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Simon W. Baker B.Ed MBA MISPAL
Chief Executive

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14 January 2020

Dear Councillor,

The next Meeting of the Council will be held on Wednesday, 22 January 2020 in Council Chamber - Moorlands House, Leek at 6.30 pm.

The Agenda for the Meeting is attached at Appendix 'A'.

Tea and Coffee will be served in the Churnet Room between 6:00pm and 6:25pm.

Yours faithfully,

S. W. BAKER
Chief Executive

NOTE

Councillors using the Car Park at the rear of the Council Offices are requested to indicate on their car that it is being used by a Councillor whenever they use the Car Park, otherwise they may be challenged by the Council's Car Park Attendant.

**Available in an alternative format by prior request and
on the Council's website: www.staffsmoorlands.gov.uk**

Prayers will be offered prior to the commencement of the meeting.

1. Apologies for absence, if any.
2. Minutes of the previous meeting (**Pages 5 - 12**)
3. Urgent items of business, if any (24 hours notice to be provided to the Chairman).
4. Declarations of interest
 1. Disclosable Pecuniary Interests
 2. Other Interests
5. Chairman's or Leader's announcements and correspondence, if any.
6. Receipt of petitions, if any.
7. To consider and debate any recommendations from the Cabinet, Overview and Scrutiny Panels and Committees, if any.
 - 7.1 Resources Overview and Scrutiny Panel 2 October 2019 - Overview and Scrutiny Annual Report 2018-2019 (**Pages 13 - 24**)
Recommendation
That the report be noted.
 - 7.2 Audit and Accounts Committee 25 October 2019 - Treasury Management Update (**Pages 25 - 34**)
Recommendation
That the treasury management position as at 30th September 2019 be noted.
 - 7.3 Standards Committee 21 November 2019 - Annual Report (**Pages 35 - 42**)
Recommendation
That the report be noted.
8. Recommendations from meetings in the interim period prior to the Council Meeting, if any.
9. Notices of Motion in accordance with Procedure Rule No. 8, if any.
 - 9.1 Leek Trestle Market - Cllr S. Coleman
"In the light of current national recommendations regarding the need to develop town centres in innovative and inclusive ways, Staffordshire Moorlands District Council should immediately begin a process of full scrutiny to determine the future of the Leek trestle market building as a valuable town centre resource. Through a process of full consultation with all stakeholders, all options should be evaluated and explored. No further alterations to the interior of the building should take place until the process has been completed and decisions have been approved by full council."

9.2 Sky Lanterns - Cllr L. Malyon

“That Staffordshire Moorlands District Council writes to the Prime Minister, Boris Johnson and ask that our Government pass a Bill banning Sky Lanterns in the UK because of the harm they cause to people, animals, buildings and land.”

9.3 Single Use Plastics - Cllr J. Porter

“Single use plastics have a terrible effect on the environment when littered or discarded after their use. Not only do they damage terrestrial and marine life, there are costs associated with their clean-up and consequences for the tourism and fishing industries. At least eight million tonnes of plastic enters the ocean every year, which is the equivalent of dumping one rubbish truck into the ocean every minute. And, if action is not taken, it is expected to increase to two per minute by 2030 and four per minute by 2050. The production of such material also contributes to climate change through CO2 emissions.

In May 2019 the Government expressed its aspirations for environmental improvement in ‘A Green Future: Our 25 Year Plan to Improve the Environment’. The Plan outlines ways to reduce the use of plastics that contribute to pollution, and broader steps to encourage recycling and the more thoughtful use of resources.

Following the Council removing all single use plastics from its buildings, supermarkets should remove all plastic carrier bags, reduce excessive plastic packaging and deliver viable alternatives for customers. We welcome the Government introducing from April this year The Environmental Protection (Plastic Straws, Cotton Buds and Stirrers) (England) Regulations 2020, to control single use plastics. However, as the plastic crisis is engulfing our seas we need to stop the problem urgently. I therefore propose that the Council writes to Government to ask that it works with businesses and individuals to accelerate the elimination of all single use plastics across society.”

10. To answer questions asked under Procedure Rule No. 10, if any.

(At least two clear days notice required, in writing, to the Proper Officer in accordance with Procedure Rule 11.3.)

11. To consider any political group appointments or changes to membership, if any.

12. Exclusion of the Press and Public:

The Chairman to move:-

“That, pursuant to Section 100A(2) and (4) of the Local Government Act, 1972, the public be excluded from the meeting in view of the nature of the business to be transacted or the nature of the proceedings whereby it is likely that confidential information as defined in Section 100A (3) of the Act would be disclosed to the public in breach of the obligation of confidence or exempt information as defined in Section 100 I (1) of Part 1 of Schedule 12A of the Act would be disclosed to the public by virtue of the Paragraphs indicated.”

13. To consider and debate any recommendations from the Cabinet, Overview and Scrutiny Panels and Committees, if any.
14. To answer questions asked under Procedure Rule No. 10, if any.

At least two clear days notice required, in writing, to the Proper Officer in accordance with Procedure Rule 11.3.)

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

COUNCIL MEETING

Minutes

WEDNESDAY, 16 OCTOBER 2019

PRESENT: Councillor K Flunder (Chair)

Councillors J Aberley, R Alcock, C J S Atkins, G Bentley, C Brady, B Cawley, S Coleman, J Davies, M A Deaville, B Emery, E Fallows, M Gledhill, T Hall, A Hart, N Hawkins, G Heath, I Herdman, T Holmes, K Hoptroff, B A Hughes, A Hulme, K J Jackson, B Johnson, J T Jones, I Lawson, L D Lea, L A Malyon, K Martin, L Page, I Plant, J Porter, D Price, S E Ralphs MBE, T Riley, P Roberts, P Routledge, J Salt, S Scalise, D Shaw, H Sheldon MBE, L Swindlehurst, P Taylor, E Wain, R Ward, I Whitehouse, P Wilkinson, P Wood, M Worthington and N Yates

APOLOGIES: Councillors G Bond, M Bowen, P Elkin, T McNicol, H Plimley and J Redfern

PRAYERS WERE OFFERED BY REVEREND NIGEL IRONS

27 **MINUTES OF THE PREVIOUS MEETINGS**

27a **COUNCIL ASSEMBLY - 26 JUNE 2019**

RESOLVED:

That the Minutes of the Meeting of the Council Assembly held on 26 June 2019 be approved as a correct record and signed by the Chairman.

27b **COUNCIL - 10 JULY 2019**

RESOLVED:

That the Minutes of the Meeting of the Council held on 10 July 2019 be approved as a correct record and signed by the Chairman.

28 **URGENT ITEMS OF BUSINESS**

The Chairman permitted debate on a Government consultation exercise with regards to proposed reforms to permitted development rights to support the deployment of 5G and extend mobile coverage. Members were asked to forward their comments on the issue to Democratic Services in order for a response to be issued by the Council prior to the closing date of the consultation period, 4 November 2019.

29 **DECLARATIONS OF INTEREST**

The following declarations were made:-

Agenda Item	Member Declaring Interest	Nature of Interest
10.2 Notice of Motion – Community Fire Stations	Cllr. T. Riley	Other interest - family member employed by Staffordshire Fire & Rescue Service
	Cllr. G. Bentley	Other interest - volunteer for Staffordshire Fire & Rescue Service
	Cllr. J. Salt	Other Interest - husband employed by Staffordshire Fire & Rescue Service
10.3 Notice of Motion – Your Staffordshire Card	Cllr. K. Martin	Other Interest – employee of Staffordshire County Council
General – any matters arising relating to the Local Plan	Cllr. A. Hart	Other Interest – any matters relating to site specifics residential in Biddulph
General - Matters relating to Licensing	Cllrs. E. Wain, M. Deaville and P. Wilkinson	Other – anything related to licensing.

30 **CHAIRMAN'S OR LEADER'S ANNOUNCEMENTS AND CORRESPONDENCE**

The Chairman thanked Cllr Bowen for the organisation of a shoot in aid of his charities. It was announced that future charitable events would include a Raceday at Uttoxeter Racecourse (24 November 2019) and a quiznight at Moorlands House (February 2020).

The Leader of the Council announced that Cllr H. Plimley had recently given birth to twins. It was resolved that a card and flowers should be sent to Cllr Plimley on behalf of the Council.

31 **DISPENSATION - CLLR PETER ELKIN**

RESOLVED:

That in accordance with Section 85 of the Local Government Act 1972, Councillor Elkin be granted a dispensation from attending meetings of the Council and its constituent bodies due to his illness until the next meeting of the Council when the situation will be reviewed.

32 **TO CONSIDER AND DEBATE ANY RECOMMENDATIONS FROM THE CABINET, OVERVIEW AND SCRUTINY PANELS AND COMMITTEES.**

32a **CABINET 8 OCTOBER 2019 - CORPORATE PLAN 2019-23**

RESOLVED:

That the Council's vision, aims, objectives, influencing objectives and priorities be approved.

32b **AUDIT AND ACCOUNTS COMMITTEE 26 JULY 2019 - ANNUAL TREASURY MANAGEMENT REPORT 2018/19**

RESOLVED:

That the Annual Treasury Management Report 2018/19 be approved.

32c **AUDIT AND ACCOUNTS COMMITTEE 26 JULY 2019 - ANNUAL TREASURY MANAGEMENT UPDATE**

RESOLVED:

That the treasury management position as at 30th June 2019 be noted.

32d **STANDARDS COMMITTEE 19 JULY 2019 - COMMITTEE ON STANDARDS IN PUBLIC LIFE - ETHICAL STANDARDS REVIEW**

RESOLVED:

That the revised Code of Conduct as attached at Appendix 3 of the report be approved.

33 **DISCIPLINARY PROCEDURE FOR LOCAL AUTHORITY CHIEF EXECUTIVES AND STATUTORY OFFICERS**

RESOLVED:

1. That the model Disciplinary Procedure and Guidance for the Chief Executive in accordance with the JNC Conditions of Service Handbook for Chief Executives be adopted.
2. That the same Disciplinary Procedure and Guidance for other officers who hold a statutory role (Section 151 Officer and Monitoring Officer) as recommended by the JNC for Chief Executives be adopted.
3. That an Investigating and Disciplinary Committee (IDC) in accordance with the JNC for Chief Executives Conditions of Service Handbook be established. The IDC should consist of an equal number of members from both Staffordshire Moorlands District Council (SMDC) and High Peak Borough Council (HPBC), as a result of the Chief Executive and other statutory officers being jointly employed by the two councils.
4. That an elected member (the Chair of the IDC) with the designated power to suspend the Chief Executive and other statutory officers in an emergency be appointed.
5. That the Council's constitution be updated to comply with the JNC Conditions of Service Handbook for Chief Executives.

34 **NOTICES OF MOTION IN ACCORDANCE WITH PROCEDURE RULE NO.**

34a **SCHOOL MEALS DURING HOLIDAYS - CLLR S. RALPHS MBE**

“This Council recognises the importance of all children being properly nourished, including during school holidays when school meals may not available. This is particularly important for our most vulnerable children.

It is proposed, therefore, that the Council requests the Community Scrutiny Panel to consider this issue and to report to the Cabinet on the following:

- The extent of the problem of children not receiving adequate nourishment in the school holidays in the Staffordshire Moorlands;
- To engage with our local, regional and national partners and stakeholders to consider the extent of the problem in the Staffordshire Moorlands and potential solutions to address it;
- To develop with our partners an agreed plan of actions to address the problem in the Staffordshire Moorlands;
- To propose any changes to policy or funding considered necessary as a result of the review for the purposes of lobbying central government.”

As an **AMENDMENT** it was **PROPOSED** and **SECONDED** that the Council introduces a pilot scheme in the Staffordshire Moorlands.

On being put to the vote, the **AMENDED MOTION** was declared **CARRIED**.

34b **COMMUNITY FIRE STATIONS - CLLR L. MALYON**

“That this Council writes to the Staffordshire Commissioner, Matthew Ellis, and ask him to keep all the community facilities in the fire stations, as they are important to all the community groups in the relevant area. Not to implement the changes in any more areas, that have already in Hanley and Tamworth moving towards Leek.”

As an **AMENDMENT** it was **PROPOSED** and **SECONDED** that the Council’s Political Group Leaders meet to agree a statement to be issued to the Staffordshire Commissioner and that the Council’s Chief Executive writes to Staffordshire Council Chief Executives to highlight the issue.

On being put to the vote, the **AMENDED MOTION** was declared **CARRIED**.

34c **YOUR STAFFORDSHIRE CARD - CLLR K. MARTIN**

“That this Council writes to Staffordshire County Council to strongly object to the withdrawal of the ‘Your Staffordshire Card’ as it will disadvantage approximately 8,500 young people. This was a vital service and needs to be reinstated. The card gave young people, particularly in isolated rural areas, their independence and access to further education, employment and other opportunities.”

On being put to the vote, the **MOTION** was declared **CARRIED**.

1. Question to the Portfolio Holder for Climate Change received from Councillor Gledhill:

“Given the recent designation of Leek Town Centre and Cellarhead Traffic Lights as Air Quality Management Areas owing to excess levels of Nitrogen Dioxide being emitted from passing vehicles and causing air pollution, what steps are being taken by SMDC to deal with this situation and its impact on public health?”

Response:

Now the Air Quality Management Areas (AQMAs) have been declared, Air Quality Action Plans have to be produced within 12 months. The Council will identify steps which can be implemented to try and reduce the level of nitrogen dioxide below the national objectives and will formally consult on the plan.

The range of options for reducing the level of traffic pollution are very wide but not all options will be helpful in the area. Some of these steps could include changing road priorities both within the AQMAs or outside them; using traffic calming to either restrict traffic flow or make it flow more smoothly; or providing alternative routes for the vehicles to travel where the pollution levels will not have a significant impact. Changes could also be made to alter the number of heavy vehicles using roads although the benefits of this appear, at the moment, to be limited. The following promotions have taken place so far:

- 2 members of staff have been appointed to work with schools and businesses
- A business event was held in August
- Links to Air Quality Grants have been placed on the Council’s website in relation to EV Charging Points for business
- An ECO Stars Scheme, a haulage specific campaign, has been launched

The Council has engaged/will be engaging with the following schools in the area:

- Westwood First School
- All Saints First School
- Cellarhead
- St Edwards Middle School (15,16th October)
- Churnet View Middle (TBA)
- St Marys (TBA)

An Air Aware Scheme is currently being promoted in partnership with Staffordshire County Council. This is linked to schools and businesses with options to consider including:

- Leave your car at home (public transport)
- Car share
- Turn your engine off
- Cycle/Walk/Scoot
- Alternative routes
- Future proof with alternative fuels
- Energy at home

The Department for Food and Rural Affairs (Defra) has just announced the Air Quality Grant for 19/20 to support projects designed to:

- Provide air quality benefits soon (in the next 1 to 2 years)
- Develop solutions over the longer term by increasing awareness and encouraging

Meetings and engagement scheduled to support the development of the Action Plans include:

- Integrated Transport Plan 2018 review
- Staffordshire Air Quality forum meeting on Wednesday 16th October 2019, to commence formal engagement with the Highways Authority
- Air Quality Project Board meeting on Thursday 17th October 2019 (including representatives from the County Council and Public Health service) to discuss promotion and aligning activities with our partners.

The Council currently has 45 monitoring tubes across the Moorlands. The monitoring point locations are reviewed at the end of every year and the Council will target areas of concern. The next review will be January. The Monitoring points are rotated throughout the District. Councillors and members of the public can suggest areas of concern and the Pollution Team will look to respond and site monitoring points accordingly.

In response to supplementary questions the Portfolio Holder confirmed that ward councillors would be notified in advance when testing was conducted in their wards and that he would attend meetings with County Highways with the Council's officers.

2. Question to the Leader of the Council received from Councillor Yates:

“The recent work undertaken to resolve and remedy the blight of long term empty houses, and for that matter redundant buildings in general, has highlighted the shortcomings in the Council Tax and Business Rates policy for vacant properties.

Could a review, under the auspices of the Community O&S Work Programme be undertaken to review and amend the terms and the application of this policy to encourage timely redevelopment and return to use by giving Council Tax/Business Rate holidays for these properties and to prevent "land and property banking" by owners by increasing charges if properties are left empty over time?”

Response:

In line with the relevant regulations, the Council currently offer discounts and exemptions in relation to uninhabitable properties and short-term empty properties to encourage owners to bring these properties back into use.

The Council takes a robust approach to addressing empty properties in the District and more recently, the Council has engaged with an external company to undertake a review of empty properties over 6 months, which involves an initial canvass followed by an inspection if required. Following completion of this review, the Council intends to issue a questionnaire to the owners of those properties that remain empty to understand the reasons why the properties are empty and look to support them where possible in bringing those properties back into use.

There is a commitment in the Committee work programme to provide an Empty Property Update at a future Resources Overview & Scrutiny meeting. Alongside this the Council will also be reviewing the Council Tax/Business Rates Discounts, Exemptions and Reliefs policies – which will include a review of the current long-term empty premium.

In response to supplementary questions the Leader of the Council confirmed that issues related to properties exempt from business rates (e.g. church and community buildings that have passed into private hands) and uninhabited and derelict properties could be included in the Resources Overview and Scrutiny Panel Work Programme.

3. Question to the Leader of the Council received from Councillor Cawley:

“To ask the Leader of the Council what progress she has made in her discussions on the provision and improvement of bus services in the Staffordshire Moorlands.”

Response:

The Leader of the Council stated that she had attended parish council meetings over the previous months. A lot of information had been collated and she was now in the process of liaising with bus companies to get the best possible deal for the Staffordshire Moorlands.

36 TO CONSIDER ANY POLITICAL GROUP APPOINTMENTS OR CHANGES TO MEMBERSHIP, IF ANY.

The Leader of the Council announced that Cllr M. Worthington would replace Councillor P. Roberts as the Chair of the Appeals Board.

Councillor Malyon announced that Councillor P. Wilkinson would replace Councillor P. Elkin on the Planning Applications Committee.

37 EXCLUSION OF THE PRESS AND PUBLIC:

RESOLVED:

That, pursuant to Section 100A(2) and (4) of the Local Government Act, 1972, the public be excluded from the meeting in view of the nature of the business to be transacted or the nature of the proceedings whereby it is likely that confidential information as defined in Section 100A (3) of the Act would be disclosed to the public in breach of the obligation of confidence or exempt information as defined in Section 100 I (1) of Part 1 of Schedule 12A of the Act would be disclosed to the public by virtue of the Paragraphs indicated.

38 **EXEMPT MINUTES OF THE PREVIOUS MEETING**

RESOLVED:

That the Exempt Minutes of the Meeting of the Council held on 10 July 2019 be approved as a correct record and signed by the Chairman.

The meeting closed at 8.57 pm

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

Report to Resources Overview & Scrutiny Panel

2 October 2019

TITLE:	Overview and Scrutiny Annual Report 2018-2019 & MHCLG Guidance
PORTFOLIO HOLDER:	Councillor Ralphs – Leader
CONTACT OFFICER:	Sally Hampton - Member and Community Services Officer & Linden Vernon – Senior Officer – Governance and Member Support
WARDS INVOLVED:	None Specific

Appendix Attached – Appendix A Terms of Reference and Membership of Overview and Scrutiny Panels

1. Reason for the Report

1.1 To provide Councillors with a summary of:

- The work undertaken by the Council's Overview and Scrutiny Panels during 2018 – 2019 and
- Guidance issued on the Overview and Scrutiny function in Local and Combined Authorities

2. Recommendation

2.1 That the report be noted.

3. Executive Summary

3.1 During 2018/19, the Council's Overview and Scrutiny Panels continued to scrutinise performance internally/externally, hold the Cabinet to account and contribute to policy development. The range of work and issues considered by each Panel during 2018/19 are summarised in sections 6 - 9 of the report. Appendix A of the report contains the terms of reference of each Panel and its membership.

3.2 Section 10 of this report also summarises for members the statutory guidance issued by the Ministry of Housing, Communities & Local Government (MHCLG) on scrutiny in Local Government and Combined Authorities.

4. **How this report links to Corporate Priorities**

- 4.1 The successful delivery of all corporate priorities is dependent upon the effective scrutiny and development of Council policies and services.

Mark Trillo

Executive Director (People) and Monitoring Officer

Web Links and Background Papers

- [Overview & Scrutiny Panel agendas and reports](#)
- [MHCLG Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities](#)
- [CfPS – The Good Scrutiny Guide](#)

Contact details

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5. **Detail**

Overview and Scrutiny Annual Report 2018-2019

- 5.1 The Cabinet is responsible for making the day-to-day decisions concerning the implementation of policies of the Council. Overview and Scrutiny Panels ensure that the Cabinet is publicly held to account for their actions and seeks to promote open and transparent decision-making and democratic accountability. They also have a role in researching, scrutinising other bodies and ensuring that the Council's policy and budget framework is respected and realising the key aims of the Council's Corporate Plan. Overview and Scrutiny Panels may appoint Task and Finish Working Groups/Sub-Committees to examine any issue in more depth.
- 5.2 Effective participation has taken place with the involvement of partners, outside organisations and individuals at Panel and Working Group meetings. Cabinet Portfolio Holders also attend such meetings to provide updates or answer questions.
- 5.3 Each Overview and Scrutiny Panel is responsible for setting its own Work Programme. These are informed by the Council's Forward Plan containing Key Decisions to be made by the Council's Cabinet. The Work Programme is listed as a standing item for review and approval at each Panel meeting. Executive Directors work closely with the Chairs of each Panel to assist in the planning of agendas, provide briefings and ensure the Panel meets its objectives. Support is also provided by the Democratic and Community Services Team together with Officers from the Council's various service areas.

6. **Resources Overview and Scrutiny Panel**

- 6.1 To ensure that financial management is sound thorough consideration was given to regular financial, procurement and performance reports, which

included performance against the budget and a review of fees and charges. Members were kept up to date with progress with regard to the Council's Efficiency Programme, revenue collection, treasury management, Capital Programme and customer feedback.

- 6.2 The findings from the Annual Report, the revised Corporate Plan and the 2018/19 Performance Framework were presented to members and recommended for approval by Cabinet.
- 6.3 Councillor Ralphs presented the proposed Budget for 2019/20, the updated Medium-Term Financial Plan 2019/20 – 2022/23, the Capital Strategy 2019/20, the proposed Fees and Charges for 2019/20 and the Procurement Forward Plan for 2019/20. Members had the opportunity to scrutinise the details for each item contained within the appendices to the main report.
- 6.4 Claire Hazeldene – Finance, Income & Procurement Manager, gave a presentation to members to clarify details regarding the Council's recovery of Council Tax and presented a report on the Retained Business Rates – 75% Pilot bid.
- 6.5 The Panel received a report on the latest stages of the implementation of the Alliance Environmental Services company. Members had the opportunity to raise their concerns around the governance of the company and were able to scrutinise the financial elements of this arrangement.
- 6.6 On two occasions, Ben Haywood – Operations Manager, Development Services and Sally Curley – Project Officer, attended to clarify the Section 106 process to members and answered queries around this matter.
- 6.7 Mike Towers - Senior Officer, Housing, Public Health & Licencing, gave members an update on the process of transferring the Disabled Facilities Grant scheme to a new provider – Millbrook Healthcare Ltd. At a subsequent meeting, Chris Williams (Operations Manager – Millbrook Healthcare), was present to provide members with detailed information and statistics about the company.
- 6.8 Executive Director (Transformation) - Andrew Stokes, gave a presentation to members on the Ascent LLP housing delivery programme, outlining the history of the Ascent housing delivery programme from its establishment in October 2010, its constitutional make-up, its diversified nature, number of houses completed and provision of employment. Now the programme had ended, members were advised of the options available to the Council and detailed financial information around the proposals were outlined to members.
- 6.9 The Panel dealt with the Call-in of the Cabinet Delegated Decision on the Management Structure. Following a vote it was decided not to refer the decision back to Cabinet.

7. Service Delivery Overview & Scrutiny Panel

- 7.1 The Panel scrutinised a range of subjects over the year focused on services provided by the authority. This included regular updates on the formation of Alliance Environmental Services (AES) and detail on each phase of the transfer of services to the new company. Members considered the service specification to ensure that future service delivery met the requirements of the Council and supported the development of the new operating arrangements.
- 7.2 Consideration was given to a variety of regeneration items such as the Growth Strategy, Accelerated Housing Delivery Programme and proposals in the draft National Planning Policy Framework (NPPF), which were subject to consultation. Members were kept informed of the timescales associated with these items and how they would assist with the delivery of sustainable growth in the District.
- 7.3 Dai Lerner – Executive Director (Place), introduced the draft Housing Implementation Strategy which had been prepared as part of the ongoing Local Plan examination and provided an update on progress on the preparation of an Investment and Acquisition Strategy.
- 7.4 By request of the Panel, Robin Cummings, Service Lead for Street Cleansing, provided a presentation on the Street Cleansing Service and responded to any queries and concerns members raised.
- 7.5 Members were updated on the progress on the first year delivery of Council's Strategy for Physical Activity and Sport and considered a report which agreed a way forward for the establishment of the future arrangements for the management of the Council's leisure centres post March 2019.
- 7.6 Glen Hall - Operations Director, Alex Godfrey - Regional Director and Elaine Harding – Staffordshire Moorlands General Manager, attended a meeting to provide an annual performance update on behalf of Parkwood Leisure.
- 7.7 The Panel received a detailed presentation on the management transfer of the Council's Countryside Sites, an update report on the progress on the reinstatement of the heritage rail link from Leekbrook to Leek (Cornhill) and an update on the operation of the Markets.
- 7.8 Finally, the Panel considered the Call-in request of the Cabinet decision in relation to the Town Centre Regeneration and Investment Programme. After detailed debate, members decided not to refer the decision back to Cabinet but requested that the final bid for the Future High Street Fund be brought to the Panel at a future meeting.

8. Community Overview & Scrutiny Panel

- 8.1 Members scrutinised annual updates on the Fire and Rescue Service from Brian Moss, Head of Northern Service Delivery Group and from Chief

Inspector Mark Thorley, in relation to the operational policing of the area. In addition to this, Chief Inspector Thorley, attended on another occasion in response to a spate of graffiti in the area.

- 8.2 Further to a letter being sent to the Secretary of State for Education in relation to funding for schools, Andrew Shaw, Executive Head of the Leek Federation, attended a subsequent meeting of the Panel. The Panel was thanked for sending the letter; the Leek Education Partnership had noted and recognised the Panel's support on this matter.
- 8.3 Following the changes in the governance arrangements for Your Moorlands, this Panel received two 6 monthly updates from Your Housing Group. On each occasion members considered the legacy agreement and performance reports introduced by Sharon Wheeler - Property Manager South and Paul Stanners – Service Manager.
- 8.4 The Panel recommended Cabinet to approve the Council's revised Safeguarding Policy following its consideration of a report which updated councillors on the Council's actions to meet its safeguarding duties.
- 8.5 At the request of the Panel, Esther Jones, Staffordshire Moorlands Team Leader, gave a presentation to the Panel on Support Staffordshire's current services and Peter Davies – Project Co-ordinator, attended a meeting to advise members of the work carried out by the Foodbank in Leek. Following this update the Council made arrangements for a foodbank collection box to be located in the reception area at Moorlands House.
- 8.6 In response to members concerns in relation to the level of fly-tipping in the area, the Council's Head of Operational Services, provided an overview of this issue and the service provided to remove reported instances of fly-tipping. Some slides were shown to the Panel to demonstrate the levels of fly-tipping in comparison to other local authorities. In addition to this, David Smith, Principal Officer (Partnerships and Communities), explained the Environmental Protection Act, the process for enforcement of fly-tipping offences and the level of fines which could be issued.
- 8.7 Members considered a report on Environmental Enforcement and proposed changes to the levels of the fixed penalty notices set by the Council and scrutinised a report which outlined the findings of a review of the Council's public realm CCTV system.
- 8.8 Matthew Ellis, Staffordshire Commissioner, updated members on the new joint governance arrangements and provided an annual update to the Panel.
- 8.9 Individual presentations for Biddulph, Cheadle and Leek Citizens Advice Bureaux (CAB) were considered by the Panel. Each presentation contained statistical information and case studies. The Panel also had the opportunity to give its consideration to the Citizens Advice Bureau merger business case which had identified long term financial challenges that required urgent action to ensure that high quality advice services continued to be provided to the citizens of Leek, Cheadle and their surrounding areas.

- 8.10 Following concerns about proposed on street pay and display parking across Staffordshire, Lee Barnard, Traffic Management Act Manager, Staffordshire County Council, provided members with some background information on the proposed changes to parking and listened to members comments in relation to this matter.
- 8.11 The minutes of the last Staffordshire Police, Fire and Crime Panel and reports from the Chairman were issued with each agenda for the Panel to be kept informed of the work undertaken by the Panel at the County Council.

9. Health Overview & Scrutiny Panel

- 9.1 The Panel scrutinised a range of subjects over the year, focused on items relating to the health service at the request of the Panel via the Work Programme. Members received updates from each of the representatives below and had the opportunity to ask questions:-
- Karen Clowes, CAMHS Service Manager & Julia Matthews, Highly Specialist Systemic Family Psychotherapist, North Staffordshire Combined Healthcare NHS Trust, gave a presentation on the Eating Disorder Service
 - Marcus Warnes, Accountable Officer, North Staffordshire CCG, on the Future of Local Health Services in Northern Staffordshire.
 - Howard King - Managing Director of Specialist Services, MPFT, set out the changes to the diabetic eye screening clinics in the area.
 - Liz Johnson – Service Manager, provided the Panel with an overview of the services provided by Changes Health and Wellbeing
- 9.2 The Panel discussed the future of Leek Moorlands Hospital and received an update on the outcomes of a meeting of Leek Town Council in relation to this matter.
- 9.3 Members were in agreement that the Moorlands required a centre of excellence for dementia and set up a Dementia Care Working Group. This group has met on a number of occasions and recommended the following proposals which were agreed:
- That the Council became Dementia Friendly;
 - For Councillors to receive Dementia Friendly training;
 - That Council Officers consider ways in which the Council may be able to assist organisations to offer a drop in facility.

The Working Group continues to meet and will report back to this Panel.

- 9.4 The minutes of the last Staffordshire County Council Healthy Staffordshire Committee were issued with each agenda for the Panel to be kept informed of the work undertaken by the Committee.

10. Guidance on Overview and Scrutiny in Local Authorities and Combined Authorities.

Introduction

- 10.1 The overview and scrutiny function was introduced by the Local Government Act 2000 as part of new governance arrangements to ensure that members of a council who were not part of the executive (Cabinet) could hold the executive to account for the decisions and actions that affect their communities.
- 10.2 In May 2019 the Ministry of Housing, Communities and Local Government (MHCLG) issued revised statutory guidance for overview and scrutiny which authorities should have regard to when exercising their functions. This recognises that the way in which local government services are delivered has changed (e.g. in partnership with other organisations and creation of joint ventures etc.) since the function was first established. This guidance was also complimented in June 2019 by 'The Good Scrutiny Guide' published by the Centre for Public Scrutiny.
- 10.3 Current legislation recognises that authorities are best placed to determine which arrangements best suit their own individual needs and provides for a great degree of flexibility to decide which arrangements to adopt.
- 10.4 The Guidance states that effective overview and scrutiny should:
- Provide constructive “critical friend” challenge
 - Amplify the voices and concerns of the public
 - Be led by independent people who take responsibility for their role
 - Drive improvement in public services

Culture

- 10.5 The Guidance also underlines the importance of scrutiny being led and owned by members given their role in setting and maintaining the culture of an authority. This can be done by:
- Recognising scrutiny’s legal and democratic legitimacy – a statutory requirement for all councils and to act as a check and balance on the executive.
 - Identifying a clear role and focus – ensuring the function is concentrated on delivering work that is of genuine value and relevance to the work of the Council.
 - Ensuring an early and regular engagement between the executive and scrutiny – enabling planning to take place for future work programmes ensuring that the role of scrutiny be that of a ‘critical friend’ and not a de facto ‘opposition’.
 - Managing disagreement – the executive and scrutiny working to reduce the risk of disagreement, taking steps to predict, identify and act, perhaps by using a framework such as an ‘executive-scrutiny protocol’.

- Providing the necessary support – the level of resource is for each council to consider taking into account the local scrutiny committee structure and remit.
- Ensuring impartial advice from officers – particularly from council’s statutory officers – the monitoring officer, the section 151 officer and the head of paid service to ensure that timely, relevant and high quality advice is provided.
- Communicating scrutiny’s role and purpose to the wider authority – ensuring that members and officers are aware of the role of scrutiny for the wider council, its powers, the outcomes it can deliver, its membership and those providing officer support.
- Maintaining the interest of full Council in the work of scrutiny committee – this may be done by incorporating recommendations into reports to Full Council, taking into account the relevance of reports.
- Communicating scrutiny’s role to the public – considering how and when to engage communications with the wider community using the council’s various communications channels (e.g. press and social media etc.).
- Ensuring scrutiny members are supported in having an independent mindset – members should adopt an independent approach which is fundamental in carrying out their scrutiny role effectively, despite being from the same political group as a member they are scrutinising.

Resourcing

- 10.6 The Guidance explains that it is for each council to decide on the resources it provides to ensure a successful scrutiny function but that this is not solely about budgets and provision of officer time but also includes the ways in which the wider authority engages with the function. Factors to consider include training requirements of members and officers (e.g. effective questioning and chairing skills) and identifying the need for external support where this does not exist ‘in-house’.

Committee Members

- 10.7 While there are proportionality requirements that must be met, the Guidance states that the selection of the chair and other committee members is for each authority to decide for itself. Authorities are reminded that members of the executive cannot be members of a scrutiny committee. When political groups select individual members to serve on scrutiny committees they should consider a member’s experience, expertise, interests, ability to act impartially, ability to work as part of a group and capacity to serve.
- 10.8 The Guidance also states that although these attributes should also apply to the Chair of a scrutiny committee, a Chair should also possess the ability to lead and build a sense of teamwork and a consensus among committee members and draw together key themes and highlight key findings. Chairs should also pay special attention to the need to guard a committee’s independence and they should take care to avoid the committee being, and being viewed as, a de facto opposition to the executive.

- 10.9 As referred to in the above Resourcing section authorities should ensure that councillors are offered relevant training and development opportunities. This includes an induction when they take up their role and ongoing training so they can carry out their responsibilities effectively. This includes knowing their legal powers and how to prepare effective questions for scrutiny sessions.
- 10.10 In some cases it may be appropriate to supplement members and officers expertise to fully understand and evaluate the nature of specific topics. This can be achieved by inviting people to attend committee from outside the Council who can bring an independent view and technical advice on a subject matter.

Power to Access Information

- 10.11 Scrutiny members should have access to regularly available sources of key information about the management of the authority – particularly on performance management and risk issues which should be supplemented by support from officers with regards to the interpretation of this information. In law scrutiny members have specific powers to access information (e.g. exempt or confidential information). However, the Council's procedure rules allow all members have access to information of this type as a matter of course regardless of their committee membership.
- 10.12 The Guidance reminds scrutiny committee members of their legal power to require members of the executive and officers to attend before them to answer questions. It is the duty of members and officers to comply with such requests.
- 10.13 Scrutiny committees may request outside organisations to attend meetings and provide information, particularly where they are in receipt of council funds to ensure that they are delivering good services. The Annual Report section of this report provides a summary of the wide range of organisations that have made presentations to the Council's Overview and Scrutiny Panels.

Planning Work

- 10.14 In order to make a difference to the work of a council the Guidance suggests that scrutiny committees should plan their long-term agenda through the use of a work programme which should be flexible to accommodate any urgent issues that may arise during the year.
- 10.15 The Guidance acknowledges that although scrutiny has the power to look at anything which affects 'the area, or the area's inhabitants' prioritisation is necessary which means that there might be things that, despite being important, scrutiny will not be able to look at. Focus may therefore be given to areas of risk, an authority's finances or the way that it works with its partners. Councillors may also wish to bring their local insight gained from the public when considering themes of work for future agendas. An authority's customer feedback, partners (contractors, voluntary sector etc.) and its executive may also assist in the design and alignment of a committees work programme.

10.16 When considering whether an item should be included in a work programme the Guidance recommends that scrutiny committees should consider the following questions:

- Do we understand the benefits scrutiny would bring to the issue?
- How could we best carry out work on this subject?
- What would be the best outcome of this work?
- How would this work engage with the activity of the executive and other decision-makers, including partners?

10.17 The Guidance states that scrutiny members should accept that shortlisting items can be difficult; scrutiny committees have finite resources and deciding how these are best allocated is tough. Having identified items members can then consider whether it be best to address the matter via an item on an agenda, holding a special meeting or by creating a specific task and finish working group.

Evidence Sessions

10.18 Good preparation is a vital part of conducting effective evidence sessions. Members should have a clear idea of what the committee hopes to get out of each session and appreciate that success will depend on their ability to work together on the day. Scrutiny members may wish to consider their objectives for an item and type/order of questions they wish to ask. Following each session members should consider their recommendations taking into account advice offered by officers. There may also be opportunity for these to be sense-checked with the executive to allow for errors to be identified and corrected.

APPENDIX A

Terms of Reference and Membership of Overview and Scrutiny Panels

Overview & Scrutiny Panel	Scope
<p style="text-align: center;">Resources</p> <p>Membership: Cllrs; Atkins, Davies, Fallows, Gledhill, Hart, Hawkins, Holmes, Hughes, Hulme, Jackson, Jones, Lea, Malyon, Plant, Riley, Routledge, Shaw, Wilkinson and Yates.</p>	<p>Budget and policy framework, service improvement and performance monitoring; resource allocation; accessibility of services; co-ordination of scrutiny work programme; Strategic Alliance and efficiencies; overview and scrutiny of all functional responsibilities of the portfolios covering finance and resources, customer services and performance management.</p>
<p style="text-align: center;">Service Delivery</p> <p>Membership: Cllrs; Bentley, Brady, Davies, Elkin, Emery, Flunder, Hart, Hawkins, Herdman, Hoptroff, Page, Plimley, Price, Redfern, Roberts, Salt, Sheldon and Ward.</p>	<p>The delivery of council services including environment, planning (including development and property); housing and regeneration; culture (arts, leisure, sport, parks, countryside, tourism); overview and scrutiny of the portfolio(s) covering regeneration, environment, culture, leisure and planning, development and property.</p>
<p style="text-align: center;">Health</p> <p>Membership: Cllrs; Alcock, Atkins, Cawley, Fallows, Flunder, Herdman, Holmes, Hughes, Hulme, Jones, Lawson, Malyon, McNicol, Price, Redfern, Riley, Salt, Swindlehurst, and Wood.</p>	<p>Scrutiny of health service provision in the Staffordshire Moorlands (as defined in the Code of Joint Working with Staffordshire County Council) contributing to the work of the Healthy Staffordshire Select Committee, which has overall responsibility for health scrutiny.</p>
<p style="text-align: center;">Community</p> <p>Aberley, Bentley, Heath, Herdman, Hoptroff, Hughes, Johnson, Jones, Martin, Mcnicol, Riley, Roberts, Shaw, Swindlehurst, Taylor, Ward, Wood and Yates.</p>	<p>Democratic and community engagement, equalities and diversity, sustainability & climate change, community safety, the Council's Community Leadership Scheme, locality working, the councillor call for action, the Local Strategic Partnership (LSP) and other partnerships. The commissioning/delivery of services by Staffordshire County Council, parish/town councils and the voluntary/third sector.</p>

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STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

Audit & Accounts Committee

25th October 2019

TITLE:	Treasury Management Update
PORTFOLIO HOLDER:	Councillor Ralphs - Council Leader SMDC
CONTACT OFFICER:	Claire Hazeldene – Head of Finance Emily Bennetts – Finance Business Partner
WARDS INVOLVED:	Non-Specific

Appendices Attached

Appendix A – Treasury Management Mid-Year Update Report to 30th September 2019

1. Reason for the Report

- 1.1. The purpose of the report is to allow the robust scrutiny of the Council's Treasury Management performance in 2019/20 in compliance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and generally accepted good practice.

2. Recommendation

- 2.1. That the Committee notes the current treasury management position as at 30th September 2019.

3. Executive Summary

- 3.1. The CIPFA Code of Practice on Treasury Management was adopted by the Council in February 2010. This Council fully complies with its requirements, one of which is to produce at least one mid-year operational report.

- 3.2. This report comprises the following:

- The latest interest rate forecast;
- Investment income earned to date and projected for 2019/20;
- The current investment portfolio;
- Capital programme update, the current and projected borrowing requirements with projected borrowing costs for 2019/20; and
- Compliance against prudential and treasury indicators set in the Treasury Management Strategy 2019/20.

3.3. The main headlines include:

- The Bank of England base rate remains unchanged at 0.75% and the forecast increase has been moved back to December 2020.
- HM Treasury has announced that with immediate effect the PWLB new loan rates would be increased by 1%.
- A shortfall of £32,000 is forecast against the investment income budget due to the delayed increase in interest rates and continuing internal borrowing.
- The Ascent debenture and loan income budget is on target pending the implementation of the proposal for the Ascent Delivery model and new loan arrangement.
- The borrowing costs budget to support the existing Ascent loan balance and a potential general fund borrowing requirement is currently forecast to be £60,000 under budget owing to the use of internal borrowing and profiling of the capital programme.
- The average return on investments was 0.78% during the period 1st July to 30th September. This compares favourably to short-term industry benchmarks.
- The Council's investment portfolio totalled £10.8 million spread across six separate institutions as at 30th September 2019.
- The Council's current level of debt is £10 million at an average annual borrowing rate of 1.40%.

4. How this report links to Corporate Priorities

- 4.1. An effective Treasury Management function is critical in safeguarding and effectively managing the financial resources at the Council's disposal. Sufficient financial resources are required to deliver and underpin all of the Council's main priorities.

5. Alternative Options

- 5.1. This report sets out the Treasury Management position for Staffordshire Moorlands District Council for 2019/20 to date and the projected outturn. As such it is a statement of fact and there are no options.

ANDREW P STOKES
Executive Director (Transformation) and Chief Finance Officer

Web Links and

Background Papers

'Treasury Management – Governance & Scrutiny Arrangements' (Audit & Accounts Committee September 2009)

'Treasury Management Strategy Statement 2019/20' (Audit & Accounts Committee February 2019)

Location

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STAFFORDSHIRE
moorlands
DISTRICT COUNCIL
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Treasury Management Update 30th September 2019

1. Introduction
2. Economic Forecast – Interest Rates
3. Investment Income
4. Investment Portfolio
5. Capital Programme Update & Borrowing Position
6. Prudential Indicators

1. Introduction

- 1.1. Treasury Management is defined as “The management of the Authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.
- 1.2. The Council has adopted CIPFA’s revised Code of Practice for Treasury Management which recommends that Members should be updated on Treasury Management activities at least twice a year.
- 1.3. The Audit & Accounts Committee has delegated responsibility for scrutinising the treasury function. The Committee’s role includes approval of the annual treasury management strategy and scrutiny of operational treasury management reports. Decisions taken by the Audit & Accounts Committee are reported to full Council.
- 1.4. The Treasury Management Strategy Statement (TMSS) for 2019/20 was approved by Council on 8th February 2019. This report details treasury management performance up to the 30th September 2019 and projects forward for the remainder of the financial year.

2. Economic Forecast – Interest Rates

- 2.1. The Council’s treasury advisers, Link Asset Services (‘Link’), provide the latest bank rate and PWLB (Public Works Loan Board) forecast:

%	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25
5yr PWLB rate	2.30	2.50	2.60	2.70	2.70	2.80	2.90	3.00	3.00	3.10
10r PWLB rate	2.60	2.80	2.90	3.00	3.00	3.10	3.20	3.30	3.30	3.40
25yr PWLB rate	3.30	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00
50yr PWLB rate	3.20	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90

- 2.2. Link has revised the interest rate forecast to take account of the continuing uncertainties around the exit of the EU and political situations both domestic and international. The forecast increase for the Bank of England base rate to 1.00% has been moved back to the quarter ending December 2020 with no further increase beyond this until March 2022. Link continues to acknowledge that unfolding events could prompt movements in rates in either direction at any time.

- 2.3. HM Treasury made an announcement on 9th October that with immediate effect the PWLB new loan rates would be increased by 1% - this has been reflected in the interest rate forecast table at paragraph 2.1.
- 2.4. Annex A to this report contains the full announcement from HM Treasury regarding this change to new loans from the PWLB.

3. Investment Income

- 3.1. Interest earned on investment deposits up to 30th September 2019 totalled £42,150. The Council has budgeted to receive £117,580 in investment income in 2019/20. The budget was set with an expectation of higher interest rates than the current environment: 1.00% for the first three quarters of the year and a further potential rate rise to 1.25% at the end of the year. The Bank of England base rate remains at 0.75% at the end of the first quarter and is now not expected to rise until 2020/21. In addition the investment portfolio is reduced due to the continuation of internal borrowing. Therefore a shortfall of £32,000 is forecast on the investment income budget.
- 3.2. The average interest rate achieved on the Council's investments is shown in the table below; this compares favourably to the LIBID rates, the recognised industry benchmark:

Comparator	Average Rate Q1	Average Rate Q2
SMDC Average	0.81%	0.78%
SMDC long-term fixed (>364 days)	1.18%	1.18%
SMDC short-term fixed (<364 days)	-	-
SMDC instant access	0.72%	0.69%
Benchmarks		
*LIBID 7 day rate	0.57%	0.56%
*LIBID 3 month rate	0.68%	0.64%
*LIBID 6 month rate	0.78%	0.69%
*LIBID 12 month rate	0.91%	0.75%
Base Rate at the end of the period	0.75%	0.75%

**LIBID = London Inter Bank Bid Rate*

- 3.3 The table below highlights the level of investment activity and the rates obtained in the period from 1st July to 30th September 2019. Investments are made in line with Link's creditworthiness guidance and the duration limits applied to each colour banding.

Institution	Country of Domicile	Amount	Length	Rate
No fixed investments during the period				
Reserve Accounts <i>(instant access accounts and money market funds)</i>	UK	£2,284,521 <i>(daily average)</i>	Various	0.68%

- 3.3. The rates achieved by the Council vary by institution, by duration of investment and by the timing of when the investment was made. The Council's lending criteria restricts the number of financial institutions that are eligible to be on the lending list, and the amount that can be invested with eligible counterparties (and counterparty groups) at any one time.
- 3.4. The majority of the investment portfolio is held on a short-term basis (<1 year). The Council uses same day access business accounts, money market funds, fixed term deposits, and certificates of deposits (via the use of custodian, King & Shaxson), which offer competitive rates and access to banks that would not necessarily deal direct with the Authority for the sums invested.

Ascent Joint Venture

- 3.5. The Council established a Joint Venture with Your Housing Group in October 2010 to provide affordable housing across the District. Each party provided a £5million debenture to the Joint Venture Company, Ascent LLP, the Council receiving interest at 2.0% on debenture monies drawn. In addition, the Council also provided a loan facility of £14million (from a £20million approved facility) with interest payable based on the PWLB rate at the date of each drawdown for the specified period plus a 1.25% risk premium. The current average total interest rate being 3.46%.
- 3.6. A report was approved by Cabinet on 18th June 2019 (exempt by the virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972) reviewing the Ascent Business Plan and Delivery Model and proposing a new loan arrangement with Your Housing. In line with the Council's financial regulations, the new loan arrangement was subsequently approved by Council on 10th July 2019.
- 3.7. Following this approval, the Council is now working with Your Housing on the dissolution of Ascent, repayment of the original Loan and Debenture from Ascent and the completion of a new loan agreement.
- 3.8. The existing £14million Loan is a priority debtor therefore would be repaid in full. The £5million Debenture owed to the Council and similarly the £5million Debenture owed to Your Housing are of equal priority and are expected to be subject to an impairment estimated at £895,000 which would be shared equally between the two parties, the Council's share being £447,500 (as outlined in the Cabinet report).
- 3.9. The 2019/20 budget was based on the original investments continuing: £100,000 income from the Debenture and £484,270 from the Loan. The current interest income forecast does not assume any variance to this until more is confirmed about the timing of any potential repayments and reinvestments.

4. Investment Portfolio

4.1. The Council manages its investments in-house and invests with financial institutions meeting the Council's approved lending criteria. The Council's investment portfolio at 30th September 2019 totalled £12,309,000, as shown in the table below:

Financial Institution	Country of Domicile	Amount	Maximum recommended lending duration	Interest rate at end of period	Average Maturity
Money Market Funds	UK	£4,200,000	WHITE (12 months)	0.75%	Instant access
Bank of Scotland	UK	£2,500,000	ORANGE (12 months)	0.65%	Instant access
NatWest Bank	UK	£2,109,000	BLUE (12 months)	0.30%	Instant access
Lloyds Bank	UK	£2,000,000	ORANGE (12 months)	1.18%	364 days
Santander	UK	£1,200,000	RED (6 months)	1.00%	95 day notice
Handelsbanken	UK	£300,000	ORANGE (12 months)	0.65%	Instant access
TOTAL		£12,309,000			

4.2. The maximum investment term, as recommended by Link, is shown by colour banding in the table below:

Colour Banding	Maximum Duration of Investment	UK Banks	International Banks
PURPLE	Up to 2 years	£4.0m	£3.0m
ORANGE	Up to 12 months	£3.6m	£2.4m
RED	Up to 6 months	£3.0m	£2.0m
GREEN	Up to 100 days	£2.6m	£1.6m
BLUE (Part & fully nationalised financial institutions)	Up to 1 year	£4.0m	n/a
BLUE (NatWest)	Up to 1 year	£6.0m	n/a
Money Market Funds	Up to 1 year	£3.6m	n/a

4.3. Group limits are also applied:

Category	Portfolio (% of highest balance*)	Individual Principal Limit	Portfolio % increased by 50%	Group Principal Limit
BLUE	20%	£4.0m	30%	£6.0m
PURPLE	20%	£4.0m	30%	£6.0m
ORANGE	18%	£3.6m	27%	£5.4m
RED	15%	£3.0m	23%	£4.6m
GREEN	13%	£2.6m	20%	£4.0m
Money Market Funds	18%	£3.6m	23%	£4.6m

- 4.4. The average annual level of funds available for investment up to 30th September 2019 was £10.8million. Investments are generally made up of short-term cash and core cash. Short-term cash is dependent on the timing of major payments e.g. precept payments, salaries and creditor payments, and major receipts e.g. receipt of grants and Council Tax direct debits. Core cash is dependent on capital programme commitments.

5. Capital Programme Update & Borrowing Position

Capital Programme Update

- 5.1. The table below provides current projections for capital expenditure and funding:

	TMSS 19-20 Estimate	Current Estimate (includes 18-19 carry forwards)*
Total Capital Expenditure	£4,785,000	£4,302,000
<i>Funded by:</i>		
Capital Receipts	£40,000	£40,000
External Funding	£1,239,000	£1,238,000
Reserves	£1,620,000	£1,500,000
2019/20 Net Financing Requirement	£1,886,000	£1,524,000
Capital Financing Requirement		
Opening CFR	£16,483,000	£16,230,000
<i>PLUS Net Financing Requirement</i>	£1,886,000	£1,524,000
<i>LESS Minimum Revenue Provision</i>	(£51,000)	(£46,000)
Closing CFR	£18,318,000	£17,708,000

* Estimate pending Quarter 2 forecast outturn and November 2019 MTFP

- 5.2. The Net Financing Requirement on 2019/20 spend is now estimated at £1,524,000: the small variance is due to the reprofiling of elements of the capital programme.
- 5.3. The Capital Financing Requirement (CFR) is a prudential indicator set to ensure that the Council's capital investment plans are affordable. The CFR represents the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying need to borrow to finance capital expenditure and is derived by aggregating specified items for the Council's balance sheet. The closing CFR is in line with the Capital Financing Requirement set in the Treasury Strategy Statement. On the basis of the latest forecasts, the Council's capital investment plans remain affordable.

Borrowing Position

- 5.4. In accordance with the Local Government Act 2003, it is a statutory duty of the Council to determine and keep under review how much it can afford to borrow. Therefore, the Council establishes 'affordable borrowing limits' as part of the prudential indicators within the approved Treasury Management Strategy Statement.
- 5.5. The Council's outstanding borrowing at 30th September 2019 totalled £10,000,000 as detailed in the table below:

Lender	External Borrowing	Average Interest Rate	Maturity period
Local Authority Loans	£10,000,000	1.40%	Up to 1 year

- 5.6. The 'operational boundary' (£29,484,000) and 'authorised limit' (£30,984,000) indicators govern the maximum level of external borrowing to fund the capital programme, plus any short-term liquidity requirements. The current level of borrowing is well within prudential limits.
- 5.7. The 'operational boundary' and 'authorised limit' were set to account for:
- the general fund borrowing requirement;
 - an allowance for borrowing to cover short-term liquidity; and
 - funding the loan to the Joint Venture Company, Ascent.
- 5.8. There has been no 'new' borrowing so far during the year. There has been one maturity of £1million with Vale of Glamorgan Council in August 2019; this has not been refinanced. Therefore the total external borrowing is now £10million which all relates to funding the Ascent loan; £4million of the total £14million Ascent loan balance is therefore internally funded at 30th September 2019. The treasury team will continue to monitor the appropriate time to refinance these loans and externally borrow any of this requirement based on the profile of spend and continuing opportunities to 'internally' borrow, considering the movement in interest rates and the cost of carry of any borrowings taken.
- 5.9. The £294,390 budget for borrowing costs was based on externally funding the full Ascent loan balance of £14million and the potential for £2.8million of new loans to be taken mid-year to support the general fund borrowing requirement. An underspend of £60,000 is currently forecast against the budget due to continuing internal borrowing and profiling of the capital programme.

6. Prudential Indicators

- 6.1. The Council has operated within the treasury management and prudential indicators set in its Treasury Management Strategy Statement 2019/20 and complies with the Council's Treasury Management Practices.



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Dear Chief Finance Officer,

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9 October 2019

Public Works Loan Board (PWLB) interest rates

1. The Government recognises that the freedoms for local authorities to borrow under the Prudential Framework are fundamental to supporting local capital strategies and authorities' organisational objectives, including regeneration, supporting local growth and service delivery. The PWLB supports this activity by on-lending Government borrowing from the capital markets to local authorities to deliver capital investment.
2. The maximum net amount of PWLB loans that can be outstanding at any time is subject to a statutory limit. In order to ensure that lending continues to be available for local authorities that need it, the Government has legislated to increase the lending limit from £85bn to £95bn.
3. PWLB lending is offered at a fixed margin above the Government's cost of borrowing, as measured by gilt yields. The Treasury raised the margin over gilts to 100bps (one percentage point) in 2010, to better reflect the availability of capital finance, and lowered it to 80bps over gilts in 2013 for qualifying authorities.
4. Some local authorities have substantially increased their use of the PWLB in recent months, as the cost of borrowing has fallen to record lows. HM Treasury is therefore restoring interest rates to levels available in 2018, by increasing the margin that applies to new loans from the PWLB by 100bps (one percentage point) on top of usual lending terms.
5. This restoration of normal PWLB lending rates will apply to all new loans with immediate effect. The Government will monitor the impact of this change and keep rates policy under review.
6. As always, the Government will continue to work with individual authorities on a case-by-case basis if they have concerns over their financial position.

Signed,

Local Government & Reform Team, HM Treasury

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

Standards Committee

21 November 2019

TITLE:	Standards Committee Annual Report 2018/19
PORTFOLIO HOLDER:	Councillor Sybil Ralphs - Council Leader
CONTACT OFFICER:	Linden Vernon - Senior Officer (Governance and Member Support)
WARDS INVOLVED:	Non-Specific

Appendices A - Role of the Committee

1. Reason for the Report

- 1.1 To review the work of the Standards Committee during 2018/2019.

2. Recommendation

- 2.1 That the report be noted.

3. Executive Summary

- 3.1 This report provides an overview of the issues considered by the Standards Committee during 2018/19. This included the following matters:

- Monitoring complaints received regarding alleged breaches of the Code of Conduct
- The Annual Letter received from the Local Government Ombudsman
- Annual Review of Councillor Development
- Committee on Standards in Public Life - Ethical Standards Review

4. How this report links to Corporate Priorities

- 4.1 High standards of conduct are integral to the Council achieving its corporate priorities.

5. Alternative Options

5.1 There are no options to consider.

Mark Trillo

Executive Director (People) and Monitoring Officer

Web Links and Background Papers

[Standards Committee Reports](#)
[Committee on Standards in Public Life – 7 Principles of Public Life](#)

Contact details

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6. Detail

6.1 Article 9 of the Council's Constitution defines the role of the Standards Committee and is shown in full in **Appendix A** to this report. In summary this includes:

- To promote high standards of conduct by elected and co-opted members and staff
- To advise the Council, monitor the operation and provide training/notes on local codes of conduct, protocols or other ethical guidance for Members and staff
- Granting dispensations to District Councillors
- To consider and where necessary take action regarding complaints for breaches of the Code of Conduct
- To promote Member development and training on ethics and standards generally within the District Council
- To monitor the Council's corporate complaints procedure including any references to the Local Government or Housing Ombudsman and to consider any implications for the Council's codes, protocols or ethical guidance
- To advise the Council on the adoption or revision of the Constitution

6.2 The current membership of the committee is provided below. The Council's Independent Persons continue to be invited to attend and participate at Committee meetings.

Standards Committee Composition	
District Councillors	Councillor Geoff Bond (Chair) Councillor Ben Emery (Vice-Chair) Councillor James Aberley Councillor Ian Herdman Councillor Kevin J Jackson Councillor Brian Johnson Councillor Kate Martin Councillor Phil Taylor Councillor Peter Wilkinson

Standards Committee Composition	
Town/Parish representatives (non-voting)	Cllr David Fowler Cllr Barbara Hughes
Independent Persons	Mr Harry Mawdsley Mr Philip Brough (substitute)

Monitoring complaints received regarding alleged breaches of the Code of Conduct

6.3 The Committee continued to receive regular complaint monitoring reports regarding alleged breaches of the Code of Conduct. These reports updated members on the number and nature of complaints dealt with by the Monitoring Officer and explained:

- If these related to borough or town/parish councillors
- If any further action should be taken
- If further investigations were considered to be appropriate

6.4 This information is then used to identify trends and consider themes for which training seminars may be planned. The table below summarises the complaints received for the previous years and compares these with the Authority's Strategic Alliance partner, High Peak Borough Council (HPBC).

Year	No. of Complaints					
	Staffordshire Moorlands Parish Cllr	Staffordshire Moorlands District Cllr	Staffordshire Moorlands Total	High Peak Parish Cllr	High Peak Borough Cllr	High Peak Total
2013/14	3	1	4	10	1	11
2014/15	5	1	6	2	1	3
2015/16	3	12	15	4	0	4
2016/17	9	16	25	4	2	6
2017/18	5	8	13	1	3	4
2018/19	2	9	11	2	1	3

The Annual Letter received from the Local Government Ombudsman

6.5 The Annual Letter of the Local Government Ombudsman was considered by the Committee at its meeting in November 2018. The table below provides a summary of the number of complaints dealt with by the Ombudsman set against the total number of complaints received by the Authority. For comparison purposes figures for previous years are also provided together with details for HPBC.

Year	No. of Ombudsman Complaints			
	SMDC		HPBC	
	No. of Enquiries or Complaints	Total Number of Complaints	No. of Enquiries or Complaints	Total Number of Complaints
2012/13	14	439	10	404
2013/14	12	280	20*	372
2014/15	10	284	12	413
2015/16	13	258	11	368
2016/17	10	245	8*	448
2017/18	12	193	15	308

* This includes one complaint from the Housing Ombudsman Service.

- 6.6 The relatively small number of complaints that reach the Ombudsman compared to the total number of complaints received by the Authority illustrates the strength of the Council in ensuring complaints are dealt with promptly and appropriately.

Annual Review of Councillor Development

- 6.7 The Member Development Working Group co-ordinates the Council's learning and development programme for councillors. It is a cross-party group, which is chaired by Councillor David Shaw.
- 6.8 The Learning and Development Programme is focused on responding to members' training requirements and also aims to address any changes in legislation and the Council's priorities.
- 6.9 Generally, all Members are invited to attend all events, with some seminars, particularly around regulatory matters, such as Planning and Licensing, being essential for members of those committees to attend in order to fulfil requirements as set out in the Council's Constitution.
- 6.10 The Development Programme included the following seminars during the previous 2018/19 (sessions are open to all councillors unless otherwise stated):

Seminar	No. of District Councillors in attendance
Risk Management Training (also attended by an independent person) – open to members of the Audit & Accounts Committee	5
Planning Training – open to members of the Planning Applications Committee	9
General Data Protection Regulation Training (also attended by 31 parish councillors)	10

Seminar	No. of District Councillors in attendance
Planning Training – open to members of the Planning Applications Committee	5
Planning Committee Highways – open to members of the Planning Applications Committee Training	8
Planning Committee Highways Training	7
Emergency Planning Briefing	14

6.11 In addition to the main development programme, support was on-going around Members' use of IT. This includes guidance on use of tablet computers and the Council's committee management system, Modern.Gov. This has been done via group training sessions, drop in sessions and 1:1s as required.

Committee on Standards in Public Life - Ethical Standards Review

6.12 The Committee on Standards in Public Life (CSPL) considers that robust standards arrangements are needed to safeguard local democracy, maintain high standards of conduct, and to protect ethical practice in local government.

6.13 In 2018, the CSPL undertook a review of local government ethical standards. The Council responded to the consultation exercise which informed the report. The Committee considered the report's findings which included areas such as:

- The use of Codes of Conduct
- Allegations of bullying
- The use of Social Media
- Sanctions available
- The role of the Independent Person, Monitoring Officer, Local Government Ombudsman and Parish Clerks
- Arrangements for disclosure of interests
- The intimidation of councillors

6.14 The Committee received a further report on these findings in July 2019.

6.15 To mark the 25th anniversary of the establishment of the CSPL in October 2019 it has published a series of short films about the 7 Nolan Principles of Public Life and what they mean in practice. The films can be viewed [here](#).

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Article 9 - The Standards Committee

9.1 Standards Committee

The Council has established a Standards Committee.

9.2 Composition

(a) **Membership.** The Standards Committee will comprise:

- nine elected members of the Council, appointed proportionally;
- up to two Town or Parish Council members may be co-opted on to the Committee as non-voting members.

(b) **Independent Person.** The Council's Independent Person and their substitutes will be invited to attend and participate at committee meetings but will not be entitled to vote at meetings.

9.3 Role and Function

The Standards Committee will have the following roles and functions:

- (a) To promote high standards of conduct by elected and co-opted members and staff of Staffordshire Moorlands District Council.
- (b) To advise the District Council on the adoption or revision of local codes of conduct, protocols or other ethical guidance for Members and staff.
- (c) To monitor the operation of the Council's codes of conduct, protocols or other ethical guidance.
- (d) To provide briefings, training or advisory notes to elected and co-opted Members and staff relating to the Council's codes of conduct, protocols or other ethical guidance.
- (e) Where appropriate, granting dispensations to District Councillors from requirements relating to interests set out in the Members Code of Conduct.
- (f) To consider and where necessary take action regarding complaints for breaches of the Code of Conduct by the District Council's members and have arrangements in place to deal with complaints for Parish and Town Councils.
- (g) To promote Member development and training on ethics and standards generally within the District Council.
- (h) To monitor the Council's corporate complaints procedure including any references to the Local Government or Housing Ombudsman and to consider any implications for the Council's codes, protocols or ethical guidance.
- (i) To advise the Council on the adoption or revision of the Constitution in accordance with Article 14.

9.4 **Delegated Powers**

The Standards Committee has full delegated power to act within its defined role and function.