

**At a meeting of the SCRUTINY COMMITTEE held in the CIVIC CENTRE
SUNDERLAND on THURSDAY, 5th NOVEMBER, 2015 at 5.30 p.m.**

Present:-

Councillor Dianne Snowdon in the Chair

Councillors Davison, D. Dixon, Fletcher, Howe, Scanlan and David Snowdon.

Also in attendance:-

Mr. Nigel Cummings, Scrutiny Officer, Sunderland City Council

Mr. Jim Diamond, Scrutiny Officer, Sunderland City Council

Ms. Gillian Gibson, Consultant in Public Health, Sunderland City Council

Ms. Rhiannon Hood, Assistant Head of Law and Governance, Sunderland City Council

Ms. Joanne Stewart, Principal Governance Services Officer, Sunderland City Council

Mr. Tom Terrett, Assistant Head of Streetscene (Public Protection and Regulatory Services), Sunderland City Council

Ms. Sonia Tognarelli, Interim Head of Paid Service and Director of Finance, Sunderland City Council

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillor N. Wright and Mr. S. Williamson

Minutes of the last Meeting of the Committee held on 8th October, 2015

1. RESOLVED that the minutes of the last ordinary meeting of the Scrutiny Committee held on 8th October, 2015 (copy circulated), be confirmed and signed as a correct record.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest made.

Reference from Cabinet – Capital Programme Second Capital Review 2015/16

The Head of Law and Governance submitted a report (copy circulated) to advise the Committee of the approval by Cabinet of variations to the capital programme to include additional schemes worth an estimated cost in excess of £250,000, which will also be reported to Council for information.

(For copy report – see original minutes).

Ms Sonia Tognarelli, Interim Head of Paid Service and Director of Finance presented the report advising that the Cabinet at its meeting held on 21st October, 2015 were asked:-

- In respect of the second capital review for 2015/16 to approve the inclusion of additional schemes or variations to existing schemes for 2015/16 detailed within the appendix, as a variation to the Capital Programme; and
- To approve a capital grant of £50,700 to Holley Park Academy in accordance with Financial Procedure Rules.

In relation to the Treasury Management Strategy and Prudential Indicators, Ms. Tognarelli advised that Cabinet were asked to:-

- Note the positive progress made in implementing the strategy for 2015/16; and
- Approve and recommend to Council the revised 2015/16 Prudential Indicators for both the Authorised Borrowing Limit for External Debt of £516.048m and the Operational Boundary for External Debt Limit of £442.196m.

In response to a query from Councillor David Snowdon regarding the grant of £50,700 to Holley Park Academy, Ms. Tognarelli advised that the building works had been agreed as a delegated decision and funding for the school had come through basic need funding from the DfE. The additional sum of £50,700 was granted through Section 106 resources which meant the releasing of other resources to support this.

Councillor Dianne Snowdon asked if Ms. Tognarelli could advise the Committee as to what is meant when referring to the Prudential Indicators for Authorised Borrowing for External Debt and Operational Boundary for External Debt Limit and she informed Members that the limits were set whenever the Capital Programme was set and were the levels were those which the Council was not expected to exceed. It was unusual for this figure to be increase 'in-year' but as there had been Government changes which impacted upon the PFI Scheme for Waste treatment, which was reflected in the balance sheet then the limits had to be changed to reflect this.

The Scrutiny Committee being satisfied with the proposed variations to the Capital Programme for 2015/16 and 2016/17 including the additional schemes listed at Appendix A to the report, it was:-

2. RESOLVED that the Scrutiny Committee note the proposed variation to the Capital Programme for 2015/16 and 2016/17 to include additional schemes with an estimated cost in excess of £250,000

Reference from Cabinet – Revenue Budget Second Review 2015/16

The Head of Law and Governance submitted a report (copy circulated) to set out for advice and consideration and aspect of the report on the Revenue Budget Second Review for 2015/16, namely requesting the Council to approve the transfer of funds.

(For copy report – see original minutes).

Ms. Sonia Tognarelli, Interim Head of Paid Service and Director of Finance presented the report advised that in accordance with the Council's Budget and Policy Framework certain transfers require Council approval. The following extract refers to those transfers of funds:-

'At this stage savings are anticipated in respect of capital financing charges as a result of slippage on the capital programme, additional income from interest on investments of approximately £6m at year end. It is proposed that these amounts and any further underspendings arising from unspent contingencies at the end of 2015/16 are earmarked to support the overall 2015/16 position and to meet transitional costs arising in 2015/16 and future years.'

Cabinet, at its meeting held on 21st October, 2015, had:-

- Approved the contingency transfers proposed and budget transfers set out in the report; and
- Authorised the Director of Finance and Assistant Chief Executive, in consultation with the Leader and Cabinet Secretary, to make the necessary arrangements to procure the required external expertise in support of the development of the transformation programme.

The Committee were satisfied with the proposal to earmark these amounts and any further underspendings arising from unspent contingencies at the end of 2015/16 to support the overall 2015/16 position and transitional costs arising in 2015/16 and future years; and it was:-

3. RESOLVED that the Scrutiny Committee noted and supported the issue of transfer as set out in the extract.

Reference from Cabinet – Proposals for Budget Consultation 2016/17

The Head of Law and Governance submitted a report (copy circulated) which sought the views of the Committee on a joint report of the Interim Head of Paid Service and Assistant Chief Executive which was considered by Cabinet on 21 October, 2015, on proposals for the consultation strategy for the Budget 2016/17 and the Local Council Tax Support Scheme which would help guide and inform the preparation of the Budget for 2016/17.

(For copy report – see original minutes).

Ms. Sonia Tognarelli, Interim Head of Paid Service and Director of Finance presented the report advising that the joint report with the Assistant Chief Executive had been submitted to Cabinet at its meeting held on 21st October, 2015.

4. RESOLVED that the Scrutiny Committee support the proposal for the budget consultation for 2016/17.

Reference from Cabinet – Budget Planning Framework 2016/17 and Medium Term Financial Strategy 2016/17 – 2019/20

The Head of Law and Governance submitted a report (copy circulated) which sought the views of the Committee on a joint report of the Interim Head of Paid Service and Assistant Chief Executive which was considered by Cabinet on 21 October, 2015 on proposed budget planning framework, which would guide the preparation of the Revenue Budget for 2016/17.

(For copy report – see original minutes).

Ms. Sonia Tognarelli, Interim Head of Paid Service and Director of Finance presented the report advising that the report identified the key factors influencing the development of the Council's financial plans into the medium term and set out the budget planning framework for the Council for 2016/17. The report also set out the headlines and context for the Medium Term Financial Strategy 2016/17 to 2019/20 which would be formally considered in due course.

The Committee were advised that Cabinet had:-

- Agreed the proposed Budget Planning Framework summarised within the report which would guide the preparation of the Revenue Budget for 2016/17; and
- Noted that the full Medium Term Financial Strategy 2016/17 to 2019/20 will be presented to the Cabinet meeting to be held in February, 2016.

The Committee acknowledged the difficult financial pressures and constraints that the Council must address and were satisfied, despite many issues remaining unclear until the release of the high level spending review on 25th November, 2015, with the information provided, and having no further comment to make, it was:-

5. RESOLVED that the Scrutiny Committee supported the Cabinet recommendation that the proposed Budget Planning Framework and Medium Term Financial Strategy be submitted to Council for approval.

Reference from Cabinet – Licensing Act 2003 – Approval of the Council's Statement of Licensing Policy

The Head of Law and Governance submitted a report (copy circulated) which appended a report to be considered by Cabinet at its meeting on 25th November, 2015 on the responsibility of the Council with regard to the publishing of a statement of licensing policy under the Licensing Act 2003 (the 'Act').

(For copy report – see original minutes)

Mr. Tom Terrett, Assistant Head of Street Scene (Public Protection and Regulatory Services) presented the report which sought the views of the Committee on the publishing of a statement of licensing policy under the Licensing Act 2003.

Councillor David Snowdon referred to paragraph 1.13 of the policy, which advised that Sunderland were in the top (worst) 10% of the 152 upper tier local authority populations for a number of alcohol related issues, and asked if the Officer could

advise which areas were lower Ms. Gibson informed Members that the biggest improvements had been found in authorities where the powers within the licensing policies had been used, for example, Lambeth had seen a significant reduction in alcohol related admissions to hospital. Members were informed that further information would be provided to them on the best twelve or so local authorities and in future reports would reflect the request and have comparative information within it.

Councillor Davison highlighted paragraph 7.1 of the policy and the ability for the Council to adopt a special policy to refuse new licenses in any area that has been specified as having a large concentration of licensed premises or that has a potential impact on crime, disorder or public nuisance and asked if there were any areas within the city that the authority had considered using their powers. Mr. Terrett advised that no areas had been identified to date although Officers were aware of Members were advised that before the Council could take any measures in an area though they would have to have robust evidence to support any decision. He also advised that if Members had any other areas of concern to raise them with Officers so that they were made aware of them.

In response to a further query from Councillor Davison regarding early morning restrictions being placed on the sale of alcohol, Mr. Terrett advised that the authority had the power to enforce restrictions for a number of years but to date no local authority had taken that route. He explained that the issues had been looked at and that the first proposal was to look to proprietors and seek voluntary agreement to restrictions on the sale of alcohol. Once more Mr. Terrett advised that should the premises not wish to be involved then the Officers would need to have a strong evidence base so that they could impose such restrictions upon premises, as any such policy would be open to legal challenge and therefore would need it have a strong, robust, evidence base to support that policy.

Councillor Davison went on to state that the policy refers to the protection of children from harm and commented that she would welcome any research into cases of domestic violence which may be related to alcohol, and then looking further to see which licensed premises any alcohol had been purchased from. At the moment she did not feel that licensing laws did not protect vulnerable individuals from the threat of domestic violence.

Councillor Fletcher also referred to Food Delivery Premises that were delivering alcohol with food orders. She asked how this was monitored to ensure that the alcohol was not being delivered to an underage person.

Mr. Terrett understood Members views and concerns, explaining that the law had been intended to liberalise and the local authority had to have a very good reason to stop or revoke a license but if the evidence is available then the Council can act upon it. He advised Members that if they had concerns over individual premises they should advise Officers of them to investigate further. He explained to Members that the Council had removed licenses in the past but it took significant work to get to that position.

Councillor Fletcher asked Mr. Terrett if he felt that the service had enough resources to collect evidence and was informed that over the last five years the service had lost staff and resources, and there was the likelihood that there would be further cuts to be made. He explained that the service struggles to match their statutory duties but that they would work to investigate issues which were brought to their attention.

Councillor Scanlan asked if the service worked closely with Northumbria Police, as she had been aware they had worked in conjunction in the past when investigating premises selling alcohol to underage persons. Mr. Terrett advised that the service had and still did work alongside Northumbria Police in joint operations against public houses and off licenses but not exclusively with them.

In relation to a question from Councillor Scanlan regarding restricting licensed hours in order to prevent residents nearby being disturbed, and in particular city centre residents, Mr. Terrett advised that it was irrelevant where residents were as all residents of the city have the same entitlement. With regard to city centre residents Mr. Terrett advised that the problem in the City Centre would be identifying which establishment was the cause of the problem, although Officers could visit premises to ensure doors and windows were closed to reduce the impact of noise on residents.

With regard to the introduction of a late night levy, whereby premises paid a fee based on their closing times, Mr. Terrett advised they could investigate asking premises to voluntarily agree to amend their opening until the early hours of the morning. He explained that this would be imposed by the Council but that this was not an easy route, although that doesn't mean they should not try it. With regard to late night levy payments, some local authority imposed a fee based on the rateable value, with 70% going to the Police and Crime Commission and the remaining 30% to the local authority to spend on improvements related to late night openings.

Councillor Scanlan asked a further question regarding the introduction of a minimum pricing on alcohol and was advised that there was no legal provision which gave powers to help set up a minimum pricing scheme in licensed premises, although Scotland were the most advanced in taking that stance. National Legislation would be the most appropriate route to bring in minimum pricing.

Councillor Dixon commented that the region had a long history of alcohol related issues, which was recognised, but asked if there was any feeling as to how it had increased over the years. Mr. Terrett advised that he did not have those figures to hand but could feed them back to Members outside of the meeting. Ms. Gibson added that they would also have the number of admissions in relation to alcohol related issues over the years which could be included with the figures to give an indication of the increase faced by the NHS year on year. Ms. Gibson also advised that in relation to helping Mr. Terrett's team, the CGG could look to put in some resources to help in the short term, as it was worth paying a small amount to help the team work better to propose better licensing applications which in turn may reduce the impact alcohol related issues has on the NHS.

With regards to a question from councillor David Snowdon in relation to supermarket sales of alcohol and how they are marketed, Mr. Terrett advised that he was aware that supermarkets sold more alcohol than any pub chain but that all of them comply with the law so the Council could have very little to do with restricting how a supermarket chooses to market their products.

Members having thanked Mr. Terrett for his report, and having answered all of Members questions, it was:-

6. RESOLVED that the Scrutiny Committee support the Council's responsibility in publishing the statement of licensing policy under the Licensing Act 2003.

Reference from Cabinet – Gambling Act 2005 – Approval of the Council's Statement of Principle's

The Head of Law and Governance submitted a report (copy circulated) which appended a report to be considered by Cabinet at its meeting on 25th November, 2015 on the responsibility of the Council with regard to the publishing of a statement of principles under the Gambling Act 2005 (the 'Act').

(For copy report – see original minutes)

Mr. Tom Terrett, Assistant Head of Street Scene (Public Protection and Regulatory Services) presented the report which sought the views of the Committee on the publishing of a statement of principles under the Gambling Act 2005.

In response to a query from Councillor Dixon regarding online gambling, Mr. Terrett advised that the local authority only regulate fixed gambling premises and therefore had no control over internet gambling, although they would have required a licence from the gambling authority.

Councillor Dianne Snowdon referred to the fact that most of the larger bookmaker chain operate a Challenge 21 scheme in their stores and asked if the Council did 'mystery shoppers' as they did with underage alcohol purchases. Mr. Terrett advised that they did not but that this was mainly due to the fact that there was no evidence of underage gambling in bookmakers being an issue. The only complaints the services ever received with regard to bookmakers tended to be regarding parking or noise on occasion. If Members had concerns over any premises then the Council could look to investigate further but without any intelligence stating that there was a problem the service would not look to investigate.

Members having thanked Mr. Terrett, for his report, it was:-

7. RESOLVED that the Scrutiny Committee support the Council's responsibility in publishing a Statement of Principles under the Gambling Act 2005.

Notice of Key Decisions

The Interim Head of Paid Service and Director of Finance 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 27th October, 2015.

(For copy report – see original minutes).

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

Annual Work Programme 2015-16

The Head of Scrutiny and Area Arrangements submitted a report (copy circulated) which provided the Annual Scrutiny Work Programme for 2015-16 for the Committee's information.

(For copy report – see original minutes).

Nigel Cummings having advised that the Planning Framework would now move from the December meeting to January; it was:-

9. RESOLVED that the information contained in the work programme be received and noted.

Lead Scrutiny Member Update: November, 2015

The Lead Scrutiny Members submitted a joint report (copy circulated), which provided an overview to the Scrutiny Committee of the work of each of the six Lead Scrutiny Members and supporting Panels to date.

(For copy report – see original minutes).

10. RESOLVED that:-

- (a) the update of the Lead Scrutiny Members be received and noted; and
- (b) the current expenditure and remaining scrutiny budget for 2015/16 be noted.

The Chairman thanked everyone for their attendance and contributions and closed the meeting.

(Signed) DIANNE SNOWDON,
Chairman.