	14 July 2022	N	Not applicable.	Cabinet Report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk

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220504/710	To agree to the acquisition of property at Crowtree Road/Maritime Terrace, Sunderland.	Cabinet	Y	14 July 2022	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 City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220511/711	To approve the UKSPF and Multiply Investment Plans, including submission to Government, procurement and delivery arrangements, accepting Government grant funding agreements, and issuing local agreements to third parties	Corporate Services in conjunction with Children's Services	Y	14 July 2022	N	Not applicable.	Cabinet Report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220511/712	To approve the Local Council Tax Support Scheme.	Cabinet	Y	14 July 2022	N	Not applicable.	Cabinet Report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk

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
220414/698	To approve the approach to equalities for 2022-2026, including the statutory equality objective.	Cabinet	Y	14 July 2022	N	Not applicable.	Cabinet report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220504/709	To approve a Tree Management Policy and a procurement process for specialist support in delivery	Cabinet	Y	14 July 2022	N	Not applicable.	Cabinet report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220513/713	To seek Cabinet approval to the disposal of South West Lodge, Mere Knolls Cemetery, Dovedale Road, SR6 8LW.	Cabinet	Y	14 July 2022	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 City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk

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220524/714	To agree to the grant of an option to sell property at Richmond Street, Sheepfolds, Sunderland.	Cabinet	Y	14 July 2022	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 City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220607/715	To approve a Tree Management Policy and a procurement process for specialist support in delivery	Cabinet	Y	14 July 2022	N	Not applicable.	Cabinet report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220607/716	To seek approval for amendments to, and implementation of, Cemetery and Crematorium Regulations and a range of service enhancements as part of the Improvement of Bereavement Services	Cabinet	Y	14 July 2022	N	Not applicable.	Cabinet Report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk

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220609/717	Authorise the Director of Children's Services to commence the statutory processes required to amend the age of admission at Thorney Close Primary School.	Cabinet	Y	14 July 2022	N	Not applicable.	Cabinet Report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220615/718	To Seek Cabinet Approval for the Letting of Unit 6, International Drive, IAMP, Washington, SR5 3HX	Cabinet	Y	14 July 2022	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 City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220504/705	To consider and adopt Council's updated Low Carbon Action Plan.	Cabinet	Y	During the period 14 July to 30 September 2022.	N	Not applicable.	Cabinet Report	Governance Services City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk

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
210920/640	To approve land and property acquisitions within the Riverside Sunderland area.	Cabinet	Y	8 September 2022	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 City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk
220207/691	To approve the acquisition of strategic sites in the Commercial Road Area.	Cabinet	Y	8 September 2022	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 City Hall Plater Way Sunderland SR1 3AA committees@sunderland.gov.uk

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

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 City Hall, Plater Way, Sunderland, or by email to 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

15 June 2022