

SCRUTINY CO-ORDINATING COMMITTEE

AGENDA

Meeting to be held on Thursday, 5th November, 2020 at 5.30 p.m.

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

The meeting will be livestreamed for the public to view on the Council's YouTube channel, 'sunderlandgov' at :-

<https://youtu.be/il2ZEj8MCNY>

Membership

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

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

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

Part C – Health Substantial Variations to Service

No items.

Part D - CCFA/Members' Items/Petitions

No items.

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

28th October, 2020.

At a meeting of the SCRUTINY CO-ORDINATING COMMITTEE held REMOTELY on THURSDAY 8th OCTOBER, 2020 at 5.30 p.m.

Present:-

Councillor D. MacKnight in the Chair

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

Also in attendance:-

The Leader of the Council, Councillor G. Miller

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

Mr Stuart Douglass, Lead Officer for Community Safety and Safeguarding

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

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

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

Apologies for Absence

There were no apologies received.

Minutes of the last meeting of the Committee held on 10th September, 2020

1. RESOLVED that the minutes of the last meeting of the Committee held on 10th September, 2020 (copy circulated), be confirmed and signed as a correct record.

Declarations of Interest (including Whipping Declarations)

Item 6 Notice of Key Decisions

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

Safer Sunderland Partnership Annual Report 2019/20

The Executive Director of Neighbourhoods submitted a report (copy circulated) to share the progress made by the Safer Sunderland Partnership (SSP) in 2019-20 which was contributing towards achieving the long-term outcome of making Sunderland a city which was, and felt, even safer and more secure, where people could enjoy life without the concerns of being a victim of crime or being harmed.

(For copy report – see original minutes.)

The Chairman invited the Leader of the Council to provide a briefing on the report.

The Leader of the Council advised that the Annual Report updated the Scrutiny Committee on progress in relation to key priorities. The report focussed on partnership developments and he reported that all partners had delivered substantive mainstream contributions to community safer. In 2019-2020 significant progress had been made in all areas, including a reduction in recorded crime and maintaining residents' feelings of safety at 96%, an increase in service provision and funding for domestic abuse victims and significant moves to increase Council resource and partnership enforcement activity in neighbourhoods to tackle local residents concerns. The Leader reported that they had continued their partnership against cohesion, Prevent and serious and organised crime with their partners and they had embarked on joint delivery with the newly established Northumbria Violence Reduction Unit.

The Leader went on to say that 2019-2020 had been dominated by Brexit and the Government had delayed some key legislation which they expected to make progress on in the coming year if the COVID-19 pandemic did not get in the way of this happening. The COVID pandemic had affected the final weeks of the period that the report covered and Stuart Douglass, Lead Officer for Community Safety and Safeguarding was present to give a brief update on the current impact of this after Members had considered the Annual Report.

The Vice Chairman, Councillor Hunt enquired in relation to the table in section 8 of the report, what work had been done around residents' views on antisocial behaviour to improve how they were feeling.

Mr Stuart Douglass, Lead Officer for Community Safety and Safeguarding, referred Members to the pilots detailed earlier in the report, which the Council had ran with key partners including the Police, Fire Service and others in the Southwick and Hendon areas of the city. The pilots had really demonstrated an increased focus on neighbourhood enforcement and engagement with communities about what the issues were that were bothering the people who lived there. A lot of this had come from the Let's Talk consultation which had been one of the biggest consultation events the Council had ever carried out with communities. As a response to that and as a result of the success of those pilots, Senior Officers were working with Members on how this approach could be adopted in other parts of the city. In some respects some of the groundwork had already been put in place as they had increased the number of enforcement officers they had dealing with antisocial behaviour and environmental issues and had created a new service in a sense, which had brought some of those elements together into one team. The Executive Director of Neighbourhoods had been very keen that the team worked together and that they

were focussed on delivery at neighbourhood level. Mr Douglass added that they should begin to see some significant improvement in perceptions around antisocial behaviour in the current year moving forward.

Councillor Hunt commented that it was great to hear about the enforcement officers etc., however she enquired whether there were any particular projects focussing on mini mopeds and antisocial behaviour.

Mr Douglass advised that those issues should be getting picked up locally within the Local Multi Agency Problem Solving (LMAPS) arrangements, in the work that the enforcement team had and in the regular meetings they had with the Neighbourhood Police, if they were coming through and they would look at initiatives which they could deliver. The use of mini mopeds or off road motorbikes was an extremely difficult issue operationally, to tackle, because of some of the dangers involved around trying to prevent and stop someone but there was a number of tactics that were used such as photographing offenders where possible, trying to trace vehicles back to where they were kept etc. and they could be seized. Mr Douglass stated that if any Member felt that this was increasing currently then to let the team know and they would ensure they worked with the Neighbourhood Police and try to pay this issue some extra attention.

Councillor Turner, Chairman of the Economic Prosperity Scrutiny Committee advised that at the last meeting, a Councillor had enquired which of the Scrutiny Committees had the issue of Hate Crime in their remit, commenting that it did not fall in the remit of the Committee she chaired.

Mr Douglass advised that over the last 12 months there had been a new Hate Crime group established which was chaired by the Neighbourhoods Inspector from Northumbria Police with involvement of the Council and other agencies. The Group received very detailed reports every week of race crimes in the city which were small in number but nonetheless were given a high level of attention. They were also aware that hate crime was a priority going forward from the Police and Crime Commissioner and they would fully support that. The Council did monitor Hate Crime within the City and each incident was reviewed to see whether there was a pattern forming etc.

Mr Douglass advised that he would be happy to talk to the Officer who leads on the Hate Crime issue and suggested that a report be brought to the relevant Scrutiny Committee to give Members an assurance of the work which was going on in that area and the developments that had happened in the last 12 months.

Councillor Turner thanked Mr Douglass for his response and advised that she would report back to the Councillor who had made the enquiry.

Mr Nigel Cummings, Scrutiny Officer advised that he would liaise with Mr Douglass and ensure that the topic was included in the work plan for Members.

Councillor Jenkins enquired how many Enforcement Officers the Council now had.

Mr Douglass advised that he did not have the information to hand and undertook to get an answer back to Members in the next few days.

Councillor Heron expressed concern at the crimes the Partnership was dealing with such as Modern Slavery and sexual exploitation that was taking place in the country in this day and age.

Councillor Heron commented that she was very concerned about cyber crime and the cyber bullying that went on especially with young people and particularly young men and referred to the number of suicides that were taking place. She was pleased to see that this was one of the issues the Multi Agency Partnership was focussing on.

Mr Douglass commented that the Safeguarding Children Partnership and Together for Children had a number of things in place work around e safety as it was known, around computer use and guidance. The area of cyber crime covered everything from the work the Trading Standards Department did around phishing which was an extensive problem and something they could probably focus on more, putting in place local measures and actions taken on it where complaints were put through. Exploitation of young people online was a real concern and there had been cases across the North East where child exploitation and Grooming had occurred coming from elsewhere in the UK and targeting young people.

Councillor Smith referred to paragraph 5.1 of the report concerning the work which was continuing to tackle organised crime and prevent County Lines drug and violence activity becoming established in the City. She stated that she was pleased to see that it was a priority area for action as there was lots of places in the country which were plagued with this and therefore it was something which needed to be kept a very close eye on.

Mr Douglass advised that there wasn't evidence of any significant problem in the City, however the North East was often an outlier and might get the impact of some of these crimes further down the line. The Police Force working with the National Crime Agency and others had disrupted some attempts to establish County Lines activity in the North East and it was therefore something to be mindful of. On the prevention side the Safeguarding Children's Partnership had done some work with frontline workers in Children's Services identifying what the signs of County Lines might be and it had been identified as a major threat.

Councillor Dixon acknowledged and welcomed the achievement against the improvement actions, however he highlighted that once again, violence against the person with injury was continuing to worsen and was steadily rising. He enquired whether there was a violence problem in the City and what measures were being taken.

Mr Douglass advised that the indicator Councillor Dixon was looking at would cover a range of scenarios. It was recognised that Domestic Abuse in the City, as across the North East and nationally, was a significant issue and one which in recent years they had been making more attempts to make more services available for. They were aware that reporting around some of those issues had increased which inevitably resulted in an increase in recorded incidents. In terms of whether the City had a violence problem, the rates of violence in Sunderland were not that different to its neighbouring authorities. Mr Douglass advised that elsewhere in the report there was a reference to the Violence Reduction Unit and that the Home Secretary had established 18 of those units across the country. This unit currently had £1.6m funding per year and was managed by the office of the Police and Crime

Commissioner, Kim McGuinness. It was established and had a board which covered Northumbria and the Head of the VRU had joined the Safer Sunderland Board and they were working very closely with Sunderland about delivery on prevention programmes, particularly with young people from early intervention. Mr Douglass pointed out that much of recorded violence was hidden as domestic abuse made up a significant part of violent offences and therefore there was always the difficulty of preventing something when it was not so visible.

Councillor Dixon referred to the data in the report and to the perception of crime that people had, which stated that 96% of residents felt safe living in their local area. He commented that this had not changed year on year. However, the percentage of residents who thought antisocial behaviour was a fairly or very big problem in their local area had increased by 25% and the percentage of residents who thought crime was a fairly or very big problem in their local area had increased by 50%. Therefore, people's perceptions in the City, although overall appeared to be the same, were significantly worse in relation to particular issues.

Mr Douglass advised that the perceptions detailed on the report were based on a Northumbria wide survey that the Police and Crime Commissioner's Office produced and these were the standard set of questions that were asked every three months, although there had been a delay this year in carrying out the survey due to the pandemic. He advised that they would be watching the results going forward to see if there was any improvement. Mr Douglass added that there was some latency nationally in all of the fear of crime surveys in that there might be an increase or reduction in crime but perception took another 12-24 months before impacting on the figures. They needed to watch the increase around antisocial behaviour concerns moving forward, therefore. There were, however, other complicating factors in that whatever was happening nationally might also impact negatively on perceptions regardless of whether this was an issue in their neighbourhood. He assured Members that they would be monitoring the issues closely once the next set of results were released.

Councillor Dixon highlighted that burglary of dwellings had increased significantly.

Mr Douglass explained that there had been a reduction in burglary overall of 2% and that burglary was in two categories, one was dwellings and the second one was burglary other than dwellings. The other than dwellings category included things like commercial units and garden sheds. There had been an increase of 66 offences in burglary dwelling which was a 5% increase. Mr Douglass advised that he would be happy to circulate the current figures to Members following the meeting.

Councillor Smith referred to the crime data and the category relating to possessions of weapons and enquired what the picture was in schools as to whether there were any issues with young people carrying weapons in the City's schools.

Mr Douglass stated that he was not aware that there were any significant problems with young people carrying weapons in schools. He commented that there would always be isolated incidents but it was not something that came up in any of the discussions they had been having with Northumbria Police or with schools as an ongoing problem. In the past there had been occasions where the Youth Offending Service had done some regional work and discussion on this as there had been this fear that young people would start carrying weapons for their own protection without

realising that they are committing an offence in doing that. There was a programme which the Police gave in schools around weapons and he stated that it could be that they were experiencing some of the success of those programmes.

Councillor Dixon referred to section 7.1 of the report regarding the Safer Sunderland Partnership plans for the future and the Assessment carried out which had indicated that priorities and work areas remained relevant however emphasis on serious violence, serious and organised crime, criminal exploitation and drug availability should be areas for further consideration in 2020/21. Councillor Dixon stated that they were well into 2020 now and enquired how far down the line they were in picking up these priorities.

Mr Douglass stated that they should be able to report fairly soon on the work they had carried out in respect of serious and organised crime to a future meeting of the Committee. They were doing work in the current year to try and revitalise or improve drug intelligence. They knew local Councillors, Youth Workers and people who worked in communities and they got a lot of intelligence through this and had been talking to the Police and partners and the drug delivery agencies about how they could improve the intelligence, what was available in their neighbourhoods etc., what people were talking about and gathering intelligence. He advised that they should be able to report by next year whether there had been some improvement in understanding this community based intelligence and they wanted to formalise this information and understand what was happening in the street locally.

Mr Douglass added that a lot of the concentration of enforcement activity was on the higher level dealers in the chain and nationally that was the push, to take out the people at the top but that still impacted on the local communities. They were working with the public health team and the Police on how they could increase the intelligence around this, that's not to say that the problems were getting worse, just that they were wanting to give more attention to those areas.

Councillor Doyle referred to Section 4.7 of the report in relation to referrals across Sunderland and commented that he had noticed that the referrals seemed to be clustered in the North and Washington areas and he wondered whether there was a reason why they were concentrated in those two areas.

Mr Douglass stated that further analysis was required as this was activity reporting in a sense and if there had been specific operations this could lead to an increase in the figures over what was there previously, such as particular Police activity because of specific antisocial behaviour for example. Hotspots arose from time to time and in the Washington area it was popular for young people to congregate around the large shopping centre there. Operation Gryphon was very much a preventative measure and not one that meant it was any worse in those areas.

The Chairman advised that they were looking to invite the Police to a future meeting to give the Committee an update on the operations and activity they had undertaken.

Mr Douglass advised that at the end of the reporting period of the Annual Report in March there had been the national lockdown and there had been a whole Northumbria wide and Citywide resilience response to a whole range of issues around COVID-19. In terms of community safety issues, through the first period and the current period of new lockdown restrictions, all of the agencies reported that

there hadn't been an increase in sickness so their workforces were not affected and they all continued to deliver their services through the lockdown period, albeit with demands on them around social distancing and requirements to have protective measures in place. The Police had indicated that they did not change any of their local delivery and all of their services were still delivered at neighbourhood level, 24/7 level, as well as all of their more specialist teams like safeguarding, roads policing and other things.

Mr Douglass went on to say that during the lockdown period Sunderland did not see the increase in domestic abuse cases, and hadn't see it since the end of lockdown, that had been reported in some areas of the country on the national news and it was at the normal levels it was usually at.

In terms of the Fire Service, Mr Douglass reported that they had continued to deliver all of their services throughout this period including fire inspections, statutory fire safety inspections and some of the work they were doing as a result of the Grenfell Tower fire such as inspecting the cladding on buildings. As part of their recovery plan the Tyne and Wear Fire and Rescue Service had just completed the first round of training for some recently retired Fire Officers in case they needed to call those Officers back into duty should there be a major impact as a result of the second phase of the COVID-19 pandemic.

In terms of the Probation Service, the lead partner in public protection managing high risk offenders in communities, Mr Douglass advised that they had continued to deliver all of their work with the highest risk in terms of managing face to face contact and doing doorstep contacts, meaning they were not entering the home but keeping appointments with offenders. The Probation Service had reported that they had had to close some offices and use a central office in Gateshead which was more suited to the appointments that were necessary for the highest risk offenders. They were hoping to reopen the Sunderland Office in the coming weeks. They were still delivering all of their multi agency public protection meetings using online platforms or teleconferencing and there hadn't been any impact of holding the meetings in this way on delivering the business.

Mr Douglas stated that the Sunderland Partnership meetings were now moving into being held using Microsoft Teams and other forums.

Mr Douglass advised that the Chief Superintendent had reported that there was more demand on the service at the moment because of the response to some of the issues relating to the new restrictions that were in place in the North East and in the City. Nationally there seemed to be an issue in the areas that had had lockdown restrictions or new restrictions in place in the last month or so where there had been antisocial behaviour issues and where neighbour issues might increase as people were reporting the behaviour of neighbours around social distancing and the numbers of people meeting in gardens for example.

Generally, the partners had responded well and apart from face to face meetings not taking place they were still managing most of their partnership work through the use of technology.

The Chairman expressed thanks to the Police and the Fire Service on behalf of the Committee for the work they had carried out over the past months on the frontline.

Full consideration having been given to the report and there being no further questions, the Chairman thanked the Leader and Mr Douglass for their attendance and it was:-

2. RESOLVED that the key multi-agency improvement activity and achievements contained in the Annual Report be received and noted and that the next Annual Report be submitted to the Committee in July 2021.

Scrutiny Committee Work Programmes for 2020-21

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

(For copy report – see original minutes.)

Mr Nigel Cummings, Scrutiny Officer, briefed the Committee on the report highlighting that the work programmes of the three thematic scrutiny committees were attached for information.

The Vice Chairman, Councillor Hunt reemphasised the Chairman's suggestion about inviting representatives of Northumbria Police to come to a future meeting of the Committee to inform Members of the impact of COVID-19 on service provision and on the crime statistics in the city such as domestic abuse for example.

Mr Cummings undertook to make the necessary arrangements in respect of the above request.

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

3. RESOLVED that:-

- (a) the variations to the Scrutiny Committee Work Programmes for 2020/21 and to the Scrutiny Co-ordinating Committee's own work programme, be noted;
- (b) the current expenditure and remaining scrutiny budget for 2020/21, be noted; and
- (c) representatives of Northumbria Police be invited to attend a future meeting to inform the Committee of the impact of COVID-19 on service provision and on the crime statistics in the city.

Notice of Key Decisions

The Scrutiny and Members' Support Co-ordinator submitted a report (copy circulated), providing Members with an opportunity to consider those items on the Executive's Notice of Key Decisions for the 28-day period from 14th September, 2020.

(For copy report – see original minutes.)

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

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

The Chairman closed the meeting having thanked everyone for their attendance.

(Signed) D. MACKNIGHT,
Chairman.

REFERENCE FROM CABINET – 13 OCTOBER 2020

CAPITAL PROGRAMME SECOND REVIEW 2020/2021 (INCLUDING TREASURY MANAGEMENT)

Report of the Assistant Director of Law and Governance

1. Purpose of the Report

- 1.1 To seek the views of this Committee on an extract from a report of the Executive Director of Corporate Services considered by Cabinet on 13 October 2020 which detailed:
- the outcome of the Second Capital Review for 2020/2021;
 - progress in implementing the Treasury Management Borrowing and Investment Strategy for 2020/2021; and
 - an amendment to the Treasury Management Lending List and Criteria to be recommended to Council.
- 1.2 Members' views are requested in accordance with the Budget and Policy Framework Procedure Rules.

2. Background and Current Position

- 2.1 In accordance with the Council's Budget and Policy Framework Council Approval is required for changes to the Lending List and Criteria. The following extract refers to those changes:-

“Revisions to Lending List and Criteria

As part of the annual budget setting process each March, Council approves the Lending List and Criteria that will be used when making investments. The Criteria approved at its meeting on 4 March 2020 is copied below for reference (Treasury Management Policy Statement, Appendix 6):

1.2.2 The general policy objective for the Council in considering potential investments is the prudent investment of its treasury balances.

- *the Council's investment priorities in order of importance are:*
 - 1) The security of its capital*
 - 2) The liquidity of its investments and then*
 - 3) The Council aims to achieve the optimum yield on its investments, but this is commensurate with the proper levels of security and liquidity*

- *the Council has a detailed Lending List and criteria must be observed when placing funds – these are determined using expert treasury management advice, view of money market conditions and using detailed rating agency information as well as using our own market intelligence.*
- *Limits are also placed on the amounts that can be invested with individual and grouped financial institutions based on the Lending List and detailed criteria which is regularly reviewed.*

The Council has been approached by EPNE, which is the group brand for Sunderland College, Northumberland College and Hartlepool Sixth Form College. The College has set out a business plan that demonstrates a sustainable financial future and conforms with the requirements of its funding body, the Education and Skills Funding Agency (ESFA) in the medium-term through to July 2022.

Whilst the business plan demonstrates a sustainable position each year, the cyclical nature of the ESFA funding payments means that it forecasts the need for an overdraft facility each spring. Until 2020, EPNE has been able to secure this facility from its bank. EPNE has explained that this is simply a reflection of their bank's view of the Further Education sector as a whole, rather than the group itself.

As set out above, the Council's key criteria is the security of its capital. Unfortunately, EPNE are not able to provide any security, based on the assets that it holds, due to existing lenders holding charges on the group's assets for existing loan facilities.

In response to this, EPNE has provided detailed financial forecasts to support the request for a short-term working capital/overdraft facility. The request is as follows:

- An unsecured facility of up to £2m for the period January – May 2021; and
- An unsecured facility of up to £1m for the period January – May 2022.

The financial forecasts demonstrate that EPNE would be able to repay the facility in full by the end of May each year based on its current assumptions, notably the profile of the ESFA funding payments. This is consistent with the annual profile of payments and the repayment of the overdrafts by EPNE in previous years.

The proposed change to the Lending List and Criteria is a departure from the approach adopted by the Council for its wider investments, but this reflects the major role that the group, through Sunderland College, plays in the City. However, the additional risk exposure being taken on by the Council through the provision of an unsecured facility must be acknowledged as the Council would have limited recourse if the facility was not repaid in line with the agreed timescales.

To mitigate this risk, if the change to the Lending List is agreed, it is proposed that any loan advances made to the College are via instalments and subject to individual monthly drawdown requests which will include:

- An assessment undertaken by the Executive Director of Corporate Services each month of the latest financial position of EPNE, including actual student numbers compared to the business plan and a detailed cashflow forecast. This will reconfirm that the business plan assumptions still stand, thereby reducing the security risk for the Council. If the financial position of EPNE has deteriorated, further advances will be withheld by the Council;
- A monthly payment based on the cashflow required for that month rather than the full value of the facility (£2m in 2021 and £1m in 2022). This will limit the cash exposure, therefore will reduce the liquidity risk for the Council; and
- An assessment of the latest external assessments, such as any ESFA analysis and the External Auditor opinion on the financial statements.

Whilst the Council's Lending Criteria has yield as a lower priority after security and liquidity, the Executive Director of Corporate Services will agree a suitable interest rate at the time of the cash advance. This rate will be based on EPNE's previous overdraft facility, taking into account the latest treasury management position at the time of the advance.

As a consequence, taking into account the key strategic role of EPNE within the city, the key mitigations as set out in paragraph 6.7 above and the reasonable level of yield to be received by to the Council, it is considered that the provision of the proposed loan facility to EPNE can be justified in this case."

- 2.2 Copies of the 13 October, Cabinet Agenda were made available to all Members of the Council. The Cabinet agreed, in relation to the Treasury Management Strategy, to endorse the proposed amendment to the Lending List and Criteria (as set out in the extract in paragraph 2.1) and recommend to Council that the proposed change is approved at its November 2020 meeting.

3. Conclusion

- 3.1 The matter at 2.1 is referred to this Committee for advice and consideration. The comments from the Scrutiny Co-ordinating Committee will be reported to Cabinet on 17 November and then Council on 18 November 2020.

4. Recommendation

- 4.1 The Scrutiny Co-ordinating Committee is invited to give advice and consideration on the issue set out in the above extract.

5. Background Papers

- 5.1 Cabinet Agenda, 13 October 2020.
- 5.2 A copy of the Agenda is available for inspection from the Assistant Director of Law and Governance or can be viewed on-line at:-

<https://www.sunderland.gov.uk/committees/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/10355/Committee/1953/Default.aspx>

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REFERENCE FROM CABINET – 13 OCTOBER 2020

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

Report of the Assistant Director of Law and Governance

1. Purpose of the Report

- 1.1 To seek the views of this Committee on a report of the Executive Director of Corporate Services considered by Cabinet on 13 October 2020 which:
- Identified the key factors influencing the development of the Council's financial plans into the medium term and sets out the budget planning framework for the Council for 2021/2022;
 - Set out the headlines and context for the Medium Term Financial Plan (MTFP) 2021/2022 to 2024/2025; and
 - Set out the consultation / communication strategy for the budget 2021/2022.
- 1.2 Members' views are requested in accordance with the Budget and Policy Framework Procedure Rules.

2. Background and Current Position

- 2.1 Copies of the 15 October 2019, Cabinet Agenda were made available to all Members of the Council. The Cabinet agreed:-
- To note the summary MTFP set out at section 3 of the report and note that the full MTFP 2021/2022 to 2024/2025 will be presented to Cabinet in February 2021;
 - To approve the proposed Budget Planning Framework set out at section 4 of the report which will guide the preparation of the Revenue Budget for 2021/2022; and
 - To approve the consultation / communication strategy for the budget 2021/2022 as set out at section 6 of the report.

3. Conclusion

- 3.1 The report is referred to the Scrutiny Coordinating Committee for its comments, in the context of the approved consultation arrangements for the Council's Budget. Comments from the Scrutiny Committee will be reported to Cabinet on 17 November 2020.

4. Recommendation

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

5. Background Papers

- 5.1 Cabinet Agenda, 13 October 2020.
- 5.2 A copy of the Agenda is available for inspection from the Assistant Director of Law and Governance or can be viewed on-line at:-

<https://www.sunderland.gov.uk/committees/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/10355/Committee/1953/Default.aspx>

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CABINET MEETING – 13 OCTOBER 2020

EXECUTIVE SUMMARY SHEET- PART I

Title of Report:

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

Author(s):

Executive Director of Corporate Services

Purpose of Report:

This report:

- Identifies the key factors influencing the development of the Council's financial plans into the medium term and sets out the budget planning framework for the Council for 2021/2022;
- Sets out the headlines and context for the Medium Term Financial Plan (MTFP) 2021/2022 to 2024/2025; and
- Sets out the consultation / communication strategy for the budget 2021/2022.

Description of Decision:

Cabinet is recommended:

- To note the summary MTFP set out at section 3 of the report and note that the full MTFP 2021/2022 to 2024/2025 will be presented to Cabinet in February 2021;
- To approve the proposed Budget Planning Framework set out at section 4 of the report which will guide the preparation of the Revenue Budget for 2021/2022; and
- To approve the consultation / communication strategy for the budget 2021/2022 as set out at section 6 of the report.

Is the decision consistent with the Budget/Policy Framework?

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

Suggested reason(s) for Decision:

- Adoption of the Budget Planning Framework forms an essential part of the process of the preparation and compilation of the Revenue Budget for 2021/2022; and
- To enable constitutional requirements relating to the development of the Revenue Budget to be met.

Alternative options to be considered and recommended to be rejected:

There are no alternative options recommended for approval.

Impacts analysed:	
Equality <input checked="" type="checkbox"/>	Privacy <input checked="" type="checkbox"/> Sustainability <input checked="" type="checkbox"/> Crime and Disorder <input checked="" type="checkbox"/>
Is the Decision consistent with the Council's co-operative values?	Yes
Is this a "Key Decision" as defined in the Constitution?	Yes
Is it included in the 28 day Notice of Decisions	Yes

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

- Identifies the key factors influencing the development of the Council's financial plans into the medium term and sets out the budget planning framework for the Council for 2021/2022;
- Sets out the headlines and context for the Medium Term Financial Plan (MTFP) 2021/2022 to 2024/2025; and
- Sets out the consultation / communication strategy for the budget 2021/2022.

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

- To note the summary MTFP set out at section 3 of the report and note that the full MTFP 2021/2022 to 2024/2025 will be presented to Cabinet in February 2021;
- To approve the proposed Budget Planning Framework set out at section 4 of the report which will guide the preparation of the Revenue Budget for 2021/2022; and
- To approve the consultation / communication strategy for the budget 2021/2022 as set out at section 6 of the report.

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

- 3.1. The MTFP 2020/2021 to 2023/2024 was approved by Council in March 2020 as part of the 2020/2021 budget setting process. The plan is continually updated to reflect changing circumstances and latest known information. The full MTFP 2021/2022 to 2024/2025 will be presented to Cabinet in February 2021.
- 3.2. Key points to note which impact on the Budget Planning for 2021/2022 and beyond are set out at section 3.3 to 3.11 below.
- 3.3. National and Economic context to the 2021/2022 budget
- 3.3.1 The Chancellor delivered his 2020 budget in early March against the backdrop of the global outbreak of Covid-19 and the subsequent pandemic. Whilst the budget set out a plan to support public services, individuals and businesses that may be affected, the subsequent lockdown announcement on the 23 March, and the wider economic consequences that have entailed have required additional financial support. This has had a significant impact on UK finances with the Government's debt exceeding £2 trillion for the first time and borrowing at its highest ever peacetime level.

- 3.3.2 UK Gross Domestic Product declined significantly as the lockdown measures impacted, contracting 20.4% in the second quarter. Whilst it has subsequently recovered, growing 6.6% in July, the latest month available, it still remains 11.6% below pre-Covid levels. Hopes for a V shaped recovery appear optimistic with the recovery more reflecting a tick shape. The annualised Consumer Price Index also fell significantly in April and May, recovering to 1% in July, but falling to 0.2% in August as the Eat Out to Help Out scheme pushed down prices in restaurants and cafes.
- 3.3.3 Whilst the Government's furlough scheme had partially mitigated the financial impact of the Covid-19 pandemic on those individuals covered by the scheme, the number of people in employment still fell by 730,000 between March and June. The full impact on UK employment is unlikely to be known until after the furlough scheme ends in October and the Jobs Support Scheme begins.
- 3.3.4 In response to the pandemic the Bank of England's (BoE) Monetary Policy Committee voted to reduce the Base Rate to 0.10% and expand the Quantitative Easing programme to support economic recovery. The BoE indicated further support would be forthcoming as, when or if required.
- 3.3.5 In addition to the Covid-19 pandemic, there remains significant uncertainty as to the outcome of Brexit negotiations and the economic risk of a No Deal scenario.
- 3.3.6 It looks increasingly likely that the Chancellor will delay the Budget until 2021. This will give the first clear indication of the Government's overall objective for public finances including how it proposes to address the debt position whether through tax rises or spending reductions.

3.4. Central Government Funding for Local Government

- 3.4.1 Having delayed the Comprehensive Spending Review, the Government opted to produce a one-year Spending Round to confirm departmental budgets for the 2020/2021 financial year. At this stage a multi-year spending review is planned to conclude in the Autumn, determining the amount of money Local Government will receive over the period. However, should the budget be delayed then the Spending Review may also be delayed. Regardless, only a one-year funding settlement is expected for Local Government, again providing limited certainty for the Council.
- 3.4.2 The delayed Fair Funding Review and move to a 75% Business Rates retention model were also due to be implemented in 2021/2022. However, the current Covid-19 pandemic has limited Central Government's ability to progress this significant change and this has been further pushed back again until 2022/2023. There remains the possibility of further delay given a change of this magnitude may require a more settled and consistent level of Business Rates and Council Tax to feed into the model, and this may not be possible given the current Covid-19 uncertainty.

3.4.3 One of the consequences of this delay is the accumulated Business Rates growth within the current system that should have been redistributed into a new baseline when Fair Funding and 75% Rates Retention was introduced. This funding currently resides with those authorities generating this growth rather than being redistributed as part of a baseline reset. It is expected that a redistribution would benefit Sunderland, all other things being equal.

3.4.4 This position was specifically acknowledged by the Secretary of State in a written statement to Parliament in April detailing Local Government finances:

“The Government will work closely with local councils as it determines how best to treat accumulated Business Rates growth and the local government finance settlement in 2021-22.”

The position will be kept under review; at this stage the position is too uncertain to specifically include within the MTFP. The Council will, as and when required, make the case for redistribution of this growth.

Revenue Support Grant (RSG)

3.4.5 Given the delay in the implementation of the 75% Business Rates Retention Scheme, RSG will be retained in 2021/2022. Pending any formal announcement on inflationary increases, the MTFP assumes a standstill settlement in cash terms for 2021/2022.

Social Care Funding

3.4.6 Members may recall that the 2020/2021 settlement allowed for the continuation of a number of previously one-off Social Care grants and significantly a new Social Care Support Grant. This additional funding, whilst welcome, fails to provide both the certainty and level of funding required to meet the continued pressures being experienced within Social Care, exacerbated by the current pandemic. A long term, and sustainable solution is required. Pending any further announcements both in terms of inflation and / or additional grant allocation, the MTFP assumes a rolled forward position in cash terms.

Public Health Funding

3.4.7 It was envisaged that Public Health would be rolled into the overall Council funding position following the Fair Funding Review, with the risk that the Council would lose significant funding should the Government accept the Advisory Committee on Resource Allocation (ACRA) methodology for distributing these funds. In light of the delay in implementing the Fair Funding Review, and any announcements on inflation for 2021/2022, the MTFP assumes a rolled forward position in cash terms.

New Homes Bonus (NHB)

3.4.8 As previously advised the Government is phasing out NHB with existing legacy payments coming to an end over the next two years. The 2020/2021 budget includes legacy payments of £2.070m which will reduce to nil by 2023/2024. The impact on the budget for 2021/2022 is £0.631m.

3.4.9 The Spring consultation on a replacement for NHB was cancelled given the pandemic situation. At this stage it is therefore uncertain how the balance in funding within NHB will now be distributed. However, a redistribution in line with baseline funding may assist the Government in its “levelling up” ambitions as well as providing additional support to Upper Tier authorities to meet Social Care demands. As such at this stage, the MTFP allows for a redistribution based on the baseline formula which provides for an additional £3.243m of funding. There does, however, remain significant risk in this regard.

Other Government Grant funding streams

3.4.10 Other Government grants are not anticipated to be confirmed until the Provisional Local Government Settlement is announced in December 2020. However, planning assumptions are currently:

- The Business Rates multiplier and Top Up grant is anticipated to increase in line with inflation (CPI).
- Housing and Council Tax Benefit Administration and Local Council Tax Support Administration Grant - No announcement on future funding has been made to date. Provision for a further reduction in funding consistent with previous years has been included within the planning for 2021/2022 to 2024/2025.

Schools Funding / Special Education Needs

3.4.11 The Education and Skills Funding Agency (ESFA) have announced provisional allocations through the schools, high needs and central services funding blocks. Overall the Dedicated Schools Grant (DSG) will increase by £2.2bn; £730m of this is being directed to the High Needs Block. As part of the settlement the minimum per pupil funding levels will be set at £4,180 per primary pupil, £5,215 per KS3 pupil and £5,715 per KS4 pupil. These increases do, however, include funding previously received through the Teachers Pay Grant and the Teachers' Pension Employer Contribution Grant which have been rolled into the National Formula Funding.

3.4.12 For 2021/2022, each local authority will continue to set a local schools funding formula, in consultation with local schools. Later this year the ESFA will put forward plans to move to a ‘hard’ National Funding Formula in the future, which will determine school funding allocations directly at a national level, rather than local funding formulae.

3.4.13 It is currently anticipated that the ESFA will publish the provisional National Funding Formula allocations at local authority and school level in October 2020 with final DSG allocations published in December 2020.

Summary Funding Position Over Medium Term

- 3.4.14 Based on the indicative funding allocations detailed above, Government funding is forecast to increase by circa £3.296m in the year 2021/2022, mainly in relation to redistributed NHB funding. The position on Government funding beyond then is more uncertain, with the assumption at this stage, that the Government will ensure at worst a broadly status quo position is maintained upon implementation of Fair Funding and the 75% Business Rate Retention Scheme.

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

- 3.5.1 In addition to funding changes, the Council must also plan for a range of spending pressures and commitments which are not funded by the Government.
- 3.5.2 It is proposed to reflect the following spending commitments in the budget planning, noting that in a number of cases specific cost details still require finalisation and will be subject to review and refinement throughout the budget setting process:

Pay and Prices

- 3.5.3 At this stage, no formal pay offer has been made for 2021/2022 or future years. Pending a formal offer, the impact of a 2% pay award has been factored into the budget planning reflecting recent years awards, but also the Chancellor's desire for pay restraint in the public sector. As most pay budgets now reflect provision for "top of the grade", no provision is set aside for pay increments. The position will be kept under review throughout the budget process.
- 3.5.4 Provision is included within budget planning for the impact of general contract inflation, including on contracts, utilities, any impact of the National Living Wage and significantly the Council's commitment to the Real Living Wage for contractors. This includes contract inflation for both Sunderland Care and Support (SCAS) and Together for Children (TfC).
- 3.5.5 Provision for an inflationary increase in discretionary fees and charges has been included within budget planning. An updated schedule of fees and charges for 2021/2022 will be published prior to the 30 September 2021 in line with the fees and charges policy.
- 3.5.6 A small number of minor pressures identified during routine budget monitoring have been included within pay and price provision.

Spending Pressures

Adults Demand Pressures

- 3.5.7 Pressures in both the NHS and Adult Social Care continue with the number of older people requiring care increasing. In Sunderland, it is forecast that the number of older people aged 65 years and over will rise from around 54,500 in 2019 to 70,200 by 2035 (an increase of 29%) and the number of people aged 85 years and over (i.e. those with the greatest care needs), is forecast to rise from around 6,100 in 2019 to 10,000 in 2035 (an increase of 64%). This gives a sense of the mounting pressure that Sunderland's ageing population is likely to have on the delivery of Adult Social Care.

- 3.5.8 The increasing longevity of the population continues to place a significant pressure on Adult Social Care budgets. In addition, client expectations and increasing demand to support clients with complex needs to enable them to maintain independent living requires reconfigured services and additional investment. Sunderland Clinical Commissioning Group (SCCG) have established an alliance to deliver integrated community care in Sunderland. Commissioners (SCCG and the Council) and providers have worked collaboratively to develop the alliance approach for Sunderland.
- 3.5.9 Demand for social care packages to support hospital discharges has increased significantly over recent months due to the Covid-19 pandemic, and this is likely to continue given the national focus on delayed transfers of care and the Council's aim to maintain its high level of performance.
- 3.5.10 As referred to in section 3.5.4, the National Living Wage represents a significant cost pressure for councils as service providers, particularly in the social care sector, endeavour to recover the impact of these increased costs through annual inflationary uplifts to contract prices. Prudent provision has been included within the budget planning in relation to assumed increases.
- 3.5.11 The publication of the Adult Social Care Green Paper has been delayed several times. However, the Green Paper has now been abandoned and instead a cross-party consensus on reforming social care funding will be developed during the next year or so. Any further delay will significantly impact on councils' abilities to plan ahead. There is still no clear indication of the shape of reform, with many options been being considered.
- 3.5.12 Provision for additional increased Adult Social Care of £1.000m relating to demand has been included in the MTFP and will be kept under review.

Childrens Demand Pressures

- 3.5.13 The contract price agreed for the provision of Children's Services with TfC includes provision for annual inflationary increases which has been included within pay and prices within the budget planning.
- 3.5.14 The Covid-19 pandemic has impacted upon the delivery of Children's Services nationally. As well as the direct Covid-19 costs from cleaning, PPE and provider support, further impacts have included delays in discharging Orders in court, price increases for placements for cared for children, high risk cases of large sibling groups becoming looked after and increasing family hardship. This has put pressure of approximately £1.500m, on the placement budget and the associated costs of looking after children. Despite that pressure there has been an increase of only 23 children in the Cared for Children cohort since 16 March 2020, which doesn't take account of a number of children waiting to have their Orders discharged.
- 3.5.15 Building on efforts to grow their own workforce, TfC have continued recruitment of newly qualified Social Workers throughout lockdown and post-qualified Social Workers have also now taken up substantive posts. This has reduced TfC's current agency Social Worker headcount to just one.

- 3.5.16 Given the challenging circumstances a sum of £0.500m for Children's Social Care pressures is also included at this stage. This allocation will be kept under review as the budget process progresses.

Other Pressures

- 3.5.17 The Council is ambitious and investing in the City is a key element of how the City Plan will be delivered. It is important that the capital programme is affordable, and that the ongoing costs of funding capital activity are included in the revenue budget. A review of this budget, recognising delays and rephasing of the capital programme in the light of Covid-19, in addition to a well performing Treasury Management function has enabled a temporary one-off reduction to this budget in 2021/2022. It should be noted that the current additional provision of £9.000m over the period of the MTFP covers the currently approved capital programme schemes only and as such does not include any additional borrowing costs that may arise for new capital scheme approvals during the MTFP period.
- 3.5.18 The Triennial Actuarial review of the Local Government Pension Scheme was concluded by March 2020 leading to a budget saving of £9.450m in 2020/2021. Given the economic uncertainty, at this stage the MTFP reflects a reversal of this improvement at the next triennial review, with a £10.000m pressure being included for 2023/2024. The position will be kept under review and factored into the Budget Planning Framework as it becomes more certain.
- 3.5.19 The Council's current Materials Recovery Facility contract which processes all blue bin kerbside recycling collected will expire in March 2021, after a 6-year period. Market awareness about the likely service cost in 2021/2022, taking into account gate fees paid by neighbouring local authorities, suggests that costs will increase substantially and that the income received from recycled materials will reduce, due to a fall in demand. This reflects a changing recycled commodity market over several years since the previous contract was let which is outside the control of the Council.
- 3.5.20 Through the South Tyne and Wear Waste Management Partnership, options to award a 12-month contract commencing April 2021 are being progressed. This will allow time to develop a new contract which shares risk and rewards allowing better value for money in the medium term and to allow the Council flexibility around understanding the implications of the 2023 Environment Bill Resources and Waste Strategy. This is anticipated to move some of the burden of collecting consumer packaging from councils to industry, through waste producer compliance schemes and deposit return schemes.
- 3.5.21 The financial implications for a 12 month contract commencing 1st April 2021 are that there will be a budget pressure of at least £0.700m per annum based on 2019/2020 (18,500 tonnes) recycling volumes. However, this may be as high as £1.200m, if the increased recycling collected during lock-down are replicated resulting in a 32% increase over the whole of 2020/2021 to 24,500 tonnes. At present a sum of £0.700m is provided for within the MTFP pending further certainty over tonnage levels.

3.5.22 The Council has, for a number of years, had a contractual arrangement with Gentoo for the repayment of overpaid Housing Benefit, whereby Gentoo took on the liability up to a certain threshold for recovery from its tenants. The transfer agreement allowed for these arrangements to be reviewed by both parties, which has now been undertaken. The contract review has amended the position with the Council, in line with other housing benefit overpayments, being responsible for recovery from 1 April 2021, with the financial impact of £0.600m being factored into the MTFP accordingly.

3.5.23 Members may recall the 2020/2021 budget allowed for £2.250m within contingencies for capacity to deliver change. This has been part utilised during the year as projects or ongoing pressures have been identified. However, in the light of the budget position, it is anticipated that £1.000m can be released from this fund, and a further £1.000m can be released from general contingencies to offset general spending pressures. The exact value and composition of contingencies will be determined later in the budget setting process when greater certainty on funding and spending pressures is available.

Potential Covid-19 Pressures

3.5.24 At this stage the pace and extent of recovery from Covid-19 is unknown. However, the impact is expected to continue into 2021/2022 regardless of whether the country endures a second wave. The budget provision assumes that the majority of the short-term impact can either be overcome or mitigated sufficiently so as not to impact on the 2021/2022 budget. The MTFP does recognise that some additional costs may arise that will be permanent, notably with regards to leisure and rental income.

Summary Spending Pressures and Commitments

3.5.25 A summary of the spending pressures and commitments set out in section 3.5 is set out below:

	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m
Spending Pressures and Commitments					
Pay, Prices and Other Pressures including Contract Inflation	8.178	9.027	12.764	9.785	39.754
Neighbourhoods - Adults Demand Pressures	1.000	1.000	1.000	1.000	4.000
Together for Children - Demand Pressures	0.500	0.500	0.500	0.500	2.000
Capital Financing (Debt Charges)	(3.000)	6.000	3.000	3.000	9.000
Pensions Actuarial Review	0.000	0.000	10.000	0.000	10.000
MRF Waste Disposal	0.700	0.000	0.000	0.000	0.700
Housing Benefit Overpayment	0.600	0.000	0.000	0.000	0.600
Contingencies Review	(2.000)	0.000	0.000	0.000	(2.000)
Potential Covid-19 Pressures	4.200	(0.400)	0.000	0.000	3.800
Total Spending Pressures and Commitments	10.178	16.127	27.264	14.285	67.854

3.6 Summary Resources, Pressures and Commitments Position

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

- The ongoing impact of Covid-19 pandemic on Council costs and income and the wider economic uncertainty this creates;
- Local Government Finance Settlement confirmation for 2021/2022, to confirm the actual individual Local Authority allocations. This is normally announced in December;
- Ongoing pressures around both Adult and Children's Social Care;
- Confirmation of delivery of existing savings plans assumptions;
- Going forward the impact of capital priorities both in terms of debt charges and any associated operational costs;
- The Government plans in relation to Fair Funding, Business Rates and the departmental spending review all impacting on 2021/2022 and beyond; and
- The general economic position and public sector finances (direct connectivity between the economy and public finances), including any potential impact of Brexit negotiations.

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

	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m
Government Grant Changes (as set out in section 3.4)	(3.296)	(1.785)	(2.032)	(1.308)	(8.421)
Total On-going Spending Pressures (as set out in section 3.5)	10.178	16.127	27.264	14.285	67.854
Initial Funding Gap	6.882	14.342	25.232	12.977	59.433

3.7 Previously Approved Savings Plans

3.7.1 As part of the previous year's budget process, there remains one previously approved proposal that impacts on 2021/2022 relating to a Trade Waste Permit Scheme. The details of this proposal, totalling £0.025m and within the Deputy Leader portfolio are included within 6.15 of Appendix A of item 6 of the Council agenda for 6 March 2019. There was no equality requirement associated within this proposal.

3.8 Locally Raised Income

Council Tax

- 3.8.1 The Localism Act provides for the provision of referendums to veto excessive Council Tax increases. This effectively places a limit on Council Tax increases and if councils exceed the Government limits then the public are able to vote to agree or veto any increase.
- 3.8.2 In recent years Government funding calculations have reflected the assumption that councils will maximise their ability to increase Council Tax, including levying the Social Care Precept introduced in 2016/2017.

- 3.8.3 To date there has been no clarity as to the potential limit for Council Tax increases for 2021/2022. As is customary the Government will consult on Council Tax referendum principles as part of the Local Government Finance Settlement.
- 3.8.4 Decisions on the level of Council Tax will be made as part of the final budget planning stages once all other funding factors are fully understood. However, at this stage, the MTFP allows for an increase of 2% in line with previous years increases. No increase in the Social Care Precept is assumed at this stage.
- 3.8.5 The impact of Covid-19 on Council Tax collection will have a significant impact into 2021/2022 in the following ways:
- Deficit - as set out in the 2nd Revenue review elsewhere on the agenda, a significant in year deficit is forecast in 2020/2021. This has arisen due to an increase in the numbers within the Local Council Tax Scheme, decreased collection generally and a slowdown in house building within the city compared to base assumptions. To date the Government has not provided any assurance that this deficit will be funded but have allowed Local Authorities to spread the cost of this deficit over a 3 year period. This approach is reflected in the MTFP.
 - Base Calculation - The impact of the pandemic has led to an increase in the numbers of local council tax support claimants that is likely to continue into 2021/2022. This combined with a likely slowdown in house building numbers and pressure on the overall collection rate (98.5% within base) has the potential to result in a decrease in the Council Tax base for 2021/2022.
- 3.8.6 It should be noted that there is significant uncertainty in this regard, not least the impact of the cessation of the furlough scheme and how this will impact on resident's ability to pay and numbers claiming under the Local Council Tax Support Scheme. An update will be provided in future reports.

Business Rates

- 3.8.7 Under the current Retained Business Rates funding arrangement, the Council retains locally 49% of increased income arising from growth in the Local Business Rates base (equally it shares the risk of any under achievement of income targets). The Council has a relatively low Business Rates yield with the Government providing a top-up grant.
- 3.8.8 Inherent within the scheme is growth arising from annual inflationary increases to Business Rates. However, there is continued uncertainty specifically around appeals and avoidance tactics which can impact on the level of income achieved. The most significant opportunity for Business Rates growth arises through new developments, although growth in Business Rates in our three Enterprise Zones will be accounted for separately, as this is used to support the investment in those sites.

3.8.9 As with Council Tax the impact of Covid-19 on Business Rates will impact into 2021/2022 both in terms of collectability as the economy recovers, but also in addressing the deficit position expected to materialise in the current financial year. To date the Government has not provided any assurance that this deficit will be funded but have allowed Local Authorities to spread the cost of this deficit over a 3-year period. The position will be kept under review and additional income reflected in the Budget Planning Framework as appropriate.

3.9 Remaining Budget Gap

3.9.1 After taking into account the information in sections 3.4 to 3.8, there remains a funding gap of £15.814m in 2021/2022, with £44.072m savings required to be identified over 2021/2022 and 2024/2025. It should be noted that final proposals in relation to any Council Tax and Social Care Precept increase will be considered as part of the final budget setting proposals in February 2021, once outstanding uncertainties have been clarified. This position is set out in the table below:

	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m
Total On-Going Funding Gap	6.882	14.342	25.232	12.977	59.433
Previously Approved Savings Plans to meet the Funding Gap	(0.025)	0.000	0.000	0.000	(0.025)
Assumed Council Tax Increase	(1.996)	(2.103)	(2.206)	(2.262)	(8.567)
Council Tax Deficit Impact	3.078	0.000	0.000	(3.078)	0.000
Council Tax Base	5.061	(3.874)	(3.050)	(0.594)	(2.457)
Business Rates Base Growth	1.500	(1.500)	(1.500)	(0.500)	(2.000)
Business Rates Inflationary Increase	(0.490)	(0.989)	(1.009)	(1.029)	(3.517)
Business Rates - reversal of surplus utilised 2020/2021	1.205	0.000	0.000	0.000	1.205
Business Rates Deficit Impact	0.599	0.000	0.000	(0.599)	0.000
Current MTFS Gap after agreed savings proposals and assumed council tax increases	15.814	5.876	17.467	4.915	44.072

3.10 Approach to addressing the funding gap

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

- Ensuring resources are targeted on statutory and front-line services and protecting key priority services with a focus on need rather than want;
- Managing demand - implementing strategies and policies that enable the Council to manage demand and facilitate those services which make a difference in the most effective way;
- Being customer focussed - using robust data and information to understand our resident's needs and maximising opportunities through use of technology for both our customers and internal users, so that people self-serve wherever possible thereby eliminating waste and duplication;
- Redesigning and reshaping services to deliver required outcomes in a value for money way which maximises productivity;
- Strategic commissioning based on outcomes and using an intelligence-based approach to ensure a sound evidence base for commissioning decisions and effective commissioning arrangements;

- Pressing forward with new models of service delivery that improve our commercialisation, to maximise income opportunities where there is a market and business case;
- Ensuring opportunities for collaboration with partners to deliver key outcomes that matter to the city;
- Ensuring that our internal, support services respond appropriately to the changing shape and size of the Council;
- Involving the Community – residents, businesses, partners, voluntary sector to ensure best outcomes for the city; and
- Continued focus on regeneration and inward investment in order to grow business rates and council tax income, leveraging funding to maximise additional income sources and commercial opportunities.

3.10.2 Given the Council's focus on the Covid-19 pandemic and associated recovery, to date firm plans have still being identified to address the gap. However, plans are in the development stage and are anticipated to be brought forward at a later stage in the budget planning process. Notwithstanding this, given the size of the gap, the uncertainty, both with regard to the Covid-19 pandemic and Government funding, it is anticipated that earmarked reserves are used to support the position in the short-term.

3.11 Reserves and Balances

3.11.1 The Local Government Finance Act 1992 requires local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when considering the budget requirement.

3.11.2 As set out in the 2nd revenue review elsewhere on today's agenda, a major review of reserves has been undertaken. This has enabled £8.918m to be freed up and moved into the MTFP Smoothing Reserve. In doing so this maximises the potential reserves available to support the budget over the medium term and in responding to the changing environment arising from the Covid-19 pandemic.

3.11.3 A Statement of General Balances is attached at Appendix 1a with a schedule of Earmarked Reserves as at the 2nd review at Appendix 1b.

4. Budget Planning Framework

4.1 It is proposed the budget planning framework as set out below is adopted:

- Budget planning to be based on the high-level position outlined at section 3 and updated in light of the Local Government Settlement in December 2020;
- Provision for spending commitments be included at this stage on the basis set out at section 3.5 and kept under review;
- Spending priorities be considered in line with service improvement plans and in light of available resources during the budget process;
- Budgets be prepared on the basis that all spending pressures not specifically identified in this report as commitments be accommodated within Directorate existing budget envelopes;
- All commitments against reserves and general balances as set out in Appendix 1 to be reviewed and updated throughout the budget process; and
- The position regarding Council Tax and Social Care Precept to be considered as part of the budget process.

- 4.2 In accordance with the budget planning framework agreed for 2020/2021 the budget process will be completed on the basis that the saving plans in the 2020/2021 budget will be achieved, or an alternative must be delivered on an ongoing basis.

5 Workforce Planning Implications

- 5.1 Following the review of previously agreed savings plans, it is expected that the remaining plans still to be implemented will not have any associated reduction in the workforce.
- 5.2 At this stage, given the remaining budget gap for 2021/2022 and future years it is anticipated that proposals may have a workforce planning implication. Any subsequent staffing reductions will be managed through the Council's Redundancy Policy and Procedure as necessary. It should also be noted that officers are continually reviewing resource allocations to ensure that staffing arrangements are fit for purpose.
- 5.3 At this stage it is proposed that any cost of redundancy payments and the release of pensions as required by the LGPS Regulations will be met from a combination of utilisation of capital receipts flexibilities (up until 2021/2022 only) and from within the overall corporate resource position at outturn each year, should the position allow. This position will be kept under review and updated as part of the Budget proposals to Cabinet.

6 Budget Consultation / Communication Strategy 2021/2022

- 6.1 Communication and consultation are important parts of medium-term financial planning. A range of activity informs this process and has influenced the City Plan and the MTFP.
- 6.2 Each year, the scale and nature of the proposals determine the approach to communication and consultation. Although further work is required to generate savings for 2021/2022 and beyond, the budget consultation in 2020 will focus on feeling informed, the priorities within the City Plan and views on how Council budget priorities are allocated.
- 6.3 Clear messages focusing on the longer-term budget challenge, the scale of what we do and how the money is spent will accompany this consultation. The approach will be consistent with the successful Let's Talk initiative, tailored accordingly to the current pandemic situation.
- 6.4 Existing networks will be utilised to communicate with both geographic communities and communities of interest. There will be communications with a range of partners and stakeholders including Trades Unions, Chamber of Commerce, Sunderland Business Innovation District (BID), the wider business community, employees, and the city's Equality Forums and Independent Advisory Groups. Communications with these groups will be tailored to their interests, for example, economic regeneration, neighbourhood services and adult services.
- 6.5 Scrutiny Coordinating Committee will be consulted on the results of the budget consultation.

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

7 Crime and Disorder

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

8 Equalities Analysis

- 8.1 In accordance with the approach followed in previous years the Council continues to fully consider the impact of its plans by following a robust approach to equalities analysis. Appendix 2 sets out the approach adopted to the budget setting process.
- 8.2 Directorates must consider the equality impact of any new proposals brought forward to meet the future budget gap and complete equality analyses as appropriate. Completed equality analyses, considerations of potential impacts and a summary of the cumulative impact of proposals will be presented with future Cabinet reports
- 8.3 Members must understand the equality implications of the proposals, outlined in the equality analyses and at appendix 2 as having regard to them will assist members in complying with the public sector equality duty when considering the proposals.

9 Suggested Reasons for Decision

- 9.1 Adoption of the Budget Planning Framework forms an essential part of the process of the preparation and compilation of the Revenue Budget for 2021/2022.
- 9.2 To enable constitutional requirements relating to the development of the Revenue Budget to be met.

10 Alternative Options to be considered and recommended to be rejected

- 10.1 There are no alternative options recommended for approval.

Background Papers

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

Statement of General Fund Balances

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

Appendix 1b

Major Earmarked Reserves

Reserves	Purpose of the Reserve	Opening Balance 01.04.2020 £m	Forecast Movement in Year £m	Reserve Realign £m	Forecast Balance 31.03.2021 £m
General Fund	General Fund of the Council	12.000	0.000	0.000	12.000
School Balances	Balances held by schools under a scheme of delegation	7.982	(0.015)	0.000	7.967
Riverside Transfer	Reserve established to fund capital works associated with the Homes and Communities Agency land transferred to the Council.	9.188	0.000	0.000	9.188
Capital Priorities Reserve	A reserve established to address some of the Council's key capital developments and strategic priorities.	9.254	(4.400)	0.000	4.854
Section 106 Reserves	Under Section 106 of the Town and Country Planning Act 1990, developers make financial contributions to the Council relating to affordable housing, public open spaces including allotments and locally equipped play parks, educational facilities, highways and public transport improvements, sports and recreational facilities and environmental improvements.	7.280	(1.772)	0.000	5.508
Strategic Investment Reserve (Capital)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	4.545	(2.699)	0.000	1.846
Strategic Investment Plan Reserve	This reserve is necessary to fund part of the Council's contribution to its Strategic Investment Plan	1.194	(1.194)	0.000	0.000
Commercial and Economic Development Activity	Reserve established to take advantage of commercial and economic development opportunities that will meet priorities of the Council.	1.153	(0.945)	0.000	0.208
Other Earmarked Capital Reserve	Funding set aside to fund future capital projects previously approved.	1.737	(0.941)	(0.042)	0.754
Strategic Investment Reserve (Revenue)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	11.769	(2.132)	(6.321)	3.316
Strategic Regeneration Reserve	A reserve to support the Council's regeneration ambitions, specifically to smooth any revenue impact of projects until they become self-sustaining.	10.000	(0.268)	0.000	9.732

Appendix 1b (continued)

Reserves	Purpose of the Reserve	Opening Balance 01.04.2020 £m	Forecast Movement in Year £m	Reserve Realign £m	Forecast Balance 31.03.2021 £m
Service Reduction Reserve	This reserve is to provide temporary transitional funding relating to the implementation of planned service reductions.	12.146	0.000	0.000	12.146
COVID-19	A reserve established from government grant to fund the immediate costs and lost income associated with the COVID-19 pandemic.	10.592	(10.592)	0.000	0.000
Medium Term Planning Smoothing Reserve	This reserve has been established to address any potential impact arising from increased risk and uncertainty with the Business Rate Retention Scheme. It is being used to smooth the impact of government funding uncertainties.	6.528	0.000	8.918	15.446
Insurance Reserve	This reserve has been established to provide for potential future claims or claim increases.	5.677	0.000	0.000	5.677
Street Lighting and Highway Signs PFI Smoothing Reserve	The reserve was established to smooth the financial impact to the Council across the 25 years of the contract life.	4.280	(0.300)	0.000	3.980
HCA Stadium Park	Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.	3.109	0.000	0.000	3.109
SIB Reserve	A reserve held to fund future allocations through the Strategic Initiatives Budget.	3.303	0.000	0.000	3.303
Sandhill Centre PFI Smoothing Reserve	The reserve was established to smooth the financial impact to the Council across the 25 years of the contract life.	2.151	(0.050)	0.000	2.101
Housing Benefit Smoothing Reserve	This reserve has been established to smooth any potential impact of outstanding debtors as housing benefit is subsumed within universal credit.	1.577	(0.050)	0.000	1.527
Education Redundancy Reserve	The reserve was established to meet the anticipated costs of redundancies as a result of falling pupil rolls within maintained schools.	1.916	0.299	0.000	2.215
Riverside Transfer	Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.	1.334	(0.105)	0.000	1.229
House Sale Income	The reserve relates to the sale of client's homes that will be utilised to support future support needs of those clients.	1.236	0.000	0.000	1.236
Collection Fund Surplus Reserve	Reserve established as part of 2018/19 budget setting to smooth the collection fund surplus benefit into future years.	1.198	0.335	0.000	1.533

Appendix 1b (continued)

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

Equality and Budget Proposals

1 Equality in Decision Making

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

2 How equality analysis informs the budget-setting process

- 2.1 Individual proposals for savings are reviewed to determine whether equality analysis is required. Where equality analyses are required, and negative impacts are identified, it is the responsibility of the services to minimise these as far as possible. A standard approach is taken each year to ensure:
- equality considerations are given to each new savings proposal;
 - proposals agreed in previous years are reconsidered to ensure planned equality analysis has been completed or refreshed, where appropriate; and
 - and where equality analysis is finalised, a sampled quality assurance process takes place to ensure the relevant considerations are being made in a thorough manner.
- 2.2 The detail of the analysis is dependent on the nature of the proposal and its stage of development. It also includes results from budget consultations, where appropriate. The consultation is also suitably tailored to the scale of the proposals and the approach is outlined at paragraph 6 of the main report.

3 Key Messages for 2021/2022

- 3.1 For 2021/2022 financial planning, there are no specific savings proposals brought forward to be considered in this report. However, as plans are identified to address the budget gap, equality implications will be part of the considerations.
- 3.2 As the report outlines above, there are a number of national and local issues that have the potential to impact on equality in the city, namely:
- The need for a long-term sustainable solution for social care;
 - The possibility of reduced funding for Public Health following the implementation of the Fair Funding Review;
 - The need to increase placement availability for looked after children; and
 - Focus on the Covid-19 pandemic and associated recovery.

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

4 CONCLUSIONS

- 4.1 The Council continues to seek to meet its obligations in relation to equality and diversity and has procedures in place at both a general and budget specific level to incorporate equality and diversity issues into decision making processes and the assessment of proposals.
- 4.2 Services and directorates are responsible for ensuring equality considerations are integral to their functions, and ensuring these considerations are presented to decision makers at the appropriate junctures.

SCRUTINY COMMITTEE WORK PROGRAMMES FOR 2020-21

REPORT OF THE SCRUTINY AND MEMBERS' SUPPORT COORDINATOR

1. PURPOSE OF THE REPORT

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

2. BACKGROUND

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

3. SCRUTINY COMMITTEE WORK PROGRAMMES

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

4. SCRUTINY COMMITTEE'S WORK PROGRAMME

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

5. DEDICATED SCRUTINY BUDGET

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

- 5.2 As of 26 October 2020 the breakdown of the budget stood as follows:-

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

5. RECOMMENDATIONS

- 5.1 It is recommended that the Scrutiny Coordinating Committee:

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

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[illegible]

ECONOMIC PROSPERITY SCRUTINY COMMITTEE –WORK PROGRAMME 2020-21

[illegible]

HEALTH AND WELLBEING SCRUTINY COMMITTEE – WORK PROGRAMME 2020-21

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

Items to be scheduled

Ophthalmology
Path to Excellence Phase 1 & 2 Updates

SCRUTINY COORDINATING COMMITTEE – WORK PROGRAMME 2020-21

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

Work Programme Items to be scheduled:

City Plan Update
 New Ways of Working
 Impact of Covid-19 Partner Organisations
 Hate Crime

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

- 1.1 To provide Members with an opportunity to consider the items on the Executive's Notice of Key Decisions for the 28-day period from 19 October 2020.

2. BACKGROUND INFORMATION

- 2.1 Holding the Executive to account is one of the main functions of Scrutiny. One of the ways that this can be achieved is by considering the forthcoming decisions of the Executive (as outlined in the Notice of Key Decisions) and deciding whether Scrutiny can add value in advance of the decision being made. This does not negate Non-Executive Members ability to call-in a decision after it has been made.
- 2.2 To this end, the most recent version of the Executive's Notice of Key Decisions is included on the agenda of this Committee. The Notice of Key Decisions for the 28-day period from 19 October 2020 is attached marked **Appendix 1**.

3. CURRENT POSITION

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

4. RECOMMENDATION

- 4.1 To consider the Executive's Notice of Key Decisions for the 28-day period from 19 October 2020 at the Scrutiny Committee meeting.

5. BACKGROUND PAPERS

- Cabinet Agenda

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

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

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter*	Address to obtain further information
200604/484	To approve the proposed Better Care Fund arrangements with Sunderland Clinical Commissioning Group for the period 2020-2021.	Cabinet	Y	During the period from 17 November to 31 December 2020.	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
170927/212	To approve in principle the establishment of a new police led Road Safety Partnership (Northumbria Road Safety Partnership) embracing the Northumbria Force Area.	Cabinet	Y	During the period from 17 November to 31 December 2020.	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter*	Address to obtain further information
190823/385	To approve the proposed Governance Arrangements for the Centre of Excellence for Sustainable Advanced Manufacturing (CESAM) and related matters.	Cabinet	Y	During the period from 17 November to 31 December 2020.	Y	The report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraphs 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report will contain information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
190906/402	To consider expansion proposals by an existing Council tenant in respect of a strategic property and the associated capital funding and revised lease term proposals.	Cabinet	Y	During the period from 17 November to 31 December 2020.	Y	This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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200813/493	To approve the Triggering of pre-emption rights to acquire HCA interests in Sunnyside and disposal of land to facilitate regeneration proposals.	Cabinet	Y	17 November 2020.	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
200813/494	To approve the establishment of a funding mechanism for the acquisition of residential properties.	Cabinet	Y	17 November 2020.	Y	This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201013/525	To extend the contract for the provision of Public Health Services in Primary Care for a period of 24 months, utilising available optional extension periods of 2 x 12 month set out within the contract, which is held with various GPs and Pharmacies within Sunderland.	Director of Public Health	Y	During the period 11 to 30 November 2020. (Previously published on Notice dated 13 October 2020).	N	Not applicable.	Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
200827/498	To approve the strategic acquisition of property interests at High Street West, Sunderland	Cabinet	Y	17 November 2020	Y	This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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200827/499	To approve the strategic acquisition of property interests at Robinson Terrace, Hendon	Cabinet	Y	17 November 2020	Y	This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
200902/500	To approve the acquisition of Bridge House, Bridge Street	Cabinet	Y	17 November 2020	Y	This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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200902/502	To authorise proceeding with detailed design, procurement and construction of a 750 space Multi Storey Car Park at Farrington Row as part of the Riverside Sunderland scheme.	Cabinet	Y	During the period 17 November to 31 December 2020.	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
200907/510	To consider proposals related to the sustainability of Coalfields based Early Years Provision.	Cabinet	Y	17 November 2020	N	Not applicable	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
200903/506	To approve the Capital Programme Planning 2021/2022 to 2024/2025 and Capital Strategy	Cabinet	Y	During the period 17 November to 31 December 2020	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter*	Address to obtain further information
200914/515	To consider grant support for voluntary sector organisations.	Cabinet	Y	During the period 17 November to 31 December 2020.	N	Not applicable.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
181024/312	To consider the full business case for the proposed Regional Adoption Agency and to agree the next steps	Cabinet	Y	17 November 2020	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
200928/516	To procure and award contracts for the development of a new Household Waste and Recycling Centre (HWRC) within Pallion Industrial Estate.	Cabinet	Y	17 November 2020	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Item no.	Matter in respect of which a decision is to be made	Decision-maker (if individual, name and title, if body, its name and see below for list of members)	Key Decision Y/N	Anticipated date of decision/ period in which the decision is to be taken	Private meeting Y/N	Reasons for the meeting to be held in private	Documents submitted to the decision-maker in relation to the matter*	Address to obtain further information
201008/518	To seek approval for the procurement and award of a framework agreement for the provision of Commercial and Residential Property Advisory Services for Council, Siglion and other Council related organisations.	Cabinet	Y	17 November 2020	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201008/519	To approve the Revenue Budget and Medium Term Financial Plan 2021/2022 to 2024/25.	Cabinet	Y	During the period 17 November to 31 December 2020	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201008/520	To approve the making of a Scheme under the Highways Act Section 106 and application under Part 4 of the Marine and Coastal Access Act 2009 for a bridge to cross navigable waters.	Cabinet	Y	17 November 2020	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201013/522	To approve the review of the Statement of Licensing Policy.	Cabinet	Y	17 November 2020	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201013/523	To approve the European Social Fund project – Skills for Growth: collaboration between Sunderland Council's Learning and Skills Service and Sunderland University to deliver a range of skills to the Health and Social Care sector.	Cabinet	Y	17 November 2020	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201013/524	To seek approval to acquire properties at Hylton Road for supported bungalow accommodation.	Cabinet	Y	17 November 2020	N	Not applicable	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201013/526	To seek approval to a proposal to Amend the Sunderland Council's Code of Conduct for the Issue of Penalty Notices Relating to Unauthorised School Absences.	Cabinet	Y	17 November 2020	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201014/527	To seek approval to award a contract for the Redevelopment of Parson's Depot and Electric Vehicle Hub Installation	Cabinet	Y	17 November 2020	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201015/528	To seek approval to procure a design and build contractor for the delivery of the proposed new Wear footbridge.	Cabinet	Y	During the period 17 November to 31 December 2020	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
200929/517	To approve the undertaking of public consultation on proposals to designate new local wildlife sites and proposed amendments to existing local wildlife sites.	Cabinet	Y	During the period 17 November 2020 to 31 January 2021	N	Not applicable.	Cabinet report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201012/521	To approve the introduction of an E-Scooter Pilot Trial	Cabinet	Y	During the period 17 November 2020 to 31 January 2021	N	Not applicable.	Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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200914/513	To approve the updated business plan for Siglion LLP and related matters.	Cabinet	Y	8 December 2020	Y	This report is one which relates to an item during the consideration of which by Cabinet the public are likely to be excluded under Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, as the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) The public interest in maintaining this exemption outweighs the public interest in disclosing the information.	Cabinet Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201015/529	To adopt the Riverside Sunderland Supplementary Planning Document.	Cabinet	Y	During the period 8 December 2020 to 31 March 2021.	N	Not applicable.	Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201015/530	To approve consultation on the Draft Allocations and Designations Plan.	Cabinet	Y	During the period 8 December 2020 to 31 March 2021.	N	Not applicable.	Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

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201015/531	To approve consultation on the North East Washington Supplementary Planning Document Scoping Report.	Cabinet	Y	During the period 8 December 2020 to 31 March 2021.	N	Not applicable.	Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201015/532	To approve the Sunderland City Council Low Carbon Action Plan.	Cabinet	Y	During the period 8 December 2020 to 31 March 2021.	N	Not applicable.	Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201015/533	To adopt the Homes In Multiple Occupation Supplementary Planning Document.	Cabinet	Y	During the period 8 December 2020 to 31 March 2021.	N	Not applicable.	Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk
201015/534	To approve consultation on the Draft Development Management Supplementary Planning Document.	Cabinet	Y	During the period 8 December 2020 to 31 March 2021.	N	Not applicable.	Report	Governance Services Civic Centre PO BOX 100 Sunderland SR2 7DN committees@sunderland.gov.uk

Note; Some of the documents listed may not be available if they are subject to an exemption, prohibition or restriction on disclosure. Further documents relevant to the matters to be decided can be submitted to the decision-maker. If you wish to request details of those documents (if any) as they become available, or to submit representations about a proposal to hold a meeting in private, you should contact Governance Services at the address below.

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

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

Who will decide;

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

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

Elaine Waugh,
Assistant Director of Law and Governance

19 October 2020