



Civic Centre
Riverside
Stafford
ST16 3AQ

17 July 2017

**Please note the
change of
venue**

Dear Members

Council Meeting

I hereby give notice that a meeting of the Council will be held in the Craddock Room, Civic Centre, Riverside, Stafford on **Tuesday 25 July 2017 at 7.00pm** to deal with the business as set out on the agenda.

Please note that this meeting will be recorded.

A handwritten signature in black ink that reads "Tim Clegg".

Tim Clegg
Chief Executive

COUNCIL MEETING - 25 JULY 2017
MAYOR, COUNCILLOR AIDAN GODFREY

A G E N D A

1	Approval of the Minutes of the last Meeting of the Council held on 22 May 2017 as published in Digest No 232 on 2 June 2017	
2	Apologies for Absence	
3	Declarations of Interest	
4	Announcements (paragraph 3.2(iii) of the Council Procedure rules)	
5	Public Question Time - Nil	
6	Councillor Session - Nil	
7	Notice of Motion - Nil	
		Page Nos
8	Code of Governance	3 - 14
9	Annual Treasury Management Report 2016/17	15 - 22
10	Committee Business Planning Reports	23 - 37
11	Any Items Referred from Scrutiny Committee(s)	-

Chief Executive

Civic Centre
Riverside
Stafford
ST16 3AQ

ITEM NO 8**ITEM NO 8**

Report of:	Head of Governance
Contact Officer:	Judith Aupers
Telephone No:	01543 464411
Ward Interest:	Nil
Report Track:	Audit and Accounts Committee 15/06/17 Council 25/07/17

COUNCIL
25 JULY 2017
Code of Governance

1 Purpose of Report

- 1.1 To set out the Council's revised Code of Governance.

2 Recommendation

- 2.1 That Council approves the revised Code of Governance.

3 Key Issues and Reasons for Recommendation

- 3.1 Cipfa/SOLACE issued revised guidance on "Delivering Good Governance in Local Government" in 2016. The Council's Code of Governance has been updated to reflect the new guidance and the governance framework in place. A copy of the Code of Governance is attached as an **APPENDIX**.
- 3.2 The Cipfa/SOLACE guidance is based on 7 principles of governance and these have been adopted in full with the exception of 2 principles (C and D in the Guidance), which have been combined into 1 principle (number 3) in the Council's Code. Further details are given in 5.1.
- 3.3 For each of the 6 principles of good governance, the Code outlines what arrangements the Council has in place to support delivery of the principles in practice.

4 Relationship to Corporate Priorities

- 4.1 The Council's corporate governance arrangements and internal control framework cuts across all corporate priorities.

5 Report Detail

- 5.1 In 2016 Cipfa/SOLACE updated their previous guidance on “Delivering Good Governance in Local Government”. The new Framework is based on 7 principles of good governance. The Council’s Code of Governance has been updated to reflect the new guidance. The 7 principles of governance have been adopted in full with the exception of 2 principles (C and D in the Guidance) which have been combined into 1 (3 in the Code of Governance).

The Cipfa/SOLACE principles are:-

- C. Defining outcomes in terms of sustainable economic, social and environmental benefits; and
- D. Determining the interventions necessary to optimise the achievement of the intended outcomes.

The Council's combined principle is:

- 3. Defining the vision and outcomes for the local area and determining the actions necessary to achieve the intended outcomes.

- 5.2 For each of the 6 principles of good governance, the Code outlines what arrangements the Council has in place to support delivery of the principles in practice. A copy of the Code of Governance is attached as an **APPENDIX**, with a summary of the Governance Framework set out in the **ANNEX**..

6 Implications

6.1	Financial	Nil
	Legal	Nil
	Human Resources	Nil
	Human Rights Act	Nil
	Data Protection	Nil
	Risk Management	Nil

6.2	Equality and Diversity	<p>The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:-</p> <p>Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.</p>
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7 Appendices to the Report

Appendix - Code of Governance

Appendix - Annex 1 - Summary of Governance Framework

Previous Consideration - Audit and Accounts Committee - 15 June 2017 - Minute No AAC7/17

Background Papers -

Annual Internal Audit Report 2016-17

Strategic Risk Register

Heads of Service Assurance Statements for 2016-17

Statutory Officers Assurance Statements for 2016-17

CODE OF CORPORATE GOVERNANCE

1. INTRODUCTION

- 1.1 Stafford Borough Council recognises that it is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this accountability Members and officers will be responsible for putting in place proper arrangements for the governance of the authority's affairs and the stewardship of the resources at its disposal.
- 1.2 To this end the authority has approved and adopted this Code of Corporate Governance which is consistent with the principles and requirements of the CIPFA/SOLACE framework for *"Delivering Good Governance in Local Government"*.
- 1.3 Governance is about how the Council ensures that it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner.
- 1.4 The seven key principles of good governance are:-
- (a) Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law;
 - (b) Ensuring openness and comprehensive stakeholder engagement;
 - (c) Defining outcomes in terms of sustainable economic, social and environmental benefits;
 - (d) Determining the interventions necessary to optimise the achievement of intended outcomes;
 - (e) Developing the entity's capacity, including the capability of its leadership and the individuals within it;
 - (f) Managing risks and performance through robust internal; control and strong public financial management; and
 - (g) Implementing good practices in transparency, reporting and audit to deliver effective accountability.
- 1.5 This Code applies to all officers and Members in the discharge of their duties.

2. PRINCIPLES OF GOOD CORPORATE GOVERNANCE

- 2.1 The authority supports and will apply the core principles of good corporate governance. In determining the Council's own Code of Governance it has elected to combine principles (c) and (d), set out at 1.4 above, into one principle "Defining the vision and outcomes for the local area and determining the actions necessary to achieve the intended outcomes". How the Council will do this is set out in the table below:-

CODE OF CORPORATE GOVERNANCE

Sub Principles	Arrangements the Council has in place
Core Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	
Behaving with integrity	<ul style="list-style-type: none"> • The Council has in place Codes of Conduct for both Members and Employees which set out requirements that support the need to behave with integrity. • The Council has a set of values. • All new Members and Employees are made aware of the Conduct of Conduct when they join the Council.
Demonstrating strong commitment to ethical values	<ul style="list-style-type: none"> • A framework of policies for Confidential Reporting and Anti-Fraud and Bribery to discourage inappropriate activities and to encourage the reporting of any instances found. • Members are required to declare any conflicts of interest annually and at meetings. • Employees are required to notify their line manager of any conflicts of interest and when tendering for goods or services they have to sign a declaration regarding any conflicts of interest.
Respecting the rule of law	<ul style="list-style-type: none"> • The Council has in place a Monitoring Officer who works with Members and Employees to ensure that the law is adhered to. • There is a protocol in place for the Monitoring Officer, which sets out their role and supports them in fulfilling their responsibilities. • Legal advice is given in reports for all decisions to be taken by Members.
Core Principle 2: Ensuring openness and comprehensive stakeholder engagement	
Openness	<ul style="list-style-type: none"> • The Council is committed to openness and holds meetings in public wherever it can. A schedule of Council meetings is available on the Council's website. • The agendas, reports and minutes of meetings are published on the Council's website. All reports contain details of options considered and the advice provided by officers regarding legal and financial implications. The minutes include the reasons behind the decisions made. • The Council has a Freedom of Information Scheme in place and seeks to publish information openly on its website wherever possible and practicable to do so.
Engaging with stakeholders effectively, including individual	<ul style="list-style-type: none"> • The Council is working on a Customer Access Strategy which will outline our commitment to customer engagement and consultation.

CODE OF CORPORATE GOVERNANCE

Sub Principles	Arrangements the Council has in place
citizens and service users	<ul style="list-style-type: none"> Wherever we seek the views of our community, we endeavour to provide feedback on the information received and how we have used this to shape the Council's decisions.
Core Principle 3: Defining the vision and outcomes for the local area and determining the actions necessary to achieve the intended outcomes	
Defining outcomes	<ul style="list-style-type: none"> The Council has established a clear vision of what it wants to achieve for the District and this is set out in the Corporate Plan. The Corporate Plan has been informed by an analysis of the needs of the District and through consultation.
Planning and delivery of outcomes	<ul style="list-style-type: none"> The Corporate Plan identifies a range of targeted actions and projects to help in achieving the priorities. Performance in delivering the Corporate Plan is monitored by the Leadership Team (Officers), the Cabinet and the Scrutiny Committees (elected Members). The Council's day to day services support the delivery of the vision and priority promises.
Core Principle 4: Developing the entity's capacity, including the capability of its leadership and the individuals within it	
Developing the Council's capacity	<ul style="list-style-type: none"> Reviews of activities are undertaken to ensure continuous improvement in the delivery of services. The Council works closely with partners (ie other public sector bodies, the voluntary sector and the private sector) to deliver agreed outcomes for the community.
Developing the capability of the Council's elected Members and employees	<ul style="list-style-type: none"> The roles of Members, Committees, Officers and Statutory Officers are set out in the Council's Constitution, which is available on the Council's website. The Council has a Scheme of Delegations in place, as part of the Constitution, which sets out the types of decisions and who can make them within the Council. The Constitution also contains Financial Regulations and Procurement Regulations which provide a framework for officers in running services and making decisions. An induction programme is in place to provide training and support for all new Members and employees. Employees have an annual personal development review to assess their progress, performance and to identify any training and development needs. The development of Members is led by the political groups but access to training is also made available through the Council. The Council is committed to supporting the health and

CODE OF CORPORATE GOVERNANCE

Sub Principles	Arrangements the Council has in place
	wellbeing of the workforce through appropriate HR policies, working practices and access to an Occupational Health Service.
Core Principle 5: Managing risks and performance through robust internal control and strong public financial management	
Managing risk	<ul style="list-style-type: none"> • The Council has a risk management policy and strategy in place. • A Strategic Risk Register is maintained by the Leadership Team and progress is monitored by the Cabinet and the Audit and Accounts Committee. • Operational risks are identified and managed within the respective service areas.
Managing performance	<ul style="list-style-type: none"> • The performance in delivering day to day services is managed by the service managers and monitored by the Leadership Team. • The performance in delivering the Council's priorities is monitored by the Cabinet. • There are a three Scrutiny Committees in place which monitor the performance of the Council and hold the Cabinet to account for the decisions it makes.
Robust internal control	<ul style="list-style-type: none"> • The internal control framework comprises a range of policies and procedures to ensure the sound management of the Council's operations and delivery of services. • The Internal Audit Section undertakes reviews of the systems that comprise the internal control and governance framework, provides assurance and makes recommendations for improvement. • The Audit and Accounts Committee receives reports from the Chief Internal Auditor on the systems that comprise the internal control framework. The Committee also monitors the performance and quality of the Internal Audit service to ensure that it complies with the required national standards.
Managing data	<ul style="list-style-type: none"> • The Council has a Data Protection Officer and policy in place to ensure that personal data is held securely and managed appropriately.
Strong public financial management	<ul style="list-style-type: none"> • The Head of Financial Management is appropriately qualified, experienced and complies with the Cipfa Statement on the Role of the Chief Finance Officer in Local Government. • The Head of Financial Management prepares and advises the Council on its Medium Term Financial Strategy and the budget.

CODE OF CORPORATE GOVERNANCE

Sub Principles	Arrangements the Council has in place
	<ul style="list-style-type: none"> • Regular budget monitoring reports are provided to Members and Officers. • Financial Regulations provide a framework for the day to day management of the Council's financial transactions.
Core Principle 6: Implementing good practices in transparency, reporting, and audit to deliver effective accountability	
Implementing good practice in transparency and reporting	<ul style="list-style-type: none"> • The following information is reported annually to Members and is available on the Council's website:- <ul style="list-style-type: none"> ➤ Performance in delivering the Council's priorities; ➤ Statement of Accounts; ➤ Annual Internal Audit Report; ➤ Annual External Audit Letter; and ➤ Annual Governance Statement.
Assurance and effective accountability	<ul style="list-style-type: none"> • The Internal Audit Section provides assurances throughout the year on the key systems of internal control. • The External Auditor provides assurance on the Council's financial statements. • An annual review is undertaken of the Council's governance arrangements. • From time to time, the Council invites/ receives reviews of its services, often through accreditations, and acts on the recommendations made. • The Council has a compliments and complaints policy.

2.2 A diagram illustrating the Council's Governance Framework is given in the Annex.

3. MONITORING AND REPORTING

3.1 The authority will undertake an annual review of its governance arrangements to ensure continuing compliance with best practice as set out in the CIPFA/SOLACE Framework. The review will be reported on both within the authority, to the Audit and Governance Committee, and externally with the published accounts, to provide assurance that:-

- corporate governance arrangements are adequate and operating effectively in practice; or
- where reviews of the corporate governance arrangements have revealed gaps, action is planned that will ensure effective governance in future.

CODE OF CORPORATE GOVERNANCE

- 3.2 The authority will prepare an annual Governance Statement and is so doing recognises that the process of preparing the Governance Statement should itself add value to the authority's corporate governance and internal control framework. It will be submitted to the Audit and Governance Committee for consideration and approval.
- 3.3 The Governance Statement will include the following information:-
- a brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements, including some comment on the role of: the authority; the Executive; the Audit Committee; the overview and scrutiny function; the Standards Committee; internal audit and other explicit review/assurance mechanisms including risk management arrangements;
 - an opinion on the level of assurance that the systems and processes that comprise the authority's governance arrangements can provide
 - an outline of the actions taken, or proposed, to deal with significant governance and internal control issues.
- 3.4 Approval and ownership of the Governance Statement will be maintained at a corporate level and will be confirmed by the Chief Executive and Leader signing the statement on behalf of the authority.
- 3.5 In reviewing and approving the Governance Statement, Members will be provided with assurances on the effectiveness of the governance framework. The key sources of assurances will be:-
- Internal and External Audit;
 - the Statutory Officers;
 - management; and
 - relevant Committees.

4. RESPONSIBILITIES

- 4.1 Corporate governance and good governance is everyone's responsibility.
- 4.2 There is however a number of specific responsibilities in relation to the implementation, monitoring and review of the Code and activities associated with the production of the annual governance statement. These are outlined below.
- 4.3 **The Chief Executive and the Leader** will be responsible for:-
- Championing and role modelling good governance, in the spirit of this Code.

CODE OF CORPORATE GOVERNANCE

4.4 **The Head of Governance and Corporate Services and the Monitoring Officer** will be responsible for:-

- overseeing the implementation and monitoring of the Code;
- reviewing the operation of the Code and advising on any changes that may be necessary to maintain it and ensure its effectiveness in practice; and
- reviewing and updating the Code of Governance as necessary.

4.5 **The Head of Governance and Corporate Services** will be responsible for:-

- undertaking an annual review of the Code, to provide assurance on the extent of compliance with it. Details of the extent to which the authority is complying with the Code will be included within the Annual Governance Statement;
- co-ordinating the Council's governance assurances processes; and
- co-ordinating the production of an annual Governance Statement which will represent the overall levels of assurance within the Council on behalf of all Members and officers.

4.6 **The Monitoring Officer** will be responsible for:-

- preparing an annual Monitoring Officer's Statement, which will also form part of the assurance required to be demonstrated in the annual Governance Statement.

4.7 **The Head of Financial Management** will be responsible for:-

- preparing an annual section 151 Officer's Statement, which will also form part of the assurance required to be demonstrated in the annual Governance Statement.

4.8 **The Chief Internal Auditor** will be responsible for:-

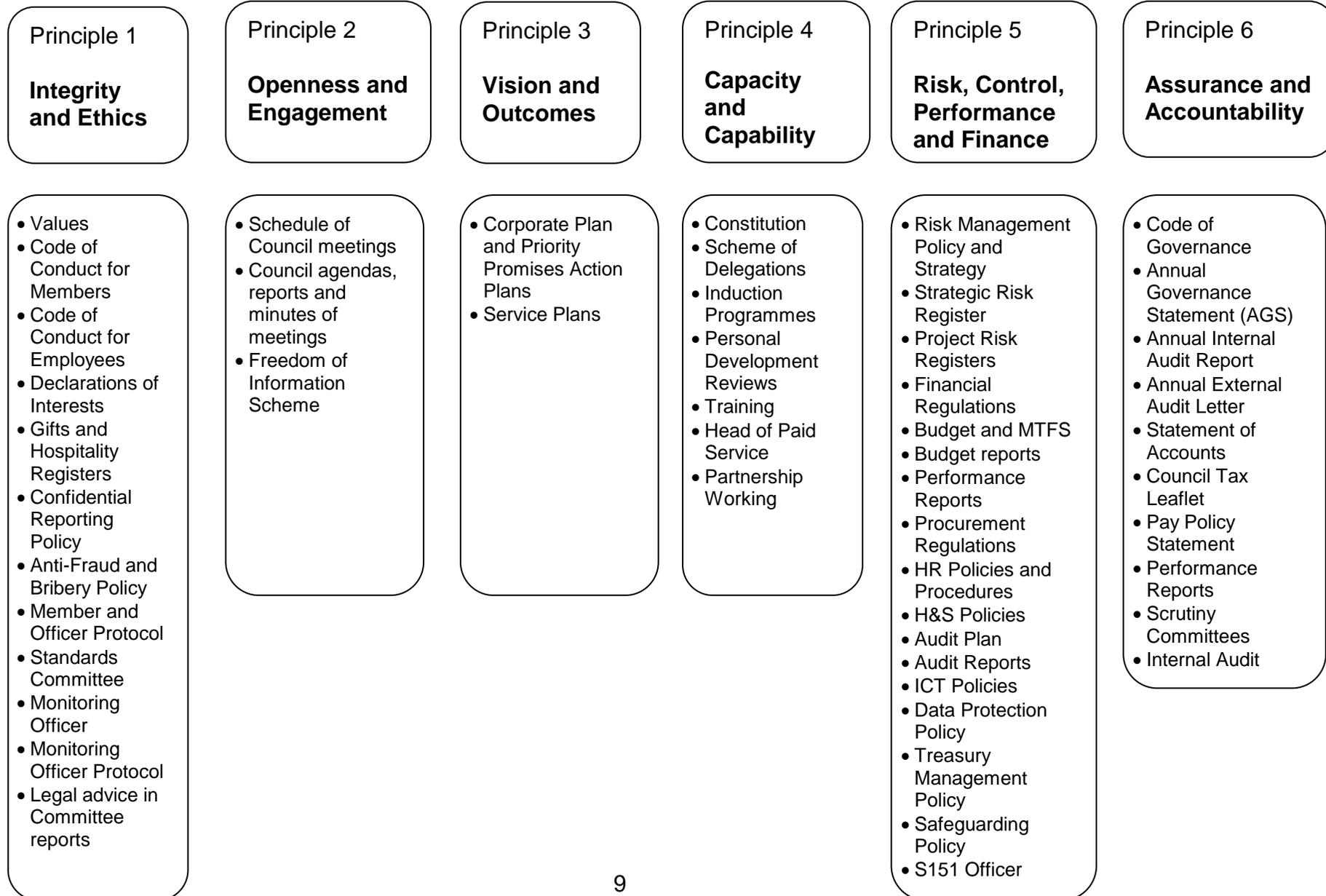
- reporting annually to the Audit and Accounts Committee on audit activities during the year, with particular emphasis on the systems of internal control and the arrangements for corporate governance, providing some of the assurance required in the Annual Governance Statement.

CODE OF CORPORATE GOVERNANCE

Glossary

Term	Explanation
CIPFA	The Chartered Institute of Public Finance and Accountancy;
SOLACE	The Society of Local Authority Chief Executives and Senior Managers
Member	Elected councillor (including co-opted councillors)
Officer	Employee of the Council (including secondees)
Section 151 Officer	The statutory officer responsible for reporting on matters of financial compliance
Monitoring Officer	The statutory officer responsible for reporting on matters of legality
Constitution	The Council's rules and codes/protocols book

GOVERNANCE FRAMEWORK



ITEM NO 9

ITEM NO 9

Report of:	Head of Finance
Contact Officer:	Bob Kean
Telephone No:	01785 619241
Ward Interest:	Nil
Report Track:	Audit and Accounts 15/06/17 Council 25/07/17

COUNCIL
25 JULY 2017
Annual Treasury Management Report 2016/17

The following report was approved by the Audit and Accounts Committee at its meeting on 15 June 2017 (Minute No AAC5/17).

1 Purpose of Report

- 1.1 To update members on treasury management activity and performance during the 2016/17 financial year.

2 Recommendation

- 2.1 To note the annual treasury management report for 2016/17;
- 2.2 To approve the actual 2016/17 prudential and treasury indicators set out in the **APPENDIX**.

3 Key Issues and Reasons for Recommendations

- 3.1 Treasury management activity and performance during the 2016/17 financial year.

4 Relationship to Corporate Priorities

- 4.1 Treasury management and investment activity link in with all of the Council's priorities and their spending plans.

5 Report Detail

Background

- 5.1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2016/17. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 5.2 During 2016/17 the minimum reporting requirements were that the full Council should receive the following reports:-
- an annual treasury strategy in advance of the year (Council 2 February 2016);
 - a mid year treasury update report (Council 31 January 2017);
 - an annual review following the end of the year describing the activity compared to the strategy (this report).
- 5.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.
- 5.4 The Council has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit and Accounts Committee before they were reported to the full Council.

The Economy and Interest Rates

- 5.5 The two major landmark events that had a significant influence on financial markets in the 2016-17 financial year were the UK EU referendum on 23 June and the election of President Trump in the USA on 9 November. The first event had an immediate impact in terms of market expectations of when the first increase in Bank Rate would happen, pushing it back from quarter 3 2018 to quarter 4 2019. At its 4 August meeting, the Monetary Policy Committee (MPC) cut Bank Rate from 0.5% to 0.25% and the Bank of England's Inflation Report produced forecasts warning of a major shock to economic activity in the UK, which would cause economic growth to fall almost to zero in the second half of 2016. The MPC also warned that it would be considering cutting Bank Rate again towards the end of 2016 in order to support growth. In addition, it restarted quantitative easing with purchases of £60bn of gilts and £10bn of corporate bonds, and also introduced the Term Funding Scheme whereby potentially £100bn of cheap financing was made available to banks.

- 5.6 In the second half of 2016, the UK economy confounded the Bank's pessimistic forecasts of August. After a disappointing quarter 1 of only +0.2% GDP growth, the three subsequent quarters of 2016 came in at +0.6%, +0.5% and +0.7% to produce an annual growth for 2016 overall, compared to 2015, of no less than 1.8%, which was very nearly the fastest rate of growth of any of the G7 countries. Needless to say, this meant that the MPC did not cut Bank Rate again after August but, since then, inflation has risen rapidly due to the effects of the sharp devaluation of sterling after the referendum.

Overall Treasury Position as at 31 March 2017

- 5.7 At the beginning and the end of 2016/17 the Council's treasury position was as follows:-

TABLE 1	31 March 2016 Principal	Rate/ Return	Average Life (yrs.)	31 March 2017 Principal	Rate/ Return	Average Life (yrs.)
Total debt (PWLB)	£2.0m	1.69%	0.67	£0m		
CFR	£6.2m	-	-	£4.1m	-	-
Over / (under) borrowing	(£4.2m)	-	-	(£4.1m)	-	-
Total investments	£19.5m	0.67%	0.50	£24.0m	0.56%	0.49
Short term borrowing	£5.5m-	-	0.02-	£0m		
Net investments	£12.0m	-	-	£19.9m	-	-

Strategy for 2016/17

- 5.8 The expectation for interest rates within the treasury management strategy for 2016/17 anticipated low but rising Bank Rate, and gradual rises in medium and longer term fixed borrowing rates during 2016/17. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.
- 5.9 In this scenario, the treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.
- 5.10 During 2016/17 there was major volatility in PWLB rates with rates falling during quarters 1 and 2 to reach historically very low levels in July and August, before rising significantly during quarter 3, and then partially easing back towards the end of the year.

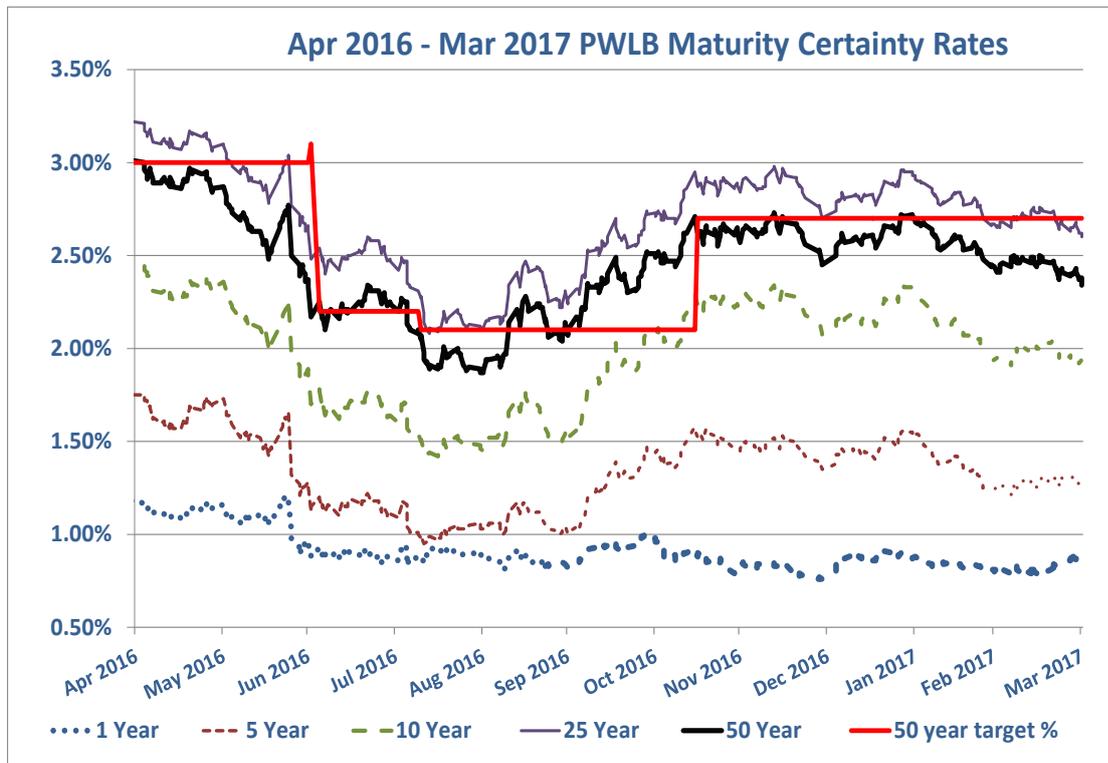
Borrowing Requirement

5.11 The Council’s underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

TABLE 2	31 March 2016 Actual	31 March 2017 Budget	31 March 2017 Actual
CFR (General Fund)	£6.213m	£4.090m	£4.095m

Borrowing Rates in 2016/17

5.12 **PWLB certainty maturity borrowing rates** - the graph below shows how PWLB certainty rates have fallen to historically very low levels during the year.

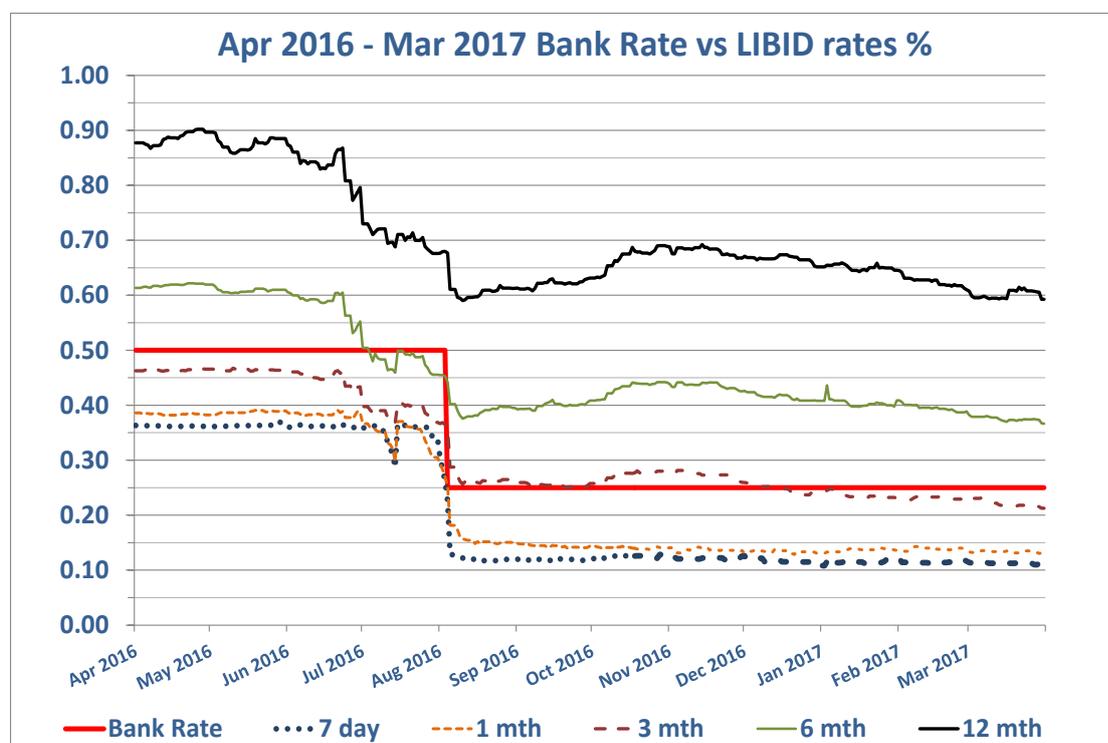


Borrowing Outturn for 2016/17

- 5.13 **Borrowing** - Due to investment concerns, both counterparty risk and low investment returns, no long-term borrowing was undertaken during the year.

Investment Rates in 2016/17

- 5.14 After the EU referendum, Bank Rate was cut from 0.5% to 0.25% on 4 August and remained at that level for the rest of the year. Market expectations as to the timing of the start of monetary tightening started the year at quarter 3 2016, but then moved back to around the end of 2016 in early August before finishing the year back at quarter 3 2016. Deposit rates continued into the start of 2016/17 at previous depressed levels but then fell during the first two quarters and fell even further after the 4 August MPC meeting resulted in a large tranche of cheap financing being made available to the banking sector by the Bank of England. Rates made a weak recovery towards the end of 2016 but then fell to fresh lows in March 2017.



Investment Outturn for 2016/17

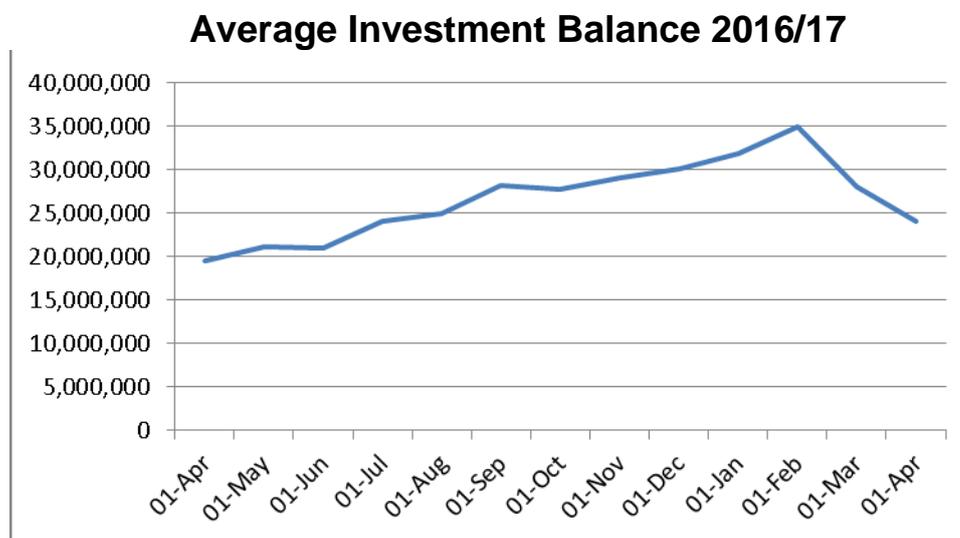
- 5.15 **Investment Policy** - the Council's investment policy is governed by CLG guidance, which has been implemented in the annual investment strategy approved by the Council on 2 February 2016. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

5.16 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

5.17 **Investments as at 31 March 2017** -The Council's investments as at 31 March 2017 are set out in the following table:-

Counterparty	Start Date	Maturity	Value (£)	Rate (%)
Nationwide Building Society	16/11/2016	16/05/2017	2,000,000	0.42
Helaba	16/11/2016	16/11/2017	2,500,000	0.67
Bank of Scotland	01/12/2016	31/05/2017	2,500,000	0.60
The Royal Bank of Scotland	31/01/2017	30/01/2018	2,500,000	0.65
Santander		95 Day Notice	5,000,000	0.65
Standard Life		Money Market	5,000,000	0.28623
Credit Industrial Com	13/01/2017	13/07/2017	2,500,000	0.45
Toronto Dominion	12/05/2016	11/05/2017	2,000,000	0.8725
			24,000,000	0.56

5.18 The chart below illustrates the movement in the level of investments held by the Council at each month end during the year. The peak balance in the year was **£39 million** and the average investment balance for the year was **£29.9 million**.



5.19 The funds earned an average rate of return of 0.56 %. The comparable performance indicator is the average 3 month London Interbank rate (LIBID), which was 0.32%. The Council's performance exceeds the benchmark by some margin and is a reflection of the success of the strategy of investing a high proportion of the portfolio with UK and European banks offering good rates for fixed term deposits of 6 months and one year.

- 5.20 Although the average rate of return exceeded the benchmark by a considerable margin, overall investment earnings of **£224,170** were less than was predicted when the original budget (£275,000) was set in February 2016, as a result of the continuing low bank rate , but are in line with the Revised Estimate of January 2017.

6	Implications
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6.1	Financial	Included in the report
	Legal	Nil
	Human Resources	Nil
	Human Rights Act	Nil
	Data Protection	Nil
	Risk Management	Included in the report

6.2	Equality and Diversity	<p>The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:-</p> <p>Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.</p>
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Previous Consideration -

Audit and Accounts Committee - 15 June 2017 - Minute No AAC5/17

Background Papers - Available in Financial Services
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COUNCIL
25 JULY 2017
Annual Treasury Management Report 2016/17

1. PRUDENTIAL INDICATORS	2015/16	2016/17	2016/17
	actual	estimate	Actual
	£'000	£'000	£'000
Capital Expenditure	3,494	5,485	3,232
Ratio of financing costs to net revenue stream	-0.9%	-0.6%	-0.7%
Gross debt	2,000	0	0
Capital Financing Requirement as at 31 March	6,213	4,090	4,095
2. TREASURY MANAGEMENT INDICATORS			
Authorised Limit for external debt -	9,287	7,286	7,286
Operational Boundary for external debt	6,287	4,286	4,286
Actual external debt	2,000	0	0
Upper limit for fixed interest rate exposure	100%	100%	100%
Upper limit for variable rate exposure	75%	75%	75%
Upper limit for total principal sums invested for over 364 days	£10 million	£10 million	£10 million

Maturity structure of fixed rate borrowing during 2014/15	upper limit	lower limit
under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

ITEM NO 10**ITEM NO 10**

Report of:	Head of Law and Administration
Contact Officer:	A Welch
Telephone No:	01785 619204
Ward Interest:	Nil
Report Track:	Council 25/7/17 (Only)

COUNCIL
25 JULY 2017
Committee Business Planning Reports

1 Purpose of Report

- 1.1 The purpose of this report is to allow the Council to consider the annual reports from the Scrutiny Committees in accordance with Article 6, paragraph 6.3 of the Council's Constitution, along with the annual report of the Audit and Accounts Committee.

2 Recommendation

- 2.1 That the annual reports from the various Committees be received.

3 Key Issues and Reasons for Recommendation

- 3.1 The annual reports from the Scrutiny Committees on their past workings and future work programme are submitted for consideration in accordance with Article 6, paragraph 6.3 of the Council's Constitution, together with the annual report of the Audit and Accounts Committee.

4 Relationship to Corporate Priorities

- 4.1 The Committee process supports all of the Council's Corporate Priorities.

5 Report Detail

- 5.1 The following annual reports from the following Committees on their past workings and future work programme are submitted for consideration:-

Committee

Audit and Accounts	APPENDIX 1
Resources	APPENDIX 2
Economic Development and Planning	APPENDIX 3
Community Wellbeing	APPENDIX 4

6 Implications

6.1	Financial	Nil
	Legal	Nil
	Human Resources	Nil
	Human Rights Act	Nil
	Data Protection	Nil
	Risk Management	Nil

6.2	Equality and Diversity	<p>The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:-</p> <p>Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.</p>
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Previous Consideration - Nil

Background Papers - File available in Law and Administration

COUNCIL
25 JULY 2017
Committee Business Planning Reports

The following report was approved by the Audit and Accounts Committee at its meeting on 15 June 2017 (Minute No AAC10/17).

1 Purpose of Report

- 1.1 To review the programme of business considered by the Audit and Accounts Committee in 2016/17 with a view to the report being submitted to the Council.

2 Recommendation

- 2.1 The Committee is recommended to approve this report as its Annual Report to the Council.

3 Key Issues and Reasons for Recommendation

- 3.1 During the past municipal year the Audit and Accounts Committee have considered a number of issues under its remit, as set out in the Council's Constitution.
- 3.2 Representatives of the External Auditor continue to attend each meeting of the Committee, and provide Members with a confidential briefing session prior to each meeting.
- 3.3 The Committee continues to control its own work programme, which is populated with a range of issues for the forthcoming Municipal Year, along with the statutory functions of the Committee.

4 Relationship to Corporate Priorities

- 4.1 This report is most closely associated with the Priority Area "Leading and Delivering for our Communities".

5 Report Detail

- 5.1 Under its Terms of Reference the Audit and Accounts Committee have exercised its delegated powers as set out in Article 8.5 of the Council's Constitution.
- 5.2 The Committee has convened on 4 occasions in accordance with the Council's Calendar of Meetings for 2016/17.

5.3 The Committee controls its own work programme and makes appropriate adjustments, taking into account its statutory functions. The work programme has focussed on 4 key areas:-

- (i) Financial matters;
- (ii) Internal Audit;
- (iii) Risk Management; and
- (iv) Governance.

Each of these areas is covered in more detail in the points that follow.

5.4 **Financial Matters**

5.4.1 The Committee has received the following reports from the Head of Finance:-

- Annual Treasury Management Report 2015 -16
- Treasury Management - Mid-Year Report 2016/17
- Treasury Management Strategy, Minimum Revenue Provision Policy and Annual Investment Strategy 2017/18
- Financial Statements Audit 2015/16 - Management Representation Letter
- Statement of Accounts 2015/16

5.5 **Internal Audit**

5.5.1 The Committee received the following reports from the Chief Internal Auditor and the Head of Governance:-

- Internal Audit Annual Report
- Internal Audit Progress Reports
- Internal Audit Plan 2017/2018
- Review of the Effectiveness of Internal Audit

5.6 **Risk Management**

5.6.1 The Committee has received the following reports from the Head of Governance:-

- Risk Management Policy and Strategy
- Risk Management Reports

5.7 **Governance**

5.7.1 The Head of Governance submitted the following reports:-

- Annual Governance Statement for 2015/16
- Annual Governance Statement Progress Report

5.7.2 The Head of Law and Administration supplied the following reports:-

- Work Programme
- Business Planning Report

External Audit

5.8 Members have also considered the following reports as submitted by the External Auditor:-

- Planned Audit Fee for 2016/17
- Audit Plan for Stafford Borough Council
- Audit Findings Report
- Grant Certification Work Summary
- Annual Audit Letter
- Informing the Audit Risk Assessment for Stafford Borough Council
- Certification Work for Stafford Borough Council for Year ended 31 March 2016

5.9 It is intended that this report, with the addition of any appropriate information concerning the current meeting, be taken to the most appropriate meeting of the Council as the report back from this Committee.

6	Implications
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6.1	Financial	As set out in the report
	Legal	Nil
	Human Resources	Nil
	Human Rights Act	Nil
	Data Protection	Nil
	Risk Management	As set out in the report

6.2	Equality and Diversity	<p>The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:-</p> <p>Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.</p>
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Previous Consideration - Nil

Background Papers - File available in Law and Administration

COUNCIL
25 JULY 2017
Committee Business Planning Reports

The following report was approved by the Resources Scrutiny Committee at its meeting on 20 June 2017 (Minute No RSC6/17).

1 Purpose of Report

- 1.1 To review the programme of business considered by the former Resources and Corporate Services Scrutiny Committee in 2016/17 with a view to the report being submitted to the Council.

2 Recommendation

- 2.1 The Committee is recommended to approve this report as the Annual Report to the Council.

3 Key Issues and Reasons for Recommendation

- 3.1 During the past year, the former Resources and Corporate Services Scrutiny Committee considered a wide variety of issues affecting the Resources portfolio.
- 3.2 The Committee undertook a Fees and Charges Task and Finish Review, an Annual Review of the Constitution and has agreed to undertake a review of the Capital Programme.
- 3.3 The new Resources Scrutiny Committee will continue to control its own Work Programme, which is already populated with a range of issues for the forthcoming Municipal Year.

4 Relationship to Corporate Priorities

- 4.1 The work of the Resources Scrutiny Committee is most closely associated with the Priority Leading and Delivering for our Communities.

5 Report Detail

- 5.1 During the 2016/17 Municipal Year, the former Resources and Corporate Services Scrutiny Committee considered a wide variety of issues affecting the Resources Portfolio, including Complaints Monitoring and the 2015/16 Final Accounts.

- 5.2 The Committee undertook a Task and Finish Review relating to the Annual Review of the Constitution, which has led to a number of recommendations being made to Council that were all subsequently endorsed.
- 5.3 The Committee undertook a Fees and Charges Task and Finish Review, making appropriate recommendations to Cabinet and is planning a review of the Capital Programme.
- 5.4 The Committee will continue to control its own Work Programme and will make adjustments as appropriate.
- 5.5 The Committee requested the former Community Services Scrutiny Committee to further consider the issue of Street Scene Activities in Stafford Town Centre.
- 5.6 The Committee considered the following items that were referred to it directly from the Cabinet:-
- Efficiency Plan and Financial Plan Update
 - Fees and Charges Review 2017
 - General Fund Revenue Budget and Financial Plan 2016-17 to 2019-20 and Capital Programme 2016-17 to 2019-20
 - Resources Portfolio - General Fund Revenue Budget 2016/2017 - 2019/2020 and Capital Programme 2016/2017 - 2019/2020
- 5.7 Under its Terms of Reference, the Committee received details of the General Fund Budget and Capital Programme for the whole Council and the Resources Portfolio as well as receiving regular In Pursuit of Success reports that monitored both operational and financial performance.
- 5.8 The new Resources Scrutiny Committee's Work Programme is already populated for the forthcoming Municipal Year with various items and will again undertake the annual Review of the Constitution early in the New Year.
- 5.9 It is intended that this report, with the addition of any appropriate information concerning the current meeting, be taken to the next available meeting of the Council as the report back from this Scrutiny Committee in accordance with Article 6, Paragraph 6.3 of the Constitution whereby the Committee is required to report annually to the Council on its workings and future Work Programme.

6	Implications
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6.1	Financial	Nil
	Legal	Nil
	Human Resources	Nil
	Human Rights Act	Nil
	Data Protection	Nil
	Risk Management	Nil

6.2 Equality and Diversity	The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:- Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
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Previous Consideration - Nil

Background Papers - File available in Law and Administration

COUNCIL
25 JULY 2017
Committee Business Planning Reports

The following report was approved by the Economic Development and Planning Scrutiny Committee at its meeting on 27 June 2017 (Minute No EPD5/17).

1 Purpose of Report

- 1.1 To review the programme of business considered by the former Community Services Scrutiny Committee in 2016/17 with a view to the report being submitted to the Council.

2 Recommendation

- 2.1 The Committee is recommended to approve this report as the Annual Report to the Council.

3 Key Issues and Reasons for Recommendation

- 3.1 During the past year, the former Community Services Scrutiny Committee considered a wide variety of issues affecting the Community, Environment and Health, Leisure and Culture and the former Planning and Regeneration Portfolios.
- 3.2 The Committee had commenced a Task and Finish Review relating to the Impact of Household Waste Recycling Credit Charging Policy on Stafford Borough Council and continued to closely monitor the recommendations arising from their previous review of Stafford Market.
- 3.3 The Committee controlled its own Work Programme and its successor is already populated with a range of issues for the forthcoming Municipal Year.

4 Relationship to Corporate Priorities

- 4.1 This report is most closely associated with the Priority Areas "Prosperity", "Clean, Green and Safe" and "Health and Wellbeing".

5 Report Detail

- 5.1 During the past year, the former Community Services Scrutiny Committee considered a wide variety of issues affecting the Community, Environment and Health, Leisure and Culture and Planning and Regeneration Portfolios, ranging from the Leisure and Culture Partnership, the transformation of the Housing Options Services and Stafford Town Centre Street Scene Activities.
- 5.2 The Committee had commenced a Task and Finish Review relating to Improving Recycling Quality and continued to closely monitor the recommendations arising from their previous review of Stafford Market.
- 5.3 The Committee have also closely monitored the Leisure and Culture Partnership and Stone Leisure Centre Projects.
- 5.4 The Committee have scrutinised Stafford Town Centre's Street Scene Activities, which was referred to them by the former Resources and Corporate Services Scrutiny Committee.
- 5.5 The Committee continues to control its own Work Programme and regularly makes appropriate adjustments.
- 5.6 The Committee considered a Members' Item related to the appropriate use of bins.
- 5.7 The Committee have received detailed presentations related to the following areas:-
- Victoria Park Heritage Lottery Fund Bid
 - Stafford and Rural Homes
- 5.8 The Committee have considered a number of wide ranging items that were "Called-in" for further scrutiny from the Cabinet, including:-
- Stafford Town Centre Health Check and Future Vision and Options Appraisal
 - Proposed Restructuring
 - Stafford Borough Council - Tree Management Policy 2016 to 2021
 - Private Sector Stock Modelling and Health Impact Assessment Reports and Response
 - Proposed Development of Community Facilities - Wildwood Park
 - Transformation of the Housing Options Services
 - Leisure and Culture Partnership
 - Stone Leisure Project
- 5.9 The Committee have considered the following items that were referred to it directly from the Cabinet:-

- Procurement of Recycling and Waste Services 2018
- Fees and Charges Review 2016
- Planning and Regeneration Portfolio - General Fund Revenue Budget 2015/2016 - 2018/2019 and Capital Programme 2015/16 - 2018/19
- Environment Portfolio - General Fund Revenue Budget 2015/2016 - 2018/2019 and Capital Programme 2015/16 - 2018/19
- Leisure Portfolio - General Fund Revenue Budget General Fund Revenue Budget 2015/2016 - 2018/2019 and Capital Programme 2015/16 - 2018/19
- Community Portfolio - General Fund Revenue Budget General Fund Revenue Budget 2015/2016 - 2018/2019 and Capital Programme 2015/16 - 2018/19

5.10 Under its Terms of Reference, the Committee has received details of the General Fund Budget and Capital Programme for the Community, Environment, Leisure and Planning and Regeneration Portfolios as well as receiving regular In Pursuit of Success reports that monitored both operational and financial performance.

5.11 Other issues considered by the Committee included:-

- Food Safety Annual Report 2015 - 2016 and Action Plan 2016 - 2017
- Health and Safety Annual Report 2015 - 2016 and Action Plan 2016 - 2017
- Final Accounts 2015/16

5.12 The successor's Work Programme is already populated for the forthcoming Municipal Year with a variety of issues.

5.13 It is intended that this report, with the addition of any appropriate information concerning the current meeting, be taken to the next available meeting of the Council as the report back from this Scrutiny Committee in accordance with Article 6, Paragraph 6.4 of the Constitution whereby the Committee is required to report annually to the Council on its workings and future Work Programme.

6	Implications	
6.1	Financial	Nil
	Legal	Nil
	Human Resources	Nil
	Human Rights Act	Nil
	Data Protection	Nil
	Risk Management	Nil

6.2 Equality and Diversity	The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:- Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
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Previous Consideration - Nil

Background Papers - File available in Law and Administration

COUNCIL
25 JULY 2017
Committee Business Planning Reports

The following report was approved by the Community Wellbeing Scrutiny Committee at its meeting on 4 July 2017 (Minute No CWB11/17).

1 Purpose of Report

- 1.1 To review the programme of business considered by the former Health Scrutiny Committee in 2016/17 with a view to the report being submitted to the Council.

2 Recommendation

- 2.1 The Committee is recommended to approve this report as the Annual Report to the Council.

3 Key Issues and Reasons for Recommendation

- 3.1 During the past year, the former Health Scrutiny Committee has played an active role in attempting to reduce health inequalities within Stafford Borough.
- 3.2 The former Committee maintained its close links with the Healthy Staffordshire Select Committee and participated in the Joint Accountability Sessions that held NHS Hospital Trusts accountable to elected representatives across Staffordshire.
- 3.3 The former Committee controlled its own Work Programme and its successor is already populated with a range of issues for the forthcoming Municipal Year.

4 Relationship to Corporate Priorities

- 4.1 This report is most closely associated with the Priority Area "Health and Wellbeing".

5 Report Detail

- 5.1 During the 2016/17 Municipal Year, the former Health Scrutiny Committee played an active role in attempting to reduce health inequalities throughout Stafford Borough and regularly pursued this with the Chief Officer of the Stafford and Surrounds Clinical Commissioning Group.

- 5.2 The Committee scrutinised the Stafford and Surrounds Health and Wellbeing Strategy, receiving regular updates and examining the strands relating to Mental Wellbeing, Start Well and Live Well.
- 5.3 The Committee considered a number of Members items, which they referred on to the Healthy Staffordshire Select Committee as appropriate, including:-
- The Future of the Stroke Rehabilitation Unit at the County Hospital
 - The Staffordshire Suicide Prevention Strategy and Implementation Plan
 - The Staffordshire County Hospital Charity
- 5.4 The Committee sustained its close links with the Healthy Staffordshire Select Committee by receiving regular reports on the work of the Committee, which was accordingly reciprocated. In addition, the Committee participated in the Joint Accountability Sessions that held NHS Hospital Trusts accountable to elected representatives across Staffordshire.
- 5.5 The former Committee received regular In Pursuit of Success reports that monitored the performance of projects under the Health and Wellbeing Priority Area.
- 5.6 Other issues considered by the Committee included:-
- CAMHS Update
 - Community Capacity Building
- 5.7 The Committee controlled its own Work Programme, making regular adjustments as appropriate and its successor is already populated with a range of issues for the forthcoming Municipal Year with a variety of items.
- 5.8 It is intended that this report, with the addition of any appropriate information concerning the current meeting, be taken to the next available meeting of the Council as the report back from this former Scrutiny Committee in accordance with Article 6, Paragraph 6.3 of the Constitution whereby the Committee is required to report annually to the Council on its workings and future Work Programme.

6	Implications
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6.1	Financial	Nil
	Legal	Nil
	Human Resources	Nil
	Human Rights Act	Nil
	Data Protection	Nil
	Risk Management	Nil

6.2 Equality and Diversity	The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:- Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
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Previous Consideration - Nil

Background Papers - File available in Law and Administration