

**At a meeting of the SCRUTINY CO-ORDINATING COMMITTEE held in CITY HALL, SUNDERLAND on THURSDAY 14<sup>th</sup> JULY, 2022 at 5.30 p.m.**

**Present:-**

Councillor D.E. Snowdon in the Chair

Councillors Bond, Butler, Curtis, Doyle, Edgeworth, Hartnack, Mason-Gage, P. Smith, D. Snowdon and Watson.

Also in attendance:-

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

Mr David Noon, Principal Governance Services Officer, Law and Governance, Corporate Services Directorate

Ms Beverley Poulter, Corporate Strategy Manager

Mr Jon Ritchie, Executive Director of Corporate Services

Ms Gillian Robinson, Scrutiny, Mayoral and Member Support Co-ordinator, Corporate Services Directorate

Mr Paul Wilson, Assistant Director of Finance, Corporate Services Directorate

The Chairman welcomed everyone to the meeting and in particular those Councillors who were attending their first meeting as members of the Committee.

**Apologies for Absence**

Apologies for absence were received from Councillors Mullen and Thornton.

**Minutes of the last meeting of the Committee held on 10<sup>th</sup> March, 2022**

1. RESOLVED that the minutes of the last meeting of the Committee held on 10<sup>th</sup> March, 2022 (copy circulated), be confirmed and signed as a correct record.

**Declarations of Interest (including Whipping Declarations)**

Item 7 – Notice of Key Decisions

Councillor Doyle made an open declaration in respect of item number 210728/613 due to his employer being involved in land acquisition relating to the matter on the notice regarding Sunnyside Regeneration Scheme.

## **Reference from Cabinet – 9 June 2022 – Revenue Budget Outturn 2021/2022**

The Assistant Director of Law and Governance submitted a report (copy circulated) setting out for the advice and consideration of the Scrutiny Committee, a report by the Executive Director of Corporate Services, which was considered by Cabinet on 9 June 2022, on 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.)

Mr Jon Ritchie, Executive Director of Corporate Services proceeded to brief the Committee on the report and referred Members to paragraph 3.2.2 where a summary of the outturn position was set out in the table showing the final outturn position of a net underspend of £0.037m.

Mr Ritchie drew attention to the earmarking of specific reserves totalling £19.516m as detailed in paragraph 3.7 as a prudent and sensible approach to meet the number of expected pressures listed.

With regard to the Collection Funds detailed in paragraph 6 Mr Ritchie informed that tracking these funds had been difficult over the proceeding years given the impact of covid and the complexity of the relief grants structure.

Councillor Hartnack referred to the overspend in respect of Corporate Affairs and Communications detailed on page 17 of the agenda and asked who the main beneficiaries were? Mr Ritchie replied that they were mainly external firms engaged in respect of branding and promotional work.

In response to an enquiry from Councillor Doyle, Mr Wilson confirmed that the shortfall on rental income from the Council's interest in the Bridges was due to the level of vacant units in the shopping centre and that he believed the rental for a unit was on a fixed rate basis rather than tied to turnover.

Councillors Butler, Hartnack and Bond expressed concern regarding the pay and terms and conditions of people employed by firms providing social care on behalf of local authorities. In response in an enquiry from Councillor Butler, Mr Ritchie advised that under the 'fair cost of care', the providers of social care were obliged to tell the Council what they paid their staff. Councillor Butler asked if the Committee could receive details of these rates of pay. Mr Ritchie advised that commercial sensitivities would probably prevent this however he would investigate whether it would be possible to provide an anonymised breakdown. Although the firms were private businesses the Council could seek to influence and secure certain conditions through the procurement and contract monitoring processes. The Chair advised that it was an issue Councillor Butler may wish to pursue via the Health and Wellbeing Scrutiny Committee.

Full consideration having been given to the report, and there being no further questions of Mr Ritchie, the Chairman thanked him for his comprehensive report and, it was:-

2. RESOLVED that the Scrutiny Committee notes the content of the report and the overall outturn position of the Council for 2021/2022.

## **Reference from Cabinet – 14 July 2022 - Capital Programme First Review 2022/2023 (including Treasury Management)**

The Assistant Director of Law and Governance submitted a report (copy circulated) setting out for the advice and consideration of the Scrutiny Committee, a report by the Executive Director of Corporate Services, which was considered by Cabinet on 14 July 2022, on the outcome of the First Capital Review for 2022/2023 and progress in implementing the Treasury Management Borrowing and Investment Strategy for 2022/2023.

(For copy report – see original minutes.)

Mr Jon Ritchie, Executive Director of Corporate Services proceeded to brief the Committee on the report and referred Members to paragraph 4.1 where details of the changes to the 2022/2023 Capital Programme both in terms of expenditure and resourcing were set out and paragraph 4.4 which highlighted the impact of the COVID-19 pandemic since March 2020 on the Capital Programme. He also pointed out the Review of the Prudential Indicators and Treasury Management Strategy for 2022/2023 set out at paragraph 5.

In response to an enquiry from Councillor Doyle, Mr Ritchie explained the reasons for the rate of return on the Council's investments being below the benchmark SONIA rate and the effect rapidly changing rates were having on the benchmark.

Councillor Butler referred to the statement on page 37 of the agenda papers that the upgrade of play areas including at Durham Road, Thompson Park, Low Moorsley and Hetton Lyons Country Park, Sunderland Adventure Centre and St Matthews Field, were fully funded by £0.423m of S106 developer contributions. He asked how the Sec 106 scheme operated? Were all contributions put into a centralised pot and did all areas get their fair share?

Mr Ritchie advised that it differed on a case by case basis. As much flexibility as possible was built into the process to try and ensure that local areas generating the contributions through developments in that area received some benefit however contributions were also allocated on a city wide basis.

Councillor Butler asked if it was possible to receive a breakdown of the allocation of Sec 106 contributions and the reasons for those allocations. Mr Ritchie advised that he would contact the Planning team to see if there was a summary document that could be shared. Councillor D. Snowdon advised that with regard to the allocations process, this had been discussed about 6 years ago. He still had a copy of the flow chart that illustrated the process to be followed which he could share with Councillor Butler.

Full consideration having been given to the report, there being no further questions of Mr Ritchie and the Chairman having thanked him for his report, it was:-

3. RESOLVED that the Scrutiny Committee noted the content of the Capital Programme including the information and assurances provided on the Prudential Indicators and Treasury Management Strategy. The Committee were also satisfied

with the detailed variations to the capital programme and had no further comment to make.

### **Reference from Cabinet – 14 July 2022 - First Revenue Budget Review 2022/2023**

The Assistant Director of Law and Governance submitted a report (copy circulated) setting out for the advice and consideration of the Scrutiny Committee, a report by the Executive Director of Corporate Services, which was considered by Cabinet on 14 July 2022, on the First Revenue Budget Review 2022/2023.

(For copy report – see original minutes.)

Mr Jon Ritchie, Executive Director of Corporate Services briefed the Committee on the report highlighting that the budgets for 2022/2023 were as approved by Council in March 2022. A full review had been undertaken for each Portfolio, together with contingency allocations proposed for the first quarter.

Mr Ritchie referred the Committee to the table at 3.1.3 of the report which stated that the overall forecast outturn position for 2022/2023 was a deficit of £3.941m.

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

4. RESOLVED that the Scrutiny Co-ordinating Committee noted the contents of the report including the various budget positions, contingency transfers, treasury management savings and collection fund updates. The Committee would also like to thank Members and Officers for the preparation and continued monitoring of the Council's revenue budget position and welcomes further updates at future meetings.

### **Performance Management Update – Quarter 4 of 2021/22**

The Chief Executive submitted a report (copy circulated), to provide the Committee with the Corporate Performance Report for Quarter 4 of 2021/22.

(For copy report – see original minutes.)

Ms Beverley Poulter, Corporate Strategy Manager presented the report and advised that the Council's Corporate Performance Management Framework was aligned to the Sunderland City Plan 2019 – 2030 and to the three key themes of the City Plan, Dynamic Smart City, Healthy Smart City and Vibrant Smart City, as well as including the organisational health indicators, productive & innovative working, financial management and a council ready for the future. The report set out the progress made to the end of Quarter 4 of 2021/22, against a City Plan that commenced in 2019 and spanned an eleven-year period through to 2030.

The Committee was informed that following the City Plan's publication in 2019, the first review was undertaken following the conclusion of performance for 2019/20. The refreshed plan was adopted from 1st April 2021. The report before members was aligned to the refreshed plan. A review and assurance process would be undertaken

each year, to ensure that delivery remains focused on achieving the plan commitments.

Analysis of the evidence from the latest assurance process concluded that the plan remained relevant, but given the significant, focus on tackling global climate change, a related challenge to support the council's and city's commitments in respect of carbon neutrality was included.

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

Councillor Hartnack referred to the 'chaos' along Sunderland's seafront during the previous weekend's period of hot weather and in particular the road safety concerns generated by the numerous incidents of obstructive and unlawful parking. He believed that this was exacerbated by the number of vacancies currently being carried by the Council's parking enforcement services. He asked if there was more that could be done to fill the vacancies and if perhaps innovations in operating procedures were possible. He stated that as the skill sets in any enforcement activities were similar, instead of employing separate parking attendants, dog wardens, environmental enforcement officers etc. could they be trained to multi task across all types of Council enforcement activity.

Councillor Doyle referred to the 'More and Better Housing' section of the report detailed on page 66 of the agenda papers and asked if it was possible to receive a breakdown in respect of the 230 privately rented properties inspected for hazards. Ms Poulter confirmed that she would look to provide this.

Councillor Doyle also noted that low carbon featured in both the Dynamic City and Healthy City sections of the report and asked that given the Deputy Leader had low carbon as an element of her portfolio, could it feature as a discreet section in its own right. Ms Poulter confirmed that it should be possible to combine both aspects into a single item. Mr Ritchie advised that Cabinet had received an update on low carbon at its meeting earlier that day and suggested that it could form a template for reporting as part of the performance report.

In response to an enquiry from Councillor Bond, Ms Poulter advised that she did not have the national benchmark target figure for recycling to hand, but she would provide it following the meeting. She also confirmed that an exercise was under way to add recycling as a performance indicator in future reports.

Councillor Butler highlighted concerns regarding the experience of a resident applying for a Council vacancy via NE Jobs. Mr Ritchie asked Councillor Butler to forward him the details and he would investigate the matter.

Councillor D. Snowdon asked whether the increased occupancy rates at the Business Incubator was down to Software Centre moving to the building? Ms Poulter replied that she would assume that this was the case but that she would check and get back to Councillor Snowdon.

In response to an enquiry from Councillor Smith regarding the cost of living crisis and the impact of the forthcoming winter, Ms Poulter advised that the Sunderland Partnership had signed up to a charter around Community Wealth Building. Discussions were continuing regarding a charter in respect of the cost of living crisis with a view to building in resilience as a priority. This would lead to a declaration and an associated action plan. Councillor D Snowdon and Councillor Mason Gage paid tribute to the work being done to support people in relation to the cost of living crisis and noted that as the crisis deepened it would be inevitable that demand on food banks would increase and donations decline.

Councillor Edgeworth advised that systems for the communication of information from the Council to its members had been excellent during the Covid pandemic and asked it would be possible to replicate this in respect of the cost of living crisis.

Councillor Hartknack contrasted the low carbon approach being taken by Gentoo in respect of the homes it had built in Silkworth compared to properties it was building for the private sector 100 yards away using non carbon neutral materials. He asked if it was possible to enforce the use of low carbon materials through planning conditions. Councillor Doyle replied that part of the issue centred on central Government Planning Policy which currently only encouraged its use rather than mandated it.

In response to an enquiry from Councillor Doyle, Ms Poulter advised that she would investigate the feasibility of incorporating the Council's confirmed list of contaminated land in future reports.

Councillor Doyle referred to the paragraph on page 77 of the report that stated that 'Business Rates Collection (at 96.1%) and Council Tax Collection (at 92.3%) were under the expected levels (of 97.6% and 96%) reflecting the impact of Covid-19 on our businesses and residents'. He asked if these were internal in year collection rates and if so, how did they compare with other Councils? Mr Wilson confirmed that they were internal in year rates and that long term collection rates were being achieved. Sunderland was benchmarked with other Councils. Regionally Gateshead was suffering in respect of the collection business rates given the presence of the Metrocentre.

Councillor Edgeworth referred to the statement on page 78 of the agenda that the City was now fully operational and delivering on the new ways of working and asked if there had been any feedback from residents. Mr Ritchie advised that there was a general shift towards on line contact between the Council and residents however it still tried to maintain face to face points of contact at City Hall for people who really needed it. The Council collected qualitative in addition to quantitative data and he would seek an update from the CSN.

There being no further questions or comments for Ms Poulter, the Chair thanked her for her report and it was:-

5. RESOLVED that the report be received and noted.

## **Review of Scrutiny Arrangements in Sunderland**

The Scrutiny, Mayoral and Member Support Co-ordinator submitted a report (copy circulated) which provided the formal response and findings from the Centre for Governance and Scrutiny on their independent review of scrutiny in Sunderland.

(For copy report – see original minutes.)

Ms Gillian Robinson, Scrutiny, Mayoral and Members' Support Co-ordinator advised the Scrutiny Committee that it was being formally asked to accept the report in order to develop an action plan based on the 4 main themes arising from the review.

Councillor Doyle advised that Ed Hammond, Deputy Chief Executive CFGS had previously agreed to submit a short report he had prepared on opposition led scrutiny and asked if it had been received yet. Ms Robinson advised that she would check, however there was the possibility that the Local Authority it was prepared for were not prepared to release it.

Councillors Smith and Butler stressed the importance of the provision of training for members of the Scrutiny Committees and in particular for those newly appointed Members. Councillor Butler stated that it fell on the Group Leaders to hold to account their members who did not attend the training that was provided.

Ms Beverley Poulter, Corporate Strategy Manager, informed the Committee that the following Thursday the LGA would be holding a workshop in City Hall on the role of the modern Councillor. It would be an ideal opportunity for members to seek information and air any frustrations as the session was independently facilitated and no Council Officers would be present.

Mr Cummings advised that the Centre for Public Scrutiny provided video training for members and Ms Robinson added that the LGA also provided very good online Scrutiny training and that she would provide a link for Committee Members.

### **4. RESOLVED that:-**

- (a) the Review of Scrutiny as conducted by the Centre for Governance and Scrutiny on behalf of Sunderland City Council be noted and agreed.
- (b) an action plan for recommendations arising from the Review be developed, and,
- (c) the Scrutiny Coordinating Committee continues as the steering group for the development of the actions in terms of the scrutiny review.

## **Annual Scrutiny Work Programme 2022/23**

The Scrutiny, Mayoral and Member Support Co-ordinator submitted a report (copy circulated) providing Members with an opportunity to consider and agree the Committee's work programme for the municipal year 2022/23.

(For copy report – see original minutes.)

In addition to the items detailed in the report, Mr Nigel Cummings, Scrutiny Officer, advised that it was proposed to establish a task and finish group to look at the development of a Cabinet/Scrutiny Protocol with a view to bringing back a draft protocol to a future meeting of the Committee for discussion. With regard to the Safer Sunderland Partnership, the Committee was informed that Superintendent Waring would be present at the September meeting.

Councillor Hartnack highlighted the final item on the table detailed in paragraph 3.2 of the report advising that he had raised the possibility of calling in a decision which had resulted in specific concerns being raised by members of the public regarding land deals and whether the correct processes had been followed.

Mr Ritchie informed the Committee that it was not within the purview of Scrutiny to examine a decision made 5 years ago, nor would there be any value even if it was believed that the decision was wrong. Once a decision was made, and concerns were then raised about it, the issue became a matter for the audit function and ultimately the Audit Committee. The point of the 'call in' process within the Scrutiny function was to challenge a key decision before it was made.

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

4. RESOLVED that the Scrutiny Co-ordinating Committee draft work programme for 2022/23 be approved and that emerging issues be incorporated as and when they arise throughout the forthcoming year.

### **Notice of Key Decisions**

The Scrutiny, Mayoral and Member 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 15<sup>th</sup> June, 2022.

(For copy report – see original minutes.)

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

The Chair in closing the meeting, thanked everyone for their attendance.

(Signed) D. E. SNOWDON,  
Chairman.