

At a meeting of the MANAGEMENT SCRUTINY COMMITTEE held in the CIVIC CENTRE on THURSDAY, 21ST JANUARY, 2010 at 5.30 p.m.

Present:-

Councillor Tate in the Chair

Councillors Copeland, D. Forbes, M. Forbes, P. Gibson, L. Martin, Mordey, J. Scott, Walker and T. Wright.

Also present:-

Councillor Anderson - Deputy Leader of the Council

Welcome and Introductions

The Chairman welcomed everyone to the meeting and invited them to introduce themselves to one another.

Apologies for Absence

There were no apologies submitted.

Minutes of the Last Meeting of the Committee held on 17th December, 2009

1. RESOLVED that the minutes of the last meeting of the Scrutiny Committee held on 17th December, 2009, Part I (copy circulated), be confirmed and signed as a correct record.

Declarations of Interest (including Whipping Declarations)

Item 6 - Reference from Cabinet – 13th January, 2010 Revenue Budget 2010/2011

Councillor Tate declared a personal interest in relation to Equal Pay issues as a Member of the GMB and as a Member of Hetton Town Council. He also declared a personal and prejudicial interest in relation to Hetton Home Care as the Chairman. Councillor Tate vacated the Chair and left the meeting, leaving the Vice-Chairman Councillor T. Wright to assume the Chair for this item of business.

Item 7 – Reference from Cabinet – 13th January, 2010 Capital Programme – Third Review 2009/2010 Provisional Resources 2010/2011 and Treasury Management Review 2009/2010

Councillors M. Forbes and P. Gibson declared personal and prejudicial interests in the report as Governors of St. Anthony's School and Chairman of Governors of Farrington Community Sports School respectively. They left the meeting before the Committee gave consideration to the additional scheme BSF Wave 2 Project Resources Plan.

Councillor Tate declared a personal and prejudicial interest as a Governor of Hetton School. He vacated the Chair and left the meeting, leaving the Vice-Chairman Councillor T. Wright to assume the Chair for this scheme.

Comprehensive Area Assessment (CAA) Reports and Performance Update (April – September)

The Chief Executive submitted a report (copy circulated) providing the Scrutiny Committee with the findings from the inaugural Comprehensive Area Assessment (CAA) and a performance update which included those areas identified by the Audit Commission (AC) as being the focus of improvement during 2010.

(For copy report – see original minutes).

The Chairman invited Mr. Dave Jennings and Ms. Lynn Hunt to address the Committee. Mr. Jennings and Ms. Hunt provided the Committee with a comprehensive presentation of the CAA and Use of Resources Assessment. The presentation provided details as to how CAA will work, of the Area Assessment results for Year 1 and the Use of Resources assessment showing what areas were performing well and highlighting areas for improvement.

Councillor T. Wright commented that he was pleased to hear that the CAA had shown that the Council was working well with partners and that in the last year was starting to put things in place to reduce some health inequalities.

With regards to health, Councillor Wright enquired how this was assessed. He was of the opinion that Sunderland's health services were the best in the country, however he asked for an explanation as to how an assessment was made as to where Sunderland was coming from in the light of the inherent health problems due to the City's industrial heritage. He stated that health was therefore a much bigger challenge in Sunderland and he felt this needed to be taken into account.

In response, Mr. Jennings commented that Sunderland historically was assessed as a high performing Council as were the health authorities and yet life expectancy was shorter; there being a legacy of industrial illnesses. Children born now had a different life expectancy. Mr. Jennings stated that the Audit Commission did not come up with a league table. The local context was fed in, a dialogue took place with partners about whether they recognised this as an issue. They looked at what plans and strategies were in place to improve things and whether they were making

a difference. As an example of the things taken into account, Mr. Jennings highlighted the Wellness Centres and the Aquatic Centre which were clearly tackling health issues in Sunderland.

Councillor M. Forbes commented that in relation to partnerships the Council was often not in a position to resolve the situation where they were failing to deliver what it would like to see and that it had 'no teeth'. An example of this was in relation to affordable housing as the Council did not have any housing stock of its own.

Councillor Forbes stated that she was a little perturbed by the comment that Sunderland had a positive achievement in increasing employment when one in eight young people were not in employment, education or training.

Councillor Forbes asked what the Council should particularly be looking at in the areas of natural resources and asset management and queried why workforce had not been assessed as this was the Council's main resource.

Mr. Jennings commented that the issues Councils' wanted to tackle could not be delivered by themselves and there was a need to work with partner organisations. With regards to having 'teeth', the challenge was to work on a common vision and shared objectives. It was easy to work in partnership when everything was going fine.

Mr. Jennings stated that with regards to the number of young people not in education, employment or training (NEETs), moving from the previous system of CPA to CAA gave the opportunity to give more sophisticated commentary. During discussions with everyone involved in tackling this issue, there had been no sense of complacency that Sunderland had not received a red flag on NEETs.

With regards to workforce Mr. Jennings stated that this had not been assessed yet for any Authority. An assessment was being undertaken at the moment and would be reported to the Council later this year.

As far as natural resources were concerned, Mr. Jennings suggested bottling the enthusiasm of the staff that were leading on CAA and to disseminate it, together with a more rigorous approach to measuring sustainability, monitoring and setting clear targets. He pointed out that there was a plan to do this now but no plan existed at the time of the assessment. As far as asset management was concerned, a clear plan of how the Council's assets were going to support partnership working was needed. This was now being put in place but again was not there at the time of the assessment.

Councillor Copeland asked what impact alcohol consumption was having on Sunderland as a whole and how much this would cost the Council over the next few years.

Mr. Jennings stated that there was clear recognition of the problem. All the Tyne and Wear areas were high in the ranking in relation to alcohol consumption. Efforts were being made to understand how to mitigate the damage to children and young people and understand the link to anti-social behaviour. This was important and was recognised by the Council as being important. Some Authorities had a green flag for

their efforts in relation to this and he suggested that the Council look at whether anything they were doing could be used in Sunderland.

The Chairman commented that he had noticed from the national results that only three Councils had achieved 4 out of 4 overall for the CAA, Camden, Stockton and Tameside. In addition there were great differences in the numbers of flags awarded across the regions, for example 22 green flags were awarded in London and only 1 in the North East. He asked whether the other regions were more innovative than the North East or could this be down to inconsistencies in the application of the system.

Mr. Jennings admitted that the Audit Commission did set the bar very high but there were clear processes in place to ensure the system was consistent. He added that whether the bar was set in slightly different places in different parts of the country was a possibility.

Mr. Jennings added that it was important not to see green flags as a badge and that Councils were not bad if they did not have one. The CAA was a joint inspectorate judgement. A number of issues were put up the line however they did not meet the criteria of being truly exceptional performance. He invited the Council to show him the exceptional effect something was having and if the business case was constructed around this, who knew what would happen.

Councillor T. Wright enquired how the Audit Commission went about checking the quality of the data they were supplied with.

Mr. Jennings advised that this was done in two main ways. The first was by dialogue throughout the year and secondly the auditors undertook a quality check. Checks were also carried out on partners' data to ensure this was accurate.

The Chairman asked whether CAA had been meaningful for people on the ground who had received the services. Mr. Jennings stated that he had not seen any evidence from the public as to how they felt. There had been however 100,000 hits on the CAA website so he concluded that the public was responding. The local press had picked up on this. The Chairman asked how Scrutiny could support the Council to achieve its objectives and be involved in the CAA process.

Mr. Jennings referred to the Scrutiny Conference held last year and the real sense that Scrutiny was interested in what the Audit Commission was interested in. He stated that he was collecting email addresses and would forward to Members the National Commission reports which would help Scrutiny Members to focus on the relevant areas.

Mr. Mike Lowe, Assistant Head of Performance Improvement stated that the agenda that CAA covered were priority areas for the Council. He referred Members to Section 6.2 of the report which detailed the areas identified as those with the most potential to become red flags. Mr. Lowe pointed to how the Council was responding by regular dialogue, issues now being integrated into LSP Delivery Plans and Council Action Plans and being embedded into Corporate Plans to strengthen the Council's response.

With regard to the NEETs agenda, this was being very positively and actively managed. Last month's figures were the lowest they had ever been at 9.7%. The alcohol agenda was at the fore of the Council's Total Place work. The Council and partners were actively working on these issues together.

The Chairman commented that he wanted to feel that the CAA was having an impact on his area, the young people drinking on the streets etc but this needed a partnership approach. He added that the target on affordable housing had been reached.

Councillor L. Martin stated that it needed to be acknowledged that by clearing the estates of the less decent housing stock that this would improve the figures. He added that the Council was building a controversial centre, there were 4,000 people on the waiting list for housing, the second highest youth employment was in Sunderland and so all in all there were some big challenges. Councillor Martin stated that the 100,000 hits on the CAA website was suspect. With regards to health, it needed to be borne in mind where Sunderland was coming from in that incomes in the City were relatively low and therefore diet was a factor.

The Chairman stated that the housing waiting list in Sunderland was 1½ years compared to Chester-le-Street for example which was 7 years. The City did have decent homes. It had the lowest Council tax and reasonable rents.

In response to Councillor Martin's comments about the future of the CAA and whether Councils have to participate or whether there was an option to drop out, Mr. Jennings stated that certain pronouncements had been made however, the Commission's view was that it would continue to deliver as best as it could. Certain Councils in London had said that on seeing Year 1, they were going to drop out of Year 2. As far as Mr. Jennings was concerned the Audit Commission watched Councils doing the 'day job' and there was no additional burden. Some Councils' had treated CAA as they had done CPA historically and he felt if it was done this way, it was time consuming. It was therefore down to Councils as to which method they adopted and therefore whether they felt CAA was very heavy and intrusive. He added that in Sunderland the former method was adopted.

Ms. Charlotte Burnham, Head of Overview and Scrutiny stated that this year clearly Scrutiny had been looking at emerging issues from the CAA process. The Scrutiny Conference held earlier that day 'Tackling Health Inequalities' had over 120 people in attendance. Another area being looked at was by the Prosperity and Economic Development Scrutiny Committee 'From Recession to Recovery'. The Scrutiny Committees would also be looking at the Delivery Plans for the LSP. All of these examples showed how Scrutiny was involved in the Council's most important issues. Ms. Burnham added that the number of young people NEET in Sunderland was an example of a potential issue for the Scrutiny Work Programme.

The Chairman thanked Mr. Jennings and Ms. Hunt for their attendance and extended an invitation to them to attend the Annual Scrutiny Conference in May.

Full discussion having taken place on the report; it was:-

2. RESOLVED that the findings from the inaugural CAA and those areas identified by the Audit Commission as being the focus of improvement during 2010 be noted, together with the improvement activity and the involvement of the Scrutiny Committees in this.

Strategic Planning Process 2010/2011

The Chief Executive submitted a report (copy circulated) apprising the Committee of the key issues identified by the self-assessments undertaken in respect of services of relevance to the Committee.

(For copy report – see original minutes).

Mr. Stuart Cuthbertson, Policy Officer advised Members that issues identified during the self-assessment process that would be of interest to the Committee included:-

- ensuring that performance management arrangements in respect of gathering and recording Performance Indicator information support the development and delivery of improved services;
- ensuring continued and further progress in respect of cross-cutting service, directorate and portfolio activity so that related services were aware of what each other was undertaking and planning and were further joining up their activity to ensure improved outcomes for residents;
- responding to the challenges in respect of maintaining service improvement that were presented by the cessation of grant funding streams and the anticipated future financial settlement for local authorities;
- the potential opportunities for service improvement presented by the Sunderland Way of Working and its further development and roll-out across the council; and
- the increased focus on services correctly identifying, understanding and then responding to customer needs to ensure improving council services to all council customers and residents.

3. RESOLVED that the key issues identified by the self-assessments undertaken in respect of services of relevance to the Committee be noted.

Reference from Cabinet – 13th January, 2010 – Revenue Budget 2010/2011

The Chief Solicitor submitted a report (copy circulated) setting out for advice and consideration of the Committee a report considered by Cabinet on 13th January, 2010 on the provisional budget proposals, as the basis for consultation, prior to the receipt of the final Local Government Finance Settlement. Members' views were requested in accordance with the Budget and Policy Framework Procedure Rules.

(For copy reports – see original minutes).

Mr. Keith Beardmore, Director of Financial Resources advised the Committee that Members' comments would be submitted to the Council meeting on 27th January, 2010. Mr. Beardmore stated that he had pleasure in fronting an enormously successful department. A vast quantity of work was being done by a number of Officers committed to doing their best for this Council and principally Ms. Sonia Tognarelli, Head of Financial Management who was accompanying him that evening.

Mr. Beardmore highlighted to the Committee that in relation to the Formula Review detailed in paragraph 3.5, that the initial proposals would if adopted, benefit the Council and he was proposing that representations be made to give general support to the Government's proposals.

Mr. Beardmore referred Members to the outstanding uncertainties detailed in paragraph 9.2 of the report.

Councillor L. Martin thanked Mr. Beardmore and his Team for the work they were doing and proceeded to make enquiries with regards to:-

- the effect of the Employers' pay freeze on the budget of £3,558,000 for pay awards, price increases and Service pressures taking into account the effects of the economic downturn;
- what the position in respect of discretionary discounts for council tax and whether this option was part of the consultation process; and
- whether the council tax levels had been looked at as one of the questions in the consultation process.

Mr. Beardmore advised that the Council was not providing for any significant pressure on pay but this budget did include provision for the implementation of Single Status 2 which would need significant provision when the time came. Significant resources had been provided for the economic downturn and this had been reviewed as the actual experience had been greater than allowed for. The outlook for energy prices was a rise of 60% and the Council needed to be very cognisant as this was a very volatile area.

With regards to the consultation on the budget, the results were being analysed and until then no further updates were available. Consultation on the provisional budget proposals had been undertaken on a Council tax increase within Government guidelines.

Councillor M. Forbes referred to the provision made for free personal care of £1m and queried whether this figure would be enough. She commented that she could see this escalating and asked for details of the framework and guidelines that would govern the operation of the Service.

Mr. Beardmore advised that consultation was taking place on grant methodologies. The reality was that Authorities had adopted different approaches. The Council needed to guard against clients in receipt of personal care coming to the Council to provide it. Provision had been made as this was an area of pressure/growth and the burden was being passed to Local Authorities. A prudent approach had been taken positioning the Council well as things moved forward.

The Chairman, Councillor T. Wright stated that the consultation had been excellent. However he enquired what opportunity an ordinary member of the public had to take part.

Mr. Beardmore advised that there were two ways. One way was that all Members of Community Spirit received a questionnaire asking their views around priorities and possible interventions that the Council puts forward in order to consult them. The second way was in relation to focus groups where representatives from Community Spirit in different locations were asked their views. This provided an opportunity for more qualitative work. The feedback from these events was still being analysed and the detail would be fleshed out in the final proposals.

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

4. RESOLVED that the provisional budget proposals for 2010/2011 be supported as the basis for consultation, prior to the receipt of the final Local Government Finance Settlement and that the Council be recommended to endorse the provisional proposals.

Reference from Cabinet – 13th January, 2010 – Capital Programme – Third Review 2009/2010 Provisional Resources 2010/2011 and Treasury Management Review 2009/2010

The Chief Solicitor submitted a report (copy circulated) setting out for advice and consideration of the Committee a report detailing the outcome of the Third Review of the Capital Programme for 2009/2010 which sets out changes to the Capital Programme since the Second Capital Review 2009/2010, showing provisional capital resource allocation for 2010/2011 and providing an update on progress in implementing the Treasury Management Borrowing and Investment Strategy for 2009/2010. The report was referred to the Management Scrutiny Committee, for advice and consideration in the context of inclusion of additional schemes for 2009/2010 which were set out in the extract to the report. Comments from the Scrutiny Committee would be reported to Council on 27th January, 2010.

(For copy report – see original minutes).

Members having given consideration to the two additional schemes, viz

- BSF Wave 2 Project Resource Plan; and
- Smart Ticketing;

it was:-

5. RESOLVED that the proposed additional schemes for 2009/2010 be supported and that they be recommended to the Council for approval as set out in the extract to the report.

IDeA Scrutiny Fitness Health Check – 15th and 16th February, 2010

The Chief Executive submitted a report (copy circulated) updating Members on the arrangements for the IDeA Scrutiny Fitness Health Check to be undertaken on 15th and 16th February, 2010.

(For copy report – see original minutes).

Ms. Charlotte Burnham, Head of Overview and Scrutiny briefed the Committee on the report and referred Members to the finalised timetable for the IDeA Scrutiny Fitness Health Check detailed at paragraph 3.1. She advised that it was anticipated that a report would be available from the IDeA around March time and that any actions would be picked up and fed into the Committee's work programme accordingly. Ms. Burnham highlighted that the IDeA on-site Team consisting of David Armin, IDeA Improvement Manager and Robin Stonebridge, Ex-Member and IDeA freelance consultant would be observing the meeting of the Environment and Attractive City Scrutiny Committee on February 15th.

6. RESOLVED that the report be received and noted.

Forward Plan – Key Decisions for the Period 1st February, 2010 to 30th April, 2010

The Chief Executive submitted a report (copy circulated) providing Members with an opportunity to consider those items on the Executive's Forward Plan for the above period which relate to the Management Scrutiny Committee.

(For copy report – see original minutes).

Ms. Sarah Abernethy, Trainee Scrutiny Officer introduced the report and invited Members to consider the Forward Plan.

Councillor Copeland asked for an explanation in relation to No. 01340, 'to agree abnormal costs for disposal of the Newcastle Road Baths site'.

Ms. Charlotte Burnham, Head of Overview and Scrutiny undertook to ensure Councillor Copeland received a response outside of the meeting.

Councillor Mordey commented that the descriptions of some of the decisions on the Forward Plan were very vague and that they needed to be more specific in order that people would know what the entry on the Plan referred to. He quoted No. 01355 'to authorise a funding agreement between the Council, the HCA and ONE for regeneration purposes' as a classic example of this.

Mrs. Christine Tilley, Team Leader Scrutiny, Area and Regulatory Services Team undertook to take back Councillor Mordey's comments to the Democratic Services Manager to highlight the need for better descriptions to be sought from Service Directorates in respect of the entries on the Forward Plan in relation to the key decisions to be taken by the Council.

7. RESOLVED that the Forward Plan for the above period be received and noted and that the above actions be taken forward.

Scrutiny Committees' Work Programmes for 2009-2010

The Chief Executive submitted a report (copy circulated) attaching for information, the variations to the Scrutiny Committees' Work Programmes for 2009/2010 and providing an opportunity to review the Committee's own Work Programme for the remainder of this municipal year.

(For copy report – see original minutes).

Ms. Sarah Abernethy, Trainee Scrutiny Officer advised the Committee that:-

- the Annual Audit Letter scheduled for April would be brought forward to the February meeting;
- the future monitoring of Scrutiny recommendations pilot that was supposed to come to the January meeting had slipped to either the February or March meeting; and
- a draft programme outline for the Annual Scrutiny Conference 2010 due in February had slipped back to April.

Ms. Charlotte Burnham, Head of Overview and Scrutiny advised that the comments of the Scrutiny Committees in relation to the revision proposals for the Councillor Call for Action mechanism would also be submitted to the February meeting.

The Chairman advised that the Cabinet Members would be invited to the February meeting to brief the Committee on the proposals in relation to their portfolio. The meeting was scheduled for a 3.30 p.m. start to allow for four Cabinet Members to address the Committee followed by a break of 15 minutes from 5.00 p.m. and then the remainder of the Cabinet Members. The Chairman and Vice-Chairman of the other six Scrutiny Committees would also be invited to attend the February Management Scrutiny Committee meeting.

8. RESOLVED that the variations to the Scrutiny Committees' Work Programmes for 2009-10 and to the Scrutiny Committee's own Work Programme as detailed above, be noted.

(Signed) Councillor R.D. Tate,
Chairman.

Councillor T. Wright,
Chairman.