

CABINET MEETING – 14 JULY 2022
EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

MINUTES, PART I

Author(s):

Assistant Director of Law and Governance

Purpose of Report:

Presents the minutes of the extraordinary meeting held on 9 June 2022, Part I.

Action Required:

To confirm the minutes as a correct record.

At a Meeting of the **CABINET** held in **CITY HALL (COMMITTEE ROOM 1)** on **THURSDAY 9 JUNE 2022** at **10.00 a.m.**

Present:-

Councillor G. Miller in the Chair

Councillors Chequer, Farthing, K. Johnston and Rowntree

Also present:-

Councillors Price, Scott and P. Walker, Deputy Cabinet Members
Councillor Edgeworth

Part I

Minutes

The minutes of the meeting of the Cabinet held on 22 March 2022, Part I (copy circulated) were submitted.

(For copy report – see original minutes).

1. RESOLVED that the minutes of the Cabinet meeting held on 8 February 2022, Part I, be confirmed and signed as a correct record.

Declarations of Interest

The following declarations of interest were made:-

Agenda Item 9 - Pupil Referral Unit – School Organisation Proposals and Procurement of Capital Works	Councillor Williams declared an interest as the Chair of Governors of Oxclose Community Academy and was advised that she was not required to withdraw from the meeting.
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Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors F. Miller and Stewart.

Household Waste Collection Service – Side Waste Policy

The Chief Executive submitted a report (copy circulated) to seek approval to adopt a No Side Waste Policy

(For copy report – see original minutes).

Councillor Rowntree, in highlighting the report, advised that the current service arrangements within the Household Refuse Collection Service allowed for residents to place black bags, known as side waste, next to the Green Bin which would be collected as part of the fortnightly collection service. She explained that Side Waste Collection was having significant adverse impacts on the environment and the Council's ability to support the delivery of corporate targets such as reducing carbon emissions and increasing recycling rates, in addition there was wider concerns regarding Health and Safety and Service Operation impacts.

Cabinet Members were advised that therefore, it was proposed to introduce a No Side Waste Policy that would be introduced over a 6 months' process of engagement with residents.

The Chair invited Councillor Edgeworth, who was observing the meeting, to comment. Councillor Edgeworth commented that the Liberal Democrat Group had expressed concerns that in case some residents started fly-tipping rubbish if they were struggling with volumes of refuse if they did not meet the criteria for larger waste bins. Councillor Rowntree responded that she would ask for that issue to be taken into consideration during the engagement with residents.

Councillor Williams observed that the new policy would be difficult to implement and there would be a need for any issues to be reported back quickly in order to respond appropriately. She added that in all likelihood there would be hotspots which would need to be addressed but all residents needed to take responsibility for their waste.

Councillor Farthing reported that publicity in relation to the provision of free waste bins needed to be more prominent. She advised that there were still some residents having to use black bags as they did not have a bin and as such those bags would be classed as side waste. She also commented that recycling rates in the city were far too low and clear information should be given to residents on what could and could not be recycled. She added that clear standards should be applied nationally as there were so many different types of plastics.

The Chair reported that Sunderland was the only authority in the North East that was still collecting side waste and it had to be addressed due to:-

- Risk of injury or illness to the workforce picking up heavy or contaminated side waste;
- Wagons having to frequently return to depot to empty waste which added to the Council's carbon footprint; and
- Encouraging residents to recycle more.

He anticipated that there might be obstacles in certain areas but he was confident that the six months lead in of the proposal and working with residents would help to improve the service and get it right for them.

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

2. RESOLVED that the No Side Waste Policy for the Council's Household Waste Collection Service be approved.

Capital Programme Outturn 2021/2022 (including Treasury Management)

The Executive Director of Corporate Services submitted a report (copy circulated) which detailed:-

- (i) the Capital Programme outturn for 2021/2022; and
- (ii) an update on the Treasury Management Borrowing and Investment Strategy outturn position for 2021/2022.

(For copy report – see original minutes).

The Chair reported that Cabinet Members would be pleased to note that, despite the impact of the Covid-19 pandemic and global supply issues, over £124 million had been invested in the city's priorities during the last year. He advised that much of this investment had been aimed at creating the conditions for growth in the city's economy. He highlighted examples, where the Council had invested in the infrastructure of the city through:

- the new Cowies Way (SSTC3) link road from the Northern Spire to the city centre which opened to traffic in November 2021;
- strategic acquisitions and developments to support the regeneration of the city centre and surrounding areas;
- progressing the development of Riverside Sunderland, including the new multi-storey car park and initial enabling works for new high-quality energy efficient homes;
- making significant improvements to the highways and bridges network across the city including progress on new and improved roads to support the South Sunderland Growth Area;
- continuing the investment on the fibre and 5G network infrastructure rollout across the city; and
- continuing the investment in the Enterprise Zone at the Port of Sunderland.

The Chair reported that the Council remained committed to investment in the wellbeing of its residents, helping them to remain in their own homes for as long as possible through the provision of disabled facilities grants. He drew attention to the progress of the 5-year Housing Delivery Plan to provide more affordable housing, including 24 new bungalows and 45 homes brought into use.

Cabinet Members were advised that the Council had continued to invest in Education and Skills through its schools' infrastructure programme of improvements, including completion of new Willow Wood Primary School and progress on the new Sunningdale and Hetton primary schools, both due to open to pupils this September, and major refurbishment of Barnes Junior School.

The Chair highlighted the continued investment into other frontline services through the construction of the new Household Waste Centre that opened to the public in February 2022, and progress on the new Parsons Depot building at Washington.

Turning to the variations in the 2021/2022 programme, including the re-profiling of expenditure and associated funding into 2022/2023 and beyond, Cabinet Members were advised that this had been necessary due to external factors outside the Council's control, the timing of projects being reviewed to ensure best value to the Council or to minimise the disruption arising from any works.

In relation to the Treasury Management aspects of the report, the Chair reported that there had been challenges during the year due to the impact of Covid-19 on the economy and increasing inflation. He advised that borrowing rates from the Public Works Loan Board had fluctuated throughout the year and had steadily increased in the last quarter. He assured Cabinet Members that the Council had sought to maximise the returns available and achieved above the benchmark rate, whilst still adhering to the prudent policy agreed by the Council.

Councillor Farthing commended the completion of new Willow Wood Primary School and progress on the new Sunningdale and Hetton primary schools which was excellent news for young people in the city. She hoped that a suitable additional building for pupils with autism would also be resolved this year. In relation to interest rates, she enquired if there was a better rate of return on smaller investments. The Executive Director of Corporate Services assured that security of investments was at the forefront with accredited lending institutions. He explained that the Council could not borrow funds purely to invest. He advised that the Council had benefitted from higher interest rates of 1.5-1.8% and it also depended on how long the investment was made for; usual practice was for 6 months. Due to the overall financial position and the underlying need to borrow for capital purposes (the Capital Financing Requirement – CFR), new borrowing of £100m was taken during December 2021 at the rate of 1.40%. Borrowing at this low rate had reduced the average cost of borrowing across the portfolio.

Councillor Williams applauded the strong capital programme, in particular putting into place the infrastructure to grow the city's economy and more developments would come forward.

The Leader thanked Cabinet Members for their comments and congratulated the teams for progressing the capital programme at pace with tightly controlled finances. He was also confident that investments would continue in the schools as necessary.

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

3. RESOLVED that:-

- (i) the inclusion of additional schemes or variations to existing schemes for 2021/2022 detailed at Appendix A, be noted as a variation to the Capital Programme;
- (ii) the overall Capital outturn position for 2021/2022 be noted; and
- (iii) the Treasury Management Strategy and Prudential Indicators outturn position for 2021/2022 be noted.

Revenue Budget Outturn 2021/2022

The Executive Director of Corporate Services submitted a report (copy circulated) to advise of the outcome of the Revenue Budget Outturn for 2021/2022 including the budget transfers, contingency and reserves transfers proposed.

(For copy report – see original minutes).

The Chair was pleased to report a positive outturn position, despite the ongoing challenges during the year from the pandemic, the continued increasing demand and complexity within Social Care and, in the latter part of the year, mounting inflation. He advised that clearly the impact of the pandemic had continued into 2021/2022 and in response the Council had worked hard to continue to deliver the support needed to its residents and businesses.

The attention of Cabinet Members was drawn to Appendix A of the report which highlighted the main areas of Portfolio variations. As reported during the year, the main pressures related to both Adults' and Children's social care. A combination of responding to the pandemic to provide the support residents required and increasing demand and complexity continued to put pressure on social care budgets. The Chair reported that thankfully extra financial support from the Sunderland Clinical Care Group had helped to mitigate the pressure in adult social care. He advised that other front-line services of the Council had also been under pressure during the year namely, local services and fleet management, alongside significant shortfalls in income from parking and a number of other fee-earning services. Areas performing well against their budget included rental income from regeneration properties and the revenues & benefits service, due to increased new burdens grant funding from government in recognition of covid related grant support administration.

The Chair reported that overall, there had been a Directorate underspend of £2.455 million. He drew attention to the contingency underspends, together with debt management savings, detailed in the report which had enabled a positive outturn position. In addition, and significantly, he advised that it was proposed that a specific resource of £19.516 million was earmarked to meet a number of high priorities including inflation pressures moving in to 2022/2023, this included:

- £5.750 million to provide a safety net for energy, pay award and general inflationary pressures;
- £9.336 million to support health and social care services in Sunderland in the short to medium term;
- £3.000 million to provide funding for a range of immersive technologies in the new Culture House;
- £0.680 million to be provided to Together for Children to deliver on-going covid recovery activities; and
- £0.750 million to support regeneration developments until they become self-sustaining, especially linked to the end of the lease to the Department of Health for the Nightingale Hospital at IAMP.

The Chair having reported that the final outturn position was an under spend of £0.037million which had been transferred to the Medium-Term Financial Planning Reserve, thanked Portfolio Holders, Executive Directors and their teams in achieving a positive outturn position given the very difficult financial challenges the Council had faced during 2021/2022.

Councillor Farthing commented that the level of the underspend was surprising when there were such high demands on services. She appreciated that over the coming months and years there would be pressures on services therefore it was wise to remain prudent particularly with the increases in fuel and energy costs. The Executive Director of Corporate Services explained that the underspend had been due, in a large part, to not spending significant sums but then those sums were paid in the last months of the year. He advised that the programme of spending would be more practical this year but cognisance would need to be taken of inflationary pressures (2% in the long term) and planning assumptions for the impending pay awards. He highlighted that for every 1% pay award granted equated to £1.78 million in costs to the Council. In respect of the inflationary pressures, he advised that the Bank of England was forecasting a 7-8% variable rate of interest. He assured Cabinet Members that the team would continue to plan ahead as far as possible to watch closely labour & steel costs and continued close monitoring of the Council's finances.

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

4. RESOLVED that:-

- (i) the budget transfers, contingency and reserve transfers proposed within section 3 of the report be approved; and
- (ii) the overall outturn position of the Council be noted.

Proposed commissioning intentions for Public Health Services in General Practice from 1 January 2023 to 31 March 2027

The Executive Director of Health, Housing and Communities submitted a report (copy circulated) to seek approval to the proposed commissioning intentions for Public Health Services in General Practice from 2023 to 2027 as set out in the report.

(For copy report – see original minutes).

Councillor Chequer highlighted that General Practices offered accessible points of contact with the health and care system throughout local communities. She reported that as such, they provided significant opportunities for the delivery of public health interventions for residents close to their homes. She advised that there was a long-established history of provision of public health services through General Practices, covering interventions to help with outcomes such as reducing prevalence of smoking, reducing unplanned pregnancies and helping to prevent cardiovascular diseases.

Cabinet Members were advised that within Sunderland, the Council currently commissioned most General Practices for the delivery of elements of its range of public health services through the Public Health Services in Primary Care framework. These arrangements had been in place since 1 January 2018 and were due to expire on 31 December 2022.

Councillor Chequer reported that delivery via General Practices had proved a successful way to make a wide range of health improvement opportunities available for local residents. She added that as a result, a suitable commissioning approach had been researched and developed to enable the continuation and further improvement of service delivery following the end of the existing framework.

Councillor Chequer advised that discussions had taken place between the Public Health team and SCCG to identify whether offering local public health services within their local Quality Premium scheme provided a viable opportunity to integrate them more closely with its other components. She explained that potentially, doing so would offer the following benefits:

- (i) An integrated mode of contracting with General Practices for local services, whether commissioned by the Council or SCCG; this would be simpler both for practices and the commissioning authorities.
- (ii) Scope for practices to have input to the development of the services to ensure that they can be delivered effectively and outcomes can be met.
- (iii) Potential to increase preventative interventions that can contribute to other priorities such as early identification of cancer and respiratory diseases.
- (iv) Access to an annual review process which allows elements to be adjusted or added in response to need.

Cabinet Members were advised that in order to achieve this, the Council would need to enter into an integrated commissioning arrangement with SCCG / its successor NHS commissioning body whereby direct contracting arrangements would be passed from the Council to SCCG. These arrangements would define the services to be delivered on behalf of the Council via the Quality Premium, outline measures to monitor and assure performance and allow the funding for the services to be transferred to SCCG and defrayed to practices in line with the defined requirements of the services.

Councillor Farthing reported that in discussions with a wide group of colleagues across primary care, the lack of GPs, particularly in Sunderland South, concerns were being raised in relation to more online or telephone consultations with doctors rather than face to face appointments. The Executive Director of Health, Housing and Communities responded that there had been an increase in those types of appointments during the pandemic which had proved helpful and popular with some residents for example with help on smoking cessation. She added that however some cardiovascular services and physical checks had not been delivered fully. She advised that face to face appointments were starting to return again in general practice and added that there was scope for a mixed delivery which would be examined in the ongoing work into the new contractual arrangements. In relation to the question of the shortage of GPs, she advised that the CCG would be able to better respond on that but she understood that Sunderland was in the mid range ratio of GPs per population.

Cabinet Members noted that concerns were frequently raised by residents in relation to the availability of GP appointments and it had been discussed at the Health and Wellbeing Scrutiny Committee. Councillor Farthing suggested that this should be included as an area to scrutinise in more depth. Councillor Chequer agreed and added that it should also be raised at the Health and Wellbeing Board meetings.

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

5. RESOLVED that the Executive Director of Health, Housing and Communities, in consultation with the Executive Director of Corporate Services and the Portfolio Holder for Health and Social Care, be authorised to undertake all necessary steps to:-

- (i) extend the Council's existing contracts with General Practices in Sunderland for a period of 3 months between 01st January 2023 and 31st March 2023; and
- (ii) establish joint commissioning arrangements with Sunderland Clinical Commissioning Group (SCCG) / its successor NHS commissioning body to enable Public Health Services in General Practices to be commissioned via the local Quality Premium Scheme for a period of up to 4 years from 1 April 2023 to 31 March 2027 on terms to be approved by the Executive Director of Health, Housing and Communities.

Proposed commissioning intentions for Public Health Services in Community Pharmacy from 1 December 2022 – 31 March 2028

The Executive Director of Health, Housing and Communities submitted a report (copy circulated) to seek approval to the proposed commissioning intentions for Public Health Services in Community Pharmacy from December 2022 to March 2028 as set out in the report.

(For copy report – see original minutes).

Councillor Chequer highlighted that Community Pharmacies offered accessible points of contact for local residents, with outlets in a wide range of locations such as high streets, shopping centres, supermarkets and alongside other healthcare services. She advised that as such, they provided significant opportunities for the delivery of public health interventions for local residents close to their homes or in locations that were convenient for other reasons, such as being close to workplaces.

Councillor Chequer reported that within Sunderland, the Council currently contracted with most Community Pharmacies for the delivery of elements of its range of public health services. These arrangements had been in place in their current form from 1 December 2017 and would expire on 30 November 2022.

Cabinet Members were advised that the Council currently commissioned the following services from Community Pharmacies in Sunderland:-

- (a) Smoking Cessation Services
- (b) Provision of Nicotine Replacement Therapy and Varenicline
- (c) Supervised consumption of opioid substitutes
- (d) Harm Reduction (including Needle Exchange)
- (e) Provision of Emergency Hormonal Contraception (EHC), C Card and Chlamydia/Gonorrhoea screening
- (f) Provision of Healthy Start Vitamins

It was explained that there continued to be ongoing need for each of the services, listed at section 4.1 of the report, to help improve outcomes relating to smoking, substance misuse, unplanned pregnancy and child and maternal health. As a result, it would be both necessary and preferable to establish replacement contracting arrangements with community pharmacies when the current contracts came to an end. Also, contracting arrangements must include the flexibility to add new schemes should the need arise.

Councillor Chequer reported that discussions had taken place between the Public Health team and the current provider of specialist substance misuse services to identify whether it would be advantageous to integrate the commissioning of pharmacy services for substance misuse (supervised consumption and harm reduction) into their contracting arrangements. She explained that potentially, doing so would offer the following benefits:-

- (a) As the substance misuse service issued all prescriptions that were dispensed for that purpose, day to day contact between the service and community pharmacies was constant. Therefore, they might be better placed to develop supervised consumption schemes that met the needs of the service user, prescriber and dispenser.
- (b) Also, as the substance misuse service was contracted to provide training and necessary equipment to pharmacies for the provision of the harm reduction scheme, they might be better placed to develop that scheme to ensure it met the needs of both the service user and community pharmacy.

Councillor Chequer advised that to achieve this change, the Council would need to remove the supervised consumption and harm reduction schemes from the scope of its future commissioning plans for Community Pharmacy.

Cabinet Members were advised that these services were currently commissioned using the NEPO procurement portal. This enabled providers to access relevant documentation and upload applications to provide the services. During the summer months of 2022, the NEPO portal was to be replaced by a newly developed system known as OPEN. This system offered benefits in terms of both functionality and usability, however the transition to OPEN would coincide with the procurement of these services.

Councillor Chequer explained that due to the large number of community pharmacies that would be applying to deliver the services there was significant risk to disruption of services if the procurement was carried out during the initial implementation of OPEN. It was therefore proposed to extend the contracts for a further period of 12 months from 1 December 2022 to 30 November 2023 to enable them to be maintained and subsequently procured during 2023.

Councillor Williams hoped that under the new arrangements the issues with needle exchanges and correct disposal of diabetes equipment would be resolved. In addition, she highlighted the need for more sympathetic surroundings in pharmacies that dealt with opioid clients where other members of the public and children were present. The Executive Director of Health, Housing and Communities advised that the proposed drugs and alcohol services had been trialled in other parts of the country and appeared to work well. In relation to clinical waste, she advised that the Council was the responsible service and anyone should contact the Council to remove their diabetes equipment and shots.

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

7. RESOLVED that the Executive Director of Health, Housing and Communities, in consultation with the Executive Director of Corporate Services and the Portfolio Holder for Health and Social Care, be authorised to undertake all necessary steps to:-

- (a) extend the Council's existing contracts with Community Pharmacies in Sunderland for a period of 12 months between 1 December 2022 and 30 November 2023 including revising the scope of the services from 1 December 2022 to remove supervised consumption and harm reduction schemes;
- (b) procure and award new contracts for Public Health Services in Community Pharmacy for the period 1 December 2023 to 31 March 2028 to include:-
 - Smoking Cessation Services
 - Provision of Nicotine Replacement Therapy and Varenicline
 - Provision of Emergency Hormonal Contraception, C Card and Chlamydia/ Gonorrhoea screening
 - Provision of Healthy Start Vitamins; and
- (c) vary the existing substance misuse contract with Change Live Grow (CGL) to include the provision of supervised consumption and harm reduction services.

Pupil Referral Unit – School Organisation Proposals and Procurement of Capital Works

The Director of Children's Services submitted a report (copy circulated) to provide information relating to and to seek a decision on a proposal to commence the informal and statutory processes required to increase the capacity of Sunderland's Pupil Referral Unit (PRU); to establish satellite delivery sites in the Coalfields, Washington and South Sunderland areas; to establish a Social, Emotional and Mental Health (SEMH) specialist provision at the potential Coalfields satellite provision; and to procure works and award contracts to facilitate the refurbishment of the former Hetton-le-Hole Nursery building.

(For copy report – see original minutes).

Councillor Farthing highlighted that the proposal sought to commence the necessary consultation process to formalise the Council's successful PRU pilot provisions that were operating in Central Sunderland and Washington while also commencing the process to establish a primary aged PRU satellite site in Hetton for the children from that and immediately surrounding areas.

Cabinet Members were advised that the children in the Coalfields area who accessed PRU provision were currently required to travel, often by taxi, into central Sunderland every day. This would ensure there was a suitable, high quality, local provision that children with additional needs in that area could access. The Council would also seek to establish a small unit for children between 5 and 11 that required additional support for social, emotional and mental health requirements.

Councillor Farthing reported that should the proposal be implemented at the end of the consultation period, the Council was proposing that the former Hetton-le-Hole Nursery building was developed as the site that would serve the children from that area and neighbouring areas in the Coalfields. She added that at this time it was considered that the first admission to the provision would be in September 2023.

Cabinet Members commended the proposals and welcomed the use of the Hetton site which would limit travel time so that pupils could remain in the Coalfield area. The proposals put the children first and would provide better value for money.

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

8. RESOLVED that:-

- (i) authorisation be given for the commencement of the necessary initial consultation process and subsequent statutory process required to:
 - Enlarge and increase the capacity of Sunderland's Pupil Referral Unit;
 - Establish satellite sites for Sunderland's Pupil Referral Unit in Hetton, Washington and South Sunderland;
 - Establish a resourced Social, Emotional and Mental Health Unit at Sunderland's Pupil Referral Unit; and
- (ii) subject to the outcomes of the required School Organisation processes and subject to consultation with the Lead Member for Children's Services, the Director of Children's Services be authorised to procure capital works and award contracts to facilitate the refurbishment of the former Hetton-le-Hole Nursery building and external areas for use as the Coalfields Pupil Referral Unit satellite site.

Variation of current contracts for Family, Adult and Community Learning provision for 2022/2023

The Director of Children's Services submitted a report (copy circulated) to seek approval to vary current contracts for the delivery of community-based Family, Adult and Community programmes commissioned by the Learning and Skills Service, covering the funding year beginning on 1 August 2022 and ending 31 July 2023.

(For copy report – see original minutes).

In highlighting the report, Councillor Farthing advised that the commissioned model demonstrated best use of resources and secured value for money, creating maximum impact from the funding available. She added that however current resources and pressures of training providers to complete a rigorous procurement exercise were excessively stretched and might limit the number of applicants in a procurement exercise, this in turn, had the potential to impact negatively on current delivery as well as future delivery.

Cabinet Members were advised that a year extension, with a full procurement exercise in 2022/23, would align the provision to recommendations in The Skills and Post 16 Education Bill which formed the legislative underpinning for reforms set out in the Department for Education (DFE) whitepaper Skills for Jobs: Lifelong Learning for Opportunity & Growth (January 2021). The Bill sought to address the recommendations of the Review of Post-18 Education and Funding (Auger Review) which stated that the Government should commit to providing an AEB funding allocation that enabled FE providers to plan on the basis of income over a 3 year period. The Bill received Royal Assent in April 2022 with a 3-year funding regime starting in academic year 2023.

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

9. RESOLVED that approval be given to agree a variation to current commissioned community programmes. The variation to be a 1-year extension to cover academic year 1 August 2022 to July 2023.

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

At the instance of the Chairman, it was: -

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

(Signed) G. MILLER,
Chair.

Note:-

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

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

