

CABINET MEETING – 3 DECEMBER 2014
EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

MINUTES, PART I

Author(s):

Head of Law and Governance

Purpose of Report:

Presents the minutes of the last meeting held on 5 November 2014 Part I.

Action Required:

To confirm the minutes as a correct record.

At a meeting of the CABINET held in the CIVIC CENTRE (COMMITTEE ROOM NO. 1) on Wednesday 5 November 2014 at 2.00 p.m.

Present:-

Councillor Speding in the Chair

Councillors Gofton, Kelly, G. Miller, Mordey and P. Smith

Part I

Minutes

The minutes of the meeting of the Cabinet held on 8 October 2014 Part I (copy circulated) were submitted.

(For copy report - see original minutes).

1. RESOLVED that the minutes of the last meeting be confirmed and signed as a correct record.

Receipt of Declarations of Interest

There were no declarations of interest declared.

Apologies for Absence

An apology for absence was submitted to the meeting on behalf of Councillors P. Watson and H. Trueman.

Annual Audit Letter 2013/2014

The Head of Financial Resources submitted a report (copy circulated) to detail the external auditors (Mazars) Annual Audit Letter (AAL) covering the year 2013/2014. A copy of the AAL was attached to the report.

(For copy report – see original minutes).

The Chairman highlighted that the report set out an overview of the Annual Audit Letter summarising the findings of the 2013/2014 audit which they were required to produce in order to communicate to the Council and comprised of two elements, namely an audit of the Council's financial statements and an assessment of the Council's arrangements to secure value for money in the use of its resources. He welcomed Gavin Barker, Senior Audit Manager from Mazars, to introduce the main findings.

Gavin Barker submitted apologies for absence of Mark Kirkham, the Engagement Lead, due to illness. He expressed his pleasure at being able to present another positive Annual Audit Letter for 2013/2014 from Mazars. He confirmed that the findings were positive with the external auditors being able to give an unqualified audit opinion and a clean Value for Money conclusion.

Gavin advised that the production of the statement of accounts was a significant technical challenge involving a great deal of work by the Council's officers and the auditors had appreciated the cooperation of management and the patience, courtesy and assistance shown to them in the completion of our work. He advised that the working papers supporting the statement of accounts were of good quality and officers were responsive in following up the queries raised.

Cabinet Members were advised that the main findings from the audit were:-

- a number of agreed amendments to the financial statements;
- a small number of unadjusted misstatements where errors were not material; and
- the overall quality of the final statement of accounts was good.

In relation to the value for money conclusion, Gavin reported that the audit report included a conclusion that the Council had proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources. It had been concluded that the Council had proper arrangements for securing financial resilience and challenging how it secured economy, efficiency and effectiveness.

Cabinet Members were advised that the Council had managed its financial position well. Forecasting arrangements and close monitoring ensured the delivery of spending within budget. The outturn report for 2013/14 showed that the Council had underspent by £5m against the revenue budget. The capital outturn was £51m, with net slippage of £16.7m being carried forward to 2014/15. Overall, the Council had delivered £135m of savings in the period 2010/2011 to 2013/2014.

Gavin drew attention to the annual revenue budget for 2014/15 which included a further £35.6m in savings requirements. He reported that the Medium Term Financial Strategy sets out how the Council proposed to deal with the difficult economic climate and the further funding cuts that were required. In the three year period 2014/15, 2015/16 and 2016/17, the Council expected to have to deliver a total of £113m in savings and the Council would be challenged to find innovative solutions and transformational changes to address the savings required. Gavin highlighted that the Council was well placed to achieve this and had had a good track record of delivery to date.

Councillor Gofton welcomed the comments of the external auditor, particularly that the Council had achieved an unqualified audit report and value for money conclusion. She congratulated the officers and leadership team involved in getting the Council where it needed to be year on year.

The Chairman endorsed Councillor Gofton's comments and thanked Mazars for the very positive Annual Audit Letter. He advised that in summary it provided a strong endorsement of the financial management and governance arrangements in place right across the Council and added that these were reflected in the unqualified audit opinion on both the Council's financial statements and its value for money conclusions for 2013/2014.

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

2. RESOLVED that:-

- (i) the contents of this very positive report be noted, and
- (ii) the report be referred to Council for consideration.

Response from Scrutiny Committee – 9 October, 2014 – Feed and Food Controls Service Plan 2014/2015

The Head of Law and Governance submitted a report (copy circulated) to advise of the comments of the Scrutiny Committee on a report presenting the Feed and Food Controls Service Plan 2014/2015 to be used by the Public Protection and Regulatory Services section of the Street Scene service which had been formulated to comply with the current recommendations of the Food Standards Agency Framework Agreement and outlines the national priorities and standards for service delivery.

(For copy report – see original minutes).

Cabinet Members having been advised that the Scrutiny Committee having been satisfied with the Feed and Food Controls Service Plan 2014/2015 and supported the Cabinet recommendation to submit the Service Plan to Council for approval, it was:-

3. RESOLVED that the comments of the Scrutiny Committee be noted.

**Response from Scrutiny Committee – 8 October 2014 – Capital Programme
Second Capital Review 2014/15 (including Treasury Management)**

The Head of Law and Governance submitted a report (copy circulated) to advise of the response of the Scrutiny Committee to a report which advised the Committee of the approval by Cabinet of variations to the capital programme to include additional schemes with an estimated cost in excess of £250,000.

(For copy report – see original minutes).

Cabinet Members having been advised that the Scrutiny Committee had noted the report and had been satisfied with the proposed variation to the Capital Programme, it was:-

4. RESOLVED that the response of the Scrutiny Committee be noted.

**Response from Scrutiny Committee – 9 October 2014 - Revenue Budget
Second Review 2014/2015**

The Head of Law and Governance submitted a report (copy circulated) to advise of the comments of the Scrutiny Committee on an aspect of the report on the Revenue Budget Second Review 2014/2015 namely, requesting the Council to approve the transfer of funds.

(For copy report – see original minutes).

Cabinet Members having been advised that the Scrutiny Committee supported the transfer of funds to support the overall 2014/2015 position together with the transitional costs arising from the 2015/2016 budget setting process and supported the Cabinet recommendation that the transfer be submitted to Council for approval, it was:-

5. RESOLVED that the comments of the Scrutiny Committee be noted and the Council be requested to approve the proposed transfer of funds.

Response from Scrutiny Committee – 9 October, 2014 – Proposals for Budget Consultation 2015/2016

The Head of Law and Governance submitted a report (copy circulated) to advise of the views of the Scrutiny Committee on the proposals for the budget consultation strategy and Local Council Tax Support Scheme to inform the preparation of the Budget for 2015/2016.

(For copy report – see original minutes).

Cabinet Members having been advised that the Scrutiny Committee endorsed the budget consultation strategy and Local Council Tax Support Scheme for 2015/2016, it was:-

6. RESOLVED that the views of the Scrutiny Committee be noted.

Response from Scrutiny Committee – 9 October, 2014 – Budget Planning Framework 2015/2016 and Medium Term Financial Strategy 2015/2016 – 2017/2018

The Head of Law and Governance submitted a report (copy circulated) to advise of the comments of the Scrutiny Committee on a joint report of the Chief Executive and the Head of Financial Resources which identified the key factors influencing the development of the Council's financial plans into the medium term and sets out the budget planning framework for the Council for 2015/2016 and the headlines and context for the Medium Term Financial Strategy for 2015/2016 to 2017/2018.

(For copy report – see original minutes).

Cabinet Members having been advised that the Scrutiny Committee was satisfied with the information provided and supported the proposed Budget Planning Framework and Medium Term Financial Strategy together with the Cabinet recommendation that both are submitted to Council for approval, it was:-

7. RESOLVED that the comments of the Scrutiny Committee be noted.

Review of Polling Districts, Polling Places and Polling Stations

The Chief Executive submitted a report (copy circulated) on the results of the review of polling districts, polling places and polling stations carried out as required by the Electoral Registration and Administration Act 2013.

(For copy report – see original minutes).

The Chairman highlighted that the responsibility for reviewing polling districts and polling places lies with the local authority, and until recently this had to be done every four years. He explained that creating parliamentary elections on a fixed term of five years had meant a change of legislation that now required reviews to take place every five years just before a parliamentary election took place.

Cabinet Members were advised that that usually Sunderland had not waited for each formal review to take place and after each election in May had carried out informal reviews which had always resulted in minimal changes being required once the formal review had taken place. A wide consultation exercise was undertaken with ward councillors, MPs, election agents and others interested in the election process in an effort to gauge people's views on the allocation of electors in the polling districts or the suitability of the polling places which are the buildings that the Council used for polling.

The Chairman reported that the nine responses to the review had been received, with two people content with the allocation within their wards, and one comment correcting the address of a polling station. He advised that five responses asked for the Returning Officer to find an alternative polling place to the one being used, with one indicating a slight adjustment to the allocation of streets within polling districts. He added that one further comment had been received which asked for a new build estate to be situated in a different ward, but this was not within the scope of this review.

Cabinet Members were advised that authority was sought for the Electoral Registration Officer to be able to make changes to polling places as and when necessary in between formal reviews. The Electoral Registration Officer was also asking for permission to create permanent boundary lines between polling districts within a ward in order that the next review of parliamentary boundary constituencies had fixed boundaries in the event that the allocation of electors to parliamentary constituencies moved from the current ward building block to individual polling districts in order to meet the necessary quota.

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

8. RESOLVED that it be recommended to Council that the proposed changes to polling districts and polling places as set out in appendix 3 be approved.

Procurement of Heat Mapping and Decentralised Energy Feasibility Study

The Deputy Chief Executive submitted a report (copy circulated) to seek authority to procure consultancy services to undertake a Heat Mapping and Decentralised Energy Feasibility Study.

(For copy report – see original minutes).

Councillor Mordey reminded Cabinet Members of the commitment of Sunderland to be a green city with a strong culture of sustainability. He reported that the Council had committed to reduce its carbon emissions by 30% by 2020 and latest figures suggested that the activities within the city were “on track” to meet the 2020 target. He added that however, this did not mean the Council could be complacent in its approach to future reduction measures.

Cabinet Members were advised that the report also sought approval to commence with the procurement of consultants to explore the potential of district heat networks in the City. The consultancy work would explore the potential of heat networks within the City, assess any opportunities, and identify the positive and negative consequences for each of the delivery options. The report did not commit the local authority to any future action, but would provide evidence to return to Cabinet for a fuller informed discussion on the potential for heat network in the City and for Cabinet to determine the next steps. The Council had been successful in obtaining grant funding to cover roughly two thirds of the cost.

9. RESOLVED that approval be given to:-

- (i) to commence the procurement process and award contracts to provide energy and district heating advice/information, and
- (ii) the inclusion of the funding for this procurement and the resultant variation to the Capital Programme.

At this juncture the Chairman reported that items 8 and 9 relating to the A19 Ultra Low Carbon Vehicle Enterprise Zone had been deferred as further work has been undertaken regarding the detail of the scheme delivery and the supporting information in respect of the proposed decisions for each item since the publication of the original reports. He explained that deferring these items would enable this work to be concluded and then reported to Cabinet in updated reports in the near future prior to decisions being made in respect of each item.

Roker Pier, Lighthouse and Tunnel: Procurement and Appointment of Contractors

The Deputy Chief Executive submitted a report (copy circulated) to seek approval to procure and appoint contractors to deliver a third phase of restoration to Roker pier, lighthouse and tunnel.

(For copy report – see original minutes).

The Chairman reminded Cabinet Members of the Marine Walk Masterplan which had been adopted in January 2010. He reported that the masterplan set out proposals for the regeneration of Marine Walk, including the restoration of Roker pier and lighthouse. He advised that the aims of the masterplan were well on their way to being realised following Capital investment by the Council and external investment from the Sea Change Fund.

Cabinet Members were advised that the Council, through a £1.35 million capital investment, was in the process of delivering a restoration project at the pier complex. The lantern house was completed in 2013 and the pier deck resurfacing, and pier structural repairs, were due for completion next month. To supplement this capital investment the project team had been developing a stage two Heritage Lottery Fund (HLF) bid, following the stage one award of £53,200 from the HLF in 2013. The project team had been preparing detailed drawings, specifications and activities to help restore the lighthouse and tunnel and enable them to be opened to the public for the first time in the structures' history.

The Chairman outlined that the report sought approval to procure and appoint contractors to deliver a third phase of restoration to Roker pier, lighthouse and tunnel, subject to securing HLF funding. He explained that in order to deliver this third phase of restoration in 2015, subject to securing HLF funding, the procurement process had to commence now, prior to a decision on the funding application being made by the HLF. He added that no contracts would be let if the Council failed to secure the HLF funding. He also reported that commencing the procurement process now would also allow the Council to demonstrate to the HLF that a contractor and project team would be appointed immediately after a positive decision from the HLF allowing the project to be delivered in a timely manner.

Cabinet Members were advised that the HLF would provide 80% of the estimated total funding of £500,000 - £550,000 and the Council would provide 20% match funding of £100,000 - £110,000. These costs would be finalised before the stage two HLF application was submitted in December. The Council's contribution would be met from the £1.35million allocation in the capital programme. The stage two bid was due to be submitted to HLF on 5 December 2014 and a decision on the application would be made by HLF in March 2015.

Councillor Kelly congratulated the Regeneration Team for the tremendous amount of work which had gone into enhancing the seafront making it a desirable place to visit, attracting increased numbers of tourists and business for the seafront traders.

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

10. RESOLVED that:

- (i) the Deputy Chief Executive be authorised to commence the procurement of a contractor and project team to deliver the third phase of the restoration of Roker pier, lighthouse and tunnel, prior to securing funding from the Heritage Lottery Fund (HLF), and

- (ii) the Deputy Chief Executive, in consultation with the Cabinet Secretary, be authorized to take all necessary steps to appoint a contractor and project team to deliver the third phase of the project if funding is secured from the HLF.

A City Approach to an Active Sunderland

The Executive Director of People Services submitted a report (copy circulated)
The purpose of this report is to present the proposed City Approach to an Active Sunderland and seek Cabinet's approval.

(For copy report – see original minutes).

Councillor Kelly highlighted that there was a strong and growing evidence base amplifying the benefits of regular participation in activity in terms of the contribution to better physical and mental health and wellbeing, skills development and levels of attainment. He reported that the challenge now facing the Council and the city was to enhance the conditions and opportunities for more people to become more active more often and by adopting a strategic, joined up approach to improving levels of activity it would enable the Council to maximise the impact that physical activity had in Sunderland.

Cabinet Members were advised that Sunderland's existing strategy was now out of date and a fresh approach would provide a clear direction, identify a new joined up approach to an Active Sunderland and shared priorities with residents.

Councillor Kelly reported that a stakeholder workshop had taken place and it was clear that creating, enabling and providing opportunities for people to be active and more active would be supported and underpinned by the work of key stakeholders in the city.

11. RESOLVED that:-

- (i) approval be given to the new City Approach (appendix 1);
- (ii) further development of the City Approach with key partners, stakeholders and general public be supported; and
- (iii) the Executive Director of People Services be delegated the authority to make non-substantive changes to the document prior to publication and with key stakeholders and partners to agree how it is presented and launched.

The role of the Council in relation to schools and the wider education system

The Executive Director of People Services submitted a report (copy circulated) to seek approval of the Policy Statement on the role of the Council in relation to schools and the wider education system.

(For copy report – see original minutes).

Councillor Smith highlighted that over the past 25 years there had been a gradual shift of power and responsibility from local authorities to schools, in terms of achievement of educational outcomes. She reported that the policy of the current government was to increase freedom and autonomy for all schools, which was reflected in the increase in the number of academies. She explained that however under the 1996 Education Act, the Council still had a statutory duty to “promote high standards and fulfilment of potential” for every child and young person and this was strengthened by the Council’s approach to community leadership, whereby it used its democratic mandate and strategic influence to act in the best interests of all its residents and businesses.

Cabinet Members were advised that the Policy Statement defined the key elements of the Council’s role in order for it to both discharge its community leadership within the education system and fulfil its statutory duties.

Cabinet Members having welcomed clear statement of the Council’s role with partners and the involvement of both the City of Sunderland College and the University, it was:-

12. RESOLVED that the Policy Statement and endorse the proposed actions as outlined in Section 6 of the report: Next Steps.

Commissioning of Child and Adolescent Mental Health services (CAMHS) from September 2015

The Executive Director of People Services submitted a report (copy circulated) on the arrangements for Child and Adolescent Mental Health Services (CAMHS) from September 2015.

(For copy report – see original minutes).

Councillor Smith highlighted that the existing arrangements for the Children and Adolescent Mental Health Service were historical, going back many years and over this period the funding for services had been reduced. She reported that during this time a full service review had not been carried out and it was timely to do so now as the proposed review might indicate a more specialist service was required to meet the complex needs of the children, young people and their families referred to the service and potentially reduce other costs associated with In Need and CP families. She advised that alternatively, the outcome of the review might demonstrate the CAMHS universal service would meet the needs of the majority of service users.

Cabinet Members were advised that the future services would be based upon new specifications focusing on outcomes linked to statutory requirements and Council key priorities for children pre-birth to 18 years and up to 25 years for disabled young people and their families. Services would continue to be delivered under the existing arrangements; however the formal agreement of the extension included an understanding that there would be a full re-commissioning of services, if recommended.

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

13. RESOLVED that:-

- (i) the spend for Tier 1 Early Years Mental Health and Tier 2 Child and Adolescent Mental Health for the period April 2011 to March 2014 be noted, and
- (ii) approval be given to maintain the current arrangements up to 30 September 2015 to allow a full service review and needs assessment to be carried out with revised services to be commissioned.

Care Act, 2014 – Implications and Implementation

The Executive Director of People Services submitted a report (copy circulated) on the implications of the Care Act (Part 1) and to obtain agreement to the actions being taken to implement its requirements from April 2015.

(For copy report – see original minutes).

Councillor Miller highlighted that the report also included the high level implications of the Care Act especially those that related to those areas due for implementation from April 2015, and taking account of the draft statutory guidance and regulations issued in June 2014. He advised that the majority of the recommendations were expected to benefit residents and in many cases the changes required to current policies and processes would be minor.

Cabinet Members were advised that any impact from adopting the national eligibility threshold for current social care customers would be examined once the final guidance and regulations were issued, although the Council's commitment to prevention and early intervention would ensure that people in Sunderland continued to receive the support that they needed.

Cabinet Members having thanked the officers and the Council's key partners in ensuring that the implications of the Act and guidance were covered and the Council's principles and values were maintained, it was:-

14. RESOLVED that:-

- (i) the adoption of the new national eligibility criteria be approved,
- (ii) approval be given for the Executive Director of People Services to use his delegated authority to make minor changes to a range of individual policies in order to make them Care Act Compliant. These include the Direct Payments Policy, Deferred Payments Scheme and the current Fairer Contributions Policy,
- (iii) approval be given to continue with the existing residential charging arrangements,
- (iv) approval be given to introduce a charge for arranging services, as set out in section 6.4 of the report, and to delegate the detailed implementation to the Executive Director of People Services in consultation with the Portfolio Holder,
- (v) agreement be given to continue not to charge carers for any carers' support provided but to consider options for future charges linked to carers' Personal Budgets from 2016 onwards,
- (vi) the potential financial implications of the Care Act from 2015 onwards and the activity underway to better model costs in order to inform ongoing service and financial planning be noted,
- (vii) the planned engagement activity be noted, and
- (viii) the approach being taken to develop an accessible Advice and Information Service be noted.

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

At the instance of the Chairman it was: -

15. 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 information relating to the financial or business affairs of any particular person (including the authority) (Paragraph 3 of Part 1, Schedule 12A of the Local Government Act 1972). The public interest in maintaining this exemption outweighs the public interest in disclosing the information.

(Signed) M. SPEDING,
Chairman

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.

