




THE CABINET

AGENDA

Meeting to be held in the Civic Centre (Committee Room No. 1) on Wednesday 17 July 2013 at 2.00 p.m.

Part I

ITEM		PAGE
1.	Minutes of the Meeting of the Cabinet held on 24 June 2013 Part I (Copy herewith)	1
2.	Receipt of Declarations of Interest (if any)	
3.	Apologies for Absence	
4.	 Scrutiny Committee – Policy Review Final Reports Report of the Scrutiny Committee, Deputy Chief Executive and Director of Health Housing and Adult Services (copy herewith).	7
5.	 Hetton Downs Housing Delivery Plan Report of the Deputy Chief Executive (copy herewith).	53
6.	Procurement of Materials Recovery Facility Contract Report of the Deputy Chief Executive (copy herewith).	63
7.	 Alternative Delivery for Beach Street Household Waste Recycling Centre and associated Waste Transport Report of the Deputy Chief Executive (copy herewith).	73

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Information contained in this agenda can be made available in other languages and formats on request.

8.  **Sunderland Strategic Transport Corridor (SSTC) – New Wear Crossing** 85

Report of the Deputy Chief Executive (copy herewith).

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

The reports contained in Part II of the Agenda are not for publication as the Cabinet is considered likely to exclude the public during consideration thereof as they contain information relating to any individual, which is likely to reveal the identity of an individual, the financial or business affairs of any particular person (including the Authority holding that information) or to consultations or negotiations in connection with labour relations matters arising between the Authority and employees of the Authority (Local Government Act 1972, Schedule 12A, Part 1, Paragraphs 1, 2, 3 and 4). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.

Part II

9. **Minutes of the Meeting of the Cabinet held on 24 June 2013 Part II** 91

(Copy herewith).

10. **Reference from Human Resources Committee – 20 June 2013 – Staffing Proposal – People Directorate** 95

Report of the Head of Law and Governance (copy attached).

 **Denotes Key Decision.**

*** Denotes Regulation 10 Notice issues – item which is a key decision which is not included in the 28 Day Notice of Key Decisions.**

ELAINE WAUGH
Head of Law and Governance

Civic Centre
SUNDERLAND

9 July 2013

CABINET MEETING – 17 JULY 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

MINUTES, PART I

Author(s):

Head of Law and Governance

Purpose of Report:

Presents the minutes of the last meeting held on 24 June 2013 Part I.

Action Required:

To confirm the minutes as a correct record.

At a meeting of the CABINET held in the CIVIC CENTRE (COMMITTEE ROOM NO. 1) on Monday 24 June 2013 at 1.00pm.

Present:-

Councillor P. Watson in the Chair

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

Also in attendance:-

Councillors Oliver and P. Walker

Part I

Minutes

The minutes of the meeting of the Cabinet held on 19 June 2013 Part I (copy circulated) were submitted.

(For copy report - see original minutes).

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

Receipt of Declarations of Interest

Councillor Miller declared a disclosable pecuniary interest in Item 4, "Creation of a Combined Authority," as his wife was a member of the Tyne and Wear Integrated Transport Authority.

Apologies for Absence

There were no apologies for absence.

Creation of a Combined Authority

The Chief Executive submitted a report (copy circulated) to inform of the outcome of the extensive area-wide review of governance arrangements undertaken in relation to local authority functions concerning economic growth, skills and transportation across the seven North East Local Authority areas comprising: Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland. The Cabinet was asked to consider and approve the submission to Government of a request to establish a Combined Authority covering the area of the seven local authorities.

(For copy report – see original minutes)

The Chairman, in highlighting the report, remarked that everyone recognised the scale of the economic challenge for the city in the context of national economic policy that was currently failing the country and its people. He advised that the lack of real, solid economic improvement was costing the country and the city dearly in jobs and investment.

The Chairman reported that he was proud of how the city was holding up despite the national circumstances. Sunderland's economy was holding its own because of the policies of the Council, business and investors. He drew attention to the Office of National Statistics figures published recently that demonstrated the underlying strength; a growth in private sector employment of 15.2% in the last 2 years which had put Sunderland at the top of the table in the region.

Cabinet Members were advised that if Sunderland was to continue to succeed and indeed grow then it needed to be successful as a city working in a successful region. The region's success in economic growth, transport and skills would support and add value to what Sunderland was already doing. However, unlike the past, the approach to regional economic policy needed to be determined by the Local Authorities, who had the democratic mandate of their communities, working with the Local Enterprise Partnership, business and other stakeholders to achieve common aims.

The Chairman reported that he, along with the other Leaders in Durham, Gateshead, Newcastle, North Tyneside, Northumberland and South Tyneside had considered in detail and through proper process the option of establishing a Combined Authority. He explained that a Combined Authority would not take any of Sunderland's functions away, but would add value in looking strategically across the region covered by the Combined Authority at economic growth, transport and skills. He added that he was satisfied that having considered all the issues and having ensured that the individual interests of Sunderland were protected and supported by a Combined Authority, it was something that should be supported.

Cabinet Members were therefore requested to support the findings of the Governance Review and to agree to the submission of the Scheme to create a Combined Authority to the Secretary of State and to submit this report to Council for its endorsement in accordance with the recommendations in Paragraph 2.1 of the report.

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

2. RESOLVED that:-

- (i) the findings of the Governance Review document at **Appendix A**, and specifically that establishing a Combined Authority will improve the exercise of statutory functions in relation to economic growth, skills and transport in the Combined Authority's area, leading to an enhancement of the economic conditions and performance in the area, be endorsed,
- (ii) the submission to Government of the Scheme for the establishment of a Combined Authority be agreed on the basis of the Scheme at **Appendix 1 of the Governance Review report**, and the proposed transfer and sharing of the functions contained within the Scheme as detailed in paragraphs 6.3 to 6.10 of this report be noted,
- (iii) the report and appendices be submitted to Council for endorsement of Cabinet's decisions upon the recommendations in this report,
- (iv) the Chief Executive, in consultation with the Leader, be authorised to agree the terms of any documentation required to enable the Authority to become a constituent authority of the Combined Authority including the constitutional arrangements and operating agreement in so far that this does not place additional financial commitments on the Council, and to authorise the Head of Law and Governance to complete the relevant documentation and take all steps necessary to give effect to the above recommendations, and
- (v) further reports be received by Cabinet, as and when necessary, once the full financial and governance arrangements have been finalised.

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

At the instance of the Chairman it was: -

3. RESOLVED that in accordance with the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during consideration of the remaining business as it was considered to involve a likely disclosure of information relating to an individual or the financial or business affairs of any particular person (including the Authority holding that information) (Paragraphs 1 and 3 of Part 1, Schedule 12A of the Local Government Act 1972). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.

(Signed) P. WATSON,
Chairman.

Note:-

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

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

CABINET MEETING – 17 July 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Scrutiny Committee – Policy Review Final Reports

Author(s):

Report of the Scrutiny Committee, Deputy Chief Executive and Director of Health Housing and Adult Services.

Purpose of Report:

To set out the recommendations of the Scrutiny Committee following its scrutiny policy reviews into Empty Properties in Sunderland and Waste and Recycling in Sunderland: Approach to Resident Engagement.

Description of Decision:

To consider and approve the recommendations of the Scrutiny Committee and the proposed Action Plans for their implementation.

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:

The scrutiny policy review recommendations are intended to inform the future development of policy and practice by Cabinet.

Alternative options to be considered and recommended to be rejected:

The Scrutiny Committee and its Scrutiny Panels have gathered detailed evidence and arrived at conclusions and recommendations which are intended to improve services. There are no alternatives to be considered.

Impacts analysed;

Equality Privacy Sustainability Crime and Disorder

Is this a “Key Decision” as defined in the Constitution? **Yes**

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

Scrutiny Committee:

SCRUTINY COMMITTEE – POLICY REVIEW FINAL REPORTS

Report of the Scrutiny Committee, the Deputy Chief Executive and Director of Health Housing and Adult Services

1. Purpose of the Report

- 1.1 To set out the recommendations of the Scrutiny Committee following its scrutiny policy reviews into Empty Properties and Waste and Recycling in Sunderland: Approach to Resident Engagement.

2. Description of Decision (Recommendations)

- 2.1 The Cabinet is requested to consider the Scrutiny Committee's policy review final reports and endorse the recommendations contained within the reports.
- 2.2 To assist the Cabinet in its consideration of the recommendations of the Scrutiny Committee, a proposed Action Plan for the implementation of these recommendations has been prepared in consultation with the appropriate Portfolio Holders.

3. Background

- 3.1 On 7 June 2012, the Scrutiny Committee identified a number of policy review topics based on issues highlighted at the Council's Annual Scrutiny Conference. Each of the Committee's six Scrutiny Panels were commissioned to undertake two short policy reviews during the municipal year
- 3.2 The second round of policy reviews were completed and agreed by the Scrutiny Committee at its meetings of 25 April and 13 May 2013. Three of these reviews were reported to the Cabinet on 19 June 2013. The remaining two policy reviews are submitted to this meeting.

4 Current Position

- 4.1 The two policy review reports, together with an Action Plan for the implementation of the recommendations, are attached as an appendix as follows:-
 - (a) Health Housing and Adult Services Scrutiny Panel Policy Review – Empty Properties in Sunderland (**Appendix 1a and 1b**); and
 - (b) City Services Scrutiny Panel Policy Review – Waste and Recycling in Sunderland: Approach to Resident Engagement (**Appendix 2a and 2b**)

5. Reasons for the Decision

- 5.1 The recommendations are intended to support the future development of policy and practice by the Cabinet.

6. Alternative Options

- 6.1 The Scrutiny Committee and its Scrutiny Panels have gathered detailed evidence and arrived at conclusions and recommendations which are intended to develop policy within the Council. There are no alternatives to be considered.

7 Impact Analysis

Equalities

- 7.1 Equality issues were addressed during the evidence gathering process and this is reflected in the recommendations.

Privacy Impact Assessment

- 7.2 The proposals have no immediate additional implications for the protection of privacy of the public. Any privacy issues which arise will be addressed through the delivery of the action planning process.

Sustainability

- 7.3 The proposals have no immediate implications for sustainability.

Reduction of Crime & Disorder – Community Cohesion / Social Inclusion

- 7.4 Any crime and disorder issues will be addressed as part of the delivery of the action plan by Members and officers.

8. Relevant Considerations / Consultations

- 8.1 The findings in the report are the result of consultation and evidence gathering by the Scrutiny Committee.

9. Background Papers

Final reports of the City Services Scrutiny Panel and the Health Housing and Adult Services Scrutiny Panel.

**Health, Housing and Adult Services Scrutiny Panel
Spotlight Policy Review 2012 – 2013**

Empty Properties in Sunderland

Final Report

Contents

1	Foreword from the Scrutiny Lead Member	2
2	Introduction	3
3	Aim of Review.....	3
4	Terms of Reference	3
5	Membership of the Panel.....	3
6	Methods of Investigation.....	3
7	Findings of the Review	5
8	Conclusions	16
9	Recommendations.....	18
10	Acknowledgments.....	19
11	Background Papers.....	19
	Appendix 1 – Enforcement Powers.....	20

1 Foreword from the Scrutiny Lead Member for Health, Housing & Adult Services

The Health, Housing and Adult Services Scrutiny Panel decided to investigate the issue of empty properties within the City. Having a place that we call home is a foundation of society, a place we share some of our most memorable experiences with our families and friends.

Empty properties are endemic across the country and local authorities invest a lot of time and resources into tackling them. Bringing empty properties back into use can have substantial benefits for any area by reducing anti-social behaviour, improving unsightly neighbourhoods, providing affordable housing, reducing waiting lists and improving the general quality of life for residents.



Through the Panel's investigations Members have seen how proactive Sunderland City Council is in looking to tackle this important issue. From the Empty Homes Team and Local Area Response Teams through to Building Control, Environmental Enforcement and Council Tax the local authority works together pooling information, resources and statutory enforcement powers to address empty property issues across the city.

The review is very timely with a number of key changes in legislation, including welfare reforms, which will impact on private and social sector landlords and their tenants. It is too early to tell how much of an impact such changes will ultimately have on the rented housing market but it is clear, even at this early stage, that there are a number of concerns. Sunderland City Council, like many local authorities, is working with all stakeholders and agencies to mitigate, as much as possible, for these changes to council tax, benefits and the eventual introduction of universal credit.

As always the Scrutiny Panel has taken evidence from wide ranging sources and on behalf of the Panel I would like to express our gratitude to everyone for their time and cooperation during our evidence gathering. It is through gathering a variety of viewpoints and opinions from experts, key stakeholders and interested parties that the Panel look to get a balanced view and form recommendations. Finally I would also like to thank all the Members of the Panel for their support and commitment to the Health, Housing and Adult Services Scrutiny Panel and this review.

Councillor Christine Shattock, Scrutiny Lead Member for Health, Housing and Adult Services

2 Introduction

- 2.1 The Scrutiny Conference provided a variety of scrutiny topics for potential review during the coming year. The Health, Housing and Adult Services Scrutiny Panel, commissioned by the Scrutiny Committee, agreed to undertake a spotlight review around empty properties in Sunderland.

3 Aim of the Review

- 3.1 To look at the existing empty homes situation in Sunderland and how the current strategy underpins the work to bring empty homes back into use. The review will also explore the potential impact of welfare reforms on the empty properties issue and what further options or initiatives could be introduced in the future to bring more properties back into use in the city.

4 Terms of Reference

- 4.1 The title of the review was agreed as 'Empty Properties in Sunderland' and its terms of reference were agreed as:
- (a) To gain an overview of the empty properties situation in Sunderland and the importance of a strategy to address these issues;
 - (b) To assess the impact of welfare reform changes on the private rented housing sector in Sunderland and the potential impacts this may have in terms of empty properties across the city;
 - (c) To look at future options and potential initiatives that could strengthen the Empty Homes Strategy and bring more properties back into use across the city.

5 Membership of the Panel

- 5.1 The membership of the Health, Housing and Adult Services Scrutiny Panel during the Municipal Year is outlined below:

Cllrs Christine Shattock (Scrutiny Lead Member for Health, Housing and Adult Services), Ellen Ball, Rosalind Copeland, Ronny Davison, Daryl Dixon, Alan Emerson, Jill Fletcher, Barbara McClennan, Lisa Smiles and Dorothy Trueman.

6 Methods of Investigation

- 6.1 The approach to this work included a range of research methods namely:
- (a) Desktop Research;
 - (b) Use of secondary research e.g. surveys, questionnaires;
 - (c) Evidence presented by key stakeholders;
 - (d) Evidence from members of the public at meetings or focus groups; and,
 - (e) Site Visits.
- 6.2 Throughout the course of the review process the panel gathered evidence from a number of key witnesses including:

- (a) Alan Caddick – Head of Strategic Housing;
- (b) Liz McEvoy – Principal Housing Manager;
- (c) Lisa Ketley – Empty Property Officer;
- (d) Lucy Smith – Private Sector Housing Officer;
- (e) Julie Wilkie – Empty Property Assistant;
- (f) Michael Horsburgh – Empty Property Assistant;
- (g) Helen Peverley - Area Response Manager (City Centre);
- (h) Katie Kelly - Environmental Enforcement Officer (City Centre);
- (i) Howard Middlemiss – Revenues Manager;
- (j) Simon Henry - Quality Control and Reviews Manager.

6.3 All statements in this report are made based on information received from more than one source, unless it is clarified in the text that it is an individual view. Opinions held by a small number of people may or may not be representative of others' views but are worthy of consideration nevertheless.

7 Findings of the Review

Findings relate to the main themes raised during the panel's investigations and evidence gathering.

7.1 National and Local Context

- 7.1.1 The latest empty homes statistics, from independent charity Empty Homes, highlight that there are currently approximately 710,000 empty homes in England of which 259,000 are classed as long-term empty properties (empty from more than 6 months).
- 7.1.2 Empty homes, according to the Department for Communities and Local Government, accounts for approximately 3% of the national housing stock. To outline the Government's role in tackling this issue "Laying the Foundations: A Housing Strategy for England" was published in November 2011. The aim being to increase the number of empty homes brought back into use as a way of increasing the overall supply of housing and reducing the impact on neighbourhoods.
- 7.1.3 Most empty homes are privately owned. Surveys by the Empty Homes charity indicate that the majority of the owners have just one or two properties. Often they are rented homes that have fallen into disrepair; sometimes the owner has inherited the property and in many cases the owner lacks the funds or the skills to repair and manage the property appropriately.
- 7.1.4 The last decade has seen many large regeneration schemes that involved emptying homes in preparation for refurbishment or demolition. In the last couple of years through falling house prices, restrictions on borrowing and reduced government funding many of these schemes have either stalled or been abandoned. There are also developments of new flats in towns and cities that have high vacancy rates. Some are owned by investors who may be waiting for rental prices to pick up, other flats have never been sold while some remain incomplete with the development having been abandoned.
- 7.1.5 Information from Empty Homes confirms that there are approximately 44,960 empty properties in the North East of which 18,597 are classed as long-term empty. Sunderland has a population of around 275,000 people occupying some 125,053 properties, of which there are over 14,552 privately rented dwellings an increase of 100.3% in 10 years. In considering empty properties the review will look to concentrate on those that are long-term empty properties within the private sector i.e. those that have been empty for more than 6 months. There are currently around 1,118 properties which have been empty for up to 6 months, 1,782 long-term empty properties and 88 uninhabitable properties in the city.

7.2 The Policy Context - *Local Authority Powers*

Empty Property Strategies

- 7.2.1 Local authorities while not required to publish a strategy that specifically deals with empty properties, are required to publish housing strategies, and reference to tackling empty properties can be included in these strategies. The majority of local authorities also have dedicated empty property officers who work to broker the reuse of empty properties.

Compulsory Purchase

- 7.2.2 Local authorities have the option to seek to acquire a property compulsorily where agreement with an owner cannot be reached. However, this is only possible where the local authority has specific statutory powers to acquire land in this manner for the proposed purpose, and should only be done where the authority can demonstrate that the acquisition would be in the public interest.

Council Tax Exemptions

- 7.2.3 Previously properties that were unoccupied and substantially unfurnished were exempt from Council Tax charges for a period up to 6 months. If such properties were also undergoing, or had undergone, major repair work or structural alteration they could be exempt from Council Tax for up to 12 months. However the *Local Government Finance Act 2012* removes these exemptions. The Act also introduces a discretionary 'empty homes levy' where local authorities could charge up to 150% of the council tax bill for properties that remain empty for more than two years, to be brought into force from April 2013.

7.2.4 Principal Statutory Enforcement Powers

The Council is provided with a wide range of powers in relation to standards of housing to enable it to protect individuals, families and the community as a whole. The Council's Enforcement Policy contains a number of statutory enforcement powers which are available to local authorities that can assist in the improvement of empty properties. The Housing and Neighbourhood Renewal Team within Health Housing and Adult Services has responsibility for exercising these powers in Sunderland. The policy applies to the enforcement activities of Sunderland City Council in exercising the statutory powers at its disposal in dealing with unsafe, substandard or disused private sector housing and anti social behaviour and outlines the approach to be taken in the use of such powers including investigation, inspection, and dialogue with persons who may be affected by such enforcement activity. The enforcement policy is designed to promote efficient, effective and consistent approaches to regulatory inspection and enforcement. A selection of the range of enforcement powers available to the local authority is detailed at **Appendix 1** of this report.

Identifying Empty Properties

- 7.2.5 Section 85 of the *Local Government Act 2003* allows the use of information gathered as part of the Council Tax billing process to identify empty properties within an authority's area. In ensuring that the individual's right to privacy is not compromised Section 85 does not permit disclosure to third parties e.g. commercial organisations.

Empty Dwelling Management Orders (EDMOs)

- 7.2.6 The *Housing Act 2004* made provision for local authorities to take over management of certain residential premises that had been empty for at least six months. Regulations providing that EDMOs can only be sought where a property has been empty for two years (as opposed to six months) came into force on 15 November 2012. The aim of Empty Dwelling Management Orders (EDMOs) is to bring empty private sector property back into use.
- 7.2.7 There are a number of exceptions to this including (but not exhaustive) a property that is a building or part of a building used for non-residential purposes; it is not wholly unoccupied e.g. only part of the house or flat is unoccupied or there are

spare rooms not in use; the property is genuinely on the market for sale or to be let; or it is prevented from being occupied as a result of a criminal investigation or criminal proceedings.

7.3 The Policy Context – *The Importance of a strategy in tackling Empty Homes*

- 7.3.1 The Sunderland Community Strategy sets out a clear long term vision detailing the City's overarching priorities up to 2025. Supported by the Sunderland Strategy and the Housing Strategy, the city's emerging Local Development Framework (LDF) will play a key role in addressing many of the challenges the city faces, including empty properties.
- 7.3.2 The first Housing Priorities Plan for Sunderland has been developed by Sunderland City Council working in partnership with the Homes and Communities Agency (HCA). Fundamentally, the plan outlines the key priorities to ensure resources are secured and directed to have most impact, where the market is not able to do this. The plan sits alongside other key plans for the city and together they form a suite of plans guiding the delivery of the overall Local Strategic Partnership's Sunderland Strategy.
- 7.3.3 Local Area Plans (LAPs) and the Sunderland Partnership Delivery Plans capture the needs of communities in Sunderland and these are monitored by the 5 local areas committees. The Housing Service in Sunderland provides an Area Operational Delivery Plan which outlines performance updates to ensure continuous monitoring of service delivery as well as enabling the service to work effectively against locally identified need in agreement with local ward members.
- 7.3.4 A key priority that runs through the various strategies and plans is around the condition of the housing stock and in particular the return of long-term empty properties back into use, reducing the detrimental effects they can have on local communities. This priority is included in the current LAP action plans for each of the 5 committee areas of Sunderland North, Sunderland East, Sunderland West, Coalfields and Washington, illustrating its primary importance to local communities and elected members.
- 7.3.5 The importance of underpinning any work around the tackling of empty properties with strategic direction, vision and planning is crucial in monitoring the numbers of empty homes in Sunderland and researching the reasons around why these properties are vacant. The Delivery Plans for each committee area provide a clear breakdown of empty properties.
- 7.3.6 The Housing Priorities Plan also highlights the need to work with owners to invest in empty properties and bring them back into use, as well as considering different models of investment in the private rented sector. Another aspect of the plan which complements this priority is around city wide enforcement work, which in partnership with landlords works to invest in properties in disrepair, creating the best possible standards of accommodation in the private rented sector.
- 7.3.7 The Local Area Delivery Plans in conjunction with the work of the Empty Homes team can also help to reduce crime, anti social behaviour and incidents of arson targeted at empty properties, help landlords and owners realise the full potential of their properties and encourage the occupation of empty properties to help support and sustain communities and deter decline in sustainable areas of the city's

housing stock. They also focus on a ward and neighbourhood level targeting 'hot spots' of empty properties or wards that are above the city average.

7.4 The Empty Homes Team

- 7.4.1 The Empty Homes Team (EH Team) is a vital council resource in turning empty properties around and getting them back into circulation. The EH Team develop area specific Empty Homes Delivery Plans from looking at data supplied by Council Tax and other council departments that defines the types of properties, age and duration properties are empty. This, along with the Officers local knowledge, then provides the team with key target areas across the city.
- 7.4.2 One of the key ways the EH Team looks to tackle the issue of empty properties in the city is through accessing a variety of funding sources including the Clusters of Empty Homes fund which is open to Local Authorities and HCA Investment Partners who are able to demonstrate that proposed schemes meet the following criteria:
- ✓ *A minimum of 100 homes brought back into use in partnership with Gateshead Council (80 and 25 respectively);*
 - ✓ *Delivery is within a distinct, compact area (ward or smaller) with over 10% of homes empty, and each cluster representing more than 25 empty homes;*
 - ✓ *Clear and demonstrable high level strategic fit and community support - as well as evidence of local authority commitment if the local authority is not the lead bidder;*
 - ✓ *In principle commitment to providing 100% match funding.*
- 7.4.3 The Council is also accessing its New Homes Bonus funding to offer an equity loan to landlords, which funds the refurbishment and bringing back into use of an empty property. Members acknowledged from the EH Team that this was a popular loan with landlords as repayment of the loan was after the property had been brought back into use and disposed of, although landlords did have to contribute 50% of their own money.
- 7.4.4 Members also recognised that Gentoo received HCA funding to carry out remedial works and manage properties on behalf of landlords in return for a management fee and the remedial costs. The EH Team highlighted the initiative had not proved as popular with landlords for a variety of reasons including that landlords wanted to manage their own properties. It was reported that Gentoo had now ended this project.
- 7.4.5 Members were pleased to learn that the EH Team brings approximately 400 empty properties (510 in 2012/13) back into use each year without any financial incentives. Members also were interested to note that despite the various added incentives the take up on such offers was not that significant. The EH Team also inspects and assesses empty properties for the Access to Housing Team for potential occupancy by people on the housing register. This is a vital partnership that allows the matching of empty homes with residents who need housing.
- 7.4.6 The EH Team highlighted that there was an assortment of housing standing empty in the city, with a large number of private landlords owning a mixture of housing types from houses through to flats and maisonettes. There can be a number of reasons why properties are empty from factors related to the property through to individual issues. These can include:

Property Related Factors:

- Owners may purchase properties on a speculative base, with capital accumulation as the principal aim;
- Some owners may be fearful of the perceived difficulties associated with managing a rented property, and may prefer to leave the property vacant until such times as the market improves, and selling becomes economically viable;
- Some owners may have insufficient funds to repair a property or be unaware of the financial assistance available;
- Owners may lack the skills or knowledge to manage their property;
- Repossession.

Individual Factors:

- Unresolved ownership: Some properties may be the subject of protracted probate negotiations following an owner's death, or delays may occur in cases where the legal title is contested;
- Bankruptcy;
- The institutionalisation or hospitalisation of an owner;
- Abandonment, sometimes due to an owner's age, or an inability to cope with property related matters;
- Lack of funds, owners sometimes start work but are unable to complete the job as the cost increase or if their own financial situation changes.

7.4.7 It is often a difficult and time consuming task to identify and contact the owners of individual properties. The EH Team relies heavily on intelligence gathering, using council tax data, land registry data and also contacting neighbours, leaving cards at the property and contacting neighbouring local authorities who may well be looking for the same owner. The Empty Homes Officers also work with other council service areas including planning enforcement, building control, housing enforcement, anti-social behaviour and environmental officers. Members acknowledged the amount of work conducted behind the scenes, which can often look like inactivity to the wider public.

7.4.8 The team also receive a lot of information from shopkeepers, local businesses and communities through conducting walkabouts with the police, fire service and other interested parties. This can help to identify problem issues, look at ways to alleviate these issues and get properties back into circulation. Also when the local residents see homes coming back into use it provides a degree of confidence for that area and its people. Through the 5 area committees Elected Members are invited to attend such walkabouts but this could be extended further to some of the more informal walkabouts conducted by the EH Team allowing Members to contribute through their own extensive local knowledge.

7.4.9 The Empty Homes Officers were also keen to stress that owners of empty properties were willing to work with the local authority and that it was often about developing relationships with landlords and getting them to understand the situation within the locale and the city in respect of empty homes, demand and the housing waiting lists. However the current climate is one where no owner wants to sell a property at a financial loss and this is a major contributing factor to the empty home situation at present.

7.4.10 The EH Team also informed Members of their work with organisations from the third sector and how this work is helping to reduce further the long-term empty properties

around the city. Currently the team are involved with both Back on the Map in the Hendon area and the Cyrenians and Centrepont across the City. By working with the three groups and encouraging them to work together through pooling their resources has seen the groups being able to purchase bigger properties that was not previously possible on their own. These larger properties are ideal for conversion into smaller dwellings for use by their respective client groups and in line with Welfare Reform.

7.5 Welfare Reform

- 7.5.1 Welfare reform legislation will radically alter the benefits system in England, through a simplifying of the system and a cap on benefits paid to individuals and families. The implications will be far reaching but the panel was primarily concerned with the impacts upon the private rented sector in the city. One of the biggest concerns to landlords, nationally, is the penalty for under-occupying social housing tenants, more commonly known as the 'bedroom tax'. The cut in benefits creates an increased risk of arrears for landlords and difficult decisions around whether to expect tenants or themselves to bear the penalty or ultimately seek to evict.
- 7.5.2 According to research some landlords will take the hit as long as arrears do not get out of hand, they may even write some losses off. However, the majority will not be able to afford to do this and see no reason why they should. They will be forced to evict their tenants, a time consuming and costly procedure. In meeting with the Landlords Forum in Sunderland, Members of the Panel, acknowledged that landlords will increasingly look to working tenants willing to pay in excess of the Local Housing Allowance (LHA) rates for properties and the overall stock of accommodation available to benefit claimants could diminish. It is worth acknowledging that the bedroom tax is a cut in the amount of benefit that people can get if they are deemed to have a spare bedroom in their council or housing association home. The measure is applied to housing benefit claimants of working age from 1 April 2013.
- 7.5.3 Private landlords could be hit by the cap in benefits and the universal credit. It was evident at the Landlords' Forum that many of the landlords were unhappy about the LHA being paid directly to tenants. Although some private landlords could benefit as tenants move out of the social rented sector, where there are few one bedroom properties, and look to the private rented sector to provide suitable accommodation. Meaning empty smaller properties could be in demand.
- 7.5.4 Research conducted by Sheffield Hallam University supports this view with a third of private landlords either considering or planning to cease letting homes to housing benefit claimants as a result of the government's welfare reforms. The research also highlights that more than a third (36%) of the landlords surveyed (1,867) said tenants were in arrears due to LHA changes and 29% indicated they had taken action to evict tenants, renew or end their tenancies. The survey also concluded that 9 out of 10 tenants were up-to-date with their rent and only 3% had moved home due to rent shortfalls. More than a quarter said they had looked for a job to make-up the difference between their LHA and their rent.
- 7.5.5 Universal Credit is the new single benefit which will replace Housing Benefit, Income Support, Income related Job Seekers Allowance, Income Based Employment and Support Allowance and Tax Credits. Lord Freud, Minister for Welfare Reform, reported that the universal credit would be paid monthly and directly to claimants, with the system designed around the patterns of working life.

Most claims will be made online and payment will normally be a single household payment, including the housing costs, paid monthly in arrears directly to the claimant. This has led to concerns by social and private landlords around the ability of claimants to manage their benefit income and budget effectively. The National Landlords Association August 2012 survey also supports this concern with 65% of landlord respondents concerned by the prospect of Universal Credit replacing LHA. The survey also reports that 51% of landlords surveyed were unsure if they would accept benefit recipients and 41% would definitely, with 85% thinking it too great a risk without direct payment to the landlord.

- 7.5.6 The private rented sector also has concerns around the age threshold for the shared accommodation rate of Local Housing Allowance (LHA) increase from 25 to 35 years of age. This change applies to private tenants only. This means that single claimants up to the age of 35 have their benefit based on LHA for a room in a shared property rather than LHA for a self contained one bedroom property. This change applies to most new claimants from 1st January 2012. Existing claims will be moved onto the shared room rate at the next anniversary of their benefit claim. This is already impacting on the Council's ability to prevent homelessness as landlords are unwilling to accept people under the age of 35, meaning the Council must accept them as homeless.
- 7.5.7 This has the potential to see an increase in the need or demand for Housing of Multiple Occupancy (HMOs) as the reduction in housing benefit for under 35's make this demographic a far less attractive proposition to landlords generally. However growth in supply is unlikely or at the very least will not be problematic as from the 1st November 2012 under the city wide Article 4 Direction, all new HMOs require planning permission. The Head of Strategic Housing informed Members of the Panel that this allowed a level of control on the potential impact that the conversion of properties to houses of multiple occupancy (HMO) could have on the city and its communities. This means that owners wanting to change larger properties into HMOs would require planning permission. Although some HMOs are licensed in line with the Housing Act 2004 and all HMOs are inspected every 2 years by the Housing and Neighbourhood Renewal Team.
- 7.5.8 There is a possibility that some student landlords may take LHA tenants if any student demands falls and it becomes harder to fill rooms. However as indicated elsewhere there is already a growing reluctance to take on LHA tenants and landlords would be more willing to rent to families or working tenants rather than accept single LHA tenants.

7.6 Private Landlords

- 7.6.1 Members of the Health, Housing and Adult Services Scrutiny Panel attended a Landlords' Forum meeting to discuss some of the issues around empty properties in Sunderland. The Panel were extremely grateful to be able to discuss their review with private sector landlords and found the discussions helpful in evidence gathering.
- 7.6.2 Landlords explained some of the reasons and common causes of empty properties in Sunderland. A big issue for many landlords is around tenants amassing arrears then, prior to eviction, damaging and leaving the property. Landlords explained that this can leave them with potentially heavy losses through lack of revenue and reinstatement costs for the dwelling and sometimes it can be easier to leave a property empty. Also it can take landlords time to complete repairs to properties and

make them habitable and attractive to prospective tenants. It was also noted by Members that landlords felt there was a low demand for certain rented properties in Sunderland (especially with students) and this can result in properties being unoccupied for periods of time.

- 7.6.3 Landlords also raised their concerns over the universal credit system and the LHA being paid directly to the tenant, many believed they would have great difficulty in obtaining the rent from such tenants. Landlords indicated that it was not in their best interests to let properties to people on benefits, far more attractive propositions were people in work. Landlords also indicated that they were far more selective about who they rented properties to, as there were far more 'undesirable' tenants than there used to be.
- 7.6.4 The Panel also heard from landlords that through welfare reform changes to the age threshold for shared accommodation there was a greater demand for bed-sits and single bedroom properties. It was acknowledged that demand outstripped supply and it was both difficult and costly to convert properties to cater for this potential upsurge in demand.
- 7.6.5 There is a good relationship between the Council and many local landlords as seen by the representation at the forum attended by Members. The importance of relationships has been a key thread throughout the evidence gathering and Members were pleased to recognise that council officers have forged positive relationships with many private sector landlords. The Council is also providing further comprehensive support and assistance to landlords in terms of both finding new tenants and dealing with existing ones through initiatives like the 'Sunderland Let's Help You' website. This is a free service for landlords and tenants. A tenant looking for affordable housing in the private rented sector, can use the site to compare rents against the maximum housing benefit amounts (local housing allowance). For a landlord, it allows the advertising of vacant properties, free of charge. The service is funded by the local authority and supported by £15,000 funding from the Department for Work and Pensions.
- 7.6.6 Another area that could help, particularly for new landlords, would be seminars, presentations or roadshows to help with lettings, good landlord practice, insurance and promote working with the local authority to address the housing shortage. It is also important that the local authority ensures that it raises awareness of the help available to private landlords. Also landlords can help the local authority in its intelligence led approach to identifying problem tenants or issues. It was acknowledged that private landlords possess a vast array of intelligence around tenants and the local area and this can be valuable information that could help play into a number of key policies and strategies including the Strengthening Families Strategy.
- 7.6.7 Landlords also saw the increase in Council Tax rates on empty properties as a big incentive to keep properties occupied and this could help to ease the situation. However as landlords become more selective in choosing tenants as a result of welfare reform changes, previous experiences and the lack of demand it will be more important than ever that private landlords and the local authority work together to develop relationships and create practical solutions to these key issues.
- 7.6.8 Sunderland has also launched a new accredited landlord scheme designed in partnership with landlords to jointly improve the quality of the private rented sector

in Sunderland. The new free accreditation commenced on 1st April 2013 and benefits will include:

- Access to financial assistance from the council to improve properties such as empty property loans and grants;
- Discounts on various goods and services;
- Market advantage when letting properties;
- Ability for landlords to advertise 'accredited' properties on the Lets Help You website;
- More self regulation with a 'lighter touch' involvement from the council compared to non accredited landlords;
- Ability to indicate membership of the scheme on any promotional literature or websites;
- Free vetting of potential tenants;
- Free professional advice and training on topical housing issues relevant to landlords;
- The opportunity to influence relevant policies and the design of services through the Scheme's Landlord Forum.

7.7 Changes to Council Tax Rules on Empty Properties

7.7.1 If a property is furnished, but nobody is living in it as their sole or main residence, the Government classes the property as a second home. Prior to 1 April 2013 all second homes qualified for a 10% discount. From 1 April 2013 the City Council was given the discretion to remove the 10% discount and has therefore increased the charge on second homes to 100%. In speaking with the Council's Revenues Manager a number of reasons were highlighted for the existence of second homes:

- Furnished properties in the rental sector that are in-between tenants;
- Furnished properties that are occupied only at weekends and during holidays because the owner has a sole or main residence elsewhere;
- Properties inherited by a family member that have remained furnished since the previous occupier died.

- 7.7.2 Empty properties affect the level of income for Sunderland City Council. Prior to 1 April 2012 all unoccupied and substantially unfurnished properties were exempt from paying Council Tax for 6 months and then paid 50% of the Council Tax charge after the exemption ended. From 1 April 2012 the 6 month exemption still applied but the charge after this was increased to 100%. From April 2013 the 6 month exemption is abolished by the Government and the City Council has replaced the exemption with a 25% discount for 6 months. The Panel were also informed that in addition if a property became re-occupied within one month, a 100% refund would be awarded for the entire period. This was to encourage owners to bring properties back into use quickly and to avoid a number of small bills being issued. The Revenues Manager informed the Panel that currently 40% of landlords across the city do this and the effects of these changes will help to reduce the incentive to keep properties empty.
- 7.7.3 Also from 1 April 2013 the Government has given powers to Local Authorities to introduce a premium on properties that have been unoccupied and unfurnished for more than 2 years. Sunderland City Council has implemented the premium meaning that the charge on long-term empty properties is 150% of the Council Tax charge.
- 7.7.4 The Government has also abolished the 12 month exemption, from 1 April 2013, on all properties requiring or undergoing structural alterations and major repairs. The City Council has replaced this exemption with a 25% discount for a maximum period of 12 months. Also properties left unoccupied and unfurnished have lost the 6 month exemption with the local authority replacing this with a 25% discount for 6 months.
- 7.7.5 It was confirmed that the Empty Homes Team use Council Tax records extensively to identify property owners. The working relationship between the two services has developed over time and this has been well received by residents and landlords alike.

7.8 Area Response Teams

- 7.8.1 Members also talked with one of the City's Area Response Managers who explained that all council operatives and officers were a valuable source of intelligence around empty properties in the city. The Response Managers also do a lot of work with landlords around the 'love where you live' campaign including offering free services such as graffiti removal and garden tidying.
- 7.8.2 There is often a mixed bag of accommodation types within areas from residential to commercial properties; there are approximately 7,500 commercial properties across Sunderland of which around 1,200 are empty. In relation to these non-residential empty properties there is the potential for a far broader role for the Empty Homes Team to tackle these too, and thereby creating a more holistic approach to empty properties across the city.
- 7.8.3 In regards to Members queries around enforcement powers it was reported to the Panel that there were sufficient legal powers to hold landlords and property owners to account and that the recent changes to Council Tax exemptions would create a greater incentive to make properties habitable to let.
- 7.8.4 The Area Response Manager also highlighted in recent discussions with landlords that there seemed to be a real need for a common tenancy agreement and how, as

a local authority, we work alongside landlords in the future. Landlords are an important resource that can meet much of the demand for housing within the city and there is the opportunity to do something more consistent and measured in approach.

7.9 Good Practice in Empty Homes Management

- 7.9.1 The national perspective clearly indicates that the issue of empty properties is not exclusive to Sunderland, it is an issue that the majority of local authorities have to manage. In undertaking this review the Health, Housing and Adult Services Scrutiny Panel looked at some of the good practice¹ that was taking place across the country.
- 7.9.2 Bolton Council recognised the need to transform their methods in order to reduce the number of rising empty properties within the borough and maximise the impact on the housing register. Bolton looked to the appointment of a dedicated empty homes coordinator to organise and monitor the workload of the empty homes team and develop robust supporting systems and processes. In Bolton this has led to increased skills and capacity across the staff team, and greater clarity on roles and responsibilities ensuring a more effective and efficient service.
- 7.9.3 Warwick District Council have developed and implemented a proactive, owner centred approach to bringing 21 empty homes back into use. Through a series of activities, including establishing a robust system to provide an accurate picture of the number of empty homes across the District, to engaging proactively with owners of empty properties, the Council has the foundations in place to unlock empty homes potential. Intelligence gathering, awareness raising and partnership working assisted the team to elevate the issue and potential that empty homes can have in providing much needed homes to meet the District's housing need. The internal empty homes' steering group, with a case load approach to bringing empty homes back into use, has the potential to yield greater returns by utilising existing Council resources. Skilful negotiation with empty home owners is the keystone of Warwick's work, and establishing a Landlords' Forum will help to support this activity through a District wide partnership approach. Warwick now has a clear framework in place to help focus their efforts on bringing empty homes back into use.
- 7.9.4 Durham County Council's strategic approach to empty homes had been lacking so the priority was to build a new team and agree a strategy to tackle the 6000 empty homes that fell under the team's responsibility. Establishing the entire team and coordinating the workload has strengthened relationships and improved communication across the council and externally. Staff now have a clearer understanding of the requirements of their role and the role of the wider team and partners on empty homes work. More specifically:
- The prioritisation and assessment process provides staff with greater clarity on which empty properties to target. Staff are more confident in dealing with issues and providing advice to members, owners, landlords and the wider community about properties that do/do not fulfil the criteria and when to intervene.
 - Coordinating and sharing the workload across the teams for each area and using a project management approach has provided a strong 'support network' amongst colleagues. Staff, partners and stakeholders do not feel isolated and can readily share issues and seek advice.

¹ Homes and Communities Agency (website): Empty Homes Case Studies

- Team members have enhanced their knowledge and skill sets through the support and legal expertise provided by the seconded solicitor. Equally the solicitor now has a stronger grasp of housing issues and will be able to share this with the legal team, facilitating an effective knowledge transfer across teams.
- The team now has a strong presence at the multi agency problem solving groups that have been set up in each of the regeneration areas with other representatives including the police, fire service, registered providers and community groups. The groups are a useful vehicle to identify issues, particularly around problem or blighted properties, share information and broker solutions.
- Registered providers in the regeneration areas are more engaged in the process and have a stronger commitment on working to bring void properties back into use.
- Residents have a stronger presence and are more engaged in the work through the stakeholder steering group meetings (as part of the communication strategy within the action plans).

7.9.5 This provides a snapshot of various practices from across the country highlighting the importance local authorities continue to place on empty homes and the different methods for tackling the issue. It is reassuring to know that many of these initiatives and ways of working are employed in Sunderland through the work of the Housing Team, and more specifically the Empty Homes Team, which was highlighted during the panel's evidence gathering sessions.

8 Conclusions

The Committee made the following overall conclusions:-

- 8.1 Empty homes account for 3% of the national housing stock and 2.5% locally, according to the Department for Communities and Local Government, and this not only restricts housing supply but also detracts from the quality of the local environment and can cause significant problems for local residents. The only effective answer is to get properties back into circulation and help to meet the housing needs of the area.
- 8.2 There is no shortage of legislation and statutory powers which aim to deal with empty properties. The difficulty is often more around the practicalities of putting such legislation into action and this can often be time consuming. The Area Response Teams or Empty Homes Team are often the first points of contact and they work very closely with a number of council service areas including Council Tax, Planning, Environmental Enforcement and Building Control to coordinate the approach required to identify and gain the cooperation of the owner or alternatively, as a last resort, take some form of enforcement action.
- 8.3 There is a clear strategic direction, vision and planning around the management of empty properties across the city and this underpins much of the work undertaken. This strategic direction demonstrates a clear commitment to the tackling of the problems posed by empty properties. The local area plans also go further and allow individual areas to match resources to the scale of need at that specific local level.
- 8.4 Empty homes are a wasted resource that could be used to re-house people from across communities as well as provide an alternative provision of accommodation

for people on the Council's housing register. The Empty Homes Team is an important resource to tackle the issue and get properties back into circulation and perhaps more importantly occupied. There a number of reasons why properties are empty and the Empty Homes Team are there to provide advice and guidance to owners to help get these properties back into use. The team are very effective and average around 400 properties per year back into use (472 properties in 2011/2012 and 494 in 2012/2013) and Members commended this work.

- 8.5 The Empty Homes Team relies heavily on intelligence from a variety of sources to ascertain the owner of a property. The Empty Homes Officers gain information from a number of local community sources including shopkeepers, residents and local business owners. The team also conduct walkabouts, organised through the relevant area committee, with local police and fire service representatives, looking at key issues within an area. Some local ward members are involved in these walkabouts but there is further potential to involve all members which will add a further local perspective. As well as this regular area specific briefings could be arranged to enhance intelligence gathering further and develop the relationship between housing officers and Elected Members which could prove invaluable.
- 8.6 In gathering information and investigating ownership of a property can be a very time consuming process and involve a lot of behind the scenes work. There is a danger that this can look to local residents like inactivity or a failure to address the problem. It is important that the Empty Homes Team, through their officers, keep local residents apprised of local situations. Again elected Members could play a part in disseminating this information and empty homes officers could leaflet the neighbouring properties informing residents that the empty property is being tackled. This can also serve to raise the profile of the team and provide an opportunity for residents to contact the local authority with any further information.
- 8.7 Welfare reforms will provide a radical shake-up of the benefits system in England, and there implications will be felt far and wide. The universal credit system and the payment of benefits, including the Local Housing Allowance, directly to the individual was identified during this review as making such tenants less attractive to the private rented sector. The bedroom tax could also see a potential rise in demand for bed-sits and one-bedroom properties within the city and this demand could outweigh the supply. It will take time to fully understand and assess the implications of the welfare reforms on both private landlords and the empty property situation. It was also recognised that the local authority was working with all key interested parties to monitor the situation and ensure risks to both tenants and landlords were kept to a minimum. Members discussed the importance of disseminating information to local Councillors relating to the impact of welfare reforms, as they develop, on both private and social housing markets across Sunderland.
- 8.8 The private rented sector has an important part to play in housing citizens within Sunderland. The local authority has good established relationships with a number of landlords and the landlord's forum is testament to this. It is an important facet of managing empty properties that the local authority works and fosters good relationships with as many local landlords as possible. The newly re-launched landlords' accreditation scheme also ensures that good landlords and tenancy practices are rewarded. New landlords, as well as existing ones, also need to be encouraged to develop good practices and be an asset to the city and the local authority can play a large part in this by supporting fledgling landlords to adopt good

practices and to work with landlords generally to provide a consistent approach across Sunderland.

- 8.9 The various changes in exemptions to Council Tax payments around empty properties and second homes should also act as a driver in ensuring that properties are not deliberately left empty. Changes to the exemptions rules should act as an incentive to landlords to populate their properties as soon as is practicable. Again the local authority has made a number of discretionary concessions that provide some leeway for landlords and to ensure compliance.
- 8.10 Empty properties are cause for concern for every local authority and each looks to tackle the issue, taking into consideration specific local factors, and drive down the number of empty properties. In looking at various good practices from across England, Members were pleased to learn that much of what is termed good practice is already in operation in Sunderland. The Empty Homes work conducted in Sunderland is extremely positive and effective. Members of the Panel on various site visits across the city saw at firsthand the work of Empty Homes Officers in tackling this problem.
- 8.11 Empty properties are not the sole confine of the private rented sector and Sunderland like many other authorities has a mixed bag of empty residential and commercial properties. There is obviously some potential in broadening the scope of the work of the empty homes team to a more active role in commercial properties that are empty in Sunderland. With difficult financial times affecting many business and welfare reform potentially impacting on how or where people live the traditional high street in small towns and villages is changing. In developing the role of the Empty Homes Team there is an opportunity for Sunderland to explore the provision of a much more comprehensive approach to the problem.

9 Recommendations

- 9.1 The Health and Wellbeing Scrutiny Panel has taken evidence from a variety of sources to assist in the formulation of a balanced range of recommendations. The Panel's key recommendations to the Cabinet are as outlined below:-
- a) To look at the increased involvement of elected members in all areas with the Empty Homes Team, including regular briefings and involvement in local walkabouts, as a means of further enhancing intelligence gathering by the team and developing relationships with ward members;
 - b) To investigate the development of an 'Empty Property – Council Aware' leaflet to provide local residents with reassurances that work is ongoing in relation to an empty property and also to present further avenues for potential intelligence gathering;
 - c) That the Housing Service and Empty Homes Team explore how to further support new and existing landlords to develop good practices, consistent approaches and strengthen relationships between private landlords and the local authority;
 - d) That the Empty Homes Team investigates the potential for expanding the role of the team to incorporate commercial properties into their remit to provide an holistic approach to empty properties management;

- e) That the Local Authority Housing Team look to monitor the impacts of welfare reform on both social and private housing across the City and look to provide area specific updates to Members through area committee arrangements.

10. Acknowledgements

- 10.1 The Committee is grateful to all those who have presented evidence during the course of our review. We would like to place on record our appreciation, in particular of the willingness and co-operation we have received from the below named individuals and organisations:-

- (a) Alan Caddick – Head of Strategic Housing;
- (b) Liz McEvoy – Principal Housing Manager;
- (c) Lisa Ketley – Empty Property Officer;
- (d) Lucy Smith – Private Sector Housing Officer;
- (e) Julie Wilkie – Empty Property Assistant;
- (f) Michael Horsburgh – Empty Property Assistant;
- (g) Helen Peverley - Area Response Manager (City Centre);
- (h) Katie Kelly - Environmental Enforcement Officer (City Centre);
- (i) Howard Middlemiss – Revenues Manager;
- (j) Simon Henry - Quality Control and Reviews Manager;
- (k) The Landlords Forum.

11. Background Papers

- 11.1 The following background papers were consulted or referred to in the preparation of this report:

HM Government. Empty Housing. House of Commons Library December 2012

Health, Housing and Adult Services; Sunderland City Council. Empty Property Action Plan 2011-12

The University of Nottingham Survey Unit. Empty Properties Survey 2008

Sunderland City Council. Enforcement Policy

Appendix 1

A Selection of Enforcement Powers Available to the Local Authority

Issue/Risk	Legislation	Enforcement Action
Empty property open to access (immediate danger to public)	Sec. 29, Local Govt (Misc Prov) Act 1982	Undertake inspection of property within 24 hours.

health and/or within hotspot areas)		<p>Determine ownership and contact owner(s) the same day for the property to be secured. If owner refuses issue instructions for the work to be carried out immediately by LA contractor. Undertake works in default and recover costs. Consider Empty Dwelling Management Order (EDMO).</p> <p>If ownership details cannot be verified the same day issue instructions for the work to be carried out immediately by LA contractor. Consider EDMO.</p>
Empty Property in a ruinous or dilapidated state or dangerous condition	Sec. 77-83, Building Act 1984	Undertake inspection of property within 24 hours. Refer to Building Control same day.
Empty property open to access (no immediate danger to public health)	Sec. 29, Local Govt (Misc Prov) Act 1982	<p>Undertake inspection of property within 24 hours.</p> <p>Determine ownership and contact owner(s) within 2 working days for property to be secured within an agreed timescale. If property is not secured in a reasonable timescale, notice to be served advising that LA will undertake works in a further 2 working days. Undertake WID (Work in Default) and recover costs. Consider EDMO.</p>
Presence of Category 1 hazard	Sec 11 – 27 Housing Act 2004	<p>Visit to be undertaken within 24 hours. Presence of cat 1 hazard verified during visit to premises. Contact landlord (letter and phone call) within 2 working days and advise of works required and timescale to complete works within.</p> <p>If works are not carried out within the agreed timescale serve Improvement Notice. Notice of entry to be given to landlord in order to carry out a full HHSRS inspection with a view to serving an Improvement Notice.</p> <p>Non compliance will lead to carrying out WID, recovery of costs and potentially prosecution.</p>
Presence of Category 2 hazard	Sec. 28, Housing Act 2004	Visit to be undertaken within

		<p>hours. Presence of cat 2 hazard verified during visit to premises. Contact landlord (phone call and letter) within 3 working days and advise of works required and timescale to complete works within.</p> <p>If works are not carried out within the agreed timescale serve Improvement Notice. Notice of entry to be given to landlord in order to carry out a full HHSRS inspection with a view to serving an Improvement Notice. Non compliance may lead to carrying out WID, recovery of costs and potentially prosecution.</p>
Blocked drain, waste pipe, soil pipe or wc. Public health impact beyond property boundary or, rented property where landlord not willing to undertake works	Sec 17, Public Health Act 1961	<p>Site visit within 48 hours. Determine impact of blockage. Notice to be served within 48 hours on relevant persons requiring works to be carried out within 48 hours. WID and recovery of costs.</p>
Blocked private sewer. Public Health impact	Sec 35, Local Govt (Misc Prov) Act 1976	<p>Site visit within 48 hours. Determine which properties are served by the sewer. Attempt to speak to relevant occupiers.</p> <p>Letter to all relevant households requiring works to be carried out within appropriate time period. Notice to be served on relevant persons requiring works to be carried out within 48 hours. WID and recovery of costs.</p>
Blocked private sewer. No public health impact	Sec 35, Local Govt (Misc Prov) Act 1976	<p>Site visit within 48 hours. Determine which properties are served by the sewer. Attempt to speak to relevant occupiers. Letter to all relevant households requiring works to be carried out within appropriate time period. Notice to be served on all relevant households requiring works to be carried out within appropriate time period. WID and recovery of costs.</p>
Filthy or verminous premises and articles	Sec. 83-84, Public Health Act 1936	<p>Site visit within 48 hours to ascertain condition of premises. Issue advice and guidance. Agree timescale for property to be cleansed.</p>

		<p>Service of Notice to cleanse the premises and cleanse or destroy articles.</p> <p>Referral to support agencies where appropriate within 48 hours. Service of Notice to cleanse the premises and cleanse or destroy articles.</p> <p>WID.</p>
Fire incident at property notified by the Fire Authority	Sec. 40 - 45, Housing Act 2004	<p>Visit to the property within 48 hours to assess whether the property has any imminent risk or category 1 hazards as a result of the fire. Contact landlord by telephone immediately and advise of actions to be taken to remove/reduce the risk (letter and phone call followed by letter) within 24 hours.</p> <p>Consideration of the most appropriate course of action within 24 hours. Landlord to be notified immediately on establishing the imminent risk and requesting immediate action to reduce the risk by installing temporary battery alarms. Letter to be sent to landlord same day. Further action to be considered within 24 hours. Consider the service of Emergency Remedial Action notice or Emergency Prohibition Order where property is in poor condition. Full HHSRS inspection should be requested with landlord within 48 hours where appropriate for an improvement notice to be served.</p> <p>Letter with Schedule of works or Service of Improvement Notice within 10 working days of inspection. Non compliance then initiate WID immediately after expiry of the notice or potential prosecution proceedings within 2 weeks of non compliance of the Improvement Notice.</p>

Health, Housing and Adult Services Scrutiny Panel
Empty Properties in Sunderland: Policy Review recommendations 2012/13

Ref	Recommendation	Action	Owner	Due Date	Progress Commentary
(a)	To look at the increased involvement of elected members in all areas with the Empty Homes Team, including regular briefings and involvement in local walkabouts, as a means of further enhancing intelligence gathering by the team and developing relationships with ward members.	<ul style="list-style-type: none"> • Invite elected members on local walkabouts as required. • Invite elected members to visit identified “hot spot” areas. • Consider ward members suggestions and use ward members’ intelligence of the areas. 	Empty Property Officer (s)	July 2013	Ongoing
(b)	To investigate the development of an ‘Empty Property – Council Aware’ leaflet to provide local residents with reassurances that work is on-going in relation to an empty property and also to present further avenues for potential intelligence gathering.	<ul style="list-style-type: none"> • Leaflet Produced. • To post in properties adjacent empty property. • 	Empty property Officer	August 2013	With Communications Team Awaiting approval
(c)	That the Housing Service and Empty Homes Team explore how to further support new and existing landlords to develop good practices, consistent approaches and strengthen relationships between private landlords and the local authority.	<ul style="list-style-type: none"> • To invite landlords to landlords’ forum • To invite landlords to “hot spot” areas to discuss • To deliver training workshop for landlords in identified topics. • To develop intranet with advice materials. 	Empty Property Officer Access to Housing Manager	August 2013	Ongoing already do this.
(d)	That the Empty Homes Team investigates the potential for expanding the role of the team to incorporate commercial properties into their remit to provide an holistic approach to empty properties management.	<ul style="list-style-type: none"> • Meet Environmental Services to define roles and responsibilities with regard to empty Commercial properties. • Design a customer led service with regard to empty commercial properties. 	Principal Housing Manager	September 2013	Meeting Arranged to discuss
(e)	That the Local Authority Housing Team look to monitor the impacts of welfare reform on both social and private housing across the City and look to provide area specific updates to Members through area committee arrangements.	<ul style="list-style-type: none"> • To be considered through the Welfare Reform Board, which meets on a monthly basis. • Welfare Reform Review meeting to be arranged with Registered Housing Providers to discuss the impact of welfare reform. • Regular discussions to be held at the Landlords’ Forum 	Head of Strategic Housing Housing Benefits Manager Access to Housing Manager	July/Aug 2013. Through ongoing Landlord Forums	

**City Services Scrutiny Panel
Spotlight Policy Review 2012 – 2013**

**Waste and Recycling in Sunderland - Approach to Resident
Engagement**

Draft Report

Contents

1	Foreword from the Scrutiny Lead Member.....	2
2	Introduction	3
3	Aims and Terms of Reference	3
4	Membership of the Committee.....	3
5	Methods of Investigation	3
6	Findings of the Review	4
7	Conclusion	12
8	Recommendations.....	13
9	Acknowledgments.....	14
10	Background Papers	14

1 Foreword from the Scrutiny Lead Member for City Services

It gives me great pleasure to be able to introduce the City Services Scrutiny Panel's second spotlight policy review.

At the start of the year, when the Scrutiny Committee was considering the range of issues it wished to examine, the Panel was asked to undertake a brief spotlight review into the implications of the Council's recent successful bid for funding to retain its weekly collection service. It also examined the range of proposals and options available to increase participation in recycling collections.

As well as discussions with relevant Council officers, the Panel took the opportunity to view the operation of the Beach Street Household Waste and Recycling Centre and visit the new Energy from Waste Facility being constructed at Teesside.

The Panel's report does include a number of conclusions and recommendations which we hope will help promote recycling in the city.

For the Panel, sustainable waste management requires a partnership between Government, local authorities, residents, businesses and other stakeholders. Promoting awareness is central to the future development of waste services by providing the general public with a better understanding of the issues involved in waste minimisation and the recycling of waste. Clearly, recycling initiatives can only work if there is public involvement and commitment.

However, we feel that it is important that future promotional campaigns should be based on a detailed understanding of why people do participate or do not recycle correctly.

We therefore consider that there should be regular monitoring on the findings of the Customer Insight Survey which will be used as the basis to inform a communications campaign for waste and recycling.

We also recommend that the delivery of the new communications campaign should be monitored including activities on promoting awareness and involvement in recycling and on tackling inappropriate waste presentation and fly tipping.

In conclusion, I would like to thank my colleagues on the City Services Scrutiny Panel and all of the officers and staff involved for their hard work during the course of the review and thank them for their valuable contribution.

Councillor Stephen Bonallie, Lead Member for City Services

2 Introduction

- 2.1 On 7 June 2012, the Scrutiny Committee requested that the City Services Scrutiny Panel undertake a policy review into issues relating to waste and recycling in Sunderland. This issue had been highlighted as a policy review topic during the Council's Annual Scrutiny Conference 2012.

3 Terms of Reference

- 3.1 At the start of the review, the Panel agreed to focus its attention on the options and proposals to enhance community engagement and increase participation in recycling collections.
- 3.2 The Panel adopted the following terms of reference for the review:-
- (a) to consider the background shaping the Council's approach to refuse collection and recycling;
 - (b) to consider the implications of the Council's recent bid for funding to retain its weekly collection service;
 - (c) to consider the range of proposals and options available to increase participation in recycling collections.

4 Membership of the Panel

- 4.1 The membership of the City Services Scrutiny Panel consisted of Councillors Stephen Bonallie (Lead Member), Michael Essl, Stephen Foster, Neville Padgett, Stuart Porthouse, Lynda Scanlan, Peter Wood.

5 Methods of Investigation

- 5.1 The following methods of investigation were used for the review:
- (i) Evidence from relevant Council officers and our partner organisations;
 - (ii) Visit to view the operation of the Beach Street Household Waste and Recycling Centre.
 - (iii) Visit to the new Energy from Waste Facility at Teesside.

6 Waste and Recycling - Background

- 6.1 Toward the end of 2012, the Department of Communities and Local Government (DCLG) announced that the Council had been successful in its bid to retain a weekly refuse collection service. In return for the Council committing to maintain weekly collection service for a five year period, the Council was to receive funding in the region of £4.722m
- 6.2 The key components of the bid involved the:
- Procurement of 10 low emission refuse collection vehicles in addition to 10 already ordered to replace all of the current aged refuse collection fleet;
 - Staff costs and other related revenue spend equivalent to what would be saved if alternate weekly collections were introduced;
 - Enhancement of community engagement and incentives to increase participation in recycling collections and the development of website improvements for residents to 'self serve' information and advice.
- 6.3 Whilst, it is pleasing that the Council has been successful in its bid to retain the weekly collection service, the decision does present the Council with a number of challenges in the future; not least in making sure that it continues to see improvements in recycling rates and that the service continues to contribute to operational efficiencies.
- 6.4 The Panel therefore looked at the approach that should be taken to promote recycling and ensuring that the Council makes the most of the funding being made available to enhance community engagement and participation rates.

Current Position - Local Context

- 6.5 As a starting point for the review, the Panel looked at the background to the management of waste and refuse collection in the city and considered the South of Tyne and Wear Joint Waste Strategy update which was presented to Cabinet in November 2012.
- 6.6 In 2006, Sunderland, Gateshead and South Tyneside Council's formed the South Tyne and Wear Waste Management Partnership. A key task for the Partnership was the development of this Joint Municipal Waste Management Strategy (JMWMS) which covered a 20 year period from 2007 – 2027.
- 6.7 The Strategy covers municipal waste including waste collected from households, recycling collections, waste taken to recycling banks, collections of bulky waste, street sweepings, collection of household clinical waste, commercial/trade waste collected by the local

authorities, fly tipped waste and waste accepted at household waste recycling centres.

- 6.8 A central aim of the Strategy was to reduce the amount of waste sent to landfill sites every year and to increase recycling. In line with national waste management principles, the Strategy set the following high level objectives:-
- Reduce the amount of waste that is generated;
 - Re-use waste;
 - Recycle and/or compost waste as far as this is practicable within economic and environmental constraints;
 - Recover energy from the remaining waste and finally dispose of this residual waste safely.
- 6.9 The Strategy sought to respond to increasing pressures to change the way in which municipal waste was managed. This included the EU Directive 99/31/EC (the Landfill Directive) which set targets for the reduction of biodegradable municipal waste sent to landfill and the Government's Waste Strategy 2000 which included national targets for recycling, composting and value recovery from waste.
- 6.10 The Landfill Allowance Trading Scheme (LATS) and the introduction of an annually escalating Landfill Tax have also been key drivers in reducing the amount of waste sent to landfill. Since its introduction the Landfill Tax Regulations make it increasingly expensive for authorities to dispose of waste in landfills.
- 6.11 The Strategy also responded to the Household Waste Recycling Act 2003 which required that all waste collection authorities (WCA's) provide for the separate collection of at least two recyclable materials, at the kerbside, from all households by 2010.
- 6.12 The Partnership established some ambitious targets for increasing recycling across the three councils – a target of 45% by 2015 and 50% by 2020.
- 6.13 In recent years, significant progress has been made in improving recycling levels and avoiding landfill. Overall levels of municipal waste have fallen across the partnership area over the last five years, standing at 312,741 tonnes in 2011/12 from a total of 362,092 tonnes in 2006/07.
- 6.14 Waste collection services have also continued to improve, in particular the development of kerbside blue bin recycling services and bring sites. This service development has contributed to a rise in recycling levels, which stand at 36.6% of municipal waste in 2011/12.
- 6.15 As a consequence of recycling levels rising, more material has been diverted from landfill with 61.6% of municipal waste going to landfill in

2011/12. The remaining 1.8% of all municipal waste was used for energy recovery. Appendix 1 sets out the trends in waste and recycling improvements.

- 6.16 Clearly, the Council does face some challenges for the future. For example it has a significantly higher waste arising figure per head of population than its partner/ neighbouring authorities and has a slightly lower average recycling performance than the other two councils in the South of Tyne Waste Management Partnership who have both adopted a fortnightly refuse collection service designed to make efficiencies. This may be a factor to increase recycling by encouraging change in behaviour at the expense of resident satisfaction.
- 6.17 “Fly Capture” data also appears to show that the Council experiences proportionately more low level/ back lane fly tipping incidents than its neighbours. The comparative data between councils can be misleading due to differences in how incidents reported by each. The City Council reports all incidents to provide a picture of the scope of the problem of inappropriate refuse presentation to serious fly tipping incidents. This issue may be one of needing to raise awareness about behaviour which may currently be viewed as acceptable.

The Structure of Refuse Collection and Recycling within the Authority

- 6.18 The Environmental Protection Act (EPA) 1990, part II section 45, places a duty on local authorities to collect household waste household waste in its area. There are a range of related regulations, requiring the Council to provide households with access to recycling services but the requirement to collect household waste to maintain public health standards still remains the primary responsibility for the Council.
- 6.19 Section 46 of the EPA gives the Council powers to specify to householders the type of waste container(s) that should be used, the frequency and day of collection, and how this should be presented on collection day.
- 6.20 Sunderland Council currently provides the following waste and recycling collection services:-
- A weekly residual refuse collection;
 - A fortnightly kerbside collection for paper, glass, plastic bottles and food packaging, card, metal foils, drinks cartons and cans
 - A fortnightly kerbside green waste collection to about 85,000 households with gardens.
 - Bulky Household waste collection service.
- 6.21 The authority provides wheeled bins for collection of refuse, and larger bins for multi- occupancy properties and a small minority of premises with no suitable waste storage who are offered plastic sacks. Unlike

other authorities in the Partnership, Sunderland does have a policy of accepting side waste.

- 6.22 There is also provision for the collection of recyclables through Bring Sites/Banks at supermarkets, cars parks and open spaces across the city. This includes the collection of paper, glass, textiles, shoes, cans and plastic bottles.
- 6.23 In terms of trade waste, Sunderland Council provides a chargeable, commercial refuse collection service to businesses on request using a range of refuse storage containers and with differing collection frequencies. A special collection for large amounts of waste or bulky materials from commercial premises is also offered. Members supported the trade waste service provided by the Council and suggested that where possible it be expanded to offer recycling.
- 6.24 There are four Household Waste and Recycling Centres (WRCs) in operation in the Partnership area which are open to the public to deposit recyclables and waste. Appendix 1 identifies the centres and the materials accepted. The Campground, Wrekenton HWRC is used by both Gateshead and Sunderland. Although the Centre is located in Sunderland, it is owned and operated by Gateshead. Approximately 30% of users reside in the Washington area and the operational costs of the centre are shared by the two councils in accordance with this split of users. This facility will be completely refurbished 2013/14 to improve resident convenience and increase opportunities for recycling.
- 6.25 The Council also operates a Household Waste and Recycling Centre at Beach Street. The facility is currently operated by the Council's workforce. A range of improvements were made to improve the overall environment on the site in 2011.
- 6.26 As part of its review, members of the Panel visited the Beach Street Depot in order to view at first hand the operation and condition of the site. Members were impressed by the range of goods accepted for recycling and the help provided by staff at the site to offer guidance.

Energy from Waste Facility

- 6.27 In 2008, the South of Tyne Waste Management Partnership was awarded £73.5m of Private Finance Initiative funding for the development of a waste treatment facility. Following an EU procurement and evaluation of a range of bids, the Partnership agreed to develop an Energy from Waste Facility as the preferred solution. This facility is seen as central in reducing the amount of waste required to be sent to landfill and providing a long term sustainable solution for the City.
- 6.28 In December 2012, members of the Panel took the opportunity to visit the facility being constructed at Haverton Hill on Teesside by SITA UK

on behalf of the South Tyne and Wear Waste Management Partnership. Members met with the senior management at the facility and were given a conducted tour to view the EfW process at first hand.

- 6.29 The EfW facility at Teesside will allow municipal and non-hazardous commercial waste to be diverted away from landfill by using it to generate power for the national grid. The facility will generate around 20.5 MW of electricity; enough to power the equivalent of 30,000 households.
- 6.30 The contract will save money compared with continuing to send waste to landfill when the effect of year on year landfill tax increases takes affect, with the savings coming into affect from 2015, one year after service commencement. and also reduce the impact of waste disposal on the environment.
- 6.31 Three associated transfer stations and a visitor and education centre will also be developed within Gateshead, South Tyneside and Sunderland. The transfer station to be built at Jack Crawford House Hendon will sort and 'bulk up' the waste before it is transported to Teesside. Some waste collected from Washington area will be delivered to the new Campground waste transfer station being built at Wrekenton, which will help the efficient operation of the refuse collection service in this part of the City.
- 6.32 The levels of emissions from EfW facilities will be closely and continuously monitored to ensure that dangerous emissions are not released. Modern EfW facilities are extremely clean and environmentally friendly forms of energy generation with waste being burned at extremely high temperatures.
- 6.33 Member were impressed by the facility and felt that its construction and delivery represented a good example of partnership working. The facility will clearly make a substantial contribution to the sustainable treatment of residual waste in the city.
- 6.34 It was pleasing that the construction of the facility was ahead of schedule and was now expected to be fully operational by April 2014, though commissioning work will begin around July 2013 in order to allow time to fine tune the process.

Resident Engagement and Education Programme

- 6.35 Clearly, considerable progress has been made over recent years in the level of waste collection and recycling in the city. And with the introduction of the Energy from Waste facility there will be a major improvement reduction in the level of waste going to landfill.
- 6.36 While the success in maintaining weekly collection services is pleasing, it is important that the Council continues to take measures to ensure that improvements in household recycling are further built upon.

- 6.37 A feature of the City Council's bid for funding from the Department for Communities and Local Government (DCLG) for the continuation of weekly refuse collections, was to deliver a high quality education and engagement programme, along with an incentives scheme to ensure recycling performance is maintained and enhanced.
- 6.38 The use of community engagement measures is not new. The Waste Strategy identifies potential measures to increase the level of education and understanding of waste reduction matters.
- 6.39 The Council has previously undertaken campaigns such as the 'No More Excuses' campaign which had a big impact on encouraging people to recycle more, along with the more recent "blue bin" campaigns which launched the new kerbside collection scheme in 2010. together with a recent promotion increasing what can be recycled in the blue bins.
- 6.40 However, the scale of funding now available to the Council allows it to undertake a substantial piece of consumer insight research into customer views and behaviours relating to recycling. The findings of this work will inform a communications campaign that resonates with the city's residents, the objective is to increase the volume and range of materials being recycled. As part of the recent bid to Govt, the City Council received funding of £150,000 to be used over the next three years for this purpose.
- 6.41 A central part of community engagement will be the design and delivery of a Resident Engagement and Education Programme. This will, through various methods of in depth research, seek to understand people's behaviour towards recycling and will include the views of Community Spirit and specific focus groups.
- 6.42 The Customer Insight Surveys will identify those areas of the city who are enthusiastic, active, passive, part time and non participants in recycling and try to understand not only where in the city, marketing work should be focussed, but more in depth information such as attitudes to the Council and the service, what barriers prevent or reduce participation, and what may incentivise a positive change in attitude and behaviour.
- 6.43 The Panel was informed that the insight programme is currently being developed and should be completed by summer. This will inform the design of a detailed communications and marketing plan.
- 6.44 As part of the review the Panel was consulted on the potential themes and objectives of the new communications plan, waste recycling incentives scheme and the approach to be being taken as part of the engagement Strategy.

6.45 The key themes of our responses are set out below:-

- Giving residents a clear message about their role and the full range of environmental, social and economical reasons for recycling will be the priority message;
- This will be informed by resident insight work, commissioned to understand what makes people recycle and what barriers if any prevent others, as well as identify the range of enthusiasm in residents across different geographical areas of the city;
- Subject to the insight findings, the messages could be informative, clear and direct, using a similar style to the previous “No more excuses” campaign in 2008/9;
- Following the information, education and engagement phase, the next phase will be to use enforcement measures to address the minority of residents who do not respond positively;
- This is a significant piece of work and we must ensure that we get it right and adopt the best approach which suits the city’s needs. The DCLG funding provides this opportunity;

6.46 Overall, the Panel referred to the importance of emphasising how recycling is good for the environment and links in to the principle of an attractive city.

6.47 We also feel that it is important to emphasise the value of recycling in terms of the better use of resources and the financial savings that will accrue from recycling rather than sending waste to landfill.

The Use of Incentives Schemes

6.48 Resident Recycling Incentives Schemes have been used in other parts of the country as an alternative to a direction and enforcement approach to residents. The Council is currently part of a regional scheme whereby identifiable stickers are placed on certain recyclable items put out by residents and each month a draw is made and prizes are won. These can include TV’s, lap tops, and shopping vouchers. To date, there has been good take up and increasing awareness of the council blue bin recycling service but the long term impact was not clear.

6.49 Other incentives may be operated in conjunction with supermarkets where there is a greater number of lower value, incentives such as money off coupons. Such a scheme has yet to be designed and finalised.

6.50 The Panel was cautious about the use of incentive schemes with high value prizes. Members also raised concern at the long term sustainability of such schemes. The operation of an incentive scheme was a central part of the bid to DCLG to secure funding for weekly refuse collection. The fact that the Council operated an existing

scheme may have impressed the award panel, but we feel further development of any new incentives scheme is required.

The Balance Between Education and Enforcement

- 6.51 The Environmental; Protection Act (EPA) 1990 Part II Section 46 gives the Council powers to specify to householders the frequency and day of collection the type of waste containers that should be used, and how this should be presented on collection day.
- 6.52 A number of Councils have used this legislation to enforce recycling. However, some would argue that taking such enforcement action can be classed as a disproportionate act, can increase the risk of negative publicity for the Council and in the present economic climate perhaps not represent a good use of resources.
- 6.53 Members felt that there was a general consensus among the public and service users of the advances the Council had made in promoting recycling in recent years and that some form of enforcement action may be appropriate for example where residents persistently fail to recycle.
- 6.54 The Panel feel that the Council should not be unwilling to take enforcement action where it is deemed appropriate. Such action would be supported by the local community and could act as an effective deterrent. Equally it was important that local Magistrates were supportive of local authorities when they chose to prosecute and made use of the penalties available.
- 6.55 The Panel does however highlight the dangers of blanket enforcement notices. The use of warning and enforcement letters holds the danger alienating the majority of people who recycle and so needs to be planned and targeted carefully.
- 6.56 We consider that it may be necessary to recognise varying levels of recycling participation in different areas of the city, and so make informed decisions on how to best align our effort and resources.

Approach to the Treatment of Side Waste

- 6.57 Tackling fly tipping and sending out a strong enforcement message is important in deterring medium and large scale fly tipping. The practice of putting out rubbish or bulky waste in back lanes or other council land with the expectation of it being collected and taken away by service teams, or putting out excess side rubbish with normal bins, whether or not the resident is participating in recycling, appears to be accepted in some areas of the city. When this happens there is often a negative perception of the neighbourhood which can attract arson and larger scale fly tipping, and lead to complaints from compliant neighbours. Fly tipping data indicates the presence of small scale back lane fly tipping

or that taking place on other council land forms a significant majority of all reported incidents.

- 6.58 Currently in Sunderland there is a policy of allowing up to 2 bags of side waste to be collected with residual waste collections. At Christmas time bulky waste services support refuse collection teams and there is a two week amnesty where service teams help clear up all waste presented to ensure we keep a clean and tidy environment.
- 6.59 Comparison of policies and practice in Tyne and Wear, Northumberland and Durham Council areas has shown that there appears to be no side waste allowed with the normal wheel bin collection. While the fly tipping statistics show high concentrations of small scale fly tipping activity as a percentage of the overall totals, and the potential impacts locally to be significant, the overall scale of the problem is very small when taking the whole population of the city into account.
- 6.60 The Panel supports of the Council's existing policy in relation to the treatment of side waste and feels that overall a flexible approach to the treatment of such waste does much to foster a good reputation for the service and the Council. We feel that it is best not to be overtly prescriptive but to use persuasion and education in this area. Again, it is important to target those who abuse the system rather than sanction the majority who comply.
- 6.61 Overall, the Panel would therefore suggest a balanced approach based on the 3 E's; education, encouragement and enforcement: using education first, then encouragement, with enforcement targeted towards those who persistently fail to comply.
- 6.62 We also feel that it is important for the Council to understand more about why people do and do not recycle. Such information would be important to help inform and guide Council policy. The commissioning of a comprehensive customer insight survey to gather this information will provide great value to the development of the new communications campaign.

7 Conclusion

- 7.1 The Panel consider that the Council's waste and recycling service is both highly regarded and has made good progress over recent years in terms of quality and recycling performance.
- 7.2 Sustainable waste management requires partnership and is therefore not simply the responsibility of Government but also of individuals, businesses and other stakeholders.
- 7.3 Promoting awareness is central to the future development of waste services by providing the general public with a better understanding of

the issues involved in waste minimisation and the recycling of waste. Clearly, recycling initiatives can only work if there is public involvement and commitment.

- 7.4 We feel that communicating with the public is the key. A powerful education campaign must be sustained, however this will require investment to ensure its success. Any solution must involve public participation and Council must provide leadership through education, awareness and action.
- 7.5 We feel that it is important that future campaigns should be based on an understanding of why people do participate or do not recycle correctly.
- 7.6 We are unsure of the merits of adopting expensive incentive schemes particularly given the current economic climate. We would also point to evidence that suggests self-rewarding people for good behaviours may encourage people only to act in the future if rewarded, rather than acting because they care or value society and the environment. More work should be done on the development of incentive schemes using data collected from the existing trial, other trials and perhaps linking to the proposed customer insight survey.
- 7.7 It is pleasing that the City Council is undertaking a comprehensive customer insight exercise. The Panel suggests that it receives regular updates on the progress being made.
- 7.8 The Council needs to reinforce the message that residents have an obligation to deal with their waste responsibly. There is however, a balance to be struck between education, encouragement and enforcement.

8 Recommendations

The Panel recommendations are outlined below:-

- (1) That further update reports be provided on the findings of the Customer Insight Survey to inform a communications campaign for waste and recycling;
- (2) That the delivery of the new communications campaign be monitored including activities on promoting awareness and involvement in recycling and on tackling inappropriate waste presentation and fly tipping;
- (3) That further reports be provided on the progress on the delivery of a recycling incentives scheme, the impact on awareness and participation in recycling services and the impacts on recycling performance.

9. Acknowledgements

9.1 The Committee is grateful to all those who have presented evidence during the course of our review. We would like to place on record our appreciation, in particular of the willingness and co-operation we have received from the below named:-

- (a) Les Clark, Head Of Streetscene;
- (b) Colin Curtis; Assistant Head of Streetscene;
- (c) Jane Peverley, External Communications Manager;
- (d) All Staff based at Beach Street Depot
- (e) Jim Alproovich, South Tyne and Wear Waste Management Partnership
- (f) Staff from SITA

10. Background Papers

10.1 The following background papers were consulted or referred to in the preparation of this report:

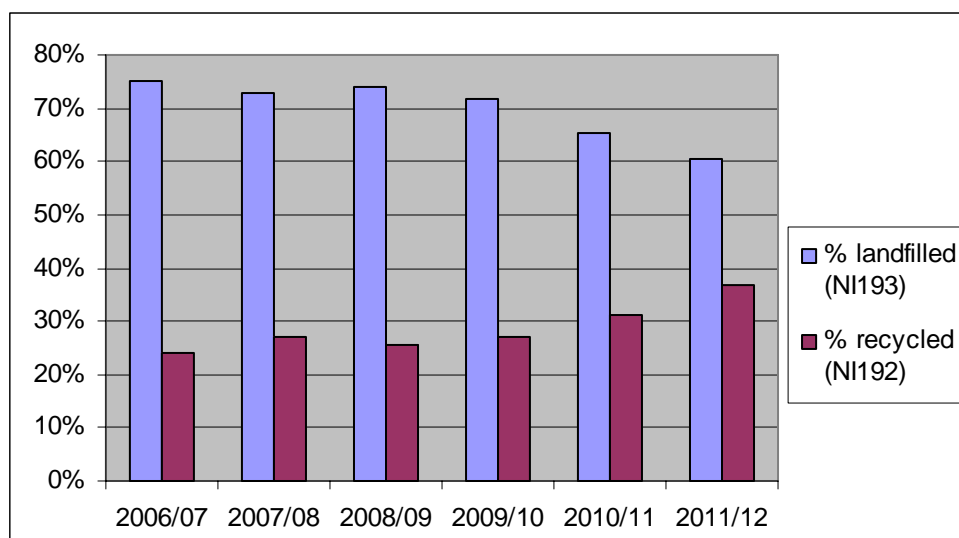
Joint Tyne and Wear Waste Management Waste Management Strategy http://www.gateshead.gov.uk/DocumentLibrary/Environment/Strategies/joint_wastestrategy/finalwastestrategy.pdf
Agenda and Minutes of City Services Scrutiny Panel

Appendix 1

Municipal waste in Tyne and Wear 2011/12

	Gateshead	South Tyneside	Sunderland
Population	191,700	153,700	283,500
Households	92,330	69,820	124,850
Household waste (t)	84,361	63,603	126,977
Non Household waste (t)	9,841	14,318	13,641
Municipal waste (t)	94,202	77,921	140,618
Household waste per household (kg)	914	910	1017
Household waste per head (kg)	440	414	448

Percentage of waste sent to landfill or recycled in Sunderland 2006/07 – 2011/12



As the percentage of Sunderland's waste sent for reuse, recycling or composting has increased since 2006/07, the percentage sent to landfill has decreased¹.

¹NI 192 - Percentage of Household waste Sent for Reuse, Recycling or Composting, NI 193 Percentage of Municipal Waste Sent to Landfill.

Appendix 2(b)

Waste and recycling in Sunderland – proposed approach to resident engagement

REF	Recommendation	Action	Owner	Due date	Progress commentary
(a)	That further update reports be provided based on the findings of the investigative research. The investigative research will allow an intelligence led approach to the formulation of a plan for future waste and recycling communications activities	<ol style="list-style-type: none"> 1. Procurement exercise to appoint an agency to investigate the attitudes and behaviours of Sunderland residents towards recycling and waste, to inform future communications strategies. All submissions to include a schedule of research activities aimed at fulfilling the objective of the brief. 2. Inception meeting 3. Quantitative engagement and data collection – street survey and online survey 4. Qualitative engagement and data collection – Focus groups 5. Data collection and analysis 6. Research findings – report and presentation 7. Formulate a communications plan to include key actions and dates - directed by the research findings and recommendations 	<ol style="list-style-type: none"> 1. Communications Manager 2. Communications Manager 3. Communications Manager 4. Communications Manager 5. Communications Manager 6. Communications Manager 7. Communications Manager 	<ol style="list-style-type: none"> 1. April - June 2013 2. June 2013 3. July/ August 2013 4. August/ Sept 2013 5. Sept 2013 6. Oct 2013 7. Oct – Dec 2013 	Agency appointed June 2013

(b)	That the delivery of the new communications campaign be monitored including activities on promoting awareness and involvement in recycling and on tackling inappropriate waste presentation and fly tipping	<ol style="list-style-type: none"> 1. Deliver phase 1 of communications campaign 2. Seek feedback and opinion from residents and Members on key actions undertaken and engage Area Place Boards. 3. Monitor and measure the impact of communications campaign through tangible indicators to include: <ol style="list-style-type: none"> i. Recognition of council messages ii. Feedback from residents iii. General monitoring of participation iv. % increase in tonnage recycle collected v. % reduction in reported fly tipping incidents vi. Success evaluation – Annual review 	<ol style="list-style-type: none"> 1. Communications Manager 2. Communications Manager and Waste Manager 3. Communications Manager 	<ol style="list-style-type: none"> 1. Dec 2013 2. March 2014 3. March 2016 	
(c)	That further reports be provided on the progress on the delivery of a recycling incentives scheme, the impact on awareness and participation in recycling services and the impacts on recycling performance	<ol style="list-style-type: none"> 1. Recycling Incentives Scheme <ol style="list-style-type: none"> i. Intelligence gathering ii. Formulate campaign – directed by research findings and recommendations iii. Campaign launch and subsequent communications activities iv. Impact evaluation of activities undertaken to date 2. General Periodic Reporting <ol style="list-style-type: none"> i. Update report followed by six monthly report updates (for the period of the campaign) 	<ol style="list-style-type: none"> 1. Communications Manager 2. Communications Manager and Waste Manager 	<ol style="list-style-type: none"> 1. <ol style="list-style-type: none"> i. July – Sept 2013 ii. Sept – Nov 2013 iii. Dec 2013 iv. March 2014 2. April 2014 to March 2016 	

CABINET MEETING – 17 JULY 2013 EXECUTIVE SUMMARY SHEET – PART 1	
Title of Report:	Hetton Downs Housing Delivery Plan
Author(s):	Report of the Deputy Chief Executive
Purpose of Report:	This report seeks approval to the adoption of the Hetton Downs Housing Delivery Plan which sets out a strategy and timetable for the implementation of new housing development in the Hetton Downs Renewal Area
Description of Decision:	<p>Cabinet is recommended to:</p> <ol style="list-style-type: none"> I. Approve the proposed Hetton Downs Housing Delivery Plan; II. Authorise the Deputy Chief Executive to acquire property as appropriate within the Delivery Plan area upon terms to be agreed by the Deputy Chief Executive in consultation with the Leader and Cabinet Secretary III. Authorise the Deputy Chief Executive to dispose of development land within the Delivery Plan area on a best consideration basis upon terms to be agreed by the Deputy Chief Executive in consultation with the Leader and Cabinet Secretary; IV. Authorise the Deputy Chief Executive to take all other necessary actions required for the procurement and delivery of the Delivery Plan in consultation with the Leader and Cabinet Secretary.
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:	The adoption of the principles of the Hetton Downs Housing Delivery Plan will allow the Council to release further funding from the Homes and Community Agency (HCA) budget and facilitate the Council's aims for the renewal of the Hetton Downs area.

Alternative options to be considered and recommended to be rejected:
Not to implement the Delivery Plan is likely to result in the Council failing to fulfil its aims in the Hetton Downs Renewal Area. It would also result in the loss of HCA funding which has been granted to the Council to assemble sites in the area and loss of reputation of the Council in its ability to deliver housing renewal projects. This option has been considered and rejected.

Impacts analysed;

Equality

Privacy

Sustainability

Crime and Disorder

Is this a “Key Decision” as defined in the Constitution?

Yes

Is it included in the 28 day notice of decisions?

Yes

Scrutiny Committee

HETTON DOWNS HOUSING DELIVERY PLAN

REPORT OF THE DEPUTY CHIEF EXECUTIVE

1.0 Purpose of the Report

- 1.1 This report seeks approval to the adoption of the Hetton Downs Housing Delivery Plan which sets out a strategy and timetable for the implementation of new housing development in the Hetton Downs Renewal Area.

2.0 Description of Decision

- 2.1 Cabinet is recommended to:
- I. Approve the proposed Hetton Downs Housing Delivery Plan;
 - II. Authorise the Deputy Chief Executive to acquire property as appropriate within the Delivery Plan area upon terms to be agreed by the Deputy Chief Executive in consultation with the Leader and Cabinet Secretary;
 - III. Authorise the Deputy Chief Executive to dispose of development land within the Delivery Plan area on a Best Consideration basis upon terms to be agreed by the Deputy Chief Executive in consultation with the Leader and Cabinet Secretary;
 - IV. Authorise the Deputy Chief Executive to take all other necessary actions required for the procurement and delivery of the Delivery Plan in consultation with the Leader and Cabinet Secretary.

3.0 Background

- 3.1 Hetton Downs is designated as a Housing Renewal Area following a Private Sector Housing Condition Survey which highlighted it as being in an advanced stage of housing decline.
- 3.2 The Council's aims for the Renewal Area are to:
- Tackle housing decline,
 - Improve the quality, choice and range of housing in the area,
 - Develop long term plans for local regeneration and housing that meets the community's needs, now and in the future,
 - Work closely with residents and key partners,

- Develop plans and actions in the best way possible.
- 3.3 A further Neighbourhood Renewal Assessment on 2 streets concluded that the properties studied within the Renewal Area were among the poorest quality housing and living environments in Sunderland. The study found that widening the study area with a view to area regeneration was the best course of action to deliver housing renewal in the area.
- 3.4 Following the conclusions of the Neighbourhood Renewal Assessment, and after extensive consultation with Ward Members, partners and the community, the Preferred Option Hetton Downs Area Action Plan was approved by the Council.

The intention of the Hetton Downs Preferred Option Area Action Plan was to provide an area based framework to promote neighbourhood stability and strengthen the local Hetton community, underpinning its viability and future sustainability.
- 3.5 The Preferred Option Area Action Plan is clear that:
 - The regeneration of Hetton Downs will primarily be housing led, and,
 - Development will be targeted towards family housing with particular focus on the northern part of Hetton Downs.
- 3.6 The sites identified for development in the Preferred Option Area Action Plan are shown shaded grey in Appendix 1.
- 3.7 To date the Council, supported by Homes and Community Agency (HCA) funding, has acquired and demolished 161 properties within the Hetton Downs Renewal Area with the purpose of providing cleared sites for new housing development.

The sites now assembled, or that were historically owned by the Council, are shown hatched in Appendix 2.
- 4.0 Current Position**
- 4.1 As the acquisition and demolition programme reaches a conclusion the next step is to approve the Hetton Downs Housing Delivery Plan which sets out a strategy and timetable for the implementation of new housing development.
- 4.2 The aim of the Delivery Plan is to translate the Preferred Option approach of delivering new housing by following a strategy that sets out a range of timetabled activities.

Ward Members have been consulted throughout the process and their views and comments incorporated where possible.

The key activities identified in the Delivery Plan are set out below:

4.2.1

Further key site acquisition and land assembly;

The Delivery Plan is clear that delivery of new housing will be dependent on a partnership between the public and private sector.

The Council will require public and private sector landowners to work together in terms of site assembly, phasing, site proposals and development.

Where development can be brought forward on sites in private ownership, which accords with the Council's aims for the area, such proposals will be supported.

There is however the potential for the Council to make a number of further site acquisitions which will compliment the Council's existing land ownership and provide comprehensive development sites.

From the original funding provided by the HCA for the Renewal Area there is sufficient remaining in the budget for such site acquisitions.

The sites identified for potential acquisition are shown cross-hatched in Appendix 2.

It is to be noted that informal discussions have taken place with the owners of these sites and all are willing sellers subject to terms to be agreed.

It is envisaged that the potential acquisitions will be completed on a phased basis during the period 2013 – 2015.

4.2.2

Releasing development opportunities and procuring a development partner;

The identified sites will be released for sale on a phased basis during the period 2013 – 2018 and, potentially, delivered by a number of different developers. This phased release will be accelerated where feasible.

The proposed phasing allows for comprehensive development proposals to be brought forward independently of each other and by different developers without compromising the overarching vision of the Preferred Option Area Action Plan.

The proposed timetable for the release of the phases is as follows:

Phase 1 – 2013. Approximately 3 hectares suitable for the development of approximately 120 new houses.

Phase 2 – 2016. Approximately 3.6 hectares suitable for the development of approximately 145 new houses.

Phase 3 – 2017. Approximately 2.1 hectares suitable for the development of approximately 60 new houses.

A regional housebuilder has confirmed an interest in developing all of phase 1, consisting of Council and private land, for family homes.

The delivery of Phase 3 is subject to the development of the Broomhill sites indicated in Appendix 2. These sites are privately owned and are currently the subject of full planning applications for the development of 237 houses.

It is envisaged that Phase 3 will also see the completion of the Northern Access Route, an additional strategic link road from the A192, intended to improve access to the Hetton Downs area. The indicative route of the road is shown in Appendix 2.

The capital receipt received from the disposal of Phase 3 will be used to secure any agreements with adjoining land owners that are required to provide access and facilitate the development of the proposed road.

4.2.3

Developing the sites in accordance with the Council's aims.

Sites will be sold in accordance with the Council's adopted Disposal Strategy and subject to a development brief specifying the Council's requirements including affordable housing provision.

5.0 Reasons for Decision

The adoption of the principles of the Hetton Downs Housing Delivery Plan will allow the Council to release further funding from the Homes and Community Agency (HCA) budget and facilitate the Council's aims for the renewal of the Hetton Downs area.

6.0 Alternative Options

Not to implement the Delivery Plan is likely to result in the Council failing to fulfil its aims in the Hetton Downs Renewal Area. It would also result in the loss of HCA funding which has been granted to the Council to assemble sites in the area and loss of reputation of the Council in its ability to deliver housing renewal projects. This option has been considered and rejected.

7.0 Impact Analysis

7(a) Equalities – N/A

7(b) Privacy Impact Assessment (PIA) – N/A

7(c) Sustainability

Sustainability Impact Appraisal

Sunderland Strategy Objectives cross check with decisions outcomes:

- **Prosperous City**

No impact

- **Healthy City / Safe City**

No impact

- **Learning City**

No impact

- **Attractive and Inclusive City**

No impact

7(d) Reduction of Crime and Disorder – Community Cohesion / Social Inclusion – N/A

8. Other Relevant Considerations / Consultations

The Head of Financial Resources and the Head of Law and Governance both on behalf of the Executive Director of Commercial and Corporate Services have been consulted and their comments are contained in this report

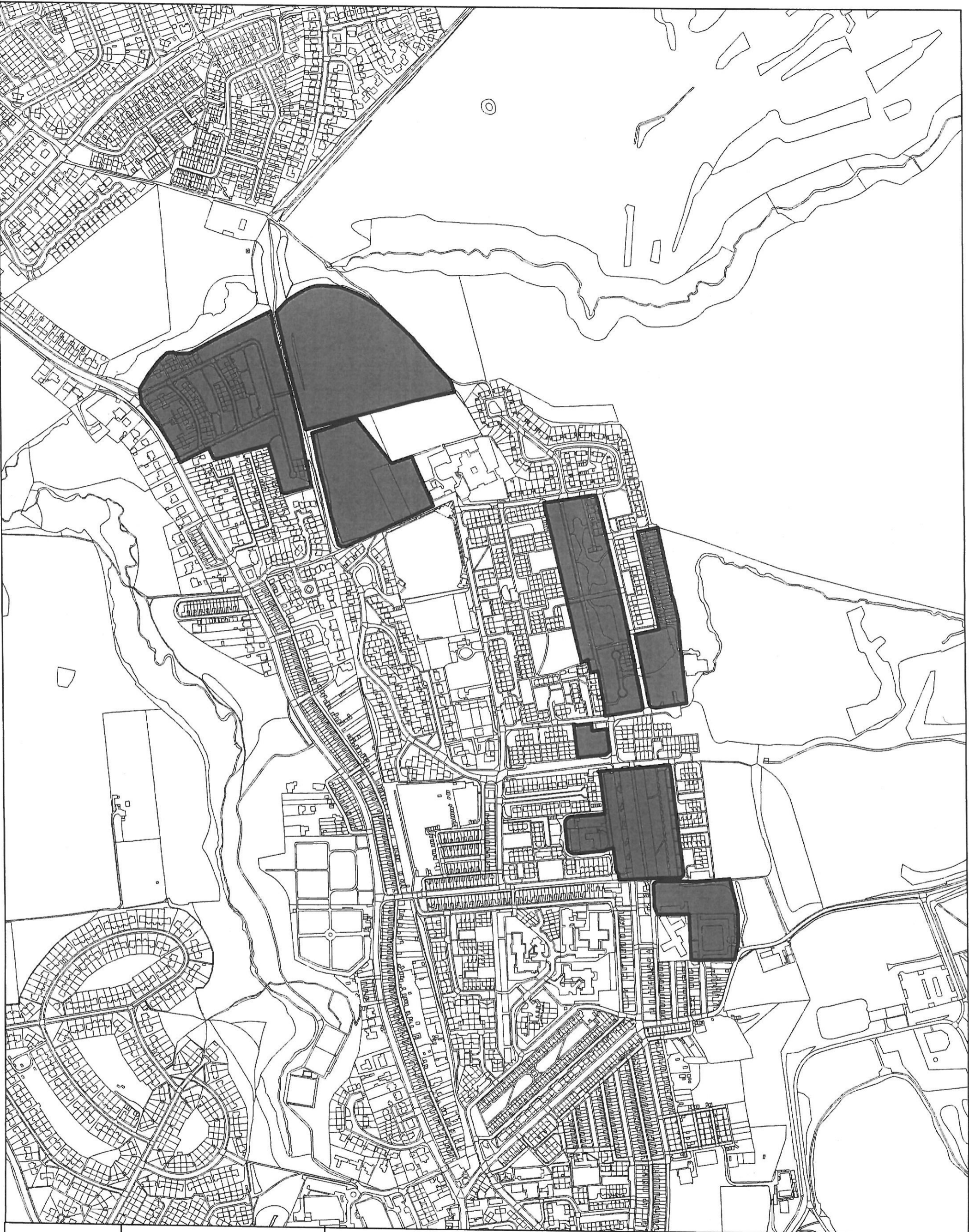
Ward Members

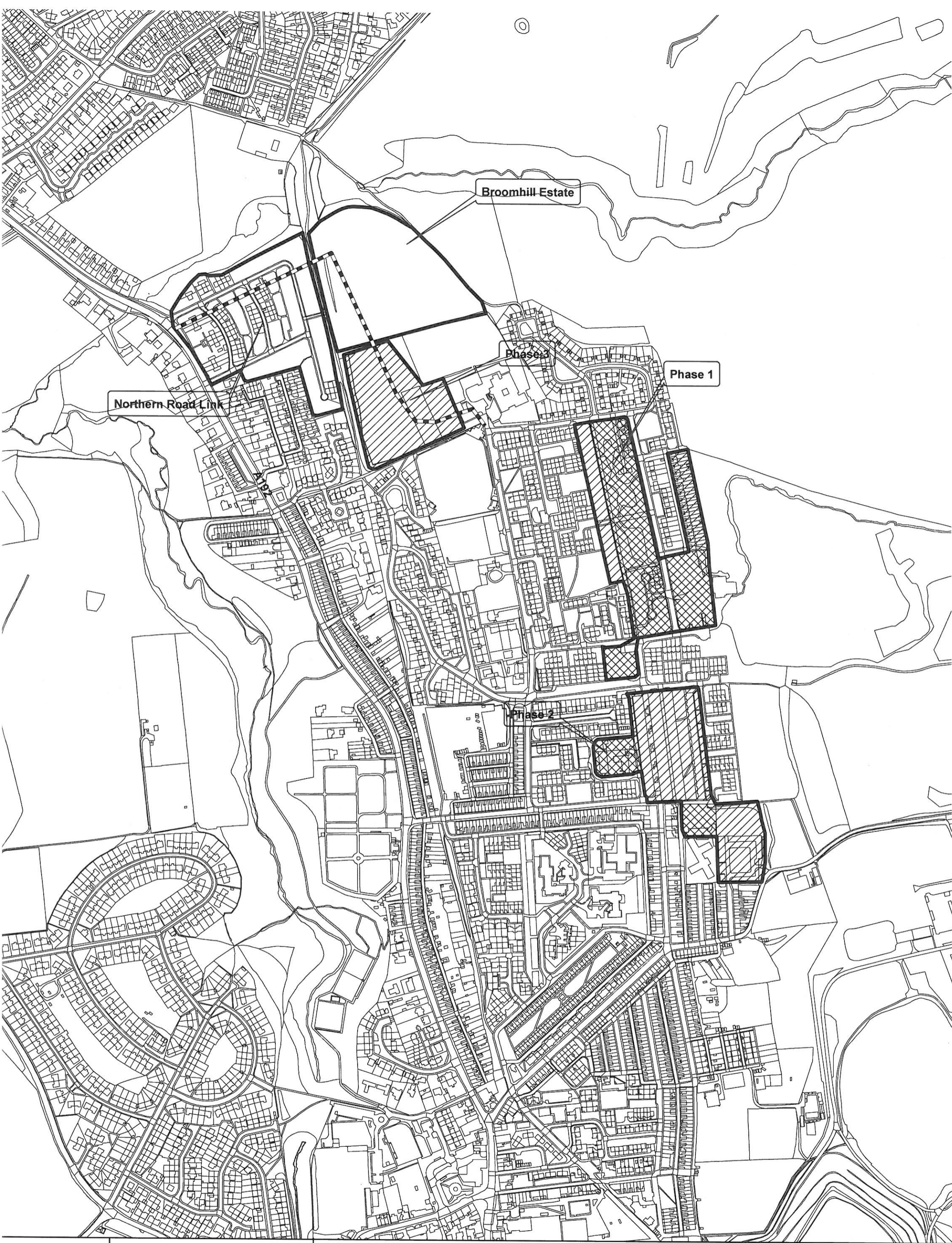
The Head of Strategic Housing

9. List of Appendices

Appendix 1 – Sites identified for development

Appendix 2 – Sites owned by the Council/identified for acquisition/proposed phasing and Broomhill sites.





Hetton Downs Appendix 2



CABINET MEETING – 17 July 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Procurement of Materials Recovery Facility Contract

Author(s):

Deputy Chief Executive

Purpose of Report:

This report outlines the current contractual arrangements in place for the acceptance and sorting of collected materials from the Council's blue bin scheme and seeks approval to jointly procure a new service for the operation of a materials recovery facility (MRF) with the South Tyne and Wear Waste Management Partnership (comprising Sunderland City, South Tyneside and Gateshead Councils), to ensure continued service provision once the current MRF contract expires in March 2015.

Description of Decision:

Cabinet to agree proposals to participate in the procurement process for the operation of a materials recovery facility (MRF) in partnership with the South Tyne and Wear Waste Management Partnership (STWWMP) to ensure continued service provision once the current MRF contract expires in March 2015.

Is the decision consistent with the Budget/Policy Framework? *Yes/No

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

Suggested reason(s) for Decision:

To allow the Council to participate in the joint STWWMP MRF procurement would provide an opportunity to seek further efficiencies afforded by economies of scale, whilst allowing for the flexibility to procure the Council's own arrangements if efficiencies are not secured through the collaborative procurement arrangements.

Alternative options to be considered and recommended to be rejected:

The alternative option would be to not participate in the joint STWWMP procurement and procure a separate MRF contract in 2014 to commence in April 2015, thereby missing the potential opportunity of securing more advantageous rates afforded by economies of scale.

Impacts analysed;

Equality

☐ Yes

Privacy

☐ Yes

Sustainability

☐ Yes

Crime and Disorder

☐ N/A

<p>Is this a “Key Decision” as defined in the Constitution? Yes/No</p> <p>Is it included in the 28 day Notice of Decisions? Yes/No</p>	<p>Scrutiny Committee</p>
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CABINET – 17 July 2013

PROCUREMENT OF MATERIALS RECOVERY FACILITY CONTRACT

Report of Deputy Chief Executive

1. Purpose of the Report

This report outlines the current contractual arrangements in place for the acceptance and sorting of collected materials from the Council's blue bin scheme and seeks approval to jointly procure a new service for the operation of a materials recovery facility (MRF) with the South Tyne and Wear Waste Management Partnership (comprising Sunderland City, South Tyneside and Gateshead Councils), to ensure continued service provision once the current MRF contract expires in March 2015.

2. Recommendations

Cabinet is recommended to agree proposals to participate in the procurement process for the operation of a materials recovery facility (MRF) in partnership with the South Tyne and Wear Waste Management Partnership (STWWMP) to ensure continued service provision once the current MRF contract expires in March 2015.

3. Background

The Council has a contract with Siaca, based at Washington, for the operation of an MRF which commenced in April 2010 following a full procurement process. The MRF accepts all the materials collected by the blue bin kerbside recycling service. The company then separates the recycled paper and sends it to a paper mill for reprocessing into new paper and the mixed cans, glass, cardboard, plastic bottles and packaging and drinks cartons are sorted using a range of mechanical equipment into constituent parts which are then baled up and transported to various recycled materials users.

The original term of the contract with Siaca was for three years with a potential extension for an additional three years by negotiation. A two year extension which would take the contract to 2015 was negotiated and agreed by officers under delegated powers in May 2012. This resulted in a significant reduction in the cost per tonne that the Council pays for the MRF service resulting in an efficiency of £75,000 per annum.

4. Current Position

Underpinned by the success of the procurement of the long term waste disposal solution, the STWWMP has been actively exploring further opportunities for joint working and shared services to improve service provision and reduce costs.

The other members of the STWWMP, Gateshead and South Tyneside Councils are contracted with a different provider for MRF and have not been able to procure a similarly favourable extension to their existing contracts and wish to procure a new MRF contract commencing April 2014.

It is proposed that in order to seek further efficiencies the Council takes advantage of the jointly procured STWWMP procurement exercise for MRF by the inclusion of an individual Lot for Sunderland City Council to commence one year after the start date of the main contract. The duration of the potential Sunderland contract will be 3 years with options to extend for up to a further three years.

This will allow the Council to honour its existing contract until 2015 and, if the terms offered provide further efficiencies to the Council, join into the new STWWMP contract, which will negate the need for the Council to tender its own service. An affordability condition will be included in the new MRF procurement (which will be communicated to all bidders) to allow the Council to opt out of the process if the rates are less advantageous than those currently enjoyed. In this case the Council will have the option to procure its own MRF contract outside the STWWMP to commence in April 2015.

5. Reasons for the Decision

The decision to allow the Council to participate in the joint STWWMP MRF procurement would provide an opportunity to seek further efficiencies afforded by economies of scale, whilst allowing for the flexibility to procure the Council's own arrangements if efficiencies are not secured through the collaborative procurement arrangements.

6. Alternative Options

The alternative option would be to not participate in the joint STWWMP procurement and procure a separate MRF contract in 2014 to commence in April 2015, thereby missing the potential opportunity of securing more advantageous rates afforded by economies of scale.

7. Impact Analysis

7(a) Equalities -

An Equalities Impact Needs Requirements Assessment (INRA) has been undertaken. This has shown that the proposal will not introduce any new equalities issues, as the service will operate in exactly the same way as currently provided under a contract let by the Council.

- 7(b) Privacy Impact Assessment (PIA)** – The proposal will not introduce any new PIA issues as systems of site management will be retained and followed by any contractor to ensure safe and legal disposal of property.
- 7(c) Sustainability** – The recommendations will result in positive environmental impacts by ensuring continued service provision for the acceptance, sorting and distribution of materials collected by the Councils blue bin recycling service.

8. Other Relevant Considerations / Consultations

- (a) Financial Implications / Sunderland Way of Working** – The Head of Financial Resources, on behalf of the Executive Director of Commercial and Corporate Services, has been consulted on this and agrees to the proposal. It is expected that the MRF procurement will result in the current charge to the Council for this service being maintained or the position improved by providing a modest income. The Council has the option to opt out of the procurement if the rates submitted are less advantageous than currently enjoyed.
- (c) Employee Implications** – The Director of Human Resources and Organisational Development has been consulted and as there are no direct Council employee implications, has no objections to the proposals. The change from one contractor to another may result in TUPE transfer costs in respect of the existing contractor's staff which will be included in the tender prices for the new contract and will form part of the overall price evaluation.
- (d) Legal Implications** – The Head of Law and Governance has been consulted on the proposal and her comments have been included in the report.
- (f) Health & Safety Considerations** – The tenders will be evaluated to ensure compliance with the health and safety obligations of the Council. The Director of Human Resources and Organisational Development has been consulted and has no objections.
- (m) Procurement** – The Procurement Team representing The Head of Corporate Procurement has provided advice and guidance on the proposed joint STWWMP procurement of the contract.

9. List of Appendices

1. Equalities Impact Needs Requirements Assessment (INRA)

10. Background Papers

Cabinet Report June 2008 approving the procurement of ancillary waste contracts including the MRF contract

Delegated Decision form agreeing extension of current MRF contract May 2012.

These can be obtained by contacting Colin Curtis, Assistant Head of Streetscene, on (0191) 5614525 or email: colin.curtis@sunderland.gov.uk

EQUALITY ANALYSIS

Equality Analysis completed by:

Responsible Officer: Colin Curtis

Name(s)/Job Title

Name	Job Title	Date
Colin Curtis	Assistant Head of Street Scene	18.6.13
Fiona Swinburne	Waste Manager	18.6.13

Purpose and Scope

Purpose

The purpose of the project is to seek tenders for the operation of a Materials Recovery Facility (MRF) which accepts, sorts and distributes the materials collected by the Council's blue bin kerbside recycling service.

This covers:

- The day to day operation of the MRF currently provided by a specialist external service provider.

Scope¹

The scope of this analysis covers the specific proposed action above which is to seek tenders from external organisations for the operation of a Materials Recovery Facility (MRF) which accepts, sorts and distributes the materials collected by the Council's blue bin kerbside recycling service. The contract will replace the existing one which is set to expire in March 2015. There is no change in the design of the service. There are no directly affected council employees.

Intelligence and Information

The sources of information used include the following;

- Initial discussions with OCE Senior Management Team including Deputy Chief Executive, Corporate Procurement and Human Resources;
- Communication and consultation with South of Tyne Waste Management Partnership Procurement Team.

¹ Extracted from signed off Transport & Fleet Scoping Document

- Professional experience and knowledge from in house and neighbouring council officers who have extensive experience.
- Data relating to costs of providing the MRF service analyses by OCE Financial Management Team.

Analysis of Impact on People

Characteristic	List of Impacts		
	Positive	Neutral	Negative
Age		No Impacts are anticipated	
Disability		No Impacts are anticipated- The physical characteristics of the blue bin recycling service will not change	
Gender/Sex		No Impacts are anticipated- contractors will have to submit their own policies and procedures as part of the EU OJU procurement process.	
Marriage and Civil Partnership		No Impacts are anticipated	
Pregnancy and maternity		No Impacts are anticipated- contractors will have to submit their own policies and procedures as part of the EU OJU procurement process.	
Race/Ethnicity		No Impacts are anticipated- contractors will have to submit their own policies and procedures as part of the EU OJU procurement process.	
Religion/belief		No Impacts are anticipated	
Sexual Orientation		No Impacts are anticipated- contractors will have to submit their own policies and procedures as part of the EU OJU procurement process.	
Trans-gender/ gender identity		No Impacts are anticipated	

Other individuals or groups impacted on

Characteristic	List of Impacts
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	Positive	Neutral	Negative
Council Employees	By reducing the MRF disposal costs resources employed in the service	N/A	N/A
Customers/ blue bin service users	N/A-	The service blue bin recycling service offered to the resident will not change	N/A

Gaps in intelligence and information:

N/A

Summary of Impacts and Response to Analysis

Who will the policy/activity impact on and who will benefit?

- The main beneficiary is the Council in respect of reduce spend.
- The review will not directly result in changes to external service delivery to customers.
- There will positive environmental impact through maintaining or improving the recycling performance of the Council.

Who doesn't benefit and why not?

- The impact of the review is intentionally designed to be "invisible" to the public/customers.

Who should be expected to benefit and why don't they?

- No groups are expected to benefit.

Response to Analysis, Action Plan and Monitoring Arrangements

- No major changes are considered to be required at this time, specific service changes will be evaluated by the working groups.

Action Plan and Monitoring

ACTION	WHO	WHEN	MONITORING ARRANGEMENTS
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ACTION	WHO	WHEN	MONITORING ARRANGEMENTS
Assistant Head of Streetscene will lead on monitoring the performance of the contractor closely to ensure there are no unintended negative impacts, including health and safety risks or environmental harm caused by the MRF process..	Assistant Head of Streetscene	Standing agenda item	Quarterly at Contract Review meetings
The Waste Manager will monitor MRF contract performance to ensure there are no negative impacts on site users in terms of reduction in the quality of service provided over what is currently in place, and , including health and safety risks or environmental harm caused by the MRF process..	Waste Manager	Standing agenda item	Quarterly at Contract Review meetings, and review of complaints and feedback received on the service.

CABINET MEETING – 17 JULY 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Alternative Delivery for Beach Street Household Waste and Recycling Centre and Associated Waste Transport

Author(s):

Deputy Chief Executive

Purpose of Report:

This report seeks approval to procure a contract for the operation of the Council's Beach Street Household Waste and Recycling Centre and associated waste transport, as an alternative to the current in house service arrangements.

Description of Decision:

Cabinet to agree to undertake a procurement process for the operation of Beach Street Household Waste Recycling Centre (HWRC) and associated waste transport.

Cabinet to authorise the Deputy Chief Executive and Executive Director of Commercial and Corporate Services to award a contract to the successful bidder subject to the bidder demonstrating the anticipated efficiencies for the Council through the proposed contract.

Is the decision consistent with the Budget/Policy Framework? *Yes/No

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

Suggested reason(s) for Decision:

A decision to explore alternate service delivery for HWRC provision is recommended to ensure the Council is providing the service in the most cost effective and sustainable manner, and reducing the risks to regulatory compliance of retaining a bespoke Technically Competent Manager (TCM).

Alternative options to be considered and recommended to be rejected:

The alternative option is to not undertake a procurement process and to retain the management of the site in house. However, this will not deliver the proposed efficiencies in operational costs or the potential improvements in recycling levels. In addition, the direct risks surrounding regulatory compliance in respect of the TCM role would remain with the Council.

Impacts analysed;

Equality ☐ Yes **Privacy** ☐ Yes **Sustainability** ☐ Yes **Crime and Disorder** ☐ N/A

Is this a "Key Decision" as defined in the Constitution? Yes/No

Is it included in the 28 day Notice of Decisions? Yes/No

Scrutiny Committee

ALTERNATIVE DELIVERY FOR BEACH STREET HOUSEHOLD WASTE RECYCLING CENTRE AND ASSOCIATED WASTE TRANSPORT

Report of the Deputy Chief Executive

1. Purpose of the Report

This report seeks approval to procure a contract for the operation of the Council's Beach Street Household Waste and Recycling Centre and associated waste transport, as an alternative to the current in house service arrangements.

2. Recommendations

Cabinet is recommended to:-

- Agree to undertake a procurement process for the operation of Beach Street Household Waste Recycling Centre (HWRC) and associated waste transport.
- Authorise the Deputy Chief Executive and Executive Director of Commercial and Corporate Services to award a contract to the successful bidder subject to the bidder demonstrating the anticipated efficiencies for the Council through the proposed contract.

3. Background

The Council has a statutory duty to provide facilities where residents can deposit household waste free of charge (commercial and industrial waste is excluded). A facility has been provided for this purpose at Beach Street, Deptford since the late 1970s.

The facility has undergone a number of improvements over the years to increase capacity, improve safety and convenience to users and expand the range of household waste accepted. It has kept in step with changes in waste regulations which have required the segregation of many waste types from general household waste.

The facility is open seven day per week, on every day except Christmas Day and New Years Day. The site operates under a permit granted by the Environment Agency.

The site was operated by a local scrap metal company under contract until late 2009. The Council provided the transport for moving waste from the site under this arrangement. The direct cost of the contract was inexpensive but was considered to provide poor value for money in terms of the low recycling performance and consequent high landfill costs for the remainder. There were also issues with customer service and regulatory compliance.

The Council therefore brought the service “in house” in order to improve the general management of the site, address customer satisfaction issues and improve recycling performance. Attendants employed at the site were recruited initially through an employment agency, and in October 2011 were appointed to the Council on fixed term contracts currently due to expire in October 2013. Transport of waste from the site has continued to be provided by the Council, using Council employees.

The site compliance and monitoring arrangements required by the Environment Agency are also carried out using Council employees. Service standards have improved significantly. A permit system for van and trailers to restrict abuse at the site by traders attempting to deposit commercial and industrial waste and minimise congestion was introduced in April 2013. This has worked well.

4. Current Position

Whilst customer service has improved through the in house arrangements, this has increased direct costs. Due to the need to retain a minimum number of vehicles to ensure service continuity, and the requirement for significant amounts of weekend attendance work by Council employed drivers, there is limited scope to introduce further efficiencies.

Following an initial improvement, recycling performance at the HWRC site has remained static in the last two years at around 60% which is around 15% below the better performing sites in the region. The Council needs to look at measures to increase recycling and thus reduce disposal costs. This will help contribute towards the Councils overall recycling and composting performance, currently at 34%.

The permit for the HWRC site granted by the Environment Agency requires a high degree of supervision by a “Technically Competent Manager” (TCM) who needs to maintain specialist qualifications in waste management and operate detailed management systems. This specialist qualification is time consuming and costly to attain, and there are risks associated with the failure to retain a dedicated TCM, which would prevent the Council from being able to operate the HWRC site.

The Council's partners in the STWWMP, Gateshead and South Tyneside both currently have external contractors operating their HWRCs.

5. A Strategic Approach

Underpinned by the success of the procurement of the long term waste disposal solution, the STWWMP has been actively exploring further opportunities for joint working and shared services to improve service provision and reduce costs. The management and operation of the HRWC is one of these areas.

Gateshead Council is approaching the time to re-procure their HWRC contracts. There is an opportunity to explore if externally procured arrangements would improve HWRC provision for Sunderland at the same time and if successful align subsequent contracts for potential future joint procurements in 2017. The proposed procurement process will be divided into lots and will provide separate tenders for a contract with Gateshead together and a separate contract for Sunderland. A benchmark to compare the “in house” cost of service provision will be identified and used for the purposes of the tender evaluation, so that the Council is able to determine that the value of the most advantageous tender is less than the in-house benchmark cost and with demonstrable improvements in service delivery.

It is proposed that the new contract may include an incentive scheme to encourage the segregation of more materials for recycling. The incentive will be self sustaining through reduced disposal costs. The contract would also pass the responsibility for the TCM from the Council to contractor.

The procurement process will be carried out in accordance with the EU procurement rules and is intended to be completed in time for contract commencement in April 2014, The duration of the proposed contract will be three years with options to extend for three further years.

6. Reasons for the Decision

The decision to explore alternate service delivery for HWRC provision is recommended to ensure the Council is providing the service in the most cost effective and sustainable manner, and reducing the risks to regulatory compliance of retaining a bespoke TCM.

7. Alternative Options

The alternative option is to not undertake a procurement process and to retain the management of the site in house. However, this will not deliver the proposed efficiencies in operational costs or the potential improvements in recycling levels. In addition, the direct risks surrounding regulatory compliance in respect of the TCM role would remain with the Council.

8. Impact Analysis

7(a) Equalities -

An Impact Needs/Requirements Assessment has been undertaken. This has shown that the proposal will not introduce any new equalities issues, as the service will operate in exactly the same way as currently provided under a contract let by the Council.

7(b) Privacy Impact Assessment (PIA) – The proposal will not introduce any new PIA issues as systems of site management will be retained and followed by any contractor to ensure safe and legal disposal of property.

7(c) Sustainability – The recommendations will result in positive environmental impacts by ensuring contractors operating the HWRC comply with and enhance environmental standards of operation, minimise vehicle transport by efficient use of bulk waste transport and improve recycling performance.

9. Other Relevant Considerations / Consultations

(a) Financial Implications / Sunderland Way of Working – The Head of Financial Resources, on behalf of the Executive Director of Commercial and Corporate Services, has been consulted on this proposal and confirms it should demonstrate the efficiencies identified. There is financial provision for the current HWRC service. A contract will not be awarded if returned tenders are more than the in-house benchmark cost.

(b) Risk Analysis – A risk analysis has been carried out which identifies the reduced risk of the Council failing to comply with the Environment Agency site HWRC permit by working with an organisation possessing the retained resources and skills required. Furthermore, the Council will set a benchmark cost of service so that excessively high bids above this figure will be excluded.

(c) Employee Implications – There are currently five HWRC attendants in post, one grade D and the other four on grade C employed on a fixed term basis until October 2013. Any attendants employed by the council who are in post at the time of transfer of the service to an external provider would be subject to a TUPE transfer to the successful contractor. In this case the cost of the TUPE transfer will be reflected in the tender prices. Two grade F permanent Large Goods Vehicle drivers are employed substantially moving waste from the HWRC. It is anticipated that the current workforce planning exercise would offer the opportunity to absorb the two driver posts into other areas, avoiding the need to TUPE transfer Council drivers.

- (d) **Legal Implications** – The Head of Law and Governance has been consulted and her comments have been included in the report.
- (e) **Health & Safety Considerations** – The tenders will be evaluated to ensure compliance with the Council's statutory health and safety obligations, as a client, procuring and managing a waste contract. Contract monitoring arrangements will be put in place to ensure the successful contractor operates the HWRC safely in compliance with the Health and Safety at Work etc. Act 1974 and Council policies. The Director of Human Resources and Organisational Development has been consulted and has no adverse comments.
- (f) **Procurement** – The Head of Corporate Procurement will provide advice and guidance on the proposed procurement process for the contract

10. Appendices

- 1. Equalities Impact Needs Requirements Assessment (INRA)

11. Background Papers

None

EQUALITY ANALYSIS

Equality Analysis completed by:

Responsible Officer: Colin Curtis

Name(s)/Job Title

Name	Job Title	Date
Colin Curtis	Assistant Head of Street Scene	18.6.13
Fiona Swinburne	Waste Manager	18.6.13

Purpose and Scope

Purpose

The purpose of the project is to seek tenders for the operation of the Councils Household Waste and Recycling Centre (HWRC) to ensure it is as financially efficient and operationally effective as possible.

This covers:

- The day to day operation of the HWRC as currently provided in house with 5 attendants employed on a fixed term basis.
- The fleet of two vehicles and drivers that the Council employs to transport collected waste at the HWRC to its final disposal point

Scope¹

The scope of this analysis covers the specific proposed action above which is to seek tenders from external organisations for the operation and transport of wastes from the HWRC to increase efficiency, comply with all necessary regulations and permit conditions and improve recycling performance. The Council operates the service in house. A benchmark cost of the in house service will be used to compare with contractors bids, and a contract awarded if any priced tenders provides better value for money.

Five HWRC attendant posts (1 grade D and 4 at grade C) may be affected by the changes, currently posts all are fixed term. Two drivers posts (Grade F) will also be affected directly if their service is externalised. Options for these posts are being explored, one of which may be a TUPE transfer while the other option may involve employees leaving through the workplace transformation project (severance and / or retirement).

¹ Extracted from signed off Transport & Fleet Scoping Document

Intelligence and Information

The sources of information used include the following;

- Initial discussions with OCE Senior Management Team including Deputy Chief Executive, Corporate Procurement and Human Resources;
- Communication and consultation with South of Tyne Waste Management Partnership Procurement Team.
- Communication and consultation with the Trade Unions;
- Professional experience and knowledge from neighbouring council who recently procured the service this way.
- Data relating to spend on the HWRC service analyses by OCE Financial Management Team.

Analysis of Impact on People

Characteristic	List of Impacts		
	Positive	Neutral	Negative
Age		No Impacts are anticipated	
Disability		No Impacts are anticipated- The physical characteristics of the HWRC functions will not change, and either TUPE or new staff will be trained in equality impact awareness to ensure service users are not disadvantaged.	
Gender/Sex		No Impacts are anticipated- contractors will have to submit their own policies and procedures as part of the EU OJU procurement process.	
Marriage and Civil Partnership		No Impacts are anticipated	
Pregnancy and maternity		No Impacts are anticipated- contractors will have to submit their own policies and procedures as part of the EU OJU procurement process.	
Race/Ethnicity		No Impacts are anticipated- contractors will have to submit their own policies and procedures as part of the EU OJU procurement process.	
Religion/belief		No Impacts are anticipated	

Sexual Orientation		No Impacts are anticipated- contractors will have to submit their own policies and procedures as part of the EU OJU procurement process.	
Trans-gender/ gender identity		No Impacts are anticipated	

Other individuals or groups impacted on

Characteristic	List of Impacts		
	Positive	Neutral	Negative
Council Employees	By reducing the HWRC costs and resources employed in the service – this will minimise the impact on human resources. For example the Council will no longer need to retain a specially qualified manager for the HWRC (known as a technically competent manager or TCM) which is straining resources as the contractor will prove a TCM.	N/A	N/A
Customers/ HWRC site users	N/A	The customers / site users will not experience any change as the specification for carrying out the work is the same for work carried out by the Council.	N/A

Gaps in intelligence and information:

N/A

Summary of Impacts and Response to Analysis

Who will the policy/activity impact on and who will benefit?

- The main beneficiary is the Council in respect of reduce spend.
- The review will not directly result in changes to external service delivery to customers.
- There will positive environmental impact through improving the recycling performance of the HWRC.

Who doesn't benefit and why not?

- The impact of the review is intentionally designed to be "invisible" to the public/customers.

Who should be expected to benefit and why don't they?

- Council services will be required to deliver their functions with a reduced scale of transport resource which will require those services to work smarter and more efficiently.

Response to Analysis, Action Plan and Monitoring Arrangements

- No major changes are considered to be required at this time, specific service changes will be evaluated by the working groups.

Action Plan and Monitoring

ACTION	WHO	WHEN	MONITORING ARRANGEMENTS
The Assistant Head of Streetscene will review the Equality Analysis produced in respect of the change to externalise the HRWC function. Assistant Head of Streetscene will lead on consultation through the changes and will monitor the performance of the contract closely to ensure there are no unintended negative impacts.	Assistant Head of Streetscene	Standing agenda item	Quarterly at Contract Review meetings
The Waste Manager will monitor HWRC contract performance to ensure there are no negative impacts on site users in terms of reduction in the quality of service provided over what is currently in place	Waste Manager	Standing agenda item	Quarterly at Contract Review meetings, and review of complaints and feedback received on the service.

CABINET MEETING – 17JULY 2013

EXECUTIVE SUMMARY SHEET- PART I

Title of Report:

SSTC – New Wear Crossing

Author:

Deputy Chief Executive

Purpose of Report:

The purpose of the report is to inform Cabinet of the outcome of the current procurement process for the New Wear Crossing scheme (“the Scheme”) and to seek approval for the next steps for the delivery of the Scheme on the basis of simplifications to the bridge design.

Description of Decision:

Cabinet is recommended to:

- Agree that the current procurement process should be brought to an end on the basis of unaffordability;
- Approve the commencement of a new procurement process for the design and construction of the Scheme on the basis of a simplified bridge design;
- Agree to receive a further report on the outcome of the new procurement process in due course;
- Agree that the Deputy Chief Executive, Executive Director of Commercial and Corporate Services and Head of Law and Governance should continue to take all necessary action to implement the Compulsory Purchase Orders (CPO) for the Scheme and to acquire title and/or possession of the CPO land; and
- Authorise the Deputy Chief Executive and Executive Director of Commercial and Corporate Services in consultation with the Portfolio Member (City Services) to appoint all necessary external technical support and advisers for the continued delivery of the Scheme.

Is the decision consistent with the Budget/Policy Framework?

Yes.

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

Suggested reason for Decision:

To enable the necessary actions to take place to continue to implement the approved SSTC – New Wear Crossing Scheme and to deliver the significant economic, regeneration and transport benefits to the City.

Alternative options to be considered and recommended to be rejected:

To not continue with the New Wear Crossing Scheme and to progress no further towards its implementation. However this is not recommended as it would not deliver the significant economic, regeneration and transportation benefits of the Scheme to the City.

Impacts analysed;

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

Is this a “Key Decision” as defined in the Constitution?

Yes

Is it included in the 28 Day Notice?

Yes

Scrutiny Committee

SSTC – NEW WEAR CROSSING

Report of the Deputy Chief Executive

1.0 Purpose of the Report

- 1.1 The purpose of the report is to inform Cabinet of the outcome of the current procurement process for the New Wear Crossing scheme (“the Scheme”) and to seek approval for the next steps for the delivery of the Scheme on the basis of simplifications to the bridge design.

2.0 Description of Decision

- 2.1 Cabinet is recommended to:

- Agree that the current procurement process should be brought to an end on the basis of unaffordability;
- Approve the commencement of a new procurement process for the design and construction of the Scheme on the basis of a simplified bridge design;
- Agree to receive a further report on the outcome of the new procurement process in due course;
- Agree that the Deputy Chief Executive, Executive Director of Commercial and Corporate Services and Head of Law and Governance should continue to take all necessary action to implement the Compulsory Purchase Orders (CPO) for the Scheme and to acquire title and/or possession of the CPO land; and
- Authorise the Deputy Chief Executive and Executive Director of Commercial and Corporate Services in consultation with the Portfolio Member (City Services) to appoint all necessary external technical support and advisers for the continued delivery of the Scheme.

3.0 Background

- 3.1 On 15th February 2012 Cabinet was notified of the Department for Transport’s (DfT) conditional funding offer of £82.563m in respect of the Scheme and endorsed the continued delivery of the Scheme through to full implementation.
- 3.2 A procurement process was subsequently commenced for the appointment of the works contractor for the delivery phase of the Scheme. The invitation to tender (ITT) was issued on 31 October 2012 to the shortlisted bidders with an initial submission date of 20 March 2013. However, following two requests for an extension of time from bidders, the tender return date was extended to 22 May 2013.

4.0 Outcome of the procurement process

- 4.1 Having undertaken an assessment of the tender documentation returned, the Evaluation Team and members of the New Wear Crossing Board have concluded that the Scheme in its current form is unaffordable, as there were no tenders returned that were priced within the current funding availability and approved budget for the Scheme. In addition, it would not be viable to pursue additional local or national funding in order to enable the Scheme to continue in its current form given the significant additional funding required.
- 4.2 Accordingly the Council is not in a position to conclude the procurement process and award a contract for the delivery of the Scheme in its current form. It is therefore proposed that the tenderers are notified that the current tender process for the New Wear Crossing in its current form is to be terminated.

5.0 Next steps

- 5.1 The City Council remains committed to the implementation of the Scheme and the approved wider Sunderland Strategic Transport Corridor (SSTC) programme. As Cabinet is aware, the construction of Phase 1 of the SSTC project, which comprises the realignment of St Mary's Way, began in May 2013 and is due to complete in November 2014.
- 5.2 It is essential, therefore, that the Council continues to implement the New Wear Crossing Scheme, which forms phase 2 of the SSTC programme, in order to ensure the benefits of the full programme are realised and its strategic objectives are delivered.
- 5.3 The New Wear Crossing will provide the critical capacity required to enable Sunderland city centre to grow and for activities at the Port of Sunderland to expand. It will also provide a vital means of access to strategic development sites along the river corridor, providing the infrastructure for their ongoing economic regeneration. Linking the north and south banks of the River Wear, the city centre and the Port of Sunderland to the national road network will unlock strategic brownfield sites and enable significant growth in the whole economy of the city.
- 5.4 There has been no change to the strategic objectives for the Scheme, which remain the same as those expressed within the 'Best and Final Bid' submitted to DfT.
- 5.5 In order to continue with the delivery of the Scheme, Cabinet is recommended to approve the commencement of a new design and build procurement process on the basis of a simplified cable stayed bridge form that will enable a new bridge across the river to be delivered with similar quality thresholds, and within the current funding limits approved by Cabinet within the capital programme.

- 5.6 The new cable stayed bridge would retain those aspects and characteristics of the previous design that would facilitate an expeditious transition to a new bridge form, such as the horizontal and vertical alignment; central pier, intermediate pier and abutment locations; and deck environment (including road, footpath and dedicated cycleway configuration). The bridge will adopt a more conventional form, however, with the result being a simplified design, procurement and construction process.
- 5.7 The timetable for the proposed new procurement process for the Scheme is as follows:

Milestone	Start
Issue Prior Information Notice (PIN) to market	August 2013
Market Sounding	September 2013
Publication of new OJEU Notice and PQQ	October 2013
Issue bid documents	December 2013
Final Tender Return	April/May 2014
Tender Evaluation	June 2014
Cabinet Report	July 2014
DfT Full Approval	September 2014
Contract Award	October 2014

- 5.8 Cabinet should note that the Council is in discussion with DfT regarding the above timetable.

6.0 Land Acquisition

- 6.1 In order to ensure that access to the site is unhindered in advance of the proposed contract award in October 2014, it is necessary for the Council to continue to acquire the land required for the Scheme through the implementation of the confirmed Compulsory Purchase Orders (CPO) for the Scheme. The proposed amendments are to the bridge design only, and will not alter the land requirements of the Scheme and the approved red line boundary of the Scheme. The costs of the land acquisition can be met from within the resources approved for the Scheme within the capital programme, although as before it should be noted the land acquisition costs will be incurred before receiving full approval from the DfT.

- 6.2 The reasons for the compulsory acquisition of the Scheme land were set out in the previous Cabinet reports dated 8th April 2009, 2nd November 2009, 17th June 2011 and 2nd December 2011 and the Council's subsequent statements of case to the Secretary of State in respect of the confirmation of the Scheme orders. There remains a compelling case in the public interest to acquire the relevant land interests required for the Scheme through the implementation of the CPO as the Scheme remains deliverable for the reasons stated in this report and given the significant economic, regeneration and transport benefits of the Scheme.

7.0 Reason for the Decision

- 7.1 To enable the necessary actions to take place to continue to implement the approved SSTC – New Wear Crossing Scheme and to deliver the significant economic, regeneration and transport benefits to the City.

8.0 Alternative Options

- 8.1 To not continue with the approved New Wear Crossing Scheme and to progress no further towards its implementation. However this is not recommended as it would not deliver the significant economic, regeneration and transportation benefits of the Scheme to the City.

9.0 Impact Analysis

- 9.1 The relevant impact assessments for the Scheme will be undertaken in conjunction with the development of the design of the bridge.

10.0 Other Relevant Considerations / Consultations

- (a) Financial Implications

The financial implications are contained within the main body of the report.

- (b) Legal Implications

The Council has the power to cancel the current procurement process in the absence of any acceptable and affordable tenders for the construction of the Scheme in its current form. The approved budget for the Scheme was publicised to the market through the Council's Best and Final Bid Submission to DfT in advance of the procurement process and the Council has continued to act transparently throughout the process regarding the funding position of the Scheme. As part of the process, bidders agreed to bear their own costs in respect of participating in the process.

11.0 Background Papers

- 11.1 Relevant Cabinet reports in respect of the Scheme dated 15th February 2012, 2nd December 2011, 20th July 2011, 17th June 2011, 2nd November 2009 and 8th April 2009.