

SCRUTINY CO-ORDINATING COMMITTEE

AGENDA

Meeting to be held on Thursday, 14th January, 2021 at 5.30 p.m.

This meeting will be held remotely. Joining details will be emailed to all participants.

The meeting will be livestreamed for the public to view on the Council's YouTube channel, 'sunderlandgov' at :-
<https://youtu.be/xtl2HvupshU>

Membership

Cllrs D. Dixon, Doyle, Heron, Hunt (Vice Chairman), Jenkins, D. MacKnight (Chairman), F. Miller, Mullen, O'Brien, P. Smith, Speding, D. Trueman, Turner and Watson.

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Report of the Scrutiny and Members' Support Co-ordinator (copy attached).

Part C – Health Substantial Variations to Service

No items.

Part D - CCFA/Members' Items/Petitions

No items.

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

6th January, 2021.

At a meeting of the SCRUTINY CO-ORDINATING COMMITTEE held REMOTELY on THURSDAY 3RD DECEMBER, 2020 at 5.30 p.m.

Present:-

Councillor D. MacKnight in the Chair

Councillors D. Dixon, Doyle, Heron, Hunt, Jenkins, F. Miller, Mullen, P. Smith, D. Trueman and Turner.

Also in attendance:-

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

Mr Paul Davies, Assistant Director of Business and Property Services

Ms Liz St Louis, Assistant Director of Smart Cities

Ms Gillian Robinson, Scrutiny and Members' Support Coordinator, Law and Governance, Corporate Services Directorate

Mr Jon Ritchie, Executive Director of Corporate Services

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

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

Apologies for Absence

There were no apologies received.

Minutes of the last meeting of the Committee held on 5th November, 2020

1. RESOLVED that the minutes of the last meeting of the Committee held on 5th November, 2020 (copy circulated), be confirmed and signed as a correct record.

Declarations of Interest (including Whipping Declarations)

Item 8 - Notice of Key Decisions

Councillor Doyle made an open declaration in relation to item no. 200813/493 advising that the organisation for which he worked had undertaken paid consultancy in relation to the Sunnyside regeneration proposals.

Reference from Cabinet – 17 November 2020 – European Union (EU) – Exit Planning

The Executive Director of Corporate Services submitted a report (copy circulated), providing the Scrutiny Coordinating Committee with an update on the Council's European Union Exit Planning arrangements and attaching a copy of the report to Cabinet considered at its meeting on 17 November 2020.

(For copy report – see original minutes.)

Mr Paul Davies, Assistant Director of Business and Property Services briefed the Committee on the report highlighting that an EU Exit Risk Register had been undertaken and had been put in place to ensure potential key risks were identified, assessed and managed as far as possible/practicable in relation to the Council itself to ensure it was able to continue to carry out the services it provided and reduce the impact on Council finances.

Mr Davies referred Members to the key issues which were set out in the report which included additional paperwork and additional customs checks and processes leading to potential delays, potential shortages of food and medicines and medical supplies resulting in potential price rises and leading on from this a potential risk of unrest.

Mr Davies advised that there was a potential impact on those businesses which relied on importing/exporting goods in relation to tariffs as well as those businesses which relied on other businesses which might be impacted by this.

Mr Davies also referred to the EU Structural Funds the Council received for certain projects and the risk if those funds were not replaced by new funds. The Government had announced a UK Shared Prosperity Fund, however the details of how that would be allocated had not been made clear at that point and therefore remained a risk.

Mr Davies advised that businesses were being advised to seek guidance on the measures they needed to put in place for the UK's exit from the EU on 1st January from the Government's website and information was also available on the Council's 'Make it Sunderland' pages. Communications to residents were being planned once the details of the deal with the EU were known.

The Council was tracking the negotiations and looking at what could be done to mitigate risks.

Councillor P. Smith enquired what was being done to mitigate against a shortage of medicines and medical supplies in relation to elderly people and children's homes.

Mr Davies advised that the Department of Health & Social Care (DHSC) had asked suppliers of medicines to find alternative routes and practices to try and mitigate the risk and create stocks of medical supplies. DHSC was working with the NHS on centralised stocks. There was a process if there was a shortage of individual medicines.

Mr Davies added that Together for Children were aware of the risks and were having discussions as to how they could best respond if something was to happen.

In response to Councillor D. Dixon's enquiry regarding businesses and just in time deliveries, Mr Davies advised that as far as he was aware businesses were making preparations as they had been advised to do by Government which included stockpiling etc and putting contingency arrangements in place. The Business Investment Team was in regular liaison with businesses and trying to support them with preparations.

Councillor Mullen referred to the recent reports in the media in relation to Nissan and Greg Clark's arrangement with the Company when he was Business Secretary and enquired what role the Council had in upholding the deal and the agreement which was put in place at that time.

Councillor Mullen asked if he was correct in thinking that even in a No Deal scenario it was not expected that there would be any impact on the distribution of the COVID-19 vaccine.

Mr Davies replied that he was not aware of any issues from the EU exit that should affect the distribution of the COVID-19 vaccine.

In relation to Nissan, he advised that he had not been party to any conversations or detail in relation to any conversations or deals which might have taken place in relation to Nissan and Greg Clark and therefore was unable to comment on this or the future of Nissan or any other businesses in Sunderland. The Business Investment Team maintained regular dialogue with all the major employers in the city and would continue to do that.

Mr Jon Ritchie, Executive Director of Corporate Services added that Nissan was a prominent business in Sunderland but was not the only one the Council would look to support. The Council could only do so much as a Council could and also that it needed to be done within the confines of state aid and support. The Council would continue to work with the automotive industry in total, for example the developments that had been done around 5G, the investment around new ideas and new ways of working that would make sure that Sunderland and the supply chain was effective but the immediacy of the response around Brexit needed to be done at a national level in the main. The Council could assist with help and guidance but there was a limit as to how much they could intervene as a Council and this needed to be taken in this context.

Full consideration having been given to the report and there being no further questions, it was:-

2. RESOLVED that the Scrutiny Co-ordinating Committee note the information in the report and brought out during its consideration.

Performance Management Update – Quarter 2 of 2020/2021

The Chief Executive submitted a report (copy circulated), providing the Committee with the Corporate Performance Report for Quarter 2 of 2020/21.

(For copy report – see original minutes.)

Ms Liz St Louis, Assistant Director of Smart Cities presented the report advising that the Council's Corporate Performance Management Framework was aligned to the Sunderland City Plan 2019 – 2030 and to the three key themes of the City Plan (*Dynamic City*, *Healthy City* and *Vibrant City*) as well as including additional Council indicators for organisational health/productive & innovative working, financial management and a council ready for the future.

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

In response to Councillor D. Dixon, Ms St Louis advised that the Oral Health Strategy was a commitment in the City Plan and that Health colleagues had advised that the Strategy was on track and should be launched at the end of the financial year.

Councillor P. Smith commented that according to the report, the Council had 45 fewer directly employed staff and asked that in future, the report detailed how many staff the Council continued to employ.

Ms St Louis undertook to obtain the information and circulate the details to Members after the meeting.

Councillor Doyle commented that there had been fewer homes built than the previous year and enquired whether this was being attributed to COVID or whether there were other factors to be taken into account.

Ms St Louis replied by saying that the situation fluctuated depending on where the homes were in the building stage and in the planning process and was of the view that this was more as a result of this cycle than as a result of the COVID-19 pandemic.

Councillor Mullen referred to the Level 3 qualification in the Dynamic City report and queried why the attainment gap between the Sunderland average and the National average was widening, whether there was a breakdown for A Levels themselves and A Level vocational equivalents, was one of those qualification types the reason for the decline or was it a decline in both the academic A Level qualification and the more vocational alternatives.

Ms St Louis advised that she would confirm the information with Education colleagues and circulate the response to the question following the meeting.

Councillor Turner referred to the commitment to increase the number of people employed in the city centre in office jobs, commented that the Council was building a lot at the Riverside site and enquired whether targets could still be achieved given that more people were working from home as a result of the pandemic.

Ms St Louis advised that the Council was committed to achieve its targets, there had been significant investment in the city centre and construction was on track, however

they would need to see how the virus progressed through the next year and impacted on achievements but there was commitment to hit the targets identified.

Mr Jon Ritchie, Executive Director of Corporate Services added that the world had changed in the last 8-9 months and the Council would need to react to this. The city was very close to the seafront and there were some advantages that came with that. Sunderland was a different offer to, for example, central London or central Manchester where there was a very dense conurbation. The Legal and General investment had gone through planning the previous month and there was confidence from the market, however it would probably be a different offer in a couple of years and in five and ten years' time than was envisaged a couple of years ago. The market would continue to evolve and the Council's offer would continue to evolve in response to that.

Councillor Hunt commented that there had been a decrease in the number of affordable houses and that there had been the biggest rise in house prices in 6 years. She enquired what the Council was going to do to ensure there was appropriate housing in the city.

Ms St Louis reminded the Committee that the Council had become a registered social landlord and was pleased and proud to be building its own housing stock and bringing empty properties back into use which would help with the need for more affordable homes.

In response to the Chairman Ms St Louis reminded the Committee that there were 537 additional homes in the city compared with Q2 of 2019/20, there were 8 more completed affordable homes in Quarter 2 of 2020/21 and the Council was on track to have 50 more homes brought back into use by the end of 2021.

Full consideration having been given to the report and there being no further questions of Ms St Louis, it was:-

3. RESOLVED that the information provided in the report and the comments made be received and noted.

Compliments, Complaints and Feedback

The Assistant Director of Law and Governance submitted a report (copy circulated), providing the Committee with information regarding compliments, complaints and feedback received by the council.

(For copy report – see original minutes.)

Ms Liz St Louis, Assistant Director of Smart Cities briefed the Committee on the report highlighting the complaints overview at Stage One and Stage two by department.

Ms St Louis referred Members to the compliments received in Quarter 2 which were 210 across Council services in total and pointed out that this was the highest number received for Quarter 2 for two years.

Ms St Louis referred Members to Appendix 2 of the report which detailed the complaints dealt with by the Local Government Ombudsman and Social Care Ombudsman and highlighted an Adult Social Care complaint which had been discontinued because legal action had commenced against the care home by the complainant.

Ms St Louis highlighted the point that the vast majority of the 804 Corporate Complaints for Quarter 2 at Stage one related to the Neighbourhoods Directorate which had 687 and of these, 519 were in respect of refuse services. This was a comparatively low number considering the service carried out 1.6m collections.

There had been 6 Stage two complaints reviewed across Directorates and 3 had been partly upheld, details were included in the report.

There had been 15 complaints received in Quarter 2 regarding adult social care services and 2 had some element upheld or partly upheld.

With regards to Sunderland Care and Support there had been 84 compliments received from 1st July to 30th September 2020 and a summary was provided in the report. Despite the pandemic only 13 complaints had been received by the Company during the same period.

Together for Children had received 51 complaints across the three stages and a breakdown of those and the outcomes were detailed in the Customer Feedback Six Month Summary Report April 2020-September 2020.

Councillor Mullen requested that some of the substance be included in the report to get a sense of the complaints in future. He also requested that with regards to the Environmental Services complaints that they be broken down by ward.

Ms St Louis replied that she would take the above requests back and look to incorporate them in future reports.

Councillor Hunt commented that there had been a sharp increase in complaints around finances in respect of adult social care and queried whether this was related to the pandemic.

Ms St Louis advised that she did not have the information and would provide a written response.

Full consideration having been given to the report and there being no further questions of Ms St Louis, it was:-

4. RESOLVED that the information provided in the report and the comments made be received and noted.

Scrutiny Committee Work Programmes for 2020-21

The Scrutiny and Members' Support Co-ordinator submitted a report (copy circulated) attaching, for Members' information, the variations to the Scrutiny Committee work programmes for 2020/21 and providing an opportunity to review the Committee's own work programme for 2020/21.

(For copy report – see original minutes.)

Mr Nigel Cummings, Scrutiny Officer, briefed the Committee on the report and advised that the agenda for the meeting on 11th February would include an item on Hate Crime from the Sunderland Partnership.

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

5. RESOLVED that:-

- (a) the variations to the Scrutiny Committee Work Programmes for 2020/21 and to the Scrutiny Co-ordinating Committee's own work programme, be noted; and
- (b) the current scrutiny budget position for 2020/21, be noted.

Notice of Key Decisions

The Scrutiny and Members' Support Co-ordinator submitted a report (copy circulated), providing Members with an opportunity to consider those items on the Executive's Notice of Key Decisions for the 28-day period from 9th November, 2020.

(For copy report – see original minutes.)

Mr Nigel Cummings, Scrutiny Officer, advised that if there was anything on which any Member wanted further information to let him know and he would get that for them and circulate it.

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

The Chairman closed the meeting having thanked everyone for their attendance and wished them a Happy and Safe Christmas.

(Signed) D. MACKNIGHT,
Chairman.

REFERENCE FROM CABINET – 8 DECEMBER 2020

CAPITAL PROGRAMME PLANNING 2021/2022 TO 2024/2025 AND CAPITAL STRATEGY

Report of the Assistant Director of Law and Governance

1. Purpose of the Report

- 1.1 To seek the views of this Committee on a report of the Executive Director of Corporate Services (copy attached) considered by Cabinet on 8 December 2020 which detailed:
- An update on the level of capital resources and commitments for the forthcoming financial year within the current approved capital programme;
 - To set out additional capital new start project proposals for inclusion in the Capital Programme 2021/2022 to 2024/2025 to be reported to Cabinet in February 2021; and
 - To seek a recommendation to Council for the approval of the updated Council Capital Strategy.
- 1.2 Members' views are requested in accordance with the Budget and Policy Framework Procedure Rules.

2. Background and Current Position

- 2.1 Copies of the 8 December 2020, Cabinet Agenda were made available to all Members of the Council. The Cabinet agreed to:-
- Approve the additional capital project proposals set out in this report for inclusion in the full capital programme 2021/2022 to 2024/2025 to be reported to Cabinet in February 2021; and
 - Recommend to Council to approve the Council's Capital Strategy.

3. Conclusion

- 3.1 The matter at 2.1 is referred to this Committee for advice and consideration. The comments from the Scrutiny Co-ordinating Committee will be reported to Council on January 2021.

4. Recommendation

- 4.1 The Scrutiny Co-ordinating Committee is invited to give advice and consideration to Council on the Council's Capital Strategy in the attached report of the Executive Director of Corporate Services.

5. Background Papers

5.1 Cabinet Agenda, 8 December 2020.

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:-

<https://committees.sunderland.gov.uk/committees/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/10397/Committee/1953/Default.aspx>

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CABINET MEETING – 8 DECEMBER 2020

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Capital Programme Planning 2021/2022 to 2024/2025 and Capital Strategy

Author(s):

Executive Director of Corporate Services

Purpose of Report:

The purpose of the report is:

- To update Cabinet on the level of capital resources and commitments for the forthcoming financial year within the current approved capital programme;
- To set out additional capital new start project proposals for inclusion in the Capital Programme 2021/2022 to 2024/2025 to be reported to Cabinet in February 2021; and
- To seek a recommendation to Council for the approval of the updated Council Capital Strategy.

Description of Decision:

Cabinet is asked to:

- Approve the additional new start capital project proposals set out in this report for inclusion in the full capital programme 2021/2022 to 2024/2025 to be reported to Cabinet in February 2021; and
- Recommend to Council approval of the Council's Capital Strategy.

Is the decision consistent with the Budget/Policy Framework?

No – this report is integral in reviewing and amending the Budget and Policy Framework

If not, Council approval is required to change the Budget/Policy Framework**Suggested reason(s) for Decision:**

To comply with statutory requirements

Alternative options to be considered and recommended to be rejected:

No alternative options are submitted for Cabinet consideration.

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

CABINET – 8 DECEMBER 2020

CAPITAL PROGRAMME PLANNING 2021/2022 TO 2024/2025 AND CAPITAL STRATEGY

Report of the Executive Director of Corporate Services

1. Purpose of the Report

1.1 The purpose of the report is:

- To update Cabinet on the level of capital resources and commitments for the forthcoming financial year within the current approved capital programme;
- To set out additional capital new start project proposals for inclusion in the Capital Programme 2021/2022 to 2024/2025 to be reported to Cabinet in February 2021; and
- To seek a recommendation to Council for the approval of the updated Council's Capital Strategy.

2. Description of Decision

2.1 Cabinet is asked to:

- Approve the additional capital project proposals set out in this report for inclusion in the full capital programme 2021/2022 to 2024/2025 to be reported to Cabinet in February 2021; and
- Recommend to Council approval of the Council's Capital Strategy.

3. Background

3.1 The Council's Capital Strategy was agreed by Council in November 2019. The strategy provides the framework within which the Council's capital investment plans will be prioritised and delivered. The strategy is reviewed annually to capture any required updates including emerging changes to Council priorities encapsulated within the City Plan and the refresh of key financial indicators.

3.2 The Council currently has an ambitious capital programme, with £498m spend profiled over the period 2020/2021 to 2023/2024. The delivery of the City Plan, which will drive transformation and economic regeneration in the City, will require further capital investment by the Council as detailed within this report.

3.3 The capital programme has historically been funded from several sources, some of which are now restricted following government austerity:

- Available **reserves** are being utilised to support the current revenue and capital plans and are scheduled to reduce over the Medium Term Financial Plan (MTFP) period. Reserves which become available will be considered for use or the replacement of scheduled borrowing;
- Additional **capital receipts** realised have the potential to be required to fund transformation costs arising from implementation of savings programmes, drawing on Government flexibilities on the use of capital receipts to support such costs. Any realised capital receipts not required to

fund transformation costs will be considered for use or the replacement of scheduled borrowing;

- **Borrowing** to fund the capital programme has revenue consequences. The revenue consequences of additional proposals approved as part of this report are factored into the Council's MTFP, which is included as a separate report to this meeting; and
- The current capital programme is being supported by **External Grant Funding** (£84m). Opportunities for further external grant will continue to be targeted to support delivery of future investment in the city.

- 3.4 While the financial position and future spending commitments continue to be managed closely, the Council still has significant and ambitious growth plans (as outlined further in this report), that will benefit the city, its residents, its businesses and other stakeholders.

4. Existing Capital Programme 2020/2021 to 2023/2024

- 4.1 The current capital programme (as detailed in the Second Capital Review report presented to Cabinet in October), commits substantial resources over the four years to 2023/2024. The programme was approved with the aim of delivering on the priorities set out in the City Plan. The value of the capital programme totals £497.842m across the 4 years as summarised below:

Expenditure by Portfolio	Gross Cost £'000	Expend. to 31.3.20 £'000	Estimated Payments			
			2020/2021 £'000	2021/2022 £'000	2022/2023 £'000	2023/2024 £'000
Leader	0	0	0	0	0	0
Deputy Leader	513,696	291,224	80,412	91,055	35,828	15,177
Cabinet Secretary	41,373	8,256	10,279	17,048	2,540	3,250
Children's Learning and Skills	56,522	5,351	16,636	16,123	8,259	10,153
Dynamic City	212,751	59,464	51,894	50,728	18,083	32,582
Healthy City	10,681	375	4,651	4,155	1,500	0
Vibrant City	49,285	21,796	2,863	14,049	10,577	0
TOTAL CAPITAL EXPENDITURE	884,308	386,466	166,735	193,158	76,787	61,162
			← 497,842 →			

The current programme is funded as follows:

Funding Source	Total	2020/2021	2021/2022	2022/2023	2023/2024
	£'000	£'000	£'000	£'000	£'000
Prudential Borrowing	382,358	112,297	167,713	60,566	41,782
Capital Receipts	8,224	4,006	2,767	616	835
Reserves and Revenue	22,919	12,892	1,673	2,363	5,991
External Funding	84,341	37,540	21,005	13,242	12,554
TOTAL	497,842	166,735	193,158	76,787	61,162

5. Additional Capital Project Proposals 2021/2022 to 2024/2025 – Framework for Considering Priority Projects

- 5.1 To take forward the development of projects and to ensure appropriate prioritisation and oversight, a Capital Strategy Board was established during 2018. The role of this Board, which consists of senior officers, is to:
- Co-ordinate the development of capital projects to meet future strategic requirements, aligned to Cabinet priorities; and
 - Prioritise new capital proposals and variations to existing projects within the context of available resources and the strategic priorities, prior to making recommendations to Cabinet.

- 5.2 The proposed updated Capital Strategy is provided at appendix 1. The current strategy, approved by Council in November 2019, has been updated to reflect; the priorities included within the City Plan, the latest capital investment and debt ratios, and a refresh of the investment forecasts over the longer term.

- 5.3 The Capital Strategy provides the framework within which the Council's capital investment plans are prioritised and delivered. The capital priorities are aligned to the City Plan "Sunderland 2019-2030" priorities of:

- Sunderland will be a **dynamic city**. This includes more and better jobs, an improved housing offer, improvements to the city centre and a focus on low carbon and digital connectivity;
- Sunderland will be a **healthy city**. This includes a focus on ensuring that everyone has access to opportunities and life chances to live healthier, longer, independent lives. There will be a focus on a more attractive city and neighbourhoods with better transport networks; and
- Sunderland will be a **vibrant city**. This includes more creative and cultural businesses, more visitors to Sunderland, more residents participating in their communities and cultural events, and for residents to feel happy in the neighbourhoods where they live and feel safe.

In addition, a continuing priority for the Council is to deliver the best possible services and support to our residents, with a focus on long term benefits for our children and young people beyond 2030.

- 5.4 Whilst supporting the above priorities, the Council will continue to seek to maximise the return on investment through:

- Generating savings or supporting avoidance of additional revenue costs;
- Growing the Council's income base i.e. fees and charges, business rates, council tax and new homes bonus;
- Seeking a commercial return; and

- Generating and supporting funding opportunities which encourages and levers in private sector investment and other funding into the city.

5.5 Maximising the potential of existing partnerships, such as Siglion, Sunderland Lifestyle Partnership and IAMP LLP, and working with city partners, such as Gentoo, the University and health sector partners, will help to maximise resources and the achievement of city priorities.

6. Additional Capital Project Proposals 2021/2022 to 2024/2025 - Resources Available

6.1 Resources - Grants

The availability of new external funding from major regional funding programmes, such as the Local Growth Fund, is now severely restricted. Applications to the national Transforming Cities Fund and Future High Streets Fund are progressing through the appraisal processes and will support major growth schemes should they be successful.

As in previous years, it is anticipated that resources allocated in respect of Transport, the Better Care Fund and Education specific purpose grants will be allocated to those services areas. These grants, in the main, support recurring capital maintenance activity and as such are not included in the detailed new starts section of this report. A detailed update of future years' grant allocations and their proposed use will be provided to Cabinet as part of the Capital Programme report in February 2021.

6.2 Resources – Capital Receipts and Reserves

The Council continues to market sites for sale to maximise capital receipts and support operational requirements. Capital receipts are only earmarked to fund the Capital Programme once they have been realised, or where they have been included as part of any project financial plan as part of the overall business case.

S106 Reserves - Upon confirmation of S106 agreements with developers, monies received are held in reserves until detailed plans on use of the funding are developed in accordance with the requirements outlined in the S106 agreements. Once developed, the projects are brought into the Capital Programme at the appropriate time. Typical uses include the development / improvement of play provision, educational assets, highways infrastructure, affordable housing, public open spaces and ecological improvements.

6.3 Resources – Capital Expenditure charged to Revenue Account (CERA)

At present there is minimal specific budget provision for Revenue Contributions to Capital.

6.4 Resources – Borrowing

The Council can fund its capital expenditure through additional prudential borrowing. Additional borrowing results in additional debt charges which must be affordable within the revenue budget planning with appropriate provision included within the base budget and MTFP.

The Budget Planning Framework and Medium Term Financial Plan Report, also on today's agenda, includes provision for capital financing charges that may arise following Cabinet approval of the additional new project proposals set out within this report.

In line with past practice, it is proposed to use the funding flexibly, with the option to switch borrowing with surplus capital receipts once they are realised. This would reduce planned capital finance charges that may arise from this borrowing.

6.5 Resources – Other Funding – Enterprise Zones

The current capital programme includes for the three Enterprise Zones of the IAMP site, A19 Ultra Low Carbon Infrastructure and part of the Port of Sunderland. All of the business rates growth generated on these Enterprise Zones for their 25 year life are payable to the North East Local Enterprise Partnership (LEP). The current programme assumes this resource is then distributed by the North East LEP to meet / contribute to the costs associated with funding the infrastructure works associated with those zones included within the Council's Capital Programme.

7. Additional Capital Project Proposals 2021/2022 to 2024/2025 - Detail

- 7.1 The following suite of additional projects, categorised by Portfolio, are proposed for inclusion in the capital programme for 2021/2022 to 2024/2025 with further details set out in Appendix 2. The profiling of proposed projects will be reviewed and refined, and any updates will be reflected in the capital programme to be reported to Cabinet in February 2021.

Appendix 2 Ref	Project Name	Total Project Spend	Spend 2021/22	Spend Future Years	External Funding	Council Provision in Current Capital Programme	Additional Council Funding
		£m	£m	£m	£m	£m	£m
Leader							
2.1.1	Elmore Green Space and Social Enterprise Development	1.000	1.000	0.000	0.500	0.000	0.500
Total		1.000	1.000	0.000	0.500	0.000	0.500
Deputy Leader							
2.2.1	Sunderland Central Station Redevelopment & Car Park	27.989	6.540	21.449	20.157	4.362	3.470
2.2.2	Holmeside Bus Rationalisation and Priority Measures	1.135	0.500	0.635	0.880	0.000	0.255
2.2.3	Strategic Cycle Network	5.609	3.109	2.500	4.406	0.000	1.203
2.2.4	Energy and Carbon 2030 Development	3.200	0.800	2.400	0.000	0.000	3.200
2.2.5	Open Spaces and Allotment Improvements	2.500	1.000	1.500	0.197	0.000	2.303
2.2.6	Vehicle Actuated Signs (VAS) Programme	0.200	0.050	0.150	0.000	0.000	0.200
2.2.7	Fleet - Bulky Waste Collection Service	0.150	0.150	0.000	0.000	0.000	0.150
Total		40.783	12.149	28.634	25.640	4.362	10.781
Cabinet Secretary							
2.3.1	Internet Filtering, Firewall and Monitoring Solution and Upgrade to Gigabit Capable Fibre Connectivity	1.000	0.400	0.600	0.000	0.000	1.000
2.3.2	Salix Decarbonisation Fund	1.000	0.100	0.900	1.000	0.000	0.000
2.3.3	Re-procurement of AutoCAD licences	0.600	0.200	0.400	0.000	0.000	0.600
Total		2.600	0.700	1.900	1.000	0.000	1.600
Children, Learning and Skills							
2.4.1	Barnes Junior School Refurbishment	2.500	0.000	2.500	0.400	0.000	2.100
2.4.2	Fulwell Junior School Refurbishment	2.500	0.000	2.500	0.400	0.000	2.100
2.4.3	School Meals Kitchen Equipment Replacement	0.150	0.150	0.000	0.000	0.000	0.150
Total		5.150	0.150	5.000	0.800	0.000	4.350
Dynamic City							
2.5.1	Riverside Sunderland Infrastructure	32.000	16.000	16.000	0.000	0.000	32.000
2.5.2	Vaux Housing	38.404	4.844	33.560	7.157	0.000	31.247
2.5.3	Northern Spire Park	23.003	2.500	20.503	14.244	0.000	8.759
2.5.4	Housing Other Sites	3.999	1.624	2.375	1.500	0.000	2.499
2.5.5	Willowfield Supported Village	16.000	1.157	14.843	3.500	0.000	12.500
2.5.6	Inspiring Futures Programme - Delivering a new approach to Homelessness Services and Accommodation	7.229	4.858	2.371	1.935	2.400	2.894
2.5.7	HICSA (Housing Innovation Construction & Skills Academy)	10.950	5.000	5.950	5.475	0.000	5.475
2.5.8	Commercial Road Development	4.000	2.000	2.000	0.000	0.000	4.000
2.5.9	City Centre Highways Improvements	3.000	0.000	3.000	1.500	0.000	1.500
Total		138.585	37.983	100.602	35.311	2.400	100.874
Healthy City							
2.6.1	ICT / Assistive Technology	1.400	0.500	0.900	0.000	0.000	1.400
Total		1.400	0.500	0.900	0.000	0.000	1.400
Vibrant City							
2.7.1	Culture House	27.225	0.606	26.619	14.167	0.000	13.058
2.7.2	Washington F Pit Heritage Visitor Centre and Albany Park Improvements	4.650	0.300	4.350	0.000	0.000	4.650
2.7.3	Digitisation of Local History & Library Collections	0.650	0.300	0.350	0.000	0.000	0.650
2.7.4	Redesign and Replacement of City Centre Christmas Lighting	0.150	0.150	0.000	0.000	0.000	0.150
2.7.5	Festival of Light	0.600	0.150	0.450	0.000	0.000	0.600
Total		33.275	1.506	31.769	14.167	0.000	19.108
TOTAL OF INVESTMENT PROPOSALS		222.793	53.988	168.805	77.418	6.762	138.613

7.2 The proposed additional new projects total £222.793m (£53.988m in 2021/2022 and £168.805m in future years). Of the total £222.793m:

- £77.418m is expected to be funded by external grants and contributions, including planned land sales over the next 4 years to directly support the investment spend incurred to deliver those capital receipts;
- £6.762m is existing Council funding already included in the current capital programme; and
- The remaining balance of £138.613m is to be met from available Council resources, subject to approval of the Budget Planning Framework Report and Medium Term Financial Plan also on today's agenda.

It is important to note that:

- Some capital projects included in the table above will be subject to the positive outcomes of external grant funding bids;
- Some of the above investment is anticipated to be recouped through either S106 or commercial arrangements over time; and
- Some investments are linked to the generation of savings to support the revenue budget.

Planned funding sources for individual capital schemes may be subject to amendment in order to achieve best value to the Council and ensure the capital programme continues to be prudent, affordable and sustainable into future years, and within overall borrowing limits whilst still retaining flexibility.

7.3 Further Reports

Following approval of new project budget allocations by Council in March 2021, and in accordance with the Council's Constitution, prior to the commencement of project works, details of all new schemes must be subject to a full capital investment appraisal. Those schemes with an estimated cost in excess of £0.250m must be reported for approval to Cabinet before commencement of the scheme. For those schemes below £0.250m consultation must take place with the relevant Cabinet Portfolio Holder and Executive Director Corporate Services in advance of delegated decisions being taken to implement these schemes, and subsequently approved by Cabinet as part of the quarterly capital review process. Any further proposals for additional projects will follow the above processes for approval as they emerge.

8. Reasons for Decision

8.1 To comply with statutory requirements.

9. Alternative Options

9.1 No alternative options are submitted for Cabinet's consideration.

10. Impact Analysis

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

11. List of Appendices

1.1.

- 11.1 Appendix 1 – Capital Strategy
Appendix 2 - Capital Programme 2021/2022 to 2024/2025 – New Starts /
Additional Investments

1. INTRODUCTION

1.1 Background

- 1.1.1 The overarching aim of the Sunderland City Council Capital Strategy (“the Strategy”) is to provide a framework within which the Council’s capital investment plans will be prioritised and delivered in line with the City Plan (2019 – 2030) with an overall ambition that by 2030 Sunderland will be a connected, international city with opportunities for all. This reflects the ongoing commitment to ensure the Council puts residents and customers at the heart of everything we do, reflecting the diversity of the city.

The capital strategy is intended to give a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

- 1.1.2 The Prudential Code for Capital Finance in Local Authorities was updated by the Chartered Institute of Public Finance and Accountancy in December 2017 with further guidance released in September 2018. The framework established by the Prudential Code supports local strategic planning, local asset management planning and proper option appraisal.

- 1.1.3 The updated Prudential Code requires local authorities to have an approved Capital Strategy, in order to demonstrate that the authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. The capital strategy sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and the impact on the achievement of priority outcomes.

- 1.1.4 The Council’s Capital Strategy has been prepared to provide a framework within which the Council’s capital investment plans will be prioritised and delivered, ensuring it adheres to the requirements of the Code. This is covered over the following key areas:

- Capital expenditure including governance, monitoring, priorities, pipeline and longer-term planning;
- Funding Approach;
- Debt, borrowing and treasury management;
- Commercial activity;
- Other long-term liabilities; and

- Knowledge and skills.

1.1.5 The Strategy covers the Council as well as Together for Children Limited and Sunderland Care and Support Limited. Given the different relationship with Siglion and its development portfolio, not all of its activity is covered by this Strategy.

2.0 OBJECTIVES OF THE CAPITAL STRATEGY

2.1 The key objectives of the Capital Strategy are to:

- provide a clear set of objectives and a framework within statutory legislation that enables proposed new capital expenditure to be evaluated to ensure that all new capital investment is targeted at meeting the priorities set out in the City Plan;
- ensure prioritisation of projects that focus on delivering a number of the long-term-benefits contained in the City Plan;
- set out how the Council identifies, programmes and prioritises capital requirements and proposals arising from business plans submitted through an appraisal mechanism;
- provide a long-term view of capital expenditure plans and risks faced by the Council over the life of assets;
- consider options available for funding capital expenditure and how resources may be maximised to generate investment in the area, whilst minimising the ongoing revenue implications of any such investment;
- provide a basis for the projection of external debt and provision for repayment of that debt over the life of the underlying debt based on the approved capital programme and other capital resources available;
- consider the resources available for capital expenditure over the longer term;
- ensure the strategy has an overall balance of risk on a range of investments over timespan, type of investment and rate of return, confirming that knowledge and skills available to the Council are commensurate with the Council's investment risk appetite; and
- establish effective arrangements for the management and monitoring of capital expenditure including the assessment of project outcomes, budget profiling, deliverability, value for money and security of investment.

2.2 Capital Priorities

The Council's Capital Priorities are aligned to the City Plan "Sunderland 2019-2030" priorities of:

- Sunderland will be a **dynamic city**. This includes more and better jobs, an improved housing offer, improvements to the city centre and a focus on low carbon and digital connectivity.
- Sunderland will be a **healthy city**. This includes a focus on ensuring that everyone has access to opportunities and life chances to live healthier, longer, independent lives. There will be a focus on a more attractive city and neighbourhoods with better transport networks.
- Sunderland will be a **vibrant city**. This includes more creative and cultural businesses, more visitors to Sunderland and more residents participating in their communities and cultural events, for residents to feel happy in the neighbourhoods where they live and feel safe.

In addition, the continuing priority for the Council is on serving all our residents in Sunderland with the best possible services and support, with a focus on long term benefits for our children and young people beyond 2030.

(a) Dynamic City

The Council is focused on securing Sunderland's long-term future. This will involve encouraging inward investment, low carbon, advanced manufacturing and the development of hi-tech industries and new employment opportunities with a continuing focus on creating community wealth, where local people in Sunderland can benefit from local opportunities and maximising social value.

A range of actions, that reflect the area within which the Council can most positively deploy its capital resources, form the core focus of this aim. In doing so, these contribute towards Council funding in the longer term through additional council tax, new homes bonus, business rates or land sale receipts, so contributing to the future sustainability of Council services.

More and better jobs – Overall employment for Sunderland was 70.3% at the end of 2019/20, which is 0.8% below the NE position. Our focus remains on increasing well paid jobs in the city through promoting growth in target sectors including advanced manufacturing, Port related activity, the digital and software sector, professional sector in the City Centre (office jobs) alongside more creative and cultural businesses in relation to vibrancy.

More and better housing – Our focus under this City Plan commitment is to enable the delivery of more housing, in particular more larger family and high-status homes to stem outward migration from the city. Alongside this, we are committed to ensuring that the housing we have is of quality by bringing empty homes back into use, reducing properties with a category 1 hazard and ensuring enough affordable housing. The Council's

Housing Strategy provides the vision for a greater choice of good quality homes which meet the needs and the aspirations of our residents.

More local people with better qualifications and skills – The City Plan sets out the challenge that the qualifications and skills that residents have don't match the needs of industry in the city. Our plans focus on tackling barriers for those least able to access employment and ensuring that more local people are able to benefit from a stronger economy. We will also support and enable apprenticeship and work experience opportunities focused on skills and experience for the local economy and ensure the fabric of our learning establishments is supporting the best possible learning outcomes. The Council also has a statutory duty to ensure that there are sufficient school places in the city.

A stronger city centre with more business, housing and cultural opportunities – The City Plan sets out the challenge that the City Centre is not functioning as the economic motor of the city. There is a need to attract new jobs to the city and new homes for city centre living. Our plans focus on a range of physical developments and development of key sites to promote regeneration. Through our everyday planning responsibilities, we continue to work to promote a desirable and vibrant retail and leisure offer.

A lower carbon city with greater digital connectivity for all - The focus within this commitment is in relation to the physical aspects of digital connectivity for both residents and business. There is also a focus on reducing overall emissions, with transport known to be a significant factor in emission levels. The Council has an ambition of becoming 'Carbon Neutral' by 2030.

(b) Healthy City

Access to the same opportunities and life chances – This commitment is about all children having the best start in life and equal life chances through early years to teens. Alongside this is a commitment to equality of opportunity on an area basis with a focus on neighbourhood strategies and addressing locality-based issues.

More people living healthier longer lives – One of the key challenges for the City is that health outcomes in Sunderland are still poor and health behaviours haven't yet changed sufficiently. Our plans focus on areas where we can support individuals (and businesses through the Better Health at Work Awards) to make healthy choices, thereby promoting healthy behaviours and overall wellbeing. We want to increase activity at all levels, from everyday activeness through to a city being recognised as a centre of excellence in sport.

People enjoying independent lives – Although 98% of people aged 18+ in the city live independently (without social care services) based on mid-year estimates, we remain committed to ensuring people in the city can enjoy independent lives. Working with our partners, we aspire to reducing the number of emergency hospital admissions due to falls for those aged 65+ through our City Plan and want to ensure that as far as possible adults with learning disabilities and those with secondary mental health services can live independently (currently at 93% and 60% respectively). This means greater partnership working and maximising the use of technology.

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. We are encouraging communities to take greater responsibility for their environments through a community responsibility communication plan.

A City with great transport and travel links – Our emphasis within this City Plan is about ensuring that people can move around the city with ease through improved transport routes (roads), enabling access to key employment sites. It is also about active travel within the city by having in place the necessary infrastructure of sufficient and appropriate cycle routes and walkways.

(c) Vibrant City

More creative and cultural businesses – To create vibrancy within the city, one of the employment sectors we will focus on is the creative industries. Our action plan will set out key activity to develop a regeneration programme to facilitate creative businesses in key geographic areas and support individual creative and cultural businesses to set up and grow.

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 – with a focus on enabling participation for all.

More visitors visiting Sunderland a more residents participating in cultural events and activities – Prior to the restrictions due to the COVID pandemic, figures show that both the number of visitors and visitor spend was increasing. Our focus is on gaining funding for new sporting and cultural events and facilities.

More people feel safe in their neighbourhoods and homes – This commitment relates both to people feeling safe from crime and also vulnerable adults who use our services feeling safe. We are committed to disrupting criminal and anti-social behaviour through intervention and enforcement.

More resilient people - We will support our people to be more resilient by supporting families that require early help and we will also seek to build resilient communities through mitigating the impact of welfare reform and hardship where possible.

(d) Organisational Health

As an organisation we have a challenging but exciting cultural change journey ahead. The Council needs to continually improve and be innovative in our approach to counteract reducing budgets and financial uncertainty. We are committed to ensuring we have a productive healthy workforce, maintaining a lower level of sickness absence. Moving ahead and building upon the improvements to date, we will enable greater agile and paperless working through the adoption of digital technologies and will continue to enable more digital interaction with our customers thereby promoting self-serve. The Council must focus on intelligence-based decision making to ensure that services are provided that represent value for money and 'invest to save' projects will be utilised where necessary to achieve this. We need to support innovation and collaborative ways of working to make sure the people in greatest need are supported. More must be done to address demand pressures and build individual and community resilience.

The Council will seek to maximise the return on investment through;

- Generating savings or supporting avoidance of additional revenue costs;
- Growing the Council's income base i.e. fees and charges, business rates and council tax;
- Seeking a commercial return; and
- Generating and supporting funding opportunities which encourages and levers in private sector investment to the city.

2.3 COVID 19 has clearly impacted upon the City's residents, businesses and visitors. The ambitions set out in the City Plan are unchanged and given the impact of the Covid-19 pandemic it is more critical that these are delivered.

2.4 Partnership working and investment opportunities

2.4.1 The Council will work with key partners to review physical and technological assets on a city-wide basis and maximise the potential benefits and opportunities of wider capital and infrastructure planning (including health sector partners, the College, University and Gentoo).

2.4.2 The Council will ensure that strong partnership arrangements are in place to enable truly collaborative working with regional partners. This includes the key partnerships of the Tyne and Wear City Region, North East Combined Authority, North of Tyne Combined Authority and the North East Local Enterprise Partnership (LEP).

3.0 CAPITAL EXPENDITURE

3.1 Capitalisation of Costs

- 3.1.1 Whether acquired or self-constructed, fixed assets should initially be measured at cost. Only costs that are directly attributable to bringing the asset into working condition for its intended use should be included. Such costs should be capitalised only for the period in which the activities that are necessary to get the asset ready for use are in progress.

3.2 Governance of the Capital Programme

- 3.2.1 To ensure that available resources are allocated optimally and deliver value for money, capital programme planning is determined in parallel with the service and revenue budget planning process within the framework of the medium-term financial plan (MTFP).
- 3.2.2 The Council has mechanisms in place which seeks to ensure that there is an integrated approach to addressing cross-cutting issues and developing and improving service delivery through its capital investment in pursuance of the Council's priorities. These include:
- Democratic decision-making and scrutiny processes which provide overall political direction and ensure accountability for the investment in the capital programme. These processes include:
 - Full Council, which is ultimately responsible for approving the Capital Strategy, the Treasury Management Strategy and the Capital Programme;
 - Cabinet, which is responsible for setting the corporate framework and political priorities to be reflected in the Capital Programme and recommends projects for inclusion in the Capital Programme. Cabinet also monitors delivery of the capital programme;
 - Scrutiny Coordinating Committee, which considers the programme of new starts for inclusion in the Capital Programme and reviews the MTFP to provide challenge, advice and commentary to Cabinet where appropriate; and
 - All schemes which progress follow the requirements of the constitution and financial regulations including Financial Procedure Rules and Procurement Procedure Rules.
 - Officer Groups which bring together a range of service interests and professional expertise. These include:
 - The Chief Officer Group (COG) which has overview responsibility for the development, management and monitoring of the capital programme;

- Capital Strategy Board provides a framework within which the Council capital investment plans will be scrutinised and prioritised, and delivery of approved plans will be monitored;
- Directorate Management Teams overseeing and proposing business cases for investments prior to finance and legal due diligence for submission to the Capital Strategy Board; and
- Specific Programme and Project boards with wide ranging membership are also created as appropriate to oversee significant capital development projects as required.

3.3 Capital Programme 2020/2021 – 2023/2024

The current approved capital programme commits substantial resources over the four years to 2023/2024 and can be viewed at [Capital Programme 2020/2021 - 2023/2024](#)

A quarterly financial review of the Capital Programme is reported to Cabinet each July, October and January outlining any in year variations, together with an outturn report in June.

3.4 Process for Prioritising New Capital Proposals

The annual process for identifying and prioritising new capital requirements involves a cross-section of stakeholders. The stages and roles within this process are outlined below;

Stage 1 - Identification and Prioritisation of Proposals within Directorates

Executive Directors, through discussion with Cabinet Portfolio holders, are requested to identify projects which are of high priority to their service area and are aligned with the City Plan. The supporting business case provides a clear justification for the proposal and sets out the rationale for its priority level. In addition, Executive Directors undertake a full review of the existing capital programme to confirm that planned projects remain a priority for the Council.

Stage 2 - Initial Review and Challenge

The Finance section undertakes an initial review and challenge of the proposals received to ensure completeness and robustness of submissions.

Stage 3 - Corporate Strategic Review and Prioritisation

- Submissions are reviewed and challenged by the Capital Strategy Board who assess the relative priority of the submissions from a strategic perspective, aligned to the corporate priorities; and
- The Capital Strategy Board recommend the projects to be taken forward for consideration to Chief Officer Group, after taking into account the total

resources available and any consequences on the MTFP budget planning process.

Stage 4 - Member Review and Challenge

- Cabinet considers for recommendation to Council the prioritised proposed new start projects;
- Scrutiny Coordinating Committee reviews and challenges the recommendations from Cabinet;
- Cabinet considers the comments from Scrutiny Coordinating Committee and makes a final recommendation to Council; and
- Council considers the recommendations from Cabinet and approves the capital programme for the following 4-year period.

3.5 Monitoring of the Capital Programme

3.5.1 Monitoring of the programme includes expenditure profiling and the delivery against timetable for each project. This, in turn, informs the debt cost of schemes and the associated revenue impacts.

3.5.2 Schemes are regularly monitored by project managers, supported by finance colleagues, which informs quarterly reports to Cabinet that identify changes to the capital programme including:

- New resource allocations;
- Slippage and acceleration in programme delivery;
- Schemes reduced or removed;
- Virements between schemes to maximise delivery and outcomes;
- Revisions to expenditure profile and/or funding to ensure on-going revenue costs are minimised; and
- Revisions to timelines and significant changes in anticipated outcomes.

3.5.3 Non-financial outputs from the Capital Programme are monitored through the City Plan performance, capturing the wider benefits of schemes over a longer timeframe.

3.6 Longer Term Planning

3.6.1 The current capital planning cycle duration is 4 years, which covers the short to medium term capital investment requirements of the Council. The Prudential Code requires the Capital Strategy to consider the Council's longer-term capital investment requirements, although it does acknowledge that when taking a long-term view of assets, projections in later years are likely to involve a high degree of estimation.

3.6.2 The Council's current capital programme, as presented to Cabinet in October in the Second Capital Review report, covers the period through to 2023/24

and totals £497.842m. In addition, new capital scheme proposals to commence from April 2021, totalling a further £222.793m are to be considered by Cabinet and then full Council in March 2021 prior to their commencement.

Table 1 below provides a high-level minimum estimate of the capital requirement over the subsequent 15-year period commencing 2025/2026. The totals provided reflect the recurring elements of the capital programme necessary to maintain the status quo of asset groups. Non-recurring projects / initiatives, such as regeneration projects, are excluded from this analysis given their one-off nature.

The recurring elements of capital investment required to maintain service delivery are grouped into a number of asset areas, these are:

- Highways – Improvement and maintenance of the Council's major highway assets including roads, bridges, footways and traffic signal equipment.
- Property – Improvement and maintenance of Council buildings to support front line services.
- Vehicles – Acquisition of vehicles, such as refuse collection vehicles and large specialist vehicles, to support front line services; and
- ICT and Connectivity – Improvement and replacement of the Council's ICT infrastructure and devices to directly support Council services across the city.

Any further regeneration initiatives following planned feasibility assessments and any other emerging schemes not covered by the above will be developed and appraised in line with the City Plan priorities and reported to Cabinet for consideration at the appropriate time.

Table 1 – Long Term Capital Requirement Forecasts beyond Capital Programme Period

Asset Group	Forecast Requirement 5 Years (2025/26 – 29/30)	Forecast Requirement 10 Years (2030/31 – 39/40)
	£m	£m
Highways (1)	18.750	37.500
Property (2)	3.750	7.500
Vehicles (3)	6.500	13.000
ICT (4)	2.500	5.000
TOTAL	31.500	63.000

Assumptions;

- (1) Highways – £3.750m per annum rolling programme of planned maintenance works and improvements. This estimate does not include investment supported by external funding from the Department of Transport, this has historically totalled c. £5m per annum for the Council and is anticipated to continue at this level.
- (2) Property - £0.750m per annum rolling programme of planned property capital maintenance.
- (3) Vehicles - £1.300m per annum rolling fleet refresh programme (based on 10-year full replacement programme estimate of £13m)
- (4) ICT and Connectivity – £0.500m per annum rolling refresh of user devices and core infrastructure.

Actual budget allocations will be determined as part of the annual revenue and capital budget setting process taking into account affordability at the time and service priorities.

The level of investment noted in table 1 above would result in an average annual spend of £6.300m. This level of additional borrowing would require an increase of around £0.547m to the revenue budget each year for the 15-year period to take account of debt charges.

4.0 FUNDING APPROACH

- 4.1 There are external and internal funding sources which the Council explores to support the development of the Capital Programme, these include:
- Central Government and North East LEP grants;
 - Non-Government and European grants;
 - Developer Private / Partnership Funding;
 - Enterprise Zone Finance and Tax Incremental Finance;
 - Capital Receipts and Council reserves; and
 - Prudential Borrowing.

Each potential funding approach comes with varying conditions and risks which need to be assessed and then managed as part of the scheme delivery.

4.1.1 Central Government and North East LEP grants

- Grants are allocated by Central Government departments to specific programmes or projects on a competitive or formula basis. The Council seeks to maximise such allocations, developing appropriate projects and programmes which address priority needs in the city. With the Local Growth Fund now largely committed in the North East LEP area, the Council continues to investigate funding opportunities linked to the UK's Industrial

Strategy. Major capital projects in the pipeline include the South Sunderland Growth Area project supported by the Housing Infrastructure Fund, the North East programme approved by the Transforming Cities Fund, and a significant city centre transformation bid to the Government's Future High Streets Fund. The Council has also developed two new capital projects to support digital and strategic infrastructure in the city centre and riverside areas, and an energy infrastructure proposal for Hillthorn Business Park, both of which have secured grant support from the Government's Getting Building Fund. The Council awaits further consultation and guidance on the UK Shared Prosperity Fund which should offer additional capital funding opportunities.

- Specific Government grants are utilised to support planned capital expenditure for example, maintenance of transport infrastructure, school buildings and provision of Disabled Facilities.

4.1.2 Non-Government and European grants

The Council continues to monitor opportunities to access non-government funding sources such as the National Lottery Heritage Fund, Sports England, Historic England and the Arts Council to support the delivery of the City Plan.

Opportunities to access EU funding programmes will continue until all remaining funds are committed and delivered. In December 2017, the EU and the UK Government agreed that the EU Structural Funds would continue to operate as normal in the UK up until the end of 2020, with all approved projects closing by late in 2023. While this agreement provides reassurance on the North East LEP area's remaining European funding allocation for 2014-2020, local government continue to lobby for a UK successor programme that will operate beyond 2020.

No detailed information on the UK Shared Prosperity Fund has been announced in 2020 despite expectations that it would operate from 2021. It is expected that its coverage will reflect regional priorities set out in the North East Local Industrial Strategy and Strategic Economic Plan.

4.1.3 Developer Private Funding

The Council has completed a number of private financing / partnering arrangements in recent years including Sunderland Lifestyle Partnership and South Tyne and Wear Waste Management Private Finance Initiative. Funding arrangements have also been agreed with Legal and General in relation to the City Hall that will also see other office developments delivered as part of Riverside Sunderland.

The Council is committed to working with partners in the development of the City and its services. Various mechanisms provide opportunities to enhance the Council's investment potential with support and contributions from other third party and local strategic partners. These range from commissioning /

facilitating others to develop services in the city, funding for regeneration projects, and through match funding / joint funding of developments.

4.1.4 Alternative Sources of Financing

Enterprise Zones:

The Council has three live Enterprise Zone sites: A19 Low Carbon Zone, land at the Port of Sunderland and IAMP Phase 1. The Government's Enterprise Zone model allows all business rates growth generated by the Enterprise Zone to be kept by the relevant LEP for a period of 25 years. To unlock sites locally, the North East LEP has approved a model of forward funding the required infrastructure work, whereby local authority borrowing is financed through the future flow of business rates growth receipts.

Tax Incremental Finance (TIF):

Tax increment financing (TIF) permits local authorities to borrow money for infrastructure projects against the anticipated increase in tax receipts resulting from the infrastructure. TIF arrangements need to be negotiated and agreed with Central Government.

4.1.5 Internal funding

- Capital receipts from asset disposals
The Council has a substantial property estate, mainly for operational service requirements and administrative buildings. Reviews undertaken in accordance with the Asset Management Plan identify properties which are surplus to requirements and which can be disposed.

Capital receipts from asset disposals represent a finite funding source and it is important that a planned and structured manner of disposals is in place to support the priorities of the Council. As part of its property rationalisation programme, the Council markets sites when it is felt to be the appropriate time in order to achieve best value and help support operational efficiencies. The Efficiency Strategy, approved annually by Council, includes the continued proposed use of capital receipts to support costs arising from implementing the Council's savings programme, in accordance with Government guidance on the availability of flexibility around the use of capital receipts for transformation purposes through to April 2022.

The Council aims to maintain a policy of not committing receipts in advance of realisation and does not ring-fence the use of capital receipts to fund new investment in specific schemes or service areas, except where regulations require this i.e. educational land receipts. Instead, subject to any claw back provisions, resources are allocated in accordance with key aims and priorities.

While the Council does not commit receipts in advance of realisation, an indicative programme of sales of assets into future years is in place against which progress will be monitored and managed.

Receipts realised will be used to assist the Council's long term financial position. This will involve appraisal of the options to maximise revenue benefits, which could include:

- Repayment of existing debt;
- Mitigating requirements for future borrowing requirements in delivering the capital programme priorities;
- Funding of Transformation Projects that will deliver efficiencies; and
- Funding additional priorities.

- Capital Reserves

There is currently limited scope for Capital reserves to support new capital proposals. Opportunities for the creation of additional capital reserves will be considered in the light of the outturn funding position each financial year.

- Lease finance

Leasing may be considered where this provides best value as an alternative to purchasing.

- Revenue

Capital expenditure may be funded directly from revenue (CERA – capital expenditure charged to revenue account). However, the general pressures on the Council's revenue budget and council tax levels limit the extent to which this may be exercised as a source of capital funding.

- Prudential “unsupported” borrowing

Under the Prudential Code, the Council has discretion to undertake borrowing to fund capital projects. The full cost of that borrowing must be taken account of in the Council's budget, through the Minimum Revenue Provision (MRP) Policy. Any borrowing must be prudent, affordable and sustainable.

Given the pressure on the Council's revenue budget, prudent use has been made of borrowing where there was a clear financial benefit, such as “invest to save”, “spend to earn” or major regeneration schemes, which provide a net return over and above the borrowing cost, or a wider city benefit in line with the ambitions of the City Plan.

Council resources will be allocated to programmes based on asset lives to manage the long-term yield and revenue implications. Where available, any capital receipts will be focused on those assets with short term life span (e.g. vehicles and IT investments) and the unsupported borrowing on long term assets (e.g. land and buildings).

5.0 DEBT, BORROWING AND TREASURY MANAGEMENT

- 5.1 Under the Prudential Code, local authorities have discretion over the funding of capital expenditure and the level of borrowing they wish to undertake to deliver their capital plans and programmes. However, capital spending plans must be affordable, sustainable and prudent. To demonstrate this, the Council's longer term financial needs, alongside a projection of forecast external debt and borrowing, are detailed within the Prudential and Treasury Indicators 2020/2021 to 2023/2024 and within the Treasury Management Strategy Statement. This is approved annually by Council.
- 5.2 Table 2 below shows the estimated net revenue cost of debt charges and the future borrowing levels that will be required by the Council to meet its estimated capital financing requirement (CFR) over the 20-year timeframe included in the Capital Strategy. The table includes longer term capital financing requirements beyond the current capital programme timeframe that are identified in section 3.6 of this report but does not include other long-term liabilities (e.g. Private Finance Initiative schemes and finance leases).
- 5.3 The CFR quantifies capital expenditure that has not yet been paid for from revenue or capital resources. It measures the authority's underlying need to borrow for a capital purpose. It does not increase indefinitely as it is decreased by the Minimum Revenue Provision, which broadly reduces the borrowing need in line with assets lives. Consideration will be given to utilising cash backed reserves to temporarily fund the Council's borrowing requirement.

Table 2

	2024/25 £m	2029/30 £m	2034/35 £m	2039/40 £m
Capital Financing Requirement	871.021	808.671	734.646	644.649
Existing External Debt	390.740	365.698	354.044	354.078
Additional External Debt Requirement	480.281	442.973	380.602	290.591
Net Debt Charges	34.020	37.813	39.982	44.322

The Council ensures that the revenue implications of capital finance, including financing costs, are properly taken into account within option appraisal processes, the capital programme and the MTFP.

- 5.4 The liability benchmark for the Council is shown in table 3 below. This shows the Council's existing projected debt repayment profile through the MRP (liability benchmark) set against the existing repayment profile implied by the actual maturity profile of borrowing taken out by the Council. The table suggests that the Council will have a cash surplus in the long term and that projected debt repayments through MRP will not match actual debt repayments. However, following consultation and advice from the Council's treasury advisers, Link Asset Services, the Council has taken the decision to borrow over longer term periods. This borrowing has been taken out where it

offers good value and to allow for the potential to benefit from refinancing debt in the future. A further benefit is that it reduces risk by giving certainty of borrowing rates over the long term.

Table 3

	Loan Debt Maturities	Liability Benchmark	% Variance	Permitted Range
< 1 year	2%	1%	1%	0% - 50%
1 – 2 years	2%	1%	1%	0% - 60%
2 – 5 years	2%	5%	3%	0% - 80%
5 – 10 years	6%	9%	3%	0% - 100%
10 – 20 years	2%	23%	21%	0% - 100%
20 – 40 years	22%	45%	23%	0% - 100%
> 40years	64%	16%	48%	0% - 100%

5.5 Borrowing Limits

All external borrowing and investment undertaken is subject to the monitoring requirements of the Prudential Code. Under the Code, Authorities must set borrowing limits (Authorised Borrowing Limit for External Debt and Operational Boundary for External Debt) and must also report on the Council's performance for all of the other Treasury Management Prudential Indicators.

Further details are included within the Prudential and Treasury indicators 2020/2021 to 2023/2024 as approved by Council in March 2020.

5.6 Debt Repayments

The Council is required to repay an element of its capital financing requirement each year through a revenue charge known as the MRP. The Council must set a prudent amount of MRP in an annual MRP Policy Statement that is approved by Full Council each year.

5.7 Treasury Management Governance and Risks

The Local Government Act 2003 and subsequent guidance requires the Council to set out its Treasury Management Strategy for Borrowing and to prepare an Annual Investment Strategy. This sets out the Council's policies for managing both its borrowing and its treasury investments, which gives priority to the security and liquidity of those investments.

6 COMMERCIAL ACTIVITY – INVESTMENT STRATEGY

6.1 Since 2010 local government finances have been restricted by annual grant reductions, with much greater emphasis on self-sufficiency. The Council's Capital Strategy aims to support this agenda by increasing the physical and economic regeneration of the city, to generate more business rates and council tax to support Council services.

6.2 In recent years, a number of local authorities have increased their property portfolio for purely commercial / income reasons, often outside of their geographic area, in order to support existing Council budgets faced with

continued grant reductions. This practice has drawn concern from both CIPFA and the Ministry of Housing, Communities and Local Government (MHCLG) around the risk and security of funds from such commercial activity. MHCLG has subsequently updated its Statutory Investment Guidance, which requires that authorities:

- Prepare an investment strategy for approval by full Council once a year;
- Disclose the contribution that investments make “toward the service delivery objectives and / or place making role of the local authority”;
- Include indicators that enable assessment of the authority’s investments and decisions taken;
- Must not “borrow in advance of need” to profit from the investment of the sums borrowed. This requirement now applies to non-financial investments (e.g. investment in commercial property that is solely commercial) rather than financial instruments. In the past, investment in commercial property would have counted solely as capital expenditure and so could have been funded by borrowing; and
- If they do borrow in advance of need for profit, authorities must set out the reasons for their non-compliance in the strategy and their risk management arrangements.

6.3 To date, the Council has not entered into any investment decisions (outside of Treasury Management transactions) that solely focus on the commercial return of that investment. Whilst some capital developments and loan agreements in place have a commercial rate of return, and this is considered as part of any decisions approved, all such investments are principally to support the regeneration and economic sustainability of the city. The Council has no property assets defined as “investment assets” on its balance sheet.

6.4 The Council has prepared this investment strategy to comply with the statutory guidance issued by the MHCLG. In doing so, the overarching principles of any investment decisions are that;

- Investment decisions are made with the primary purpose of supporting the regeneration and economic resilience of the city, and that the benefit of such is set out as part of the decision making process. As such no borrowing “in advance of need” would be undertaken;
- Any proposals to undertake any such investment decisions would fully consider appropriate risks and security of funds as part of any decision making process and weigh up these risks against the anticipated benefits of the proposal;
- There would be a fully calculated and robust financial case of any proposal to be considered; and
- The approval for any such proposals follows the existing governance and approval process as set out in the Council’s constitution.

6.5 Any ongoing monitoring of investment decisions will be undertaken using existing channels i.e. revenue and capital monitoring. No additional mechanisms will be put in place given the Council does not intend to undertake any purely commercial activities.

- 6.6 This strategy and the related activity sits alongside the Treasury Management strategy referenced elsewhere, as well as having direct relationships with borrowing and Prudential Indicators. The Council will ensure that this policy is updated on an annual basis to be compliant with any such changes as required by CIPFA or the MHCLG.
- 6.7 Should the Council chose to undertake any investment decision in the future that is purely for commercial gain, full consideration of all financial and non-financial risks will be undertaken and subject to the appropriate approval process. The Investment Strategy would subsequently be updated to reflect any such change in approach.

7 OTHER LONG-TERM LIABILITIES

- 7.1 Councils may take on liabilities and hold investments explicitly in the course of service delivery including regeneration. Whilst not included within the Capital Programme or the Treasury Management Strategy, they are included within the wider capital strategy to give an overarching view of the Council's financial position.
- 7.2 As at 31st March 2020 the Council held £69.781m long-term liabilities in respect of Private Finance Initiative schemes:
- Waste Management Partnership £48.105m
 - Street Lighting and Highways Signs £15.188m; and
 - Sandhill View £6.488m.
- 7.3 The Council also held finance leases liabilities of £8.263m at 31st March 2020 mainly in respect of Sunnyside Multi Storey car park and the City Library building and embedded vehicle leases.
- 7.4 The Council has entered into a number of joint venture partnerships and provided loans to the following;
- Sunderland Lifestyle Partnership - In June 2015 the Council entered into a joint venture (JV) partnership, known as Sunderland Lifestyle Partnership, with Sports & Leisure Management Ltd (SLM), to manage and operate the city's leisure facilities. The JV is a private company limited by shares and is owned by the Council and SLM in equal shares (50:50) and is managed by a board of directors with an equal number of representatives from each party; and
 - IAMP LLP - This joint venture has been established with South Tyneside Council in order to deliver the International Advanced Manufacturing Park to the north of Nissan. Both parties own 50% of the LLP. Land currently held by IAMP LLP has been financed through Local Growth Funding grant and member loans in the form of Loan Notes.

The Council also has the following Financial Guarantees in place;

- Future possible payments may be required to Gentoo (formerly the Sunderland Housing Group) under the terms of the Transfer Agreement established between the Council and Gentoo for claims relating to non-environmental and environmental warranties. This agreement was drawn up as part of the Large Scale Voluntary Transfer which took place on 26th March 2001 which transferred all Council Housing and related assets to Gentoo;
- In addition to this, the Council acts as a guarantor to the Tyne and Wear Pension Fund in respect of pensions for employees who were originally employed by the Council but transferred to Gentoo in March 2001; and
- The Council also acts as a joint guarantor (along with other councils) to the Tyne and Wear Pension Fund in respect of pensions for employees of several bodies such as the Association of North East Councils (ANEC) and the North East Regional Employers Organisation (NEREO). The councils involved have agreed with the Pension Fund administrators that, in the unlikely event of any of these bodies failing, any pension deficit would be repaid over an agreed repayment period. Independently, the Council has similar arrangements in place for possible pension deficits with several other organisations.

These guarantees have all been judged to be insurance contracts and have been valued accordingly.

- 7.5 All other long-term liabilities are subject to Council approval and detailed business cases are provided prior to approval being given. This includes clear identification and quantification of financial risks and any implied subsidy included in the proposals. All long-term liabilities are closely monitored for changes to assumptions made and the probability of financial guarantees being called upon.

8 KNOWLEDGE AND SKILLS

- 8.1 The respective disciplines which support the implementation of the capital strategy across the Council i.e. finance, legal, property, etc. are delivered by officers with the necessary skills and professional standing. Officers regularly attend training courses, seminars and conferences provided by CIPFA, RICS and other bodies to ensure they are up to date with emerging issues, regulatory changes and best practice.
- 8.2 To ensure appropriate skill levels are available within the Council, suitable officers are provided with the opportunity to undertake professional training. The introduction of the Government's Apprenticeship Levy initiative is now supporting the financing of such development opportunities.

- 8.3 The Council uses Link Asset Services as its external treasury management advisers. The Council recognises that responsibility for treasury management decisions remain with the Council at all times and ensures that undue reliance is not placed upon our external service providers. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources.
- 8.4 Where deemed necessary, external advisers / consultants will be engaged to support Council officers. These engagements may cover work packages including; business case development, regulatory consideration / compliance, project appraisal and specialist project delivery advice and support.
- 8.5 New Councillors are provided with financial training as part of their induction programme by internal Finance Officers. In addition, existing councillors can opt to receive refresher training as and when required, for example when they have a change in responsibility.

9 **CONCLUSION**

- 9.1 The Council has a long-established history of strong financial management. This Capital Strategy does not, in itself, introduce any new controls, but serves as a useful document as it summarises all of the arrangements in place around our capital activities. It highlights the comprehensive arrangements in place to ensure that the Council can balance the need for continued investment in the city with the requirement to set a balanced MTFP and address the on-going financial challenges that the Council faces.

Capital Programme 2021/2022 to 2024/2025 – New Starts / Additional Investments

Capital New Start / Additional Investment Proposals 2021/2022 to 2024/2025

The following projects are proposed for inclusion in the 2021/2022 to 2024/2025 capital programme. Gross amounts represent the total estimated project cost. For projects with other external or other funding provision, the net amounts represent the estimated net increase in Council financial investment.

2.1 Leader New Start Proposals

2.1.1 Elemore Green Space and Social Enterprise Development - £1.000m gross, £0.500m net

This project will provide funding to undertake a feasibility study (including significant resident and community consultation) to determine potential opportunities to develop the former Elemore Golf Course at Hetton. Following completion of the feasibility study and all planning restriction requirements, external funding will be sought alongside support from the Coalfield Area Neighbourhood Investment capital programme. The £1m project cost is reliant upon securing £0.5m external funding, and if successful, to then undertake capital improvement works to the former golf club, car park and adjacent green space. This will enable a social enterprise to become mobilised on site, delivering initially from the refurbished golf club house and ensuring the long-term sustainability of the Elemore Green Space.

Area Outcomes / Benefits and Contribution to Strategic Priorities

- Dynamic City: more and better jobs
- Dynamic City: more and better skills and qualifications
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: access to same opportunities and life chances
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more creative and cultural businesses
- Vibrant City: more residents participating in the communities
- Vibrant City: more visitors visiting Sunderland and residents participating in events
- Vibrant City: more people feel safe in their neighbourhoods and homes
- Vibrant City: more resilient people

2.2 Deputy Leader New Start Proposals

2.2.1 Sunderland Central Station Redevelopment & Car Park - £27.989m gross, £3.470m net (£20.157m external funding and £4.362m already in existing programme)

Redevelopment of the Sunderland Central Station & car park. This will be via the demolition and reconstruction of the main southern concourse of the Station above platform level with the provision of a new modern facility to act as an improved arrival experience for people arriving into the city by rail and also the associated parking facilities to serve the station and the City. The project is expected to be supported by external funding from the Transforming Cities Fund (Tranche 2).

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment to rebuild the station at concourse level, to provide modern, attractive facilities for a better passenger experience will also serve as a gateway focal point for the retail core of Sunderland, with the corresponding benefits to businesses, commuters and visitors to the city. It's aspiration as a university hub also means an enhanced railway station has potential to serve more students and help drive the growth of the fledgling knowledge industry and promote low carbon travel. Establishing a 500-space car park on the nearby Holmeside site will facilitate both pre-paid permits and pay & display parking and will provide the Council with a revenue stream. Although its primary benefit will be to offer park and ride support to heavy rail users the car park will be a city-wide asset for the occupants and visitors to the City Centre. In addition, the project will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: access to same opportunities and life chances
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Healthy City: cleaner and more attractive city and neighbourhoods
- Healthy City: city with great transport and travel links
- Vibrant City: more creative and cultural businesses
- Vibrant City: more visitors visiting Sunderland and residents participating in events
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.2.2 Holmeside Bus Rationalisation and Priority Measures – £1.135m gross, £0.255m net (£0.880m external funding)

The rationalisation of traffic movements to and through Holmeside, thereby permanently improving pedestrian and cycle facilities and changes to the Public Transport network and movements around the City Centre. The project is expected to be supported by external funding from the Transforming Cities Fund (Tranche 2).

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will help with congestion reduction, ensure bus journey time improvements and enhance road safety for all highway users. Infrastructure improvements will enhance the travelling experience for bus passengers and encourage the take up of this mode of travel. The measures will also contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: access to same opportunities and life chances
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Healthy City: cleaner and more attractive city and neighbourhoods
- Healthy City: city with great transport and travel links
- Vibrant City: more creative and cultural businesses
- Vibrant City: more visitors visiting Sunderland and residents participating in events
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.2.3 Strategic Cycle Network - £5.609m gross, £1.203m net (£4.406m external funding)

Improved cycling route provision towards, and around, the City Centre with associated changes to the inner ring road to facilitate safe movement of cyclists to promote active travel and healthier lifestyles. The project is expected to be supported by external funding from the Transforming Cities Fund (Tranche 2).

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will support economic regeneration, broader labour market access for employers, modal shift for short-medium length trips, equitable access to travel solutions, and encourage increasingly active living for health reducing health care costs and will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: access to same opportunities and life chances
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Healthy City: cleaner and more attractive city and neighbourhoods
- Healthy City: city with great transport and travel links
- Vibrant City: more creative and cultural businesses
- Vibrant City: more visitors visiting Sunderland and residents participating in events

- Vibrant City: more people feel safe in their neighbourhoods and homes

2.2.4 Energy and Carbon 2030 Development - £3.200m gross

A feasibility study was undertaken aligned to implementing the Carbon 2030 policy and to secure energy conservation and reduction in costs set against the move away from fossil fuels to renewables. The medium future is a transition shift away from gas towards a much greater electricity dominant infrastructure coupled with renewables. The shift to electric vehicles is visible worldwide. The Department for Business, Energy and Industrial Strategy have reviewed electricity cost predictions which shows that UK costs are set to increase over the next 5 years. The major high demand users of electricity face serious challenges, for example manufacturing faces a severe challenge against competitiveness with the rest of the world; similarly, the Riverside Sunderland development investment and the wider Council asset base face rising operational costs. This project seeks the procurement of an operator/generator/advisor with institutional experience in successful green energy and a portfolio of projects initially for a 5 year partnership to develop the response in the medium term to Carbon 2030 and to identify the long term strategy for:

- The IAMP Employment Catchment (including Nissan, IAMP Phase 1 and 2, Gigaplant, Washington Meadows, Hillthorn Business Park); and
- Riverside Sunderland and the City Catchment working with the investors to achieve the carbon neutral targets.

Area Outcomes / Benefits and Contribution to Strategic Priorities:
The investment will:

- secure existing manufacturing jobs within the catchment area by reducing energy costs, attract more investment into that area bringing more jobs and boosting the economy,
- give Sunderland the strategic direction required for the next 20 years to 2040 and place Sunderland at the centre of the Government climate emergency and carbon reduction strategy, and
- change the City in the way we live and work with Riverside Sunderland developing as the model for the new way of living and the City into the future.

Overall it will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: more and better housing
- Dynamic City: more and better skills and qualifications
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: more people living healthier for longer

- Healthy City: people enjoy independent lives
- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more creative and cultural businesses
- Vibrant City: more residents participating in the communities
- Vibrant City: more visitors visiting Sunderland and residents participating in events
- Vibrant City: more people feel safe in their neighbourhoods and homes
- Vibrant City: more resilient people

2.2.5 Open Spaces and Allotment Improvements - £2.500m gross, £2.303m net (£0.197m external funding)

This project will support a Citywide Parks and Open Spaces Strategy to improve open spaces and allotments infrastructure. Parks and greenspaces will be enhanced at a number of locations citywide. In addition, demand for allotments has also grown significantly, particularly during 'lockdown' in 2020 a further 1,500 requests have been received from residents wishing to take an allotment tenancy. In order to seek to satisfy demand, the project will seek to recover redundant plots within existing sites, with the aim of bringing allotment plots back into use by improving the allotment plots where a current tenancy has been cancelled or abandoned. Scoping work will also identify suitable areas of land where further additional allotment plots / community gardens can be provided. The project is supported by £0.197m developer contributions towards the provision of allotments.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will support residents in being more physically and socially active through the provision of additional allotment plots and community gardens to grow produce, whilst improvements will also be made to parks and open spaces infrastructure, and will contribute to the following strategic priorities:

- Healthy City: access to same opportunities and life chances
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more residents participating in the communities
- Vibrant City: more people feel safe in their neighbourhoods and homes
- Vibrant City: more resilient people

2.2.6 Vehicle Actuated Signs Programme - £0.200m gross

Purchase of new and replacement Vehicle Actuated Signs (VAS) as part of the citywide VAS programme.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment in new signs will further support the existing VAS programme of work by enabling the upgrade of signs coming to the end of their working life and also allow the expansion of the VAS programme to areas of the city

where there are community concerns of inappropriate vehicle speeds and conventional signing and/or enforcement has not been effective. The signs will also contribute to the following strategic priorities:

- Healthy City: cleaner and more attractive city and neighbourhoods
- Healthy City: city with great transport and travel links
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.2.7 Fleet - Bulky Waste Collection Service - £0.150m gross

Action to improve the bulky household waste collection offer has been extremely successful. To cope with anticipated sustained demand into next year and onwards two additional specialist service vehicles to collect this waste will be purchased. It is expected that this investment will also reduce the level of fly tipping or waste in rear lanes and making the service more accessible by reducing service lead in times.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment provides city-wide customer service delivery, and will contribute to the following strategic priorities:

- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.3 Cabinet Secretary New Start Proposals

2.3.1 Internet Filtering, Firewall and Monitoring Solution and Upgrade to Gigabit Capable Fibre Connectivity - £1.000m gross

Provision for the replacement of the Council's internet filtering, firewall and monitoring solution and upgrade to gigabit capable fibre connectivity to support the continued effective running of Council services.

Area Outcomes / Benefits and Contribution to Strategic Priority:

Having fit for purpose and resilient technical solutions for ICT users underpins the effective running of the Council and therefore indirectly supports the delivery of the City Plan.

2.3.2 Salix Decarbonisation Fund - £1.000m gross, £nil net (£0.500m external Salix funding and £0.500m ring-fenced Salix reserve)

Creation of a recycling decarbonisation fund for energy conservation and renewable energy technology measures (e.g. solar panels) in Council operational buildings and schools. The recycling element of this fund allows the savings to repay the capital cost of works and for funds to be reinvested, thus providing a sustainable long-term fund for low carbon measures. 50% of the fund will be resourced via accessing funding from Department for Business, Energy and Industrial Strategy (BEIS) via Salix Finance who administer the funding on behalf of BEIS.

Area Outcomes / Benefits and Contribution to Strategic Priorities:
The investment will reduce energy consumption, energy cost and carbon emissions, and will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: more and better skills and qualifications
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: cleaner and more attractive city and neighbourhoods

2.3.3 Re-procurement of AutoCAD licences - £0.600m gross

Provision for the replacement of computer aided design (CAD) software for use by the Council's architect, engineering and construction teams. This design software supports the operational and capital development delivery across the Council.

Area Outcomes / Benefits and Contribution to Strategic Priorities:
The investment will underpin the effective delivery of a number of key Council services, and will contribute to the following strategic priorities:

- Dynamic City: more and better housing
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: cleaner and more attractive city and neighbourhoods
- Healthy City: city with great transport and travel links
- Vibrant City: more visitors visiting Sunderland and residents participating in events

2.4 Children, Learning and Skills New Start Proposals

2.4.1 Barnes Junior School Refurbishment - £2.500m gross, £2.100m net (£0.400m external funding)

Structural repair, electrical and mechanical works at Barnes Junior School. Planned works to include upgrades / replacement of; windows, doors, heat sources as well as internal alterations and refurbishments. Project to be supported, in part, by the schools' capital grants provided for this purpose.

Area Outcomes / Benefits and Contribution to Strategic Priorities:
This project will directly benefit residents in the west area of the city. It will improve the condition of the maintained school sector and ensure that more children in Sunderland are able to learn in safe, modern learning environments and will contribute to the following strategic priorities:

- Dynamic City: more and better skills and qualifications
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: cleaner and more attractive city and neighbourhoods

2.4.2 Fulwell Junior School Refurbishment - £2.500m gross, £2.100m net (£0.400m external funding)

Structural repair, electrical and mechanical works at Fulwell Junior School. Planned works to include upgrades / replacement of; windows, doors, heat sources as well as internal alterations and refurbishments. Project to be supported, in part, by the schools' capital grants provided for this purpose.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

This project will directly benefit residents in the North area of the city. It will enable the pupils at the school to access education in safe and healthy buildings, increase the access to hot, healthy school meals for pupils on roll, modernise teaching facilities and reduce the risk of unplanned closures due to major condition failures and will contribute to the following strategic priorities:

- Dynamic City: more and better skills and qualifications
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: cleaner and more attractive city and neighbourhoods

2.4.3 School Meals Kitchen Equipment Replacement - £0.150m gross

A condition survey of school meals equipment across all schools where the school meals service is provided by the Council's in-house catering team has identified the need for an upgrade to equipment inventory. This project will replace all equipment identified from that survey.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

This project will replace a number of pieces of school meals equipment and will contribute to the following strategic priority:

- Healthy City: more people living healthier for longer

2.5 Dynamic City New Start Proposals

2.5.1 Riverside Sunderland Infrastructure - £32.000m gross

Riverside Sunderland is located to the east of the city, lying north of the City Centre with the River Wear running through it. The area for regeneration includes Sheepfolds and Bonnersfield to the north, Vaux, Farringdon Row, Galley's Gill, Riverside Park and High Street West to the south. The Riverside Sunderland Masterplan was launched November 2019. This Plan will play a big part in achieving the goals of the City Plan, helping us to become a dynamic, healthy and vibrant international city. Over the next 10-15 years, it is intended that the Council and partners will create a new urban quarter at the heart of the city, which will provide new homes and quality workspaces and attract new investors, residents, skilled workers, students and visitors. Riverside Sunderland will drive economic growth, set new standards for sustainable development and promote wellbeing and inclusion. In order to support the delivery of the Riverside Sunderland Masterplan to create 1,000 new homes and 1 million square foot of commercial

development, a number of integrated infrastructure improvements are planned. This includes a new high level footbridge connecting Sheepfolds to Vaux, a riverside park to be developed on either side of the River Wear, a reconfiguration of a part of St Mary's Boulevard to better connect the City centre to the Vaux site, improvements to St Mary's car park, provision of a cliff edge footpath and 5G infrastructure, and developments with the Central Business District linking High Street West to St Mary's Boulevard. This funding will supplement the funding approved last year for this purpose.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will support the city-wide population through improved public infrastructure in the city, by providing better connections and movement between the surrounding residential neighbourhoods and employment opportunities, ensuring the Park is a city-wide asset, and will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: cleaner and more attractive city and neighbourhoods
- Healthy City: city with great transport and travel links
- Vibrant City: more creative and cultural businesses
- Vibrant City: more visitors visiting Sunderland and residents participating in events
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.5.2 Vaux Housing - £38.404m gross, £31.247m net (£7.157m external funding)

This project funds the design and development of a new residential scheme on the former Vaux site consisting of carbon neutral dwellings for rent and sale. The housing development will complement the wider masterplan for Riverside Sunderland and the investment already made in the Beam and the new City Hall. This site will be the home of the Sunderland Future Living Expo, which will showcase regional skills and housing innovation. The project is expected to be supported by grants from Homes England, and the commercial case business demonstrates the recovery of the capital investment over a 25-year period from rental income and property sales.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will provide a new high-quality housing offer in a vibrant well-connected community, creating a place where people want to live. It will support the repopulation of the city centre and the associated economic growth. It will also contribute to the following strategic priorities:

- Dynamic City: more and better housing
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: more people living healthier for longer

- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more residents participating in the communities
- Vibrant City: more visitors visiting Sunderland and residents participating in events
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.5.3 Northern Spire Park - £23.003m gross, £8.759m net (£14.244m external funding)

Infrastructure, remediation works and the strategic acquisition of adjacent land and buildings to enable a high quality and affordable new housing development on the former Groves Cranes site. The project is expected to be supported by grants from Homes England. The commercial business case demonstrates the recovery of the capital investment over a 15-year period from sale of land to Developers.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will help to regenerate a neglected former industrial site to create an attractive new riverside residential community flanking the Northern Spire Bridge and the strategic transport corridor. It will provide a mixed tenure housing solution, using factory manufactured and highly sustainable new homes, that provide high quality and affordable edge of city living. It will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: more and better housing
- Dynamic City: more and better skills and qualifications
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more residents participating in the communities
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.5.4 Housing Other Sites - £3.999m gross, £2.499m net (£1.500m external funding)

Provision for planning and infrastructure works to allow the Council to bring forward a number of pipeline development sites to meet the city's strategic housing need and optimise land receipts.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will help to unlock stalled development sites, support regeneration and placemaking, and ensure the delivery of a high quality housing offer across the city. It will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: more and better housing
- Dynamic City: more and better skills and qualifications
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: more people living healthier for longer
- Healthy City: cleaner and more attractive city and neighbourhoods
- Healthy City: city with great transport and travel links
- Vibrant City: more residents participating in the communities
- Vibrant City: more visitors visiting Sunderland and residents participating in events
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.5.5 Willowfield Supported Village - £16.000m gross, £12.500m net (£3.500m external funding)

The project will provide self-contained supported living apartments for those adults requiring Extra Care and those living with the onset of Dementia. The scheme will also incorporate a separate Intermediate Care unit consisting of apartments with en-suite bedrooms and rehabilitation support, which will be used by the Council and health partners. The project is expected to be supported by grants from Homes England, and the net investment is expected to be recouped by rental income.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will ensure a range of specialist and supported accommodation is available in the City for vulnerable groups, and will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: more and better housing
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.5.6 Inspiring Futures Programme - Delivering a new approach to Homelessness Services and Accommodation - £7.229m gross, £2.894m net (£1.935m external funding and £2.400m already in existing programme)

Provision of accommodation and support for those who are homeless, have complex needs and require support to move forward with their lives towards independent living. The project is expected to be supported by grants from Homes England and Ministry for Housing, Communities and Local Government, and the net investment is expected to be recouped by rental income.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will ensure a range of supported accommodation is available in the City for vulnerable groups, and will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: more and better housing
- Healthy City: access to same opportunities and life chances
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Vibrant City: more people feel safe in their neighbourhoods and homes
- Vibrant City: more resilient people

2.5.7 HICSA (Housing Innovation Construction & Skills Academy) - £10.950m gross, £5.475m net (£5.475m external funding)

Provision for the design and construction of a new Housing Innovation and Construction Skills Academy (HICSA). This will be a shared facility which will be occupied by the Ministry of Building Innovation and Education (MOBIE) and Sunderland College. The HICSA will deliver education and training in traditional construction skills and innovative new methods of constructing homes. The project is expected to be supported by central government grants.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will help to educate and train the housing workforce of the future, allowing Sunderland to build on its manufacturing heritage and create new and alternative employment opportunities for local people. It will provide a critical link between academia and industry and will support the creation of a new regional off-site manufacturing hub within Sunderland. It will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Dynamic City: more and better housing
- Dynamic City: more and better skills and qualifications
- Healthy City: access to same opportunities and life chances
- Vibrant City: more residents participating in the communities

2.5.8 Commercial Road Development - £4.000m gross

The project will undertake the development of a site at Commercial Road, providing:

- A mixture of industrial and trade counter units;
- Promotion of the regeneration of the Commercial Corridor and in turn encourage additional economic activity at the Port and the Council area;
- A site that will form part of a wider strategic development area which also includes Council assets; and

- Access to the railway line to be included to ensure connectivity to the Port and wider rail network.

The cost of investment, including financing, will be recouped from lease income from the units and is also planned to provide a positive return. The Council will seek pre-lets to ensure the risk of voids is minimised and income is secured on a long-term lease.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will support the creation of local jobs within the local and wider area and the physical and economic regeneration of the Commercial Road corridor providing a modern gateway to the City and will contribute to the following strategic priorities:

- Dynamic City: more and better jobs
- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more resilient people

2.5.9 City Centre Highways Improvements - £3.000m gross, £1.500m net (£1.500m external funding)

Highways improvement works at Burdon Road and Cowan Terrace to provide improved access into the new planned residential development on the current civic centre site. External funding is anticipated to be provided through grants from Homes England.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will support the delivery of high quality and effective public realm, optimising accessibility and connectivity of the city centre, Mowbray Park and the civic centre site, and maintaining an appropriate balance between pedestrian and vehicle routes. It will contribute to the following strategic priorities:

- Dynamic City: more and better housing
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more residents participating in the communities
- Vibrant City: more people feel safe in their neighbourhoods and homes

2.6 Healthy City New Start Proposals

2.6.1 ICT / Assistive Technology - £1.400m gross

Provision for the promotion of independence and wellbeing through the use of digital services and technology. The investment will help to close gaps in

health inequalities and better supporting the future financial sustainability of local health and care systems.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

- Dynamic City: more and better jobs
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Vibrant City: more people feel safe in their neighbourhoods and homes
- Vibrant City: more resilient people

2.7 Vibrant City New Start Proposals

2.7.1 Culture House - £27.225m gross, £13.058m net (£14.167m external funding)

Creation of a new 80,000 square foot library and archive facility as an anchor attraction and focal point to the Central Business District, generating additional footfall and expenditure into the City. The building will incorporate indoor city square, adult library, children and young people's library, learning zone, creative/making spaces, local history and archives, events space, café and outdoor space. It will be designed to the highest achievable sustainability requirements in order to minimise ongoing revenue costs and to meet Council objectives of being Carbon Zero by 2030. The project is subject to the successful outcome of a bid for external funding from the Future High Street Fund, with the outcome expected to be confirmed by the end of 2020.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

Project will benefit the city's residents, businesses and visitors via the provision of a new and improved facility which will provide access to enhanced educational and cultural services, increasing footfall in the city centre, and will contribute to the following strategic priorities:

- Dynamic City: more and better skills and qualifications
- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: access to same opportunities and life chances
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more creative and cultural businesses
- Vibrant City: more residents participating in the communities
- Vibrant City: more visitors visiting Sunderland and residents participating in events
- Vibrant City: more resilient people

2.7.2 Washington F Pit Heritage Visitor Centre and Albany Park Improvements - £4.650m gross

Construction of a new heritage visitor centre incorporating exhibition, teaching and community spaces and a café for the museum and park users. Along with repair and improvement works to the existing museum engine house, there will be improvement works to Albany Park including; new play areas, car park, trim trails, wetland area, wildflower meadows, interpretation and dedicated events space.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

- Healthy City: more people living healthier for longer
- Healthy City: cleaner and more attractive city and neighbourhoods
- Vibrant City: more residents participating in the communities
- Vibrant City: more visitors visiting Sunderland and residents participating in events
- Vibrant City: more people feel safe in their neighbourhoods and homes
- Vibrant City: more resilient people

2.7.3 Digitisation of Local History & Library collections - £0.650m gross

Digitisation of local history and library collections. The biggest collection of local and social history records owned by the Council chart the development and changing face of the City over hundreds of years.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The project is a long-term commitment and investment, to protect collections that are either fragile or unique, that need to be protected but also to gradually open up the collection to everyone. There will be opportunities to maximise the collection to enrich key projects and events around the city, for example as projections, films, reminiscence, commercialisation and merchandise. This will contribute to the following strategic priorities:

- Dynamic City: stronger City Centre
- Dynamic City: low carbon city and digital connectivity for all
- Healthy City: access to same opportunities and life chances
- Healthy City: more people living healthier for longer
- Healthy City: people enjoy independent lives
- Vibrant City: more creative and cultural businesses
- Vibrant City: more residents participating in the communities
- Vibrant City: more visitors visiting Sunderland and residents participating in events

2.7.4 Redesign and Replacement of City Centre Christmas Lighting - £0.150m gross

Provision for a City Centre Christmas lighting refresh to complement the work undertaken on the route of lights in the Fawcett Street and St Mary's Boulevard areas.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will replace the current lighting that has aged and no longer has the desired effect of creating a visual impact during the Christmas period of welcoming and encouraging visitors to the city centre, and will contribute to the following strategic priorities:

- Dynamic City: stronger City Centre
- Vibrant City: more visitors visiting Sunderland and residents participating in events

2.7.5 Festival of Light - £0.600m gross

Refresh of the lighting offer for the Festival of Light, to support the delivery of the event over a 4-year period.

Area Outcomes / Benefits and Contribution to Strategic Priorities:

The investment will allow for new lighting features to refresh the lighting offer annually to ensure the event doesn't become stagnant using the same lighting stock for a prolonged period, and will contribute to the following strategic priorities:

- Dynamic City: stronger City Centre
- Vibrant City: more residents participating in the communities
- Vibrant City: more visitors visiting Sunderland and residents participating in events

REFERENCE FROM CABINET – 8 DECEMBER 2020

**BUDGET PLANNING FRAMEWORK AND MEDIUM TERM FINANCIAL STRATEGY
2021/2022 – 2024/2025**

Report of the Assistant Director of Law and Governance

1. Purpose of the Report

- 1.1 To seek the views of this Committee on a report of the Executive Director of Corporate Services considered by Cabinet on 8 December 2020 which:
- Provided an update, since the Budget Planning Framework and Medium Term Financial Plan (MTFP) report to Cabinet in October 2020, on the key factors influencing the development of the Council's financial plans into the medium term;
 - Set out the updated headlines and context for the Medium Term Financial Plan 2021/2022 to 2024/2025;
 - Set out provisional additional budget savings proposals for 2021/2022 to assist in meeting the current budget gap, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement for 2021/2022;
 - Set out the consultation / communication strategy for the budget 2021/2022; and
 - Set out for consideration a revised version of the City Plan which has been developed and re-set in light of the challenges brought about by the Covid-19 pandemic.
- 1.2 Members' views are requested in accordance with the Budget and Policy Framework Procedure Rules.

2. Background and Current Position

- 2.1 Copies of the 8 December 2020, Cabinet Agenda were made available to all Members of the Council. The Cabinet agreed:-
- To note the summary Medium Term Financial Plan set out at section 3 of the report and note that the full Medium Term Financial Plan 2021/2022 to 2024/2025 will be presented to Cabinet in February 2021;
 - To approve the provisional additional budget savings proposals, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement for 2021/2022; and
 - To consider and agree the revised version of the City Plan attached at Appendix 3.

3. Conclusion

- 3.1 The report is referred to the Scrutiny Coordinating Committee for its comments, in the context of the approved consultation arrangements for the Council's Budget. Comments from the Scrutiny Committee will be reported back to Cabinet.

4. Recommendation

- 4.1 The Scrutiny Coordinating Committee is invited to give its comments to Cabinet on the attached report of the Executive Director of Corporate Services.

5. Background Papers

- 5.1 Cabinet Agenda, 8 December 2020.
- 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:-

<https://committees.sunderland.gov.uk/committees/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/10397/Committee/1953/Default.aspx>

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CABINET MEETING – 8 DECEMBER 2020

EXECUTIVE SUMMARY SHEET- PART I

Title of Report:

Budget Planning Framework and Medium Term Financial Plan 2021/2022 – 2024/2025

Author(s):

Executive Director of Corporate Services

Purpose of Report:

This report advises Cabinet that an addendum report will be provided to Cabinet following consideration of the outcome of the Spending Review on 25th November. The addendum report to be considered by Cabinet, which is to be circulated after the publication of the main agenda, will:

- Provide an update, since the Budget Planning Framework and Medium Term Financial Plan (MTFP) report to Cabinet in October 2020, on the key factors influencing the development of the Council's financial plans into the medium term;
- Set out the updated headlines and context for the MTFP 2021/2022 to 2024/2025;
- Set out provisional additional budget savings proposals for 2021/2022 to assist in meeting the current budget gap, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement for 2021/2022;
- Set out the consultation / communication strategy for the budget 2021/2022; and
- Set out for consideration a revised version of the City Plan which has been developed and re-set in light of the challenges brought about by the Covid-19 pandemic.

Description of Decision:

Cabinet is recommended to note that an addendum report will be provided to Cabinet detailing the substantive decisions requested of Cabinet in relation to Budget Planning Framework and Medium Term Financial Plan 2021/2022 – 2024/2025.

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:

Consideration of the outcome of the Spending Review within the addendum report will enable Cabinet to have the most up to date information available on which to base any decisions.

Alternative options to be considered and recommended to be rejected:

The outcome of the Spending Review has a significant bearing upon the Council's budget and MTFP and therefore Cabinet needs to be aware of the latest position when making decisions. Therefore, there are no alternative options recommended for approval.

Impacts analysed:	
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	

**BUDGET PLANNING FRAMEWORK AND MEDIUM TERM FINANCIAL PLAN
2021/2022 – 2024/2025****Executive Director of Corporate Services****1. Purpose of Report**

- 1.1 This report advises Cabinet that an addendum report will be circulated to Cabinet following consideration of the outcome of the Spending Review on 25th November. The addendum report to be considered by Cabinet, which is to be circulated after publication of the main agenda, will:
- Provide an update, since the Budget Planning Framework and Medium Term Financial Plan (MTFP) report to Cabinet in October 2020, on the key factors influencing the development of the Council's financial plans into the medium term;
 - Set out the updated headlines and context for the MTFP 2021/2022 to 2024/2025;
 - Set out provisional additional budget savings proposals for 2021/2022 to assist in meeting the current budget gap, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement for 2021/2022;
 - Set out the consultation / communication strategy for the budget 2021/2022; and
 - Set out for consideration a revised version of the City Plan which has been developed and re-set in light of the challenges brought about by the Covid-19 pandemic.

2. Description of Decision

- 2.1 Cabinet is recommended to note that an addendum report will be provided to Cabinet detailing the substantive decisions requested of Cabinet in relation to the Budget Planning Framework and Medium Term Financial Plan 2021/2022 – 2024/2025.

3. Medium Term Financial Plan 2021/2022 to 2024/2025

- 3.1. The MTFP 2020/2021 to 2023/2024 was approved by Council in March 2020 as part of the 2020/2021 budget setting process. The MTFP is continually updated to reflect changing circumstances and latest known information. A further update on the MTFP since the Budget Planning Framework and MTFP report to Cabinet on 13th October 2020 is detailed in the addendum report. The full MTFP 2021/2022 to 2024/2025 will be presented to Cabinet in February 2021.
- 3.2. The outcome of the Spending Review is to be announced on 25th November 2020 and will cover a one-year period. The Chancellor commented that his preference would be to outline plans until the end of Parliament, but the need to focus completely on the Covid-19 response and supporting jobs prevents this. The Government's medium to longer term approach to addressing its financial position is still unknown and the one-year funding settlement for Local Government will again provide limited certainty for the Council. The spending review provides information on Government's departmental budgets and the impact on local government. As such it is intrinsic to the Council's budget and MTFP.

- 3.3. Other Government grants are not anticipated to be confirmed until the Provisional Local Government Settlement is announced in December 2020. However, since the last MTFP update report in October, the Consumer Price Index for September 2020 has been confirmed at 0.5%, this is below the 1% assumption used for planning purposes. The MTFP presented within the addendum report will reflect this updated position.

4 City Plan

- 4.1 The City Plan, approved by Council in November 2019, sets the framework for the allocation of the Council's resources. The Covid-19 pandemic has led to the need to review and refocus the plan to ensure the city can recover as quickly as possible from the crisis and remain on course to realise the 2030 vision to provide opportunities for all. In light of the impacts of Covid-19 on the city and its residents, as well as the opportunities presented and progress made since the plan was created, the draft plan included within the addendum report sets out the proposed, refocused challenges, commitments under each of the three themes (Dynamic City, Healthy City and Vibrant City) and an indicative, updated timeline.

5 Suggested Reasons for Decision

- 5.1 Consideration of the outcome of the Spending Review within the addendum report will enable Cabinet to have the most up to date information available on which to base any decisions.

6 Alternative Options to be considered and recommended to be rejected

- 6.1 The outcome of the Spending Review has a significant bearing upon the Council's budget and MTFP and therefore Cabinet needs to be aware of the latest position when making decisions. Therefore, there are no alternative options recommended for approval.

7 Impact Analysis

- 7.1 Impact assessments will be set out within the addendum report.

8 Other Relevant Considerations

- 8.1 These will be set out as appropriate within the addendum report.

Background Papers

[Revenue Budget and Proposed Council Tax for 2020/2021 and Medium Term Financial Plan 2020/2021 to 2023/2024](#) (4 March 2020 Council).

[Budget Planning Framework and Medium Term Financial Plan 2021/2022 – 2024/2025](#) (13 October 2020 Cabinet)

CABINET MEETING – 8 DECEMBER 2020

EXECUTIVE SUMMARY SHEET- PART I

Title of Report:

Budget Planning Framework and Medium Term Financial Plan 2021/2022 – 2024/2025

Author(s):

Executive Director of Corporate Services

Purpose of Report:

This report:

- Provides an update, since the Budget Planning Framework and Medium Term Financial Plan (MTFP) report to Cabinet in October 2020, on the key factors influencing the development of the Council's financial plans into the medium term;
- Sets out the updated headlines and context for the Medium Term Financial Plan 2021/2022 to 2024/2025;
- Sets out provisional additional budget savings proposals for 2021/2022 to assist in meeting the current budget gap, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement for 2021/2022;
- Sets out the consultation / communication strategy for the budget 2021/2022; and
- Sets out for consideration a revised version of the City Plan which has been developed and re-set in light of the challenges brought about by the Covid-19 pandemic.

Description of Decision:

Cabinet is recommended:

- To note the updated summary MTFP set out at section 3 of the report and note that the full MTFP 2021/2022 to 2024/2025 will be presented to Cabinet in February 2021;
- To approve the provisional additional budget savings proposals, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement for 2021/2022; and
- To consider and agree the revised version of the City Plan attached at Appendix 3.

Is the decision consistent with the Budget/Policy Framework?

Yes, it is seeking to inform a future decision to change the Budget and Policy Framework for 2021/2022

Suggested reason(s) for Decision:

- Adoption of the Budget Planning Framework forms an essential part of the process of the preparation and compilation of the Revenue Budget for 2021/2022;
- To enable constitutional requirements relating to the development of the Revenue Budget to be met; and
- To allow Cabinet to consider a reviewed and refocussed City Plan in light of the impact of the Covid-19 pandemic.

Alternative options to be considered and recommended to be rejected: There are no alternative options recommended for approval.	
Impacts analysed:	
Equality <input checked="" type="checkbox"/>	Privacy <input checked="" type="checkbox"/> Sustainability <input checked="" type="checkbox"/> Crime and Disorder <input checked="" type="checkbox"/>
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

**BUDGET PLANNING FRAMEWORK AND MEDIUM TERM FINANCIAL PLAN
2021/2022 – 2024/2025****Executive Director of Corporate Services****1. Purpose of Report****1.1 This report:**

- Provides an update, since the Budget Planning Framework and Medium Term Financial Plan (MTFP) report to Cabinet in October 2020, on the key factors influencing the development of the Council's financial plans into the medium term;
- Sets out the updated headlines and context for the Medium Term Financial Plan 2021/2022 to 2024/2025;
- Sets out provisional additional budget savings proposals for 2021/2022 to assist in meeting the current budget gap, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement for 2021/2022; and
- Sets out the consultation / communication strategy for the budget 2021/2022; and
- Sets out for consideration a revised version of the City Plan which has been developed and re-set in light of the challenges brought about by the Covid-19 pandemic.

2. Description of Decision**2.1 Cabinet is recommended:**

- To note the summary MTFP set out at section 3 of the report and note that the full MTFP 2021/2022 to 2024/2025 will be presented to Cabinet in February 2021;
- To approve the provisional additional budget savings proposals, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement for 2020/2021; and
- To consider and agree the revised version of the City Plan attached at Appendix 3.

3. Medium Term Financial Plan 2021/2022 to 2024/2025

- 3.1. The MTFP 2020/2021 to 2023/2024 was approved by Council in March 2020 as part of the 2020/2021 budget setting process. The plan is continually updated to reflect changing circumstances and latest known information. This report provides a further update on the MTFP since the Budget Planning Framework and MTFP report to Cabinet on 13th October 2020. The full MTFP 2021/2022 to 2024/2025 will be presented to Cabinet in February 2021.
- 3.2. Key points to note, since the October report, which impact on the Budget Planning for 2021/2022 and beyond are set out at section 3 below.

3.3. National and Economic context to the 2021/2022 budget

- 3.3.1 Since the last update to Cabinet in October, the response to the Covid-19 outbreak has continued with a further national lockdown imposed by Government covering the period 5th November to 2nd December 2020, followed by localised tier restrictions. These measures will place further pressure on national Government finances with increased expenditure requirements and continued reduced tax receipts.

The UK Government's September borrowing pushed the total borrowed to £208.5 billion in the first half of the current financial year. As outlined by the Chancellor in November's Spending Review the total borrowing in the current financial year could reach £394 billion, around seven times the amount borrowed in the financial year ending March 2020.

- 3.3.2 UK Gross Domestic Product declined significantly as the wave one national lockdown measures impacted, contracting 20.4% in the second quarter. Significant growth was recorded over the summer quarter with GDP expanding 15.5% in the period July to September, but this slowed towards the latter part of this period and remained at 2014 levels. The second national lockdown will further dampen the recovery, reflected by the BOE recent reduction to GDP growth forecasts. Following its fall to 0.2% in August the annualised Consumer Price Index rose slightly in September to 0.5% and to 0.7% in October. This was largely due to increased transport costs and rises within the restaurant/café sector, following the end of the Eat Out to Help Out scheme.

- 3.3.3 The furlough scheme introduced by the Government to help mitigate the financial impact of the Covid-19 pandemic on employers, was extended by the Chancellor to the end of March 2021. Notwithstanding the scheme, national employment figures continue to reduce; following a fall in employment of 730,000 between March and June, July to September saw a further reduction of 314,000. The full impact on UK employment is unlikely to be known until after the furlough scheme ends in March 2021. The Office for Budget Responsibility's latest forecasts indicate unemployment levels of 2.6 million by the middle of 2021 (7.5% of the working age population), which is a significant increase on the current 1.6 million unemployment level.

- 3.3.4 As expected, the BoE's November Monetary Policy Committee (MPC) meeting voted to leave the Base Rate unchanged at 0.10%, a record low. However, it revised its economic forecasts to take account of the second national lockdown which is going to delay economic recovery and do further damage to the economy. The MPC agreed a further tranche of quantitative easing (QE) of £150bn, to start in January 2021 when the current programme of £300bn of QE ends. The MPC reiterated recovery would take time and that considerable challenges to the economy will remain after the end of the second lockdown including the tiered regional restrictions put in place to tackle Covid-19 infection rates. Positive indications of an effective vaccine and the extension of furlough through the Government's Job Support Scheme to 31st March 2021 have bolstered the markets and will limit the degree of further damage to the economy.

- 3.3.5 In addition to the Covid-19 pandemic, there remains significant uncertainty as to the outcome of Brexit negotiations and the economic risk of a No Deal scenario.

3.4. Central Government Funding for Local Government

- 3.4.1 As anticipated, the Chancellor's Spending Review held on 25th November 2020 only covered a one-year period. The Spending Review headlines suggested a 4.5% increase in Local Government core spending power, but a large proportion of this is as a result of giving councils the ability to increase local council tax by 2% and a further 3% for the adult social care precept in order to help fund some of the significant social care cost pressures being faced by councils. This means the Government's base assumption is that councils will increase council tax by 5% next year.
- 3.4.2 Other funding announcements within in the Spending Review which impact on local government included; additional Social Care grant funding, support for council tax and business rates collection fund losses, amendments to the new homes bonus scheme and Covid-19 support funding for 2021/2022. These are outlined further within this report.
- 3.4.3 The Government's medium to longer term approach to addressing its financial position is still unknown and the one-year funding settlement for Local Government again provides limited certainty for the Council. The Spending Review provides information on the Government's departmental budgets with more specific detail on allocations for Local Authorities to be published in the Provisional Local Government Finance Settlement which is currently anticipated week commencing 14th December 2020.

Spending Review - Local Government Funding Announcements

3.4.4 Social Care Funding

It was confirmed that the £1 billion of adult and children's social care grant funding provided during 2020/2021 will continue in to 2021/2022, this totalled £10.249m for Sunderland. A further £300m of grant funding was also confirmed for 2021/2022, with the basis of allocation unlikely to be known until the Provisional Local Government Settlement is published later in December. The current planning assumptions estimate that this could provide the Council with additional grant funding of approximately £2.000m in 2021/22.

3.4.5 New Homes Bonus (NHB)

As previously reported, the Government's planned spring consultation on NHB funding was cancelled so uncertainty remained as to how this funding would be distributed, providing a significant risk to our planning assumptions. The Chancellor announced as part of his Spending Review that the existing NHB scheme would continue for a further year. Initial estimates suggest that a further £0.070m would be received linked to this extension. Previous financial planning assumptions anticipated a replacement NHB scheme would distribute the national NHB funding allocation in line with other resource allocations. The national quantum of funding available for distribution and the basis of funding allocation is unclear, as such at this time the financial planning assumptions assume no further funding is received in 2021/22.

3.4.6 Revenue Support Grant

Confirmation was provided that the Revenue Support Grant would benefit from an inflationary increase for 2021/2022. The basis of applying the inflation is yet to be confirmed, but current planning assumes an increase of £0.154m

3.4.7 Covid-19 Support

Further funding was announced for 2021/2022 to support local authorities with Covid-19 pressures. The Government expects to provide £3 billion in additional support by:

- providing an additional £1.55 billion of grant funding to local authorities to meet additional expenditure pressures as a result of Covid-19;
- providing local authorities with £670 million of additional grant funding to provide council tax support;
- providing an estimated £762 million to compensate local authorities for seventy five per cent of the irrecoverable loss of council tax and business rates revenues in 2020/2021 that would otherwise need to be funded through local authority budgets in 2021/2022 and later years; and
- extending the existing Covid-19 sales, fees and charges reimbursement scheme for a further 3 months until the end of June 2021.

3.4.8 At present there is no further detail on the distribution of the above national allocations nor the exact mechanisms that will be applied by Government. The additional funding or compensation to be provided to local authorities may not directly impact upon the financial planning assumptions for example compensation through the sales, fees and charges reimbursement would only be payable if the Council's actual income was less than its budgeted income.

Summary Funding Position Over Medium Term

3.4.9 Based on the indicative funding allocations detailed above, Government funding is forecast to increase by circa £2.067m in the year 2021/2022. The position for the Council will not be confirmed until the Local Government Finance Settlement. The position on Government funding beyond 2021/2022 is even more uncertain, with the assumption at this stage, that the Government will ensure at worst a broadly status quo position is maintained upon implementation of Fair Funding and the 75% Business Rate Retention Scheme. The government have confirmed that a business rates reset will not be carried out in 2021/2022 as previously planned.

3.5. Provision for Spending Pressures and Commitments 2021/2022 to 2024/2025

3.5.1 In addition to funding changes, the Council must also plan for a range of spending pressures and commitments which are not funded by the Government.

3.5.2 A detailed analysis of the Council's spending pressures and commitments was presented in the October 2020 MTFP report. The changes since that report are outlined in 3.5.3 to 3.5.10. All spending pressures and commitments will continue to be reviewed and refined throughout the budget setting process:

Pay and Prices

- 3.5.3 As part of the Spending Review the Chancellor announced a public sector pay freeze in 2021/2022, except for NHS workers and workers earning less the £24,000 per annum. Local Authority pay awards are determined through the national bargaining process rather than being mandated by Government. However, the messaging and government resource allocations for 2021/2022 are likely to influence that national bargaining process. Given the uncertainty, the financial planning continues to provide for a 2% pay increase for 2021/2022.
- 3.5.4 Provision is included within the budget planning for annual contract inflation in respect of the contract the Council has with Together for Children (TfC). The annual uplift in contract value is partly informed by the published September CPI figure. Following confirmation of this CPI rate at 0.5%, the inflationary cost has been confirmed at £0.126m for the non-pay element of the contract, which is lower than the previous 1% planning assumption.
- 3.5.5 The regional Tyne and Wear Transport budget planning for 2021/2022 has commenced with current indications that there would be no change to the overall contribution required from constituent authorities. As the levy is distributed in line with population, there is a small reduction in the 2021/2022 levy for Sunderland. The MTFP has been updated to reflect this latest position.

Spending Pressures

Children's Demand Pressures

- 3.5.6 TfC have confirmed that the £0.5m previously identified to support demand pressures primarily in children's social care within the MTFP will be contained within the existing contract sum. This position will be kept under review during the year.

Debt Charge Pressures

- 3.5.7 The Council continues to be ambitious and investing in the City is a key element of the City Plan. It is important that the capital programme is affordable, and that the ongoing costs of funding capital activity are included in the revenue budget. A review of the approved capital programme delivery profile had previously identified temporary debt charge budget savings arising in 2021/2022. These savings have been partially offset by the proposed capital programme new start schemes for 2021/2022 which are subject to Cabinet and Council approval.
- 3.5.8 As announced in the Spending Review the 1% surcharge introduced in October 2019 on PWLB borrowing rates was removed by the Government on 26th November 2020, providing more advantageous borrowing terms at a time the Council has a significant capital programme.
- 3.5.9 A budget reduction of £2.500m for 2021/2022 has been built in to the MTFP taking into account the above factors. However, it should be noted that a total additional provision of £11.130m over the period of the MTFP is incorporated to deliver the already approved capital programme and proposed 2021/2022 new start capital schemes.

Culture House

3.5.10 The proposed 'Culture House' development will deliver 80,000 sqft of cultural, library and archiving space as an anchor attraction and focal point to the city Centre and Riverside Sunderland, generating additional footfall and expenditure into the City. The delivery of the capital scheme is dependent on securing grant funding from the Government's Future High Streets Fund. Should the scheme progress, building works are anticipated to be complete by 2023. The new building will significantly improve the City's current library and culture offer and as such will require further revenue budget to manage and run the facility. To meet this requirement an additional £1.000m has been included within the MTFP from 2023/2024.

Potential Covid-19 Pressures

3.5.11 At this stage the pace and extent of recovery of the wider economy, including the financial impacts on our residents and businesses, continues to be uncertain. However, the impact is expected to continue into 2021/2022, as such the MTFP does recognise that additional costs may arise, some of which may be permanent, notably with regards to leisure services and rental income.

Summary Spending Pressures and Commitments

3.5.12 A summary of spending pressures and commitments, which have been updated for the areas noted in 3.5.3 to 3.5.9 is set out below:

	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m
Spending Pressures and Commitments					
Pay, Prices and Other Pressures including Contract Inflation	7.683	9.025	12.761	9.782	39.251
Neighbourhoods - Adults Demand Pressures	1.000	1.000	1.000	1.000	4.000
Together for Children - Demand Pressures	0.000	0.500	0.500	0.500	1.500
Capital Financing (Debt Charges)	(2.500)	8.000	2.630	3.000	11.130
Pensions Actuarial Review	0.000	0.000	10.000	0.000	10.000
MRF Waste Disposal	0.700	0.000	0.000	0.000	0.700
Housing Benefit Overpayment	0.600	0.000	0.000	0.000	0.600
Contingencies Review	(2.000)	0.000	0.000	0.000	(2.000)
Potential Covid-19 Pressures	3.200	0.600	0.000	0.000	3.800
Culture House	0.000	0.000	1.000	0.000	1.000
Total Spending Pressures and Commitments	8.683	19.125	27.891	14.282	69.981

3.6 Summary Resources, Pressures and Commitments Position

3.6.1 The total of changes in resources and spending pressures represents the estimated gross funding gap. At this stage there remain significant uncertainties which include:

- The ongoing impact of Covid-19 pandemic on Council costs and income and the wider economic uncertainty this creates;
- Local Government Finance Settlement for 2021/2022, to confirm the actual individual Local Authority allocations. This is currently anticipated to be announced later in December;

- Ongoing pressures around both Adult and Children's Social Care;
- Confirmation of delivery of the proposed savings plans assumptions;
- The Government plans in relation to Fair Funding, Business Rates and the departmental spending review all impacting on 2021/2022 and beyond; and
- The general economic position and public sector finances (direct connectivity between the economy and public finances), including any potential impact of the conclusion of the Brexit negotiations.

3.6.2 The savings requirement over the medium term therefore remains uncertain. However, based on the best information available at this time, further reductions to budgets are required through to 2024/2025.

	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	Total £m
Government Grant Changes (as set out in section 3.4)	(2.067)	(2.617)	(1.257)	(1.304)	(7.245)
Total On-going Spending Pressures (as set out in section 3.5)	8.683	19.125	27.891	14.282	69.981
Total on-going Funding Gap	6.616	16.508	26.634	12.978	62.736

3.7 Locally Raised Income

Council Tax

- 3.7.1 Within the Spending Review the Chancellor confirmed that the referendum threshold for core council tax will remain at 2% for 2021/2022. It was also confirmed that local authorities can levy a 3% increase in the adult social care precept. Government has assumed within its assessment of the Core Spending Power increase that local authorities will implement these increases to provide the resources needed to fund services. Additional funding provided by Government will enable the Council to provide further financial support to working age council tax support claimants to assist with council tax bills in 2021/22.
- 3.7.2 Decisions on the level of Council Tax will be made as part of the final budget planning stages, once all other funding factors are fully understood. However, at this stage, the MTFP continues to allow for an increase of 2% in line with previous years increases. Should an increase in the Adult Social Care Precept be proposed and implemented this would help fund some of the significant social care cost pressures being faced by the Council already included within the 2021/2022 budget and reduce the reliance on reserves to support the 2021/2022 budget and the MTFP overall.
- 3.7.3 The impact of Covid-19 on Council Tax collection will have an impact into 2021/2022 in the following ways:
- Deficit - as reported in October an in-year deficit is forecast in 2020/2021. This has arisen due to an increase in the number of claimants, predominantly those working age claimants, in receipt of support through the Local Council Tax Support Scheme, decreased collection generally and a slowdown in house building within the city compared to base assumptions – all as a direct consequence of the impact of the Covid-19 pandemic on the economy and people's jobs. As part of the Spending Review the Chancellor announced that local authorities would be compensated for 75% of irrecoverable 2020/2021 council tax revenue. The basis for determining these irrecoverable losses is yet

to be confirmed. The necessary legislation requiring Local Authorities to spread the cost of this deficit over a 3-year period will come in to force on the 1st December 2020. The latest in-year forecasts are reflected in the MTFP.

- Base Calculation - The impact of the pandemic has led to an increase in the numbers of local council tax support claimants that is likely to continue into 2021/2022, particularly as the extended furlough scheme ends on 31st March 2021. This, combined with a likely slowdown in the growth in house building numbers and pressure on the overall collection rate, has the potential to result in a decrease in the council tax base for 2021/2022. The latest forecasts for the 2021/2022 council tax base are reflected in the MTFP. These forecasts will continue to be closely reviewed.

- 3.7.4 It should be noted that there is significant uncertainty in this regard, not least the impact of the cessation of the furlough scheme and how this will impact on our residents including their ability to pay and the numbers claiming support under the Local Council Tax Support Scheme. A further update will be provided in future reports.

Business Rates

- 3.7.5 Under the current Retained Business Rates funding arrangement, the Council retains locally 49% of increased income arising from growth in the Local Business Rates base (equally it shares the risk of any under achievement of income targets). The Council has a relatively low Business Rates yield with the Government providing a top-up grant.
- 3.7.6 Inherent within the scheme is growth arising from annual inflationary increases to Business Rates. However, there is continued uncertainty specifically around appeals and avoidance tactics which can impact on the level of income achieved. The most significant opportunity for Business Rates growth arises through new developments, although growth in Business Rates in our three Enterprise Zones will be accounted for separately, as this is used to fully fund the capital financing costs of the investment included within the Council's Capital Programme in those sites.
- 3.7.7 The impact of Covid-19 on Business Rates will continue into 2021/2022 both in terms of collectability as the economy recovers, but also in addressing the collection fund deficit position expected to materialise in the current financial year. In line with Council tax the Chancellor announced that local authorities would be compensated for 75% of irrecoverable 2020/2021 business rates revenues and that the spreading of the cost of the 2021/2022 deficit would be over a 3-year period. This approach is reflected in the MTFP.
- 3.7.8 In addition, the Government is yet to confirm whether the support it provided to businesses through specific Covid-19 related business rates reliefs or the previous retail reliefs will continue in 2021/22 (either in full or at a specific level) with the position to be reviewed in the New Year.
- 3.7.9 In the Spending Review, the Government announced a freeze on the business rates multiplier in 2021/2022, to support businesses. Local authorities will be fully compensated for this decision.

3.8 Remaining Budget Gap

- 3.8.1 After taking into account the information in sections 3.4 to 3.7, there remains a funding gap of £14.384m in 2021/2022, with £47.213m savings required to be identified over 2021/2022 and 2024/2025. It should be noted that final proposals in relation to any Council Tax and any Social Care Precept increase will be considered as part of the final budget setting proposals in February 2021, once outstanding uncertainties have been clarified. This position is set out in the table below

	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m
Total On-Going Funding Gap	6.616	16.508	26.634	12.978	62.736
Assumed Council Tax Increase	(2.005)	(2.112)	(2.214)	(2.270)	(8.602)
Council Tax Deficit Impact	2.220	(0.963)	0.000	(1.257)	0.000
Council Tax Base	4.575	(3.316)	(3.536)	(0.594)	(2.871)
Business Rates Base Growth	1.500	(1.500)	(1.500)	(0.500)	(2.000)
Business Rates Inflationary Increase	(0.245)	(0.984)	(1.004)	(1.024)	(3.256)
Business Rates - reversal of surplus utilised 2020/2021	1.205	0.000	0.000	0.000	1.205
Business Rates Deficit Impact	0.517	0.000	0.000	(0.517)	0.000
Current MTFS Gap after assumed council tax increases	14.384	7.633	18.380	6.816	47.213

3.9 Revenue Savings Proposals 2021/2022

As set out in the Budget Planning Framework Report in October 2021, plans were in the development stage to be brought forward at a later stage in the budget planning process to address the budget gap. Budget savings proposals have now been further developed and are summarised below with further detail on the proposals set out at Appendix 1, together with an associated equality analysis. A summary of 2021/2022 Savings Proposals totals by Portfolio are set out below.

Portfolio	Savings Proposal 2021/2022 (£m)
Leader	0.421
Deputy Leader	2.109
Cabinet Secretary	0.797
Children, Learning and Skills	1.688
Dynamic City	0.511
Healthy City	0.641
Vibrant City	0.140
TOTAL Savings Proposals 2021/2022	6.307

The savings proposals by Portfolio are summarised below, with further detail set out for each at Appendix 2.

Leader proposals – Total of 2021/2022 Savings Proposals £0.421m

Ref	Description	Savings Proposal 2021/2022 (£m)
L1	Removal of vacant posts across Corporate Services within the Leader portfolio	0.270
L2	Review of operational arrangements and general budgets within the Policy team	0.151
	TOTAL	0.421

Deputy Leader proposals – Total of 2021/2022 Savings Proposals £2.109m

Ref	Description	Savings Proposal 2021/2022 (£m)
DL1	Removal of vacant posts across various City Development services within the Deputy Leader portfolio	0.210
DL2	Review of the business centre management, staffing and operational arrangements across the business centre sites	0.124
DL3	Asset and Network Management - additional fees and charges through income generation	0.200
DL4	Parking Services - additional permit income	0.040
DL5	Reconfiguration of overseas inward investment support	0.035
DL6	Building services - additional income generation	0.970
DL7	Catering Service - review of service delivery arrangements	0.045
DL8	Additional income generation across a range of services	0.101
DL9	Fleet Management - review of maintenance requirements and operational arrangements	0.125
DL10	Building Cleaning - review of service delivery and operational arrangements	0.107
DL11	Neighbourhood Services - miscellaneous general budget reductions	0.059
DL12	Review of operational arrangements and general budgets within the Communications team	0.093
	TOTAL	2.109

Cabinet Secretary proposals – Total of 2021/2022 Savings Proposals £0.797m

Ref	Description	Savings Proposal 2021/2022 (£m)
CS1	Review of operational arrangements within Capital projects and Landscaping service	0.036
CS2	Removal of vacant posts across Corporate Services within the Cabinet Secretary portfolio	0.244
CS3	Additional external income generation across Corporate Services	0.052
CS4	Security Service - review of staffing arrangements	0.010
CS5	Insurance Service - Supplies and Services budget review	0.010
CS6	Property Service - review of staffing	0.025
CS7	ICT Service - Review of operating arrangements	0.140
CS8	ICT Service - Review of operational budgets	0.160
CS9	Smart Cities - review of operational arrangements	0.120
	TOTAL	0.797

Children, Learning and Skills proposals – Total of 2021/2022 Savings Proposals
£1.688m

Ref	Description	Savings Proposal 2021/2022 (£m)
CH1	Safeguarding Unit - review of services delivery arrangements	0.043
CH2	Learning and skills - additional income from non-ESFA courses	0.005
CH3	Reduction in support to Together for Children	1.500
CH4	Derwent Hill - review of service arrangements	0.037
CH5	Derwent Hill - additional income generation	0.103
	TOTAL	1.688

Dynamic City proposals – Total of 2021/2022 Savings Proposals £0.511m

Ref	Description	Savings Proposal 2021/2022 (£m)
DC1	Building Control - additional fees and charges through income generation	0.023
DC2	Review service delivery arrangements within the planning services	0.117
DC3	Regeneration Team - additional fees through income generation	0.246
DC4	Income generation from the Housing Delivery and Investment Plan	0.125
	TOTAL	0.511

Healthy City proposals – Total of 2021/2022 Savings Proposals £0.641m

Ref	Description	Savings Proposal 2021/2022 (£m)
HC1	Reduction in Packages of Care (mainly home care) with use of Assistance Technology and development of Early Intervention	0.141
HC2	Learning Disabilities Transitions - review of arrangements to achieve a 2% reduction in net spend	0.500
	TOTAL	0.641

Vibrant City proposals – Total of 2021/2022 Savings Proposals £0.140m

Ref	Description	Savings Proposal 2021/2022 (£m)
VC1	School Library Service - review of service delivery arrangements	0.068
VC2	Removal of vacant posts within Culture Team	0.014
VC3	Environmental enforcement - additional income generation arising from enforcement activity	0.005
VC4	Neighbourhood Services - miscellaneous general budget reductions	0.053
	TOTAL	0.140

3.10 Overall Remaining Budget Gap

3.10.1 After taking into account the budget proposals set out at section 3.9, there remains a budget gap of £8.077m in 2021/2022, with £40.906m required to be identified over the period 2022/2023 to 2024/2025. Given the size of the gap, the

uncertainty, both with regard to the Covid-19 pandemic and Government funding, it is proposed that earmarked reserves are used to support the position in the short-term.

	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m
Current MTFS Gap after assumed council tax increases	14.384	7.633	18.380	6.816	47.213
Revenue Savings Proposals 2021/2022	(6.307)	0.000	0.000	0.000	(6.307)
Use of Reserves 2021/2022	(8.077)	8.077	0.000	0.000	0.000
Current MTFS Gap after agreed savings proposals and assumed council tax increases	0.000	15.710	18.380	6.816	40.906

3.10.2 As noted above in 3.7.2, the Council has the option to consider a 3% Adult Social Care precept. If additional income is raised through this, it will reduce the £8.077m forecast required use of reserves in 2021/22 and help to reduce the funding gap in future years.

3.11 Approach to addressing the overall funding gap

3.11.1 The Council's Efficiency Strategy was agreed by Council in March 2020. The Strategy set out a continual and iterative development of a programme of activity to address the gap taking into account the strategic vision of the Council's role in the future and reflecting the key principles listed below.

- Ensuring resources are targeted on statutory and front-line services and protecting key priority services with a focus on need rather than want;
- Managing demand - implementing strategies and policies that enable the Council to manage demand and facilitate those services which make a difference in the most effective way;
- Being customer focussed - using robust data and information to understand our resident's needs and maximising opportunities through use of technology for both our customers and internal users, so that people self-serve wherever possible thereby eliminating waste and duplication;
- Redesigning and reshaping services to deliver required outcomes in a value for money way which maximises productivity;
- Strategic commissioning based on outcomes and using an intelligence-based approach to ensure a sound evidence base for commissioning decisions and effective commissioning arrangements;
- Pressing forward with new models of service delivery that improve our commercialisation, to maximise income opportunities where there is a market and business case;
- Ensuring opportunities for collaboration with partners to deliver key outcomes that matter to the city;
- Ensuring that our internal, support services respond appropriately to the changing shape and size of the Council;
- Involving the Community – residents, businesses, partners, voluntary sector to ensure best outcomes for the city; and
- Continued focus on regeneration and inward investment in order to grow business rates and council tax income, leveraging funding to maximise additional income sources and commercial opportunities.

- 3.11.2 Taking into account the items noted above, the Council's Chief Officer group are to commence a savings planning process to develop the savings proposals required to meet the current MTFP gap, for implementation in 2022/2023 or before where possible to do so. These will be considered and approved by Cabinet and Council as appropriate.

4 Workforce Planning Implications

- 4.1 Some of the 2021/2022 savings proposals outlined in section 3.9 have staffing implications. These will be managed through the Council's Redundancy Policy and Procedure as necessary. It should also be noted that officers are continually reviewing resource allocations to ensure that staffing arrangements are fit for purpose.
- 4.2 At this stage it is proposed that any cost of redundancy payments and the release of pensions as required by the LGPS Regulations will be met from a combination of utilisation of capital receipts flexibilities (which currently applies until 2021/2022 only) and from within the overall corporate resource position at outturn each year, should the position allow. This position will be kept under review and updated as part of the Budget proposals to Cabinet.

5 Budget Consultation / Communication Strategy 2021/2022

- 5.1 Communication and consultation are important parts of medium-term financial planning. A range of activity informs this process and has influenced the City Plan and the MTFP.
- 5.2 As outlined in the October budget planning report to Cabinet, the budget consultation in 2020 is focusing on feeling informed, the priorities within the City Plan and views on how Council budget priorities are allocated. With clear messages focusing on the longer-term budget challenge, the scale of what we do and how the money is spent will accompany this consultation.
- 5.3 Consultation to date has been consistent with the successful Let's Talk initiative, this has had to be mainly carried out on-line given the restrictions of the current Covid-19 pandemic on face to face consultation. This had an obvious impact on the level of responses received, with only 71 recorded.
- 5.4 Whilst limited in number, the feedback received to date has generally supported the current allocation of financial resources between the various services included within the Council's budget.
- 5.5 Further consultation will be carried out on the budget proposals commencing in mid-December and running until mid-January. Existing networks will be utilised to communicate with both geographic communities and communities of interest. There will be communications with a range of partners and stakeholders including Trades Unions, Chamber of Commerce, Sunderland Business Innovation District (BID), the wider business community, employees, and the city's Equality Forums and Independent Advisory Groups. Communications with these groups will be tailored to their interests, for example, economic regeneration, neighbourhood services and adult services.
- 5.6 Scrutiny Coordinating Committee will be consulted on the budget consultation in January 2021.

- 5.7 Feedback from consultation with Scrutiny Coordinating Committee, Trade Unions and Business representatives will be considered in framing the final budget proposals to be submitted to Cabinet in February 2021.

6 City Plan

- 6.1 The City Plan, approved by Council in November 2019, sets the framework for the allocation of the Council's resources. The Covid-19 pandemic has led to the need to review and refocus the plan to ensure the city can recover as quickly as possible from the crisis and remain on course to realise the 2030 vision to provide opportunities for all. In light of the impacts of Covid-19 on the city and its residents, as well as the opportunities presented and progress made since the plan was created, the draft plan attached at Appendix 3 sets out the proposed, refocused challenges and commitments under each of the three themes (Dynamic City, Healthy City and Vibrant City) and an indicative, updated timeline.

7 Crime and Disorder

- 7.1 Consideration has been given to the options for savings about their potential impact on crime and disorder, (Section 17 Duty). No existing proposals have been identified as having a negative impact.

8 Equalities Analysis

- 8.1 In accordance with the approach followed in previous years the Council continues to fully consider the impact of its plans by following a robust approach to equalities analysis. Appendix 2 sets out the approach adopted to the budget setting process.
- 8.2 Directorates must consider the equality impact of any new proposals brought forward to meet the future budget gap and complete equality analyses as appropriate. Appendix 2 provides an initial equality analyses impact review for the 2021/2022 Savings proposals. Where equality analyses are still to be undertaken, these will be concluded prior to the implementation of the proposal and where appropriate provided as supplementary information with the final budget proposals submitted to Cabinet in February 2021.
- 8.3 Members must understand the equality implications of the proposals, outlined in the equality analyses and at Appendix 2 as having regard to them will assist members in complying with the public sector equality duty when considering the proposals.

9 Suggested Reasons for Decision

- 9.1 Adoption of the Budget Planning Framework forms an essential part of the process of the preparation and compilation of the Revenue Budget for 2021/2022.
- 9.2 To enable constitutional requirements relating to the development of the Revenue Budget to be met.
- 9.3 To allow Cabinet to consider a reviewed and refocussed City Plan in light of the impact of the Covid-19 pandemic.

10 **Alternative Options to be considered and recommended to be rejected**

10.1 There are no alternative options recommended for approval.

Appendices

Appendix 1a - Statement of General Fund Balances

Appendix 1b – Major Earmarked Reserves

Appendix 2 – Equality and Budget Proposals

Appendix 3 – City Plan

Background Papers

[Revenue Budget and Proposed Council Tax for 2020/2021 and Medium Term Financial Plan 2020/2021 to 2023/2024](#) (4 March 2020 Council).

[Budget Planning Framework and Medium Term Financial Plan 2021/2022 - 2024/2025](#)
(13 October 2020 Cabinet)

Statement of General Fund Balances

	£000
Balances 31st March 2020	12.000
Use of / Addition to Balances 2020/2021	
Contribution to Revenue Budget	0.000
Estimated Balances 31st March 2021	12.000

Major Earmarked Reserves

Reserves	Purpose of the Reserve	Opening Balance 01.04.2020 £m	Forecast Movement in Year £m	Reserve Realign £m	Forecast Balance 31.03.2021 £m
General Fund	General Fund of the Council	12.000	0.000	0.000	12.000
School Balances	Balances held by schools under a scheme of delegation	7.982	(0.015)	0.000	7.967
Riverside Transfer	Reserve established to fund capital works associated with the Homes and Communities Agency land transferred to the Council.	9.188	0.000	0.000	9.188
Capital Priorities Reserve	A reserve established to address some of the Council's key capital developments and strategic priorities.	9.254	(4.400)	0.000	4.854
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.	7.280	(1.772)	0.000	5.508
Strategic Investment Reserve (Capital)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	4.545	(2.699)	0.000	1.846
Strategic Investment Plan Reserve	This reserve is necessary to fund part of the Council's contribution to its Strategic Investment Plan	1.194	(1.194)	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.	1.153	(0.945)	0.000	0.208
Other Earmarked Capital Reserve	Funding set aside to fund future capital projects previously approved.	1.737	(0.941)	(0.042)	0.754
Strategic Investment Reserve (Revenue)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	11.769	(2.132)	(6.321)	3.316
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.	10.000	(0.268)	0.000	9.732

Appendix 1b (continued)

Reserves	Purpose of the Reserve	Opening Balance 01.04.2020 £m	Forecast Movement in Year £m	Reserve Realign £m	Forecast Balance 31.03.2021 £m
Service Reduction Reserve	This reserve is to provide temporary transitional funding relating to the implementation of planned service reductions.	12.146	0.000	0.000	12.146
Covid-19	A reserve established from government grant to fund the immediate costs and lost income associated with the Covid-19 pandemic.	10.592	(10.592)	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.	6.528	0.000	8.918	15.446
Insurance Reserve	This reserve has been established to provide for potential future claims or claim increases.	5.677	0.000	0.000	5.677
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.	4.280	(0.300)	0.000	3.980
HCA Stadium Park	Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.	3.109	0.000	0.000	3.109
SIB Reserve	A reserve held to fund future allocations through the Strategic Initiatives Budget.	3.303	0.000	0.000	3.303
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	(0.050)	0.000	2.101
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.	1.577	(0.050)	0.000	1.527
Education Redundancy Reserve	The reserve was established to meet the anticipated costs of redundancies as a result of falling pupil rolls within maintained schools.	1.916	0.299	0.000	2.215
Riverside Transfer	Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.	1.334	(0.105)	0.000	1.229
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.	1.236	0.000	0.000	1.236
Collection Fund Surplus Reserve	Reserve established as part of 2018/19 budget setting to smooth the collection fund surplus benefit into future years.	1.198	0.335	0.000	1.533

Appendix 1b (continued)

Reserves	Purpose of the Reserve	Opening Balance 01.04.2020 £m	Forecast Movement in Year £m	Reserve Realign £m	Forecast Balance 31.03.2021 £m
Children's Social Care	A reserve to fund any one-off Children's Social Care costs that may arise in the future.	3.000	0.000	0.000	3.000
Airport Smoothing Reserve	Reserve established to smooth any delayed airport loan interest payment that may arise.	1.253	(0.036)	0.000	1.217
Other Earmarked Revenue Reserves	Numerous small revenue reserves less than £1m which are set up for specific purposes.	19.229	(7.257)	(2.555)	9.417
Total General Fund Reserves		154.631	(32.122)	0.000	122.509
Capital Receipts Reserve	Balance of capital receipts held, pending use to fund the capital programme.	9.062	(4.447)	0.000	4.615
Capital Grants Unapplied	Balance of capital grants held pending expenditure on capital programme.	4.992	0.000	0.000	4.992
Total Usable Reserves		168.685	(36.569)	0.000	132.116

Equality and Budget Proposals

1 Equality in Decision Making

- 1.1 The Equality Act 2010 places a specific duty on Local Authorities through the Public Sector Equality Duty. The three aims of the equality duty are to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act;
 - Advance equality of opportunity between people who share a protected characteristic and those who do not; and
 - Foster good relations between people who share a protected characteristic and those who do not.
- 1.2 Public authorities are required to give 'due regard' to the three aims of the duty when making decisions. Understanding the effect of decisions on people with different protected characteristics is an important part of complying with the general equality duty. Due regard means:
- consider the need to remove or minimise disadvantage or to meet particular needs;
 - think about how to encourage participation in public life; and
 - tackle prejudice and promote understanding.

2 How equality analysis informs the budget-setting process

- 2.1 Individual proposals for savings are reviewed to determine whether equality analysis is required. Where equality analyses are required, and negative impacts are identified, it is the responsibility of the services to minimise these as far as possible. A standard approach is taken each year to ensure:
- equality considerations are given to each new savings proposal;
 - proposals agreed in previous years are reconsidered to ensure planned equality analysis has been completed or refreshed, where appropriate; and
 - and where equality analysis is finalised, a sampled quality assurance process takes place to ensure the relevant considerations are being made in a thorough manner.
- 2.2 The detail of the analysis is dependent on the nature of the proposal and its stage of development. It also includes results from budget consultations, where appropriate. The consultation is also suitably tailored to the scale of the proposals and the approach is outlined at paragraph 5 of the main report.

3 Key Messages for 2021/2022

3.1 The initial equality assessments for each of the 2021/2022 budget savings proposals are included below. Where a full equality analyses are identified as 'planned' these will be concluded prior to the implementation of the proposal and where appropriate provided as supplementary information with the final budget proposals submitted to Cabinet in February 2020.

3.2 As the report outlines above, there are a number of national and local issues that have the potential to impact on equality in the city, namely:

- The need for a long-term sustainable solution for social care;
- The possibility of reduced funding for Public Health following the implementation of the Fair Funding Review;
- The need to increase placement availability for looked after children; and
- Focus on the Covid-19 pandemic and associated recovery.

As our local response to these issues is determined, equality considerations must be included. Future proposals in these areas must be done in a way that makes the most of opportunities to reduce inequalities in our city whilst mitigating negative impacts as far as possible.

4 CONCLUSIONS

4.1 The Council continues to seek to meet its obligations in relation to equality and diversity and has procedures in place at both a general and budget specific level to incorporate equality and diversity issues into decision making processes and the assessment of proposals.

4.2 Services and directorates are responsible for ensuring equality considerations are integral to their functions, and ensuring these considerations are presented to decision makers at the appropriate junctures.

Appendix 2 (Continued)

Leader Proposals – Total Saving £0.421m (2021/2022)

L1 - Removal of vacant posts across Corporate Services within the Leader portfolio (Saving £0.270m in 2021/2022)

Removal of vacant posts in Corporate Services, within the Leader portfolio, arising from changes in Chief Officer posts agreed by HR Committee in August 2020.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	✓
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	
Additional Comment:	

Appendix 2 (Continued)

L2 - Review of operational arrangements and general budgets within the Policy team (Saving £0.151m in 2021/2022)

Review of operational arrangements and general budgets within the Policy Team to remove vacant posts and unused subscription budgets.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	✓
No Equality Analysis Required	
Additional Comment: This is a review of predominantly staffing vacancies and supplies and services budgets within the Policy Team and will be focused on vacant posts in the main.	

Deputy Leader Proposals – Total Saving £2.109m (2021/2022)

DL1 - Removal of vacant posts across various City Development services within the Deputy Leader portfolio – (Saving £0.210m in 2021/2022)

There are a number of functions across the City Development Directorate which historically generate underspends due to ongoing issues in relation to recruitment and retention of staff. The main areas affected by this are Parking Services and School Crossing Patrols. This proposal therefore seeks to reduce the budgets in these areas prudently in line with the historical underspends.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
<p>Additional Comment:</p> <p>Historically over a number of years there have been issues with regards to recruiting and retaining Civil Enforcement Officers. At present there are a number of vacant Civil Enforcement Officer posts and it is proposed to delete 3 of these posts to realise a saving. Whilst enforcement of parking arrangements does have a positive impact on equality groups such as those with disabilities or the elderly, it is felt that the deletion of the vacant posts would have neutral impact as in effect the service has always operated with a reduced resource.</p> <p>Similarly, in the School Crossing Patrol service there have been historical issues in recruiting School Crossing Patrollers to a number of sites which has resulted in service underspends over recent years. On the basis that this situation has existed over a number of years it is proposed that a prudent reduction be made to the budget which will still enable some flex in the service if issues arise in the future. Whilst the provision of School Crossing Patrols has a positive impact on the young, disabled and elderly, it is felt that this budget reduction would have a neutral impact as it is in effect not proposing any changes to the actual service delivery in real terms.</p> <p>The remaining element of the saving relates to the deletion of a vacant Highways Officer post that was recently created to provide support to the Highways Licence Permit function but it is no felt is surplus to requirements and a reduction in the hours of post in the Transportation Development Function neither of which would impact on equality of service provision.</p>	

Appendix 2 (Continued)

DL2 - Review of the business centre management, staffing and operational arrangements across the business centre sites – (Saving £0.124m in 2021/2022)

The review will focus on continued development and delivery of the ongoing transformation programme, taking forward a collective approach to management of the Council's three Business Centres including associated staffing arrangements and security operations.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	✓
No Equality Analysis Required	
Additional Comment: The efficiency saving is operational in nature and does not have an impact on the public however any staffing related element will be subject to the standard consultation process.	

Appendix 2 (Continued)

DL3 - Asset and Network Management - additional fees and charges through income generation – (Saving £0.200m in 2021/2022)

New processes regarding Highways licenses have recently been introduced that has seen an increase on the demand for temporary road closures and traffic management arrangements resulting in additional revenue generation opportunities.

The team is also looking at maximising the return from Out of Home (OOH) advertising opportunities including procuring a new contract for digital bus shelter and free standing unit provision and expanding the large format screen offer across the city.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: No equality analysis is required as the proposals are around income generation from businesses rather than the public. Although no equality analysis is required, it is felt that the proposal around Highways Licensing Permit scheme will have a positive impact as it will encourage utility companies and developers to minimise the disruption they cause to the highway.	

Appendix 2 (Continued)

DL4 - Parking Services - additional permit income – (Saving £0.040m in 2021/2022)

A review of parking permits across the city with a charge for all permits and revised charging on existing permits. This could include the introduction of a charge for the first permit that households get and would be introduced when a scheme had been operating for an agreed period of time.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	✓
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	
Additional Comment: It is proposed that 1 year after the introduction of a Controlled Parking Management Scheme (CPMS), the Council will also levy a charge of £10 on each initial permit to assist with the recovery of its costs. It is felt that the introduction of the charge will have a neutral impact on all equality groups as it will be universally applied.	

Appendix 2 (Continued)

DL5 - Reconfiguration of overseas inward investment support – (Saving £0.035m in 2021/2022)

The Council currently has arrangements in place on a retainer basis to provide insight and support focused on inward investment from the United States and Japan. It is proposed that the arrangements be renegotiated to a call-off contract basis and include scope for support linked to international trade opportunities where appropriate.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The proposal is contractual in nature and does not affect the public directly therefore no equality analysis is required.	

Appendix 2 (Continued)

DL6 - Building services - additional income generation – (Saving in 2021/2022 £0.970m)

A range of income generating opportunities and service growth will be undertaken across the service. Work will be carried out with SCAS, the Housing Renewal Programme, schools and other external organisations.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The proposal is bringing into the budget new income and as such there is no equality impact	

Appendix 2 (Continued)

DL7 - Catering Service - review of service delivery arrangements – (Saving in 2021/2022 £0.045m)

A review of staffing arrangements within the Catering Service to generate savings.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	✓
No Equality Analysis Required	
Additional Comment:	

Appendix 2 (Continued)

DL8 - Additional income generation across a range of services – (Saving in 2021/2022 £0.101m)

A range of income generating opportunities and service growth will be undertaken across various services including trade refuse and recycling, bereavement and pest control.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: It is considered that an Equality Analysis is not required as this efficiency will be achieved through generating additional income from the delivery of services to a broader range of customers.	

Appendix 2 (Continued)

DL9 - Fleet Management - review of maintenance requirements and operational arrangements – (Saving in 2021/2022 £0.125m)

A review of vehicle usage and service provision will be undertaken including identifying external income opportunities.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	✓
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	
Additional Comment:	

Appendix 2 (Continued)

DL10 - Building Cleaning - review of service delivery and operational arrangements – (Saving in 2021/2022 £0.107m)

A review of service delivery and operations that will identify new service arrangements that will enable growth and additional future income.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The proposal is bringing into the budget new income and as such there is no equality impact.	

Appendix 2 (Continued)

DL11 - Neighbourhood Services - miscellaneous general budget reductions – (Saving in 2021/2022 £0.059m)

A review of staffing arrangements and service provision across a number of services including waste collection and community safety.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: It is considered that an Equality Analysis is not required as there will be no impact on front line service delivery.	

Appendix 2 (Continued)

DL12 - Review of operational arrangements and deletion of vacant post within the Communications Team (Saving £0.093m in 2021/2022)

Review of operational arrangements within the Communications Team and removal of vacant post.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: This efficiency is based upon the removal of a vacant post hence an Equality Analysis is not required.	

Appendix 2 (Continued)

Cabinet Secretary Proposals – Total Saving £0.797m (2021/2022)

CS1 - Review of operational arrangements within Capital projects and Landscaping service – (Saving £0.036m in 2021/22)

A review of the structure within the Landscaping Team has been undertaken and has identified a saving that is possible through a modest staffing reduction and rationalisation with additional capacity going forward funded as required through income generation.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	✓
No Equality Analysis Required	
Additional Comment: Savings will be made through reducing the size of the Landscape Team by one post whilst maximising income opportunities via improved collaborative working across the Capital Projects function.	

Appendix 2 (Continued)

CS2 - Removal of vacant posts across Corporate Services within the Cabinet Secretary portfolio (Saving £0.244m in 2021/2022)

Removal of existing vacant posts across Corporate Services within the Cabinet Secretary portfolio in line with service requirements.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: This efficiency is based upon the removal of vacant post hence an Equality Analysis is not required.	

Appendix 2 (Continued)

CS3 - Additional external income generation (Saving £0.052m in 2021/2022)

Inclusion of ongoing additional external income currently not budgeted for within Corporate Services.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: It is considered that an Equality Analysis is not required as this efficiency will be achieved through including additional income that is currently generated from the delivery of services to a broader range of customers but does not have an impact on the public.	

Appendix 2 (Continued)

CS4 - Security Service - review of staffing arrangements (Saving £0.010m in 2021/2022)

Standardise staffing for all rotas within the City Alarm and Emergency Control room to 2 staff / shift. Reduction in use of Permanent Variable Hours staff.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: This efficiency is in relation to a reduction in the use of additional hours and Permanent Variable Hours staff and therefore an Equality Analysis is not required.	

Appendix 2 (Continued)

CS5 - Insurance Service - Supplies and Services budget review (Saving £0.010m in 2021/2022)

Reduction in cost of external insurance brokers.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The saving relates to a reduction in third party spend. Items will not have any impact therefore an Equality Analysis is not required.	

Appendix 2 (Continued)

CS6 - Property Service - review of staffing (Saving £0.025m in 2021/2022)

Rationalisation of internal courier arrangements.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	✓
No Equality Analysis Required	
Additional Comment: This efficiency is based upon staffing changes due to a reduction in workload.	

Appendix 2 (Continued)

CS7 - ICT Service - Review of operating arrangements (Saving £0.140m in 2021/2022)

Reduction in external annual maintenance and support through implementing alternative arrangements.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The saving in the main relates to a reduction in third party spend. Items will not have any impact therefore an Equality Analysis is not required.	

Appendix 2 (Continued)

CS8 - ICT Service - Review of operational budgets (Saving £0.160m in 2021/2022)

Review of operational budgets within the service including more efficient use of telephony solutions across the council.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The saving relates to a reduction in specific budgets. Items will not have any impact therefore an Equality Analysis is not required.	

Appendix 2 (Continued)

CS9 - Smart Cities - review of operational arrangements (Saving £0.120m in 2021/2022)

Smart Cities - review of service operating arrangements to deliver a more efficient service.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	✓
No Equality Analysis Required	
Additional Comment: This efficiency is based upon staffing changes. There is no impact on the public as this relates to internal operating arrangements.	

Appendix 2 (Continued)

Children, Learning and Skills Proposals – Total Saving £1.688m (2021/2022)

CH1 - Safeguarding Unit - review of services delivery arrangements – (Saving in 2021/2022 £0.043m)

Service delivery arrangements including staffing within the Safeguarding Team reviewed in line with new requirements which will generate savings.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The unit is a business support type function and has been realigned to meet the changes from the requirements of a Statutory Safeguarding Board to the differing needs of a Safeguarding Partnership. The budget for Serious Case Reviews has also been realigned to current demand but we will continue to respond accordingly and expect partners to offer a contribution if the number goes up (not currently anticipated). There is no equality impact arising from these proposals.	

Appendix 2 (Continued)

CH2 - Learning and skills - additional income from non-ESFA courses – (Saving in 2021/2022 £0.005m)

A review of income generating opportunities from non-ESFA funded courses.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: It is considered that an Equality Analysis is not required as this efficiency will be achieved through generating additional income from the delivery of services to a broader range of customers.	

Appendix 2 (Continued)

CH3 - Reduction in support to Together for Children – (Saving in 2021/2022 £1.500m)

2021/22 Cost Reduction Initiatives through the Transformation Programme and Cost run-rate reductions.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	✓
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	
Additional Comment:	

Appendix 2 (Continued)

CH4 - Derwent Hill - review of service arrangements – (Saving in 2021/2022 £0.037m)

A review of staffing arrangements within Derwent Hill to generate savings.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	✓
No Equality Analysis Required	
Additional Comment:	

Appendix 2 (Continued)

CH5 - Derwent Hill - additional income generation – (Saving in 2021/2022 £0.103m)

Maximise opportunities to increase income brought into the service area.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	✓
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	
Additional Comment: Some of this proposal could result in there being a negative impact on the ability for Sunderland families to afford the cost of attending Derwent Hill.	

Appendix 2 (Continued)

Dynamic City Proposals – Total Saving £0.511m (2021/2022)

DC1 - Building Control - additional fees and charges through income generation – (Saving £0.023m in 2021/2022)

The Building Control Service will generate additional income through a review of fee charges for applications and winning external work on major developments as well as maximising income from Council led developments being delivered by third parties.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The savings are income related and do not have a direct impact on the public as the service is in competition with the private sector and is subject to market forces.	

Appendix 2 (Continued)

DC2 - Review service delivery arrangements within the planning services – (Saving £0.117m in 2021/2022)

A review of the Economic Regeneration structure linked to planning policy and the associated areas of specialist expertise that inform planning policy and support development management functions, with a view to reviewing the level of retained in-house resource with provision to supplement this where required through contracted specialist support.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	✓
No Equality Analysis Required	
Additional Comment: The proposals are staffing related and will be subject to the standard consultation process.	

Appendix 2 (Continued)

DC3 - Regeneration Team - additional fees through income generation – (Saving £0.246m in 2021/2022)

A review of the Economic Regeneration structure linked to regeneration projects and delivery. It is proposed that staffing costs would be recovered on a project by project basis against delivery of approved capital schemes and relevant external funding programmes.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The efficiency saving is purely financial in nature and does not have an impact on the public therefore no Equality Analysis is required.	

Appendix 2 (Continued)

DC4 - Income generation from the Housing Delivery and Investment Plan– (Saving in 2021/2022 £0.125m)

Income generation from the Housing Delivery and Investment Plan (Helping Hands, Temporary Accommodation and Disabled Facilities Grants).

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: The proposal is bringing into the budget new income and as such there is no equality impact	

Healthy City Proposals – Total Saving £0.641m (2021/2022)

H1 - Improved use of technology enabled care – (Saving in 2021/2022 £0.141m)

Introduce support to address social care needs through the use of assistive technology. This will identify where assessed needs can be met through a technological solution usually as part of a blended care package (traditional care package complemented by use of technology) and where the blended package is more cost effective than a traditional home care package. It is anticipated that further savings will be achieved through the delay in clients requiring a move into residential care and also through an increase in family and carer support roles as the technology will make these easier to achieve.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	✓
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	
Additional Comment:	

Appendix 2 (Continued)

H2 – Learning Disabilities (including Transitions) - review of arrangements to achieve a 2% reduction in net spend – (Saving in 2021/2022 £0.500m)

Work areas to review and new provision options to consider, to generate savings include:

Community based respite - having a temporary fully trained carer living with customers in their own home (live in-home care); with block book arrangements
 Community based day services - friendship networks; access to universal services
 Personal Assistant offer - alternative to home care and day services; linked to community-based day services and opportunities
 Shared Lives - alternative to supported living and/or residential care; respite offer; day service offer
 Development of an educational offer for children/young adults with disabilities - alternative to out of city placements; define the educational offer required; identify funding streams
 Increase employment opportunities for people with disabilities - working with large national and local employers
 Clarify roles and responsibilities between TfC and ASC in order to improve transitions
 Stimulate market for people going through transitions - joint commissioning opportunities
 Extra Care - Intergenerational living option; Alternative to supported living and/or residential care
 Positive Behaviour Support (PBS) - Incorporate PBS into contracts going forward; develop PBS strategy across the provider market; develop PBS training offer for carers

Continued work across the system to explore technology, equipment and other means to reduce the need for additional 1 -1 support within packages and provide support in line with the less-restrictive ethos of the Mental Capacity Act.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	✓
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	
Additional Comment:	

Appendix 2 (Continued)

Vibrant City Proposals – Total Saving £0.140m (2021/2022)

V1 - School Library Service - review of service delivery arrangements – (Saving in 2021/2022 £0.068m)

Review of service delivery arrangements relating to the schools library service including planned exit strategy in 2021.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	✓
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	
Additional Comment: Working with Together for Children there is the potential for this proposal to have a neutral impact	

Appendix 2 (Continued)

V2 - Removal of vacant posts within Cultural Team – (Saving in 2021/2022 £0.014m)

A review of staffing arrangements within the Sunderland Museum and Winter Gardens to generate savings.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	✓
No Equality Analysis Required	
Additional Comment:	

Appendix 2 (Continued)

V3 - Environmental enforcement - additional income generation arising from enforcement activity – (Saving in 2021/2022 £0.005m)

Additional income generation arising from enforcement activity.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: It is considered that an Equality Analysis is not required as this efficiency will be achieved through the generation of additional income.	

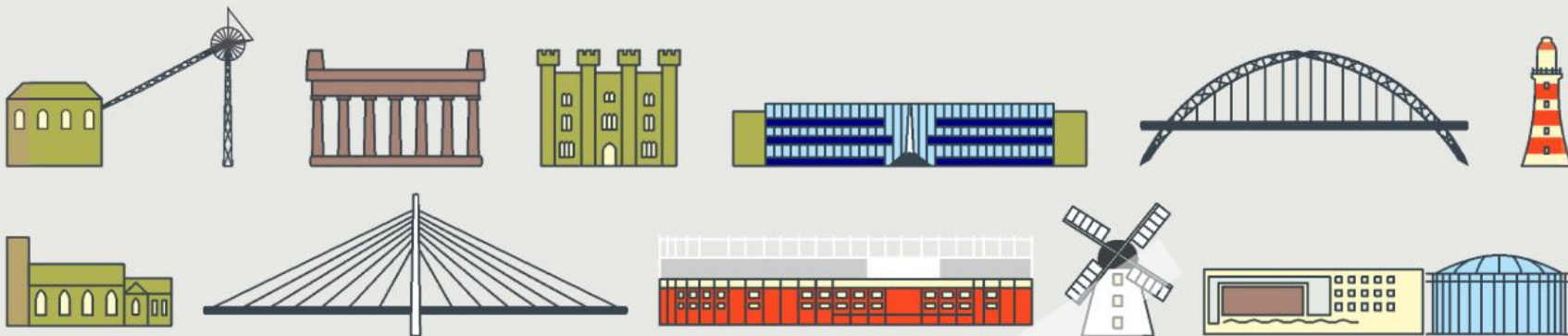
Appendix 2 (Continued)

V4 - Neighbourhood Services - miscellaneous general budget reductions – (Saving in 2021/2022 £0.053m)

Savings across a number of areas from reducing the budget previously available for elements of programme and support.

Equality Analysis

Equality Statement	Status
Equality analysis is complete and a positive impact has been identified	
Equality analysis is planned and a positive impact is anticipated	
Equality analysis is complete and neutral impact has been identified	
Equality analysis is planned and a neutral impact is anticipated	
Equality analysis is complete and a negative impact has been identified	
Equality analysis is planned and a negative impact is anticipated	
Equality analysis is complete and both positive and negative impacts have been identified	
Equality analysis is planned and both positive and negative impacts are anticipated	
The savings is from staffing changes and therefore equality implications will be considered as part of the Workforce Planning arrangements	
No Equality Analysis Required	✓
Additional Comment: No outward impact to the elements associated with culture and events - proposals linked to delivery budgets.	



SUNDERLAND 2019-2030

DEVELOPING OUR CITY PLAN

**Our
Challenges**



**Our
Vision**



**Our
Themes**



OUR CHALLENGES

The city and its residents emerge from the Covid-19 pandemic in a strong and competitive position



OUR CHALLENGES

Health and wellbeing outcomes
are significantly improved



OUR CHALLENGES

Residents' skills and qualifications enable them to secure good jobs matching the needs of employers in the city's key sectors

OUR CHALLENGES

Sunderland offers the opportunities that families and individuals need to achieve their ambitions



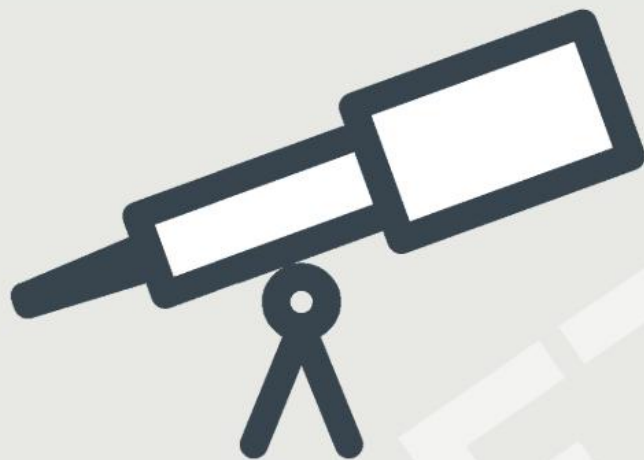
OUR CHALLENGES

Sunderland City Centre will drive transformational economic growth with Riverside Sunderland demonstrating clearly our investment ambition



OUR CHALLENGES

Families are resilient and resourceful to respond to challenges and achieve the best possible outcomes for their children



OUR VISION

**By 2030 Sunderland will be
a connected, international city
with opportunities for all**

OUR THEMES



**A DYNAMIC
SMART CITY**



**A HEALTHY
SMART CITY**



**A VIBRANT
SMART CITY**



A DYNAMIC SMART CITY

by 2030 we will have:

- 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



A HEALTHY SMART CITY

by 2030 we will have:

- reduced 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 and travel links
- cleaner and more attractive city and neighbourhoods



A VIBRANT SMART CITY

by 2030 we will have:

- more resilient people
- more people feeling safe in their homes and neighbourhoods
- more residents participating in their communities
- more people visiting Sunderland and more residents informing and participating in cultural events, programmes and activities

INDICATIVE TIMELINE

- 100% schools engaged with the Active Charter
- Digital Ambition in place for the city
- 1st building on IAMP opened
- 1st drive-thru rapid charging facility for electric cars
- 1st building on Vaux site
- World Transplant Games take place
- Empty property strategy published
- £20m investment in sports facilities
- University Medical School open
- Launch Step-Up Sunderland

- Increase in economic activity at the Port
- On-site development of Sunderland Station
- New City Hall opens on Riverside Sunderland
- Roll out of 5G city-wide
- SSTC3 (Northern Spire to City Centre) opens
- Increased business take-up of low carbon initiatives
- New primary school opens
- Commission new domestic abuse services model
- Deliver Sunderland Covid-19 Health Inequalities Action Plan
- Deliver connected, automated logistics project

- 2,000 new office jobs
- Heat and power network in the city centre
- More and better homes in the city centre
- New 4* hotel
- More resilient families in Sunderland
- More local people benefitting from a stronger economy
- Increase in the number and strength of creative and cultural businesses
- Sunderland's heritage collections, archives and buildings enjoyed by residents and safeguarded for future generations
- Deliver Future Living Expo
- New pedestrian access across the river

- Best performing Key City in England
- Sunderland recognised as a centre of excellence in sport
- Sunderland will be a more dynamic, healthier and vibrant city
- Sunderland will be a Real Living Wage city



SCRUTINY COMMITTEE WORK PROGRAMMES FOR 2020-21

REPORT OF THE SCRUTINY AND MEMBERS' SUPPORT COORDINATOR

1. PURPOSE OF THE REPORT

- 1.1 The report attaches, for Members' information, the variations to the Scrutiny Committee work programmes for 2020/21 and provides an opportunity to review the Committee's own work programme for 2020/21.
- 1.2 In delivering its work programme, the Scrutiny Coordinating Committee will support the council in achieving its Corporate Outcomes.

2. BACKGROUND

- 2.1 The role of the Scrutiny Coordinating Committee is two-fold, firstly it has a role in co-ordinating efficient business across the Scrutiny Committees and manage the overall Scrutiny Work Programme and secondly to consider the Council's corporate policies, performance and financial issues.
- 2.2 The aim of its co-ordinating role is to avoid duplication, make best use of resources and to provide a corporate overview of the scrutiny function. As such the remainder of this report outlines the current work programmes of the Scrutiny Committees.

3. SCRUTINY COMMITTEE WORK PROGRAMMES

- 3.1 **Appendix 1** sets out the Scrutiny Committee work programmes for the Children, Education and Skills and Economic Prosperity and Health and Wellbeing Scrutiny Committees respectively.

4. SCRUTINY COMMITTEE'S WORK PROGRAMME

- 4.1 **Appendix 2** outlines this Committee's full work programme for the year, updated to reflect new additions and amendments requested by Committee as the year has progressed.

5. DEDICATED SCRUTINY BUDGET

- 5.1 A small budgetary provision of £15,000 per annum is available to the Scrutiny Committees to deliver the agreed Scrutiny Committee Work Programmes.

- 5.2 As of 4 January 2021 the breakdown of the budget stood as follows:-

Description	£
Scrutiny Development	Nil
Member Development	Nil
Policy Review Development	Nil
Total Expenditure to Date	£0.00
Budget	£15,000.00
Remaining Budget	£15,000.00

5. RECOMMENDATIONS

- 5.1 It is recommended that the Scrutiny Coordinating Committee:

- (a) notes the variations to the Scrutiny Committee Work Programmes for 2020/21 and to its own work programme;
- (b) notes the current scrutiny budget position for 2020/21.

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REASON FOR INCLUSION	9 JULY 20	3 SEPT 20 (CANCELLED)	1 OCT 20	22 OCT 20	26 NOV 20	7 JAN 21	4 FEB 21	4 MARCH 21	APRIL 21 (DATE TO BE CONFIRMED)
Policy Framework/ Cabinet Referrals and Responses	Scrutiny Annual Report – 19/20 (JD)								Scrutiny Annual Report – 20/21 (JD)
Scrutiny Business	Covid 19 – Update (Martin Birch)		Impact of Covid on Children and Young Families (Jill Colbert) Preparations of Schools in Response to Covid 19 (Simon Marshall)	Impact of Covid 19 on Young Carers and SEND (Carers Centre Parent Carers Forum)	Safeguarding Children Partnership Update (Sir Paul Ennals) Regional Adoption Agency (Jill Colbert)	Impact of Covid 19 on Child Mental Health (CCG)	Youth Offending Service ASB – Drugs and Alcohol Impact of Covid 19 on School Attendance	Operation of Assessment Services for CYP with ASC and ADHD	Apprenticeships
Performance / Service Improvement						Together for Children – Performance Monitoring Report (Jill Colbert) Children Services Complaints Ofsted Improvement Plan – Update (Jill Colbert)			Together for Children – Performance Monitoring Report
Consultation / Awareness Raising	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21

ECONOMIC PROSPERITY SCRUTINY COMMITTEE –WORK PROGRAMME 2020-21

REASON FOR INCLUSION	7 JULY 20	8 SEPTEMBER 20	6 OCTOBER 20	3 NOVEMBER 20	1 DECEMBER 20	12 JANUARY 21	9 FEBRUARY 21	9 MARCH 21	7 APRIL 21
Policy Framework/ Cabinet Referrals and Responses			Homes of Multiple Occupation SPD Scoping Report (Catherine Auld) Riverside SPD (Catherine Auld)	Licensing Policy – Update (Steve Waring)		Development Management SPD (Catherine Auld) Allocations and Designations Plan (Catherine Auld) Land of East of Washington (Washington Meadows) SPD Scoping Report (Catherine Auld)			Annual Report (Jim Diamond)
Scrutiny Business	Covid 19 Business Support (Catherine Auld) Sunderland Strategic Transport Corridor – Update (Mark Jackson)	Annual Road Safety Report (Mark Jackson) Work Programme - Consideration of Draft 20-21 (JD)	International Strategy (Catherine Auld)	Low Carbon Framework (Catherine Auld) Covid 19 Business Support Grants – Final Position (Catherine Auld/Paul Wilson)	Sunderland Chamber of Commerce – Update (Natasha McDonagh) Sunderland Business Improvement District (Sharon Appleby)	Housing Strategy – Update (Graham Scanlan)	Siglion Update (Helen Townsend) City Hall (Peter McIntyre) International Advanced Manufacturing Park (Mark Jackson)	Sunderland Cultural Sector/Events (Victoria French) Heritage Update (Dan Hattle) Environmental Services – Update (Ian Richardson)	Business Centres – Update (Catherine Auld) Sunderland Rail Station – Update (Mark Jackson) Local Flood Authority Update (Mark Jackson)
Consultation Information and Awareness Raising	Notice of Key Decisions Work Programme of Committee – Proposed Process (JD)	Notice of Key Decisions	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21

HEALTH AND WELLBEING SCRUTINY COMMITTEE – WORK PROGRAMME 2020-21

REASON FOR INCLUSION		1 JULY 20 D/L:19 June 20	2 SEPTEMBER 20 D/L:21 August 20	30 SEPTEMBER 20 D/L:18 Sept 20	28 OCTOBER 20 D/L:16 Oct 20	25 NOVEMBER 20 D/L:13 Nov 20	6 JANUARY 21 D/L:23 Dec 20	3 FEBRUARY 21 D/L:22 Jan 21	10 MARCH 21 D/L:26 Feb 21	14 APRIL 21 D/L:2 April 21
Policy Framework / Cabinet Referrals and Responses										
Scrutiny Business		Covid-19 Update (Sunderland City Council, CCG & NHS FT) Draft Health Inequalities Strategy (Julie Parker-Walton)	Covid-19 Update (Sunderland City Council, CCG & NHS FT)	Covid-19 Update (Public Health) Winter Preparedness (P Foster – ATB) Flu immunisation Programme (G Gibson)	Covid-19 Update (Sunderland City Council, CCG & NHS FT)	Covid-19 Update (Sunderland City Council, CCG & NHS FT) MH Strategy (Sunderland CCG) SSAB Annual Report (Sunderland Safeguarding Adults Board)	Covid-19 Update (Sunderland City Council, CCG & NHS FT)	Covid-19 Update (Sunderland City Council, CCG & NHS FT) North East Ambulance Service (M Cotton) NHS FT Merger Update (NHS FT) Integrated Care Systems Update (Sunderland CCG)	Covid-19 Update (Sunderland City Council, CCG & NHS FT) Managing the Market (G King) Annual Report (N Cummings)	Covid-19 Update (Sunderland City Council, CCG & NHS FT) Engaging with the Public (Sunderland CCG) Care and Support Annual Report (Sunderland Care and Support)
Performance / Service Improvement										
Consultation/ Information & Awareness Raising	Notice of Key Decisions	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21	Notice of Key Decisions Work Programme 20-21

Items to be scheduled

Ophthalmology
Path to Excellence Phase 1 & 2 Updates

SCRUTINY COORDINATING COMMITTEE – WORK PROGRAMME 2020-21

REASON FOR INCLUSION		25 JUNE 20 D/L 15 JUNE 20	10 SEPTEMBER 20 D/L 31 AUG 20	8 OCTOBER 20 D/L 28 SEPT 20	5 NOVEMBER 20 D/L 26 OCT 20	3 DECEMBER 20 D/L 23 NOV 20	14 JANUARY 21 D/L 4 JAN 21	11 FEBRUARY 21 D/L 1 FEB 21	11 MARCH 21 D/L 1 MARCH 21	15 APRIL 21 D/L 5 APRIL 21
Policy Framework / Cabinet Referrals and Responses		Revenue budget Outturn 20/21 (Jon Ritchie)	First Revenue Budget Review 20/21 (Jon Ritchie)		Budget Planning Framework 2021/22 and Financial Strategy (Jon Ritchie/Paul Wilson) Capital Programme Second Review 2020/21 (Jon Ritchie)	European Union – Exit Planning (Paul Davies)	Capital Programme Planning 2021/2022 to 2024/2025 and Capital Strategy (Jon Ritchie) Budget Planning Framework and Medium Term Financial Strategy 2021/2022 to 2024/2025 (Jon Ritchie)			
Scrutiny Business		Covid-19 Update (Sarah Reed/Jon Ritchie)	Annual Report (N Cummings)	Safer Sunderland Partnership Annual Report (Stuart Douglass)				Hate Crime (Jessica May)		Annual Report (N Cummings)
Performance / Service Improvement			Compliments, Complaints & Feedback Annual Report (Marie Johnston) Performance Management Q1 (Liz St Louis)			Performance Management Q2 (Liz St Louis) Compliments, Complaints & Feedback (Marie Johnston)			Performance Management Q3 (Liz St Louis) Compliments, Complaints & Feedback (Marie Johnston)	
Consultation / Information & Awareness Raising		Notice of Key Decisions Scrutiny Work Programmes 2019/20	Notice of Key Decisions Scrutiny Work Programmes 2019/20	Notice of Key Decisions Scrutiny Work Programmes 2019/20	Notice of Key Decisions Scrutiny Work Programmes 2019/20	Notice of Key Decisions Scrutiny Work Programmes 2019/20	Notice of Key Decisions Scrutiny Work Programmes 2019/20	Notice of Key Decisions Scrutiny Work Programmes 2019/20	Notice of Key Decisions Scrutiny Work Programmes 2019/20	Notice of Key Decisions Scrutiny Work Programmes 2019/20

Work Programme Items to be scheduled:
City Plan Update
New Ways of Working
Impact of Covid-19 Partner Organisations

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

- 1.1 To provide Members with an opportunity to consider the items on the Executive's Notice of Key Decisions for the 28-day period from 14 December 2020.

2. BACKGROUND INFORMATION

- 2.1 Holding the Executive to account is one of the main functions of Scrutiny. One of the ways that this can be achieved is by considering the forthcoming decisions of the Executive (as outlined in the Notice of Key Decisions) and deciding whether Scrutiny can add value in advance of the decision being made. This does not negate Non-Executive Members ability to call-in a decision after it has been made.
- 2.2 To this end, the most recent version of the Executive's Notice of Key Decisions is included on the agenda of this Committee. The Notice of Key Decisions for the 28-day period from 14 December 2020 is attached marked **Appendix 1**.

3. CURRENT POSITION

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

4. RECOMMENDATION

- 4.1 To consider the Executive's Notice of Key Decisions for the 28-day period from 14 December 2020 at the Scrutiny Committee meeting.

5. BACKGROUND PAPERS

- Cabinet Agenda

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

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

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter*	Address to obtain further information
201015/532	To approve the Sunderland City Council Low Carbon Action Plan.	Cabinet	Y	During the period 8 December 2020 to 31 March 2021.	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
200914/515	To consider grant support for voluntary sector organisations.	Cabinet	Y	During the period 12 January to 28 February 2021.	N	Not applicable.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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200914/513	To approve the updated business plan for Siglion LLP and related matters.	Cabinet	Y	12 January 2021	Y	This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201202/539	To approve the Third Capital Review 2020-2021 (including Treasury Management).	Cabinet	Y	12 January 2021	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201202/540	To approve the Third Revenue Review 2020-2021.	Cabinet	Y	12 January 2021	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201202/541	To recommend to Council to approve the Council Tax Base 2021-2022.	Cabinet	Y	12 January 2021	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201202/542	To recommend to Council to approve Local Council Tax Support Scheme 2021-2022.	Cabinet	Y	12 January 2021	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201202/543	To approve the Revenue Budget 2021/2022 to 2024/2025 – Update and provisional Revenue Support Settlement.	Cabinet	Y	12 January 2021	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201124/544	To approve the disposal of land adjacent to Penshaw House, Station Road, Houghton-Le-Spring, DH4.	Cabinet	Y	12 January 2021	Y	The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201116/536	To agree to dissolve partnership agreement with Homes England and trigger right of pre-emption to acquire land at Sunnyside.	Cabinet	N	During the period 12 January to 31 March 2021.	Y	The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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200813/494	To approve the establishment of a funding mechanism for the acquisition of residential properties.	Cabinet	Y	During the period 9 February to 31 March 2021	Y	This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201109/536	Riverside Sunderland – To approve proposals for the detailed design, construction and letting of a new Development on the former Vaux site.	Cabinet	Y	During the period 9 February to 31 March 2021	Y	The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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200902/500	To approve the acquisition of Bridge House, Bridge Street.	Cabinet	Y	During the period 9 February to 31 March 2021	Y	This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
200907/510	To consider consultation responses and whether to proceed to a statutory proposal in relation to the proposed discontinuance of Hetton le Hole Nursery School.	Cabinet	Y	9 February 2021	N	Not applicable	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201012/521	To approve the introduction of an E-Scooter Pilot Trial.	Cabinet	Y	9 February 2021	N	Not applicable.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201201/537	To give approval to progress with the three schemes (Sunderland Station and Car park, Holmeside bus rationalisation and A690 corridor cycle provision) funded by the governments Transforming Cities Fund.	Cabinet	Y	9 February 2021	N	Not applicable.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201201/538	To give approval to progress with the Emergency Active Travel Funded cycle scheme on the Sea Front from the former tram stop to Roker café.	Cabinet	Y	9 February 2021	N	Not applicable.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201013/526	To seek approval to a proposal to Amend the Sunderland Council's Code of Conduct for the Issue of Penalty Notices Relating to Unauthorised School Absences.	Cabinet	Y	During the period 9 February to 31 March 2021.	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
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	23 March 2021	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Note; Some of the documents listed may not be available if they are subject to an exemption, prohibition or restriction on disclosure.

Further documents relevant to the matters to be decided can be submitted to the decision-maker. If you wish to request details of those documents (if any) as they become available, or to submit representations about a proposal to hold a meeting in private, you should contact Governance Services at the address below.

Subject to any prohibition or restriction on their disclosure, copies of documents submitted to the decision-maker can also be obtained from the Governance Services team PO Box 100, Civic Centre, Sunderland, or by email to committees@sunderland.gov.uk

***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 Paul Stewart – Deputy Leader/Cabinet Secretary; Councillor Louise Farthing – Children, Learning and Skills; Councillor Geoffrey Walker – Healthy City; Councillor Linda Williams – Vibrant City; Councillor Rebecca Atkinson – Dynamic City.

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

Elaine Waugh,
Assistant Director of Law and Governance

14 December 2020