

Open

# Overview & Scrutiny Committee

## Agenda

6pm  
Wednesday, 10th September 2014  
Council Chamber  
Wyre Forest House  
Finepoint Way  
Kidderminster



## Overview & Scrutiny Committee

### Members of Committee:

**Chairman: Councillor E Davies**  
**Vice-Chairman: Councillor J Phillips**

**Councillor J Greener**  
**Councillor V Higgs**  
**Councillor T L Onslow**  
**Councillor M Rayner**  
**Councillor A M Sewell**

**Councillor P V Hayward**  
**Councillor L Hyde**  
**Councillor M Price**  
**Councillor C Rogers**  
**Councillor M J Wrench**

**Would Members please note that, to ensure continuity in scrutiny, substitutes should only be appointed for the Scrutiny Committee in exceptional circumstances.**

### Information for Members of the Public:

**Part I** of the Agenda includes items for discussion in public. You have the right to inspect copies of Minutes and reports on this Agenda as well as the background documents used in the preparation of these reports.

**Part II** of the Agenda (if applicable) deals with items of "Exempt Information" for which it is anticipated that the public may be excluded from the meeting and neither reports nor background papers are open to public inspection.

### **Declaration of Interests by Members – interests of members in contracts and other matters**

Declarations of Interest are a standard item on every Council and Committee agenda and each Member must provide a full record of their interests in the Public Register.

In addition, alongside the Register of Interest, the Members Code of Conduct ("the Code") requires the Declaration of Interests at meetings. Members have to decide first whether or not they have a disclosable interest in the matter under discussion.

Please see the Members' Code of Conduct as set out in Section 14 of this constitution for full details.

### **Disclosable Pecuniary Interest (DPI) / Other Disclosable Interest (ODI)**

DPI's and ODI's are interests defined in the Code of Conduct that has been adopted by the District.

If you have a DPI (as defined in the Code) in a matter being considered at a meeting of the Council (as defined in the Code), the Council's Standing Orders require you to leave the room where the meeting is held, for the duration of any discussion or voting on that matter.

If you have an ODI (as defined in the Code) you will need to consider whether you need to leave the room during the consideration of the matter.

### **Co-opted Members**

Scrutiny Committees may wish to appoint Co-Opted Members to sit on their meetings in order to add value to the scrutiny process. To appoint a Co-Opted Member, a Committee must first agree to appoint either a specific person or to approach a relevant organisation to request that they put forward a suitable representative (e.g. the local Police Authority). Co-Optees are non voting by default but Committees can decide to appoint voting rights to a Co-Optee. The Co-Option of the Member will last no longer than the remainder of the municipal year.

Scrutiny Committees can at any meeting agree to terminate the Co-Option of a Co-Opted Member with immediate effect. Where an organisation is appointed to put forward a Co-Opted Member, they are able to send a substitute in exceptional circumstances, provided that they notify Democratic Services in advance. Co-Opted Members must sign up to the Members Code of Conduct before attending their first meeting, failure to sign will mean that they are unable to participate. This also applies to substitute Co-Opted Members, who will need to allow sufficient time before a meeting in order to sign the Code of Conduct.

The following will apply:

- i) The total number of voting co-opted members on any Scrutiny Committee will not exceed 25% at any one time.
- ii) The total number of voting Co-opted Members on any Review Panel will not be limited.
- iii) Those Co-opted Members with voting rights will exercise their rights in accordance with the principles of decision making set out in the constitution.

**For Further information:**

**If you have any queries about this Agenda or require any details of background papers, further documents or information, you should contact Louisa Bright, Committee and Member Services Officer, Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF. Telephone: 01562 732763 or email [louisa.bright@wyreforestdc.gov.uk](mailto:louisa.bright@wyreforestdc.gov.uk)**

Wyre Forest District Council

Overview & Scrutiny Committee

Wednesday, 10th September 2014

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

Part 1 - Open to the press and public

<b>Agenda item</b>	<b>Subject</b>	<b>Page Number</b>
<b>1.</b>	<b>Apologies for Absence</b>	
<b>2.</b>	<b>Appointment of Substitute Members</b>  To receive the name of any Councillor who is to act as a substitute, notice of which has been given to the Solicitor of the Council, together with the name of the Councillor for whom he/she is acting.	
<b>3.</b>	<b>Declarations of Interests by Members</b>  In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any Disclosable Pecuniary Interests (DPI's) and / or Other Disclosable Interests (ODI's) in the following agenda items and indicate the action that they will be taking when the item is considered.  Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.	
<b>4.</b>	<b>Minutes</b>  To confirm as a correct record the Minutes of the meeting held on the 3 <sup>rd</sup> July, 10 <sup>th</sup> July and 23 <sup>rd</sup> July 2014.	6
<b>5.</b>	<b>Wyre Forest Health Action Plan Update</b>  To consider a report from the Principal Health and Sustainability Officer which provides an update on the work to improve health and wellbeing in Wyre Forest and to seek endorsement of the new Wyre Forest Health Action Plan 2014/15.	15
<b>6.</b>	<b>How Are We Doing? Performance Update (Q1)</b>  To consider a report from the Business Improvement Officer which updates Members on the performance of the Council for Quarter 1 (from 1 <sup>st</sup> April 2014 to 30 <sup>th</sup> June 2014).	46

7.	<b>Recommendations from Treasury Management Review Panel: Consideration of Annual Report on Treasury Management Service, Actual Prudential Indicators 2013/14 and Technical Revision to the Treasury Management Strategy Statement 2014/15</b> <p>To consider a report from the Chief Financial Officer which provides a review of the treasury management activities for 2013/14.</p>	63
8.	<b>Feedback from Cabinet</b> <p>To note the content of the Cabinet action list, following consideration of the recommendations from its meeting on 22<sup>nd</sup> July 2014</p>	82
9.	<b>Work Programme</b> <p>To review the work programme for the current municipal year with regard to the Sustainable Community Strategy Theme, Corporate Plan Priority, Annual Priorities and the Forward Plan.</p>	84
10.	<b>Press Involvement</b> <p>To consider any future items for scrutiny that might require publicity.</p>	
11.	<b>To consider any other business, details of which have been communicated to the Solicitor of the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</b>	
12.	<b>Exclusion of the Press and Public</b> <p>To consider passing the following resolution:</p> <p>“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following item of business on the grounds that it involves the likely disclosure of “exempt information” as defined in paragraph 3 of Part 1 of Schedule 12A to the Act”.</p>	

## Part 2

Not open to the Press and Public

13.	<b>To consider any other business, details of which have been communicated to the Solicitor of the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</b>	
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**WYRE FOREST DISTRICT COUNCIL**

**OVERVIEW & SCRUTINY COMMITTEE**

**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER**

**THURSDAY, 3RD JULY 2014 (6PM)**

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**Present:**

Councillors: E Davies (Chairman), J Phillips (Vice-Chairman), J Greener, P V Hayward, V Higgs, L Hyde, B McFarland, T L Onslow, M Price, M Rayner, C Rogers and M J W Wrench.

**Observers**

Councillors: N J Desmond, H E Dyke, P B Harrison, M J Hart, A T Hingley, M B Kelly and P W Wooldridge.

**OS.1      Apologies for Absence**

Apologies for absence were received from Councillor A M Sewell.

**OS.2      Appointment of Substitutes**

Councillor B McFarland was appointed as a substitute for Councillor A M Sewell.

**OS.3      Declarations of Interests by Members**

Councillor L Hyde declared an Other Disclosable Interest (ODI) in agenda item number 7 – Home Choice Plus Allocation Policy Review, as her daughter is employed by the Community Housing Group.

**OS.4      Minutes**

**Decision: The minutes of the meeting held on 1st May 2014 be confirmed as a correct record and signed by the Chairman.**

The Chairman announced a revised running order for the agenda in that item 13 would be taken before item 5.

**OS.5      Terms of Reference**

The Terms of Reference for the Committee were received.

**OS.6      New Leisure Centre Update**

The Committee received a report from the Cultural Services Manager which summarised the progress made on the project.

#### **Agenda Item No. 4**

The Cultural Services Manager led Members through the report and the following points were highlighted:

- Outline planning permission was granted on 8<sup>th</sup> April 2014.
- The purchase of the site was completed on 30<sup>th</sup> June 2014.
- Following clarification meetings involving Sport England and the Tenderers, the tender return date had been extended to 12<sup>th</sup> September 2014.

Members were also advised that a very positive meeting had been held with a representative from a local public transport provider, Rotala, who were working on a business plan to service the new leisure centre site. The Cultural Services Manager offered to meet with any newly elected Members who would like a briefing on the project.

#### **Agreed:**

- **The update be noted.**
- **Newly elected Members to contact the Cultural Services Manager if they required a briefing on the project.**

#### **OS.7**

#### **How Are We Doing? Performance Update (Q4)**

The Committee received an update report on the performance of the Council for quarter 4, from 1<sup>st</sup> January to 31<sup>st</sup> March 2014.

The Business Improvement Officer led Members through the report and Appendices. A Member requested an update on how the issues with the heating and cooling system and the car park were progressing as part of the outstanding Wyre Forest House action detailed in the exception report. The Business Improvement Officer agreed to obtain an update and circulate it to the Committee.

A Member raised concerns over the voluntary redundancies agreed for the Hub and the effect this may have on the customer service provided. A debate ensued and it was agreed for an update on the Hub to be added to the work programme.

#### **Agreed:**

- **The progress in performance for quarter 4 be noted.**
- **The Business Improvement Officer to obtain an update on the Wyre Forest House issues for circulation to the Committee.**
- **An update on the Hub to be added onto the work programme.**

#### **OS.8**

#### **Home Choice Plus Allocation Policy Review**

The Committee considered a report from the Strategic Housing Services Manager which outlined the proposed changes to the Allocations Policy following

#### **Agenda Item No. 4**

amendments made to the legislation governing allocations in the Localism Act 2011 and consultation with members of the public and stakeholders.

The Strategic Housing Services Manager led Members through the report and advised that in total 650 survey responses had been received, and generally were supportive of the changes to the policy particularly around local connection and housing need.

**Agreed: Recommend to Cabinet:**

**That approval be given to the new 2014 allocations policy.**

#### **OS.9 Climate Change Update**

The Committee considered a report from the Principal Health and Sustainability Officer on the updated Wyre Forest Climate Change Strategy and the associated action plan for 2014/15.

**Agreed: Recommend to Cabinet:**

**That the Climate Change Strategy and Action Plan 2014-15 as set out at Appendix 1 of the report to the Overview and Scrutiny Committee be approved.**

#### **OS.10 Joint Worcestershire Regulatory Services Task Group – Final Report**

The Committee received a report from the Joint Worcestershire Regulatory Services Scrutiny Task Group.

The Chairman of the Task Group, Councillor Rod Laight and Vice Chairman, Councillor Peter Tomlinson, gave a comprehensive presentation to Members which outlined the background information and membership of the group, and summarised the 12 recommendations made.

Councillor T L Onslow left the meeting at this point, (7.20pm).

A discussion around the presentation ensued and the Committee agreed further time was needed to consider the report and recommendations in more detail. The Committee and Member Services Officer was asked to arrange a date for a special meeting of the Overview and Scrutiny Committee.

**Agreed: The Committee and Member Services Officer to arrange a special Meeting of the Overview and Scrutiny Committee for consideration of the report and recommendations in more detail.**

#### **OS.11 Tracking Recommendations 2013-2014**

**Agreed: The Tracking Recommendations 2013-2014 be noted.**



**OS.12      Feedback from Cabinet**

**Agreed: The content of the Cabinet action list, following consideration of the recommendations from its meeting on 13<sup>th</sup> May 2014 be noted.**

**OS.13      Work Programme**

The Chairman asked Members to send any suggestions for the work programme to the Committee and Member Services Officer.

**OS.14      Press Involvement**

There were no future items for scrutiny that might require publicity.

There being no further business, the meeting ended at 7.52pm.

WYRE FOREST DISTRICT COUNCIL

SPECIAL OVERVIEW & SCRUTINY COMMITTEE

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER

THURSDAY, 10TH JULY 2014 (6PM)

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**Present:**

Councillors: E Davies (Chairman), J Phillips (Vice-Chairman), J Greener, P V Hayward, V Higgs, L Hyde, T L Onslow, M Price, M Rayner, C Rogers, A M Sewell and M J Wrench.

**Observers**

Councillors: J-P Campion, N J Desmond, H E Dyke, M J Hart, J Holden, M B Kelly, F M Oborski and P W Wooldridge.

**OS.15      Apologies for Absence**

There were no apologies for absence.

**OS.16      Appointment of Substitutes**

There were no substitutes appointed.

**OS.17      Declarations of Interests by Members**

No declarations of interest were made.

**OS.18      Exclusion of Press and Public**

**Decision: Under Section 100A(4) of the Local Government Act, 1972 the press and public be excluded from the meeting during the consideration of the following items of business on the grounds that they involve the likely disclosure of "Exempt Information" as defined in paragraphs 2, 6 and 7 of Part I of Schedule 12A of the Act.**

**OS.19      Maximising the Value of Council Property Assets**

The Committee considered a report from the Director of Economic Prosperity and Place on a proposal for developing the Council's portfolio of assets to maximise disposal and investment opportunities.

The Director of Economic Prosperity and Place led Members through the report and reminded them that the proposal was part of the Council's Medium Term Financial Strategy for 2014-2017 following the work undertaken by the Strategic Review Committee in 2013-2014.

To assist with the development of the initial business case an external built asset

consultancy specialist had been commissioned.

Members received a presentation from external asset specialists on their findings

following a review of all of the Council's assets. Following a robust debate, Members agreed in principle to the findings, and felt the proposals should be explored in more detail to ascertain if there are any viable options for the Council to pursue.

Councillor J-P Campion left the meeting at this point, (7.22pm).

**Agreed: Recommend to Cabinet:**

**The options as set out in the exempt presentation from the external built asset consultancy specialists, be taken forward for further exploration.**

There being no further business, the meeting ended at 7.31pm.

**WYRE FOREST DISTRICT COUNCIL**

**SPECIAL OVERVIEW & SCRUTINY COMMITTEE**

**COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER**

**WEDNESDAY, 23RD JULY 2014 (6.00PM)**

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**Present:**

Councillors: E Davies (Chairman), J Phillips (Vice-Chairman), J Greener, P B Harrison, J A Hart, V Higgs, L Hyde, B McFarland, M Price, M Rayner, C Rogers and M J Wrench.

**Observers**

Councillors: C Brewer, N J Desmond, H E Dyke, M J Hart, J Holden, M B Kelly, J A Shaw and P W Wooldridge.

**OS.20      Apologies for Absence**

Apologies for absence were received from Councillors: P V Hayward, T L Onslow and A M Sewell.

**OS.21      Appointment of Substitutes**

Councillor P B Harrison was appointed as a substitute for Councillor P V Hayward. Councillor J A Hart was appointed as a substitute for Councillor T L Onslow. Councillor B McFarland was appointed as a substitute for Councillor A M Sewell.

**OS.22      Declarations of Interests by Members**

No declarations of interest were made.

**OS.23      Joint Worcestershire Regulatory Services Task Group – Final Report**

The Committee considered the final report from the Joint Worcestershire Regulatory Services Task Group. Members received a comprehensive presentation from the Chair and Vice Chair of the group at the meeting of the Overview and Scrutiny Committee on 3<sup>rd</sup> July 2014, where the item was deferred for further consideration by Members.

The Director of Economic Prosperity and Place led Members through a general briefing note on Worcestershire Regulatory Services (WRS), which had been circulated prior to the meeting. Members were advised WRS was a shared service of Worcestershire County Council and the six District Councils which was formed on 1<sup>st</sup> June 2010, and is hosted by Bromsgrove District Council.

Councillor H E Dyke clarified the issues raised regarding the Council's attendance record of the task group meetings. A request had been made by Councillor Dyke to amend the draft terms of reference to include a nominated member, as it was

#### **Agenda Item No. 4**

proposed the membership of the group should consist of the Chair or Vice Chair of each authorities Scrutiny Committee. Councillor Dyke had raised concerns at the outset that she may find it difficult to attend due to work and commitments, however the request was declined.

The Committee discussed each of the task group's recommendations in turn, and agreed the following:

- **Recommendation 1 – agreed.**
- **Recommendation 2 – agreed.**
- **Recommendation 3 – agreed.**
- **Recommendation 4 – agreed.**
- **Recommendation 5 – agreed, with a proposal to review the effectiveness of the post in 12 months time.**
- **Recommendation 6 a – agreed.**
- **Recommendation 6b – rejected until further information is provided.**
- **Recommendation 7 – rejected as no clear reason to change current arrangements.**
- **Recommendation 8 – rejected.**
- **Recommendation 9 – rejected.**
- **Recommendation 10a, b & c – agreed, subject to substituting 'WRS Board' for 'Joint Committee'.**
- **Recommendation 11 – agreed.**
- **Recommendation 12a – agreed.**
- **Recommendation 12b – rejected, the group proved to be ineffective in the past due to the difficulty in arranging meetings.**

The meeting was suspended at 6.58pm, and re-convened at 7.02pm.

#### **OS.24**

##### **Call In – Review of Worcestershire Hub Satellite Offices at Stourport-on-Severn and Bewdley**

The Committee considered two call in requests from the Independent Community and Health Concern (IHC) and UK Independence Party (UKIP) groups regarding a decision made by the Cabinet Member for Resources and Transformation, under the Strong Leader Model, to endorse the proposal to shut the Worcestershire Hub Satellite Offices at Stourport-on-Severn and Bewdley.

The cost of running the two sites was approximately £50,000 a year, and the decision to close them contributed towards the savings of £213,000 that the revenues, benefits and hub service were required to achieve as agreed in the medium term financial strategy and budget for 2014-15 onwards.

The Committee raised concerns over the process by which the decision was made and the lack of consultation with members of the public and town councils.

Some members of the Committee felt that the closure of the satellite hubs would have a detrimental effect on the quality of service the Council provided as not all residents had access to use the telephone and on-line services, and relied on the face-to-face customer service contact. Some members questioned if the decision was in the best interest of the electorate as it might further alienate members of the public from the Council.

#### **Agenda Item No. 4**

A suggestion was made to introduce a 'use it or lose it' policy for the hub in Stourport-on-Severn with a view to reviewing the usage after a period of time. The Committee asked if the usage of hubs had been affected by recent changes in policy; if this was the case and the hub system was seen to be outdated, a debate on the hub model should be held by Council.

An amendment was moved for the decision made by the Cabinet Member for Resources and Transformation to be upheld. Following a named vote and the Chairman's casting vote, the amendment was lost.

The named vote on the amendment was recorded as follows:

For:

Councillors J Greener, P B Harrison, J A Hart, J Phillips, M Price and C Rogers.

Against:

Councillors E Davies, V Higgs, L Hyde, B McFarland, M Rayner and M J Wrench.

Chairman's casting vote: Against.

Following a formal request from the Committee, the Cabinet Member was not minded to reconsider the decision.

The Committee took a named vote to refer the matter to Council. Following a named vote and the Chairman's casting vote, the proposal was carried.

The named vote on the proposal was recorded as follows:

For:

Councillors E Davies, V Higgs, L Hyde, B McFarland, M Rayner and M J Wrench.

Against:

Councillors J Greener, P B Harrison, J A Hart, J Phillips, M Price and C Rogers.

Chairman's casting vote: For.

#### **Resolution of Overview and Scrutiny Committee:**

**To arrange for full Council to discharge the Committee's function to review or scrutinise decisions made, or other action taken, in connection with the discharge of functions which are the responsibility of the executive, namely the decision made by the Cabinet Member to endorse the proposal to shut the Worcestershire Hub Satellite Offices at Stourport-on-Severn and Bewdley.**

There being no further business, the meeting ended at 8.11pm.



## Overview and Scrutiny Committee

### Briefing Paper

Report of: Jenny Moreton,  
Principal Health and Sustainability Officer  
Date: 10<sup>th</sup> September 2014

Open

### Wyre Forest Health Action Plan Update

#### 1. Summary

- 1.1 This report is to update Members on work to improve health and Wellbeing in Wyre Forest and to seek endorsement of the new Wyre Forest Health Action Plan 2014/15.

#### 2. Background

- 2.1 Since 2011, the services responsible for delivering health in Worcestershire have been through a period of profound structural change. This included the move of Public Health service to Worcestershire County Council in April 2013 and the establishment of Clinical Commissioning Groups.
- 2.2 The Wyre Forest Clinical Commissioning Group (CCG) is made up of local GPs and senior health professionals who work together to procure hospital, community and mental health services for the local population.
- 2.3 The Worcestershire Health and Wellbeing Board oversees local health commissioning and leads on the strategic planning and co-ordination of local health services. The Board was formally established in April 2012 and became a statutory body from April 2013. The Board includes representatives from Public Health and Wyre Forest CCG. The Board has developed the Worcestershire Joint Health and Wellbeing Strategy 2013-16, which establishes priorities for this period, based on the findings of the Joint Strategic Needs Assessment.
- 2.4 Within Wyre Forest, the Strategic Health and Inequalities Partnership (SHIP) is supported by the Health and Wellbeing Delivery Partnership (HWDP), which includes representatives from Public Health, WFDC, Community Housing Group, Vestia and Disability Action Wyre Forest amongst others.
- 2.5 Within the District Council, delivery of this work is primarily carried out by the Health Improvement Co-ordinator (funded by Public Health) and the Health and Sustainability team in Strategic Housing Services.

**3. Key Issues**

3.1 The 2013/14 Health Action Plan update is included at Appendix 1. Below is an update on some of the projects undertaken as part the 2013/14 action plan:

3.2.1 Wellbeing Wednesdays

Wellbeing Wednesday is an open access weekly session that promotes health and wellbeing through a number of activities at Dowles Road Community Centre, Rifle Range Kidderminster. Different 'guest speakers' attend the sessions each week, including the local police team, health trainers, Community Housing representatives and Act on Energy. A community café is open to the whole community for breakfasts and healthy snacks, while mixed fruit and vegetable bags are on sale for £1. Pupils from Baxter College help to run this. The centre is also a 'food bank' centre with volunteers being able to issue vouchers to those most in need within the community. Fun activities such as Bingo are also held, providing an opportunity for residents to get together and socialise. In July a 'Summer Spectacular' community fun day was held, supported by a number of partners including the local policing team, Treetops Nursery, West Midlands Fire Service, WFDC Safety Partnerships, CHG Wardens and The Federation. The day was deemed a great success and all money made has gone back into supporting Wellbeing Wednesday.

3.2.2 Showcase of Services for Older People

The latest annual showcase event was held on 7th August 2014 at Kidderminster Town Hall. The event was opened by TV presenter Nick Owen. Thirty different exhibitors attended the event and provided information and advice to the estimated 200+ members of the public who attended. Positive feedback was received from exhibitors; it gave organisations the opportunity to provide relevant up to date information, network and obtain referrals. In addition, those attending responded positively and cited the presence of both local and national organisations, demonstrations, publicity and the accessibility of the venue as positives.

3.2.3 Worcestershire Works Well

Worcestershire Works Well is a countywide accreditation scheme designed to enable local businesses improve the health and well-being of their workforce. To date, 7 Wyre Forest businesses and organisations have signed up, with 6 of these having achieved accreditation. WFDC is one of those signed up; activities have included organising health fairs for staff at Wyre Forest House and Green Street. These provided an opportunity for staff (many of whom are also Wyre Forest residents) to have a health check, obtain information from a range of health services and try various physical activity/holistic taster sessions.

3.2.4 Health Chats

Worcestershire Health Chats is a public health training session for staff and volunteers who work with members of the public. Every contact is seen as an opportunity to empower people to improve their health or well-being. Health



Chats training covers health issues such as alcohol consumption, smoking, physical activity, diet, mental well-being and ageing well. The training gives people the skills to have an informed 2 minute Health Chat encouraging someone to make healthier choices. Three training sessions have been held so far in Wyre Forest in 2014, including at Wyre Forest House. 35 people attended these sessions; of these several have also done an additional 'train the trainer' course and gone on to deliver the training to their teams.

### **3.2.5 Physical activity sessions**

WFDC's Sports Development leads the creation of physical activity sessions to encourage increased participation in sports. The Inclusive Sports programme, aimed at people with disabilities, has included sessions on boccia, bowls, fishing, multi sports, swimming and splash 'n' relax. 60 people attended an Inclusive Sports celebratory event in July. Sportivate sessions, aimed at 11-25 year olds, have also proved popular. An estimated 4-500 people have attended Tae Kwon Doe sessions, whilst rowing, golf and dance-to-teach activities have also been held. Various activities have been held in the school holidays, including cycling , Play Here and Sport here sessions, with around 200 attending each of these per week.

### **Wyre Forest Health Action Plan 2014/15**

3.3 The Wyre Forest Health Action Plan (Appendix 2) reflects the four priorities of the Worcestershire Health and Wellbeing Strategy:

- Older people and management of long term conditions
- Mental health
- Alcohol
- Obesity

These priorities address the needs of the whole population, with additional consideration given to their impact on communities and groups with poor health outcomes.

## **4. Options**

4.1 The committee may wish to:

- Recommend to Cabinet that the Wyre Forest Health Action Plan 2014/15, as attached at Appendix 2, is approved.
- Put forward alternative or additional proposals to recommend to Cabinet.

## **5. Consultation**

5.1 Wyre Forest Health and Delivery Partnership.

## **6. Related Decisions**

6.1 Not applicable.

**7. Relevant Council Policies/Strategies**

7.1 Worcestershire Joint Health and Wellbeing Strategy 2013-16.

**8. Implications**

8.1 Resources: CCG funding has been provided to support some of the projects within the plan. Other projects are funded from within existing resources.

8.2 The action plan requires cross-directorate and partnership working.

**9. Wards affected**

9.1 All.

**10. Appendices**

10.1 Appendix 1: Wyre Forest Health Action Plan 2013/14.

10.2 Appendix 2: Wyre Forest Health Action Plan 2014/15.

**11. Background Papers**

11.1 Worcestershire [Joint Health& Well-being Strategy](#)

11.2 [Wyre Forest Health Profile](#)

**Officer Contact Details:**

Name: Jenny Moreton  
Title: Principal Health & Sustainability Officer  
Contact Number: Tel: 01562 732569  
Email address: [Jennifer.Moreton@wyreforestdc.gov.uk](mailto:Jennifer.Moreton@wyreforestdc.gov.uk)

**Priority: Alcohol**

Project Title	Link to other Strategies/Plans	Objectives	Actions	Measure	Lead Org's/Officer	Resources	Progress/Timescale	RAG Status
<b>Aim: Promote safe drinking</b>								
<b>Safer Communities</b>	Worcestershire Alcohol Plan 2013-16 & Community Safety Agreement 2013-14	Creating a community environment where individuals take responsibility for their drinking habits and sensible drinking is the norm	Support ACPO Alcohol Harm reduction week w/c 16th Sept 13	No: of licensed establishments engaged	West Mercia Police PC Ian Carter WFDC Kathryn Washington		Kidd.Licensee's Assoc (KLA) did half price drinks promotion in some pubs and free first soft drink for designated driver. Campaign poster 'Behave or Be banned' displayed&promoted.Free bottled water donated by Tesco	
			Support Alcohol Awareness Week 18-24th November 2013		WCC		Campaign pack distributed to various	

							partners.	
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Priority: Obesity

Project Title	Link to other Strategies/Plans	Objectives	Actions	Measures	Lead Org's/Offi	Resources	Progress/Tim escale	RAG Status
<b>Aim: Reduce harm from overweight and obesity</b>								
<b>Food and Health</b>	Worcestershire Obesity Plan 2013-16	To reduce overweight and obesity levels and encourage and support residents to eat a healthy diet	To offer support to local food banks *Make contact with Franche food bank *Follow up visit to Baxter church food bank		Rachel Cockayne WCC		Support offered to Baxter church. No response received/ support requested.	
			Explore the opportunity to utilise unused produce from local growing and packing establishments	No: of premises contacted re using produce	Rachel Cockayne WCC		Amber @the Granary hotel- under used summer produce can be used at comm cafes etc.	
				No: of premises supporting the				
				No: of venues receiving produce				

	Worcestershire Obesity Plan 2013-16	To create a network of high quality accessible and sustainable sports & leisure opportunities within Wyre Forest district that encourages increased participation, improves health & wellbeing and enhances the quality of life of existing and future communities	Delivery of Inclusive Sport: 6-8 week sessions of - - Boccia/ Short mat bowls - Multi sports club - Swimming - Splash 'n Relax	No: of participants	Dale Evans WFDC		Boccia: 20 weekly Multi sports: 35 weekly Swimming: 15 per year Splash n Relax: 6 per year	
			Sports Development: Delivery of 6-8 week sessions of - Boot Camp - Women's Cycling	No: of participants			12-14 now attending women's cycling. Boot camp discontinued.	
			Sportivate (aimed at 11-25 year olds) delivery of 6-8 week sessions of, - Rowing – sessions for high schools - Tae Kwon Do - Zumba - Boxercise	No: of participants			Rowing- 80; Tae Kwon Do c. 4-500. Boxercise, golf and Dance to Teach sessions also held.	
			Activity Referral scheme. Course delivery October-December 2013	No: of referrals	Rosie Taylor DC Leisure (Glades)		Course wasn't able to be delivered. No staff to deliver. Lack of funding whilst	
				No: of participants joined and completed the 12 week course				

Physical Activity		Pre and post course assessment			countywide plans are being reviewed.	
	Review and develop Burlish Fitness trail	No: of participants attending session	Amy Smith WFDC		Reviewed and initiative discontinued	
	Delivery of under 16s free swimming initiative	No: of u 16s accessing the scheme throughout school holidays	Stuart Booton DC Leisure		HWB Partnership funding contributed to initiative.	
	Review of ClubFit programme	No: of young people accessed the programme	Geoff Taylor-Smith YMCA		Review completed. Report available. 23 young people completed 12 week programme. No funding for future sessions.	

			Track walk -Develop method of managing attendance and participant track times -Case studies/ filming of activity to demonstrate benefit	No: of participants	Geoff Shaw WFDC	£4,500	Project has been a success. C. 30 people attend each week. Looking at rolling out the model countywide.	
<b>Worcestershire Welcomes Breastfeeding</b>		The 'normalisation' of breastfeeding by encouraging local businesses to sign up to the 'Worcestershire Welcomes Breastfeeding' (WWBF) scheme	Promotion of WWBF scheme at local events	No: of events supported	Anthea Griffiths HACW		32 Wyre Forest businesses currently signed up to WWBF. 6 Best Buddy Breastfeeding peer support district volunteers recruited.	
				No: of businesses signed up to initiative				



Communities and groups with poorest health outcomes

Project Title	Link to other Strategies /Plans	Objectives	Actions	Measures	Lead Org's/Officer	Resources	Progress/Timescale	RAG Status
<b>Aim: To improve the health and wellbeing of communities and groups with the poorest health outcomes</b>								
		To improve the health and wellbeing of communities and groups with the poorest health outcomes	<b>Walshes:</b> Pilot the use of the community hall as information point to local residents	No: of organisations using the hall to offer information No: of people accessing the hall for sessions/ information	Justin Bryant Vestia Rachel Cockayne WCC	£5,000 in 2013/14 to support the hall	Successful 'Your Place' Health Hub pilot ran Jan-Mar 2014. Weekly drop-in sessions; agencies provided advice on health & wellbeing, inc. smoking cessation, physical activity etc.	
			Health MOTs and follow up appointments accessible- available in the area		Rachel Cockayne WCC Chris Burton HACW	Existing resources	Health Trainers held MOTs in the Walshes (linked with the Health Hub). Service currently under review.	

Support and enhance provision of lunches in the area, particularly for older people		Justin Bryant Vestia Rachel Cockayne WCC		Community cafe open and promoted as part of the health hub.	
Improve access to IT and IT training		Justin Bryant		1 laptop available initially at health hub. Free wifi access.	
Develop 'men in sheds' project		Justin Bryant		JB has new job and	
Map current activities available and what support is required		Walshes Health Group	Existing resources		
<b>Horsefair, Broadwaters &amp; Greenhill:</b>					
Affordable warmth door knocking project		Elaine Halford-Bishop WFDC	Existing resources	Door knock took place in October and referrals made re health, debt, fuel poverty etc.	
<b>Oldington &amp; Foley Park:</b>					

			Review and explore new model of working for the community cafe		Sarah Turner Birchen Coppice Primary School		Cafe area is being used by community cooking group/ school but no longer as community cafe- wasn't sustainable.	
			Health weeks; including dental care, immunisations, bed wetting,	Sessions delivered with children		£5,500		
				Sessions delivered with adults			Dental health week been delivered. Very successful. Dental	

Areas of Highest Need			No: of adults attending sessions		
					successful. Dental team screened over 90% of pupils. Following up those children who need full check ups/ treatment. Immunisation week took place, but no imms were carried out- difficulties with arranging consent etc for letters to be sent/ GPs to administer onsite. Next week is child development (speech, bedwetting, bottle/ dummies use). Sarah Turner has now left her post.
		Market Stall		£250	Funding awarded for
		Adult Cooking Crew		£500	Funding awarded for
		Foley Park Allotment		£250	Group have met throughout summer. Now started walking and swimming together

Edible Playground (Birchen Coppice)			£10,000	Children helped to design. CHG assisting with infrastructure	
Summer Holiday Programme			£9,000	10 raised beds installed. Produce grown, harvested and cooked with children summer 2013	
	No: of parents and children attending	Sarah Turner Birchen Coppice Primary School	£5,728	Average 33 children & 8 parents each day at B/C. 30 children each day at Foley Park. Programme supported by social work team. Very positive feedback.	
St Peter's Community Choir and St Peter's Community Garden/ Allotment		Pete and Kathy Jezukiewicz	2250 and 3150	Open day/ launch held May 2014	
Community Warden				Re-employed for fu	

			Provide health and parenting advice and support to young parents to be/ parents via weekly antenatal/ postnatal sessions		Wayne Morris CHG Karen Wright WCC	£20,000	300 resident surveys completed. Community activities being est at Y centre, inc Wellbeing Wednsdays and fruit and veg market stall. Started mid March 2014.	
<b>Young parents Support Group</b>		To enhance the knowledge and understanding of young people regarding health and wellbeing and parenting to help give their children the best start in life			Kate Birch Specialist Community Midwife, HACW	£5,000 Public Health Funding	Weekly antental group sees av 10 young mums per week. Been very successful in engaging with young parents, and providing education and advice.	

Accessible information and advice to all parts of the community

Project Title	Link to other Strategies/Plans	Objectives	Actions	Measures	Lead Org's/Office	Resources	Progress/Timescale	RAG Status
<b>Aim: To ensure that accurate information and advice is effectively distributed within the community</b>								
<b>Worcestershire Works Well</b>	Worcestershire Joint Health & Wellbeing Strategy 2013-16	Support local business to actively promote health and wellbeing amongst their employees by signing up to Worcestershire Works Well and the Public Health Responsibility Deal	Support the development of Worcestershire Works Well in Wyre Forest, enabling 4 businesses / organisations to achieve Level 1	No: of businesses / organisations that have been supported to	Rachel Cockayne WCC	Existing budgets	To date, 7 Wyre Forest businesses/ organisations are signed up to Worcestershire Works Well. 6 have achieved Level 1; 2 of these have also achieved level 2 accreditation.	
				No: of businesses / org's signed up to the Public Health Responsibility Deal				
	Worcestershire Joint Health & Wellbeing Strategy 2013-16	Maximise opportunities to raise awareness of health and wellbeing issues across the community	To deliver a total of 6 Health Chat's Training and Train the Trainer sessions to front line staff per	No: of Health Chat's Training & Train the Trainer	Rachel Cockayne WCC	Existing budgets	This is a county wide project. All partners are encouraged to make sure that	
				No: of people				
				No: of people				

<b>Health Chats Training</b>			annum	trained who have then go onto to deliver their own training			their staff have attended the training, or at least Team Managers who can then cascade this training in house. 3 training sessions held in Wyre Forest this year; 35 attendees.	
<b>Educational Settings</b>	Worcestershire Joint Health & Wellbeing Strategy 2013-16	Support all local educational settings to actively promote the health and wellbeing of children and young people	Scope the extent that educational settings currently promote health and respond to opportunities to support health improvement	Scoping exercise completed	WCC & Educational establishments		Review underway.	
			With local educational settings identify and plan response to opportunities to support health improvement	Identified and planned response to opportunities to support health improvement				



<b>Information on fuel poverty and households with poor thermal comfort</b>	Climate Change Strategy Wyre Forest 2013	To assist households access Energy Climate Obligation and Green Deal funding	Agree contract with Carillion as preferred provider	Contract agreed	Jenny Moreton WFDC	Existing budgets	Scheme no longer being progressed with Carillion. Alternative provider being sought;external funding obtained.	
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## WYRE FOREST - HEALTH & WELLBEING PLAN 2014-15

Date: September 2014

### Wyre Forest District Council - Local Vision:

**"Wyre Forest - where people have the opportunity to enjoy a good quality of life and want to live, work, visit and invest."**

[Worcestershire Health and Wellbeing Board](#) has responsibility for improving the health and wellbeing of the population of Worcestershire. In partnership, the Board has developed the [Worcestershire's Joint Health & Wellbeing Strategy 2013-16](#), which establishes priorities for 2013-16, based on the findings of the Joint Strategic Needs Assessment.

The four priorities of the Worcestershire Health and Wellbeing Strategy are reflected in this document, the Wyre Forest Health and Wellbeing Plan, as are the key principles of partnership, empowerment, local action, rigour, involvement, transparency and accountability.

- **Older people and management of long term conditions**
- **Mental health**
- **Alcohol**
- **Obesity**

These priorities address the needs of the whole population and additional consideration given to their impact on:

- Children and young people
- Communities and groups with poor health outcomes
- People with learning disabilities

The governance of this plan is the responsibility of the Wyre Forest Health and Wellbeing Delivery Partnership, a theme group of Wyre Forest Local Strategic Partnership. The Partnership comprises of the key partners with responsibility for health and wellbeing. This plan will demonstrate their contribution to delivering against this agenda either directly or by enabling other partners to do so e.g. through grant funding. It is an expectation that all partners contributing to this plan have effective safeguarding policies and procedures in place.

Priority: Older People and Management of Long Term

Date: September 2014

Project Title	Link to other Strategies/Plans	Objectives	Actions	Measures	Lead Org's/Officer	Resources	Progress/Timescale	RAG Status
<b>Aim: Promoting independent living</b>								
	Worcestershire Ageing Well Strategy 2012-17	Increased identification of isolated over 50's	Wyre Forest Ageing Well Partnership Development	No. partners regularly attending from different organisations	Steve Blick Age UK WF Karen Wright WCC	Existing		
			Additional community listening events to identify community issues and needs and recruit older people's community champions ?	1 Listening Event	Wyre Forest HIC	Officer time		

Ageing Well	Reduce social isolation in over 60s	Development of an Ageing Well befriending service to support 50+ people to 'Age Well'	To be determined	Heather MacDonald WF CCG/ Karen Wright WCC	Officer time to commission service		
		Set up a lunch club for socially isolated older people in Wribbenhall	Club established/ No of people attending	Social isolation project group	TBC		
	Support over 50s to access the services they need	Deliver community buddies service as a signposting and information service	No. of community buddies/ No. of GP practices involved.	CAB	WF CCG / Ageing Well Funding £		
	Increased access to information, advice and guidance for isolated older people	Older People Showcase of Services Event	No: of attendees	Steve Blick Age UK	£850 funding held by WFDC		
		Home energy	No. of checks				

			checks/advice for older people	carried out	Age UK	funding		
		Ensure that older people in Wyre Forest have a voice on issues and services relating to older people	Wyre Forest Older Person's Forum Development	No. of people attending the Forum / Priorities identified	Steve Blick Age UK WF	Existing		
<b>Falls Prevention</b>	Falls Prevention Strategy 2012-15	To raise awareness of falls and reduce the risk factors associated with falling	An on-going programme of Postural Stability Instruction courses across Wyre Forest	No: of participants who complete the 33 week course	Emma Gardner Wychavon DC			
				No: of courses delivered in WF				
				Pre and post course results for Functional Assessment,				
<b>Disability Facilities Grants (DFGs)</b>	Worcestershire Ageing Well Strategy 2012-17 & Worcestershire	To enable people to remain independant in their own home	Recommission the Home Improvement service	New service to be in place in 2015	Kate Bailey WFDC	Within existing resources		

**Priority: Mental Health and Wellbeing**

Project Title	Link to other Strategies/Plans	Objectives	Actions	Measure	Lead Org's/Officer	Resources	Progress/Timescale	RAG Status
<b>Aim: To improve mental health and wellbeing</b>								
<b>5 Ways to Wellbeing</b>	Worcestershire Mental Health & Suicide Prevention Plan 2013-16	To improve mental wellbeing through the 5 Ways to Wellbeing	Promotion of the 5 Ways to Wellbeing: Connect, Be active, Take Notice, Keep learning, Giving i.e. World Mental Health Day	Increased no: of people informed about the 5 Ways to Wellbeing	All Partners	Existing resources		
			Increase the opportunities to practice the 5 Ways to Wellbeing	Increase the no: of opportunities to Connect, Be active, Take notice, Keep learning & Give i.e. volunteering				

<b>Mental Health First Aid Training</b>	Worcestershire Mental Health & Suicide Prevention Plan 2013-16	Increase no. of people trained to identify/ understand/ help with mental health problems	Delivery of training	No. training sessions/ attendees	Kate Bailey WFDC			
<b>Housing &amp; Homelessness</b>	Worcestershire Mental Health & Suicide Prevention Plan 2013-16 & Worcestershire Joint Homeless Strategy 2012-17 & Worcestershire Housing Strategy 2011-16	To increase take up of primary care and reduce use of emergency services / crisis intervention for people in housing crisis	Develop / pilot services.		Mental Health Pathway group / Kate Bailey			

**Priority: Alcohol**

Project Title	Link to other Strategies/Plans	Objectives	Actions	Measure	Lead Org's/Officer	Resources	Progress/Timescale	RAG Status
<b>Aim: Promote safe drinking</b>								
<b>Safer Communities</b>	Worcestershire Alcohol Plan 2013-16 & Community Safety Agreement 2013-14	Creating a community environment where individuals take responsibility for their drinking habits and sensible drinking is the norm	Support Alcohol Awareness Campaigns (e.g. Alcohol Awareness Week/ Dry January)		WCC / Wyre Forest HIC/ Community Safety Partnership			



Priority: Obesity

Project Title	Link to other Strategies/Plans	Objectives	Actions	Measures	Lead Org's/Offi	Resources	Progress/ Timescale	RAG Status
<b>Aim: Reduce harm from overweight and obesity</b>								
<b>Food and Health</b>	Worcestershire Obesity Plan 2013-16	To reduce overweight and obesity levels and encourage and support residents to eat a healthy diet	Disseminate healthy eating info e.g. Recipe cards though the food banks.		Wyre Forest HIC			
			Explore the opportunity to utilise unused produce from local growing and packing establishments	No: of premises contacted re contributing produce	Elaine Halford-Bishop, WFDC			
				No: of premises supporting the project				
				No: of venues receiving produce				

Physical Activity	Worcestershire Obesity Plan 2013-16	To create a network of high quality accessible and sustainable sports & leisure opportunities within Wyre Forest district that encourages increased participation, improves health & wellbeing and enhances the quality of life of existing and future communities	Delivery of Inclusive Sport, to include bowls, wheelchair dancing, fishing, golf, splash 'n' relax	No: of participants	Dale Evans WFDC			
			Delivery of women's cycling sessions at Stourport cycle track.	No. of participants	Dale Evans, WFDC			
			Establish a Wyre Forest Parkrun weekly event	Volunteers recruited Sessions held      No participants	Dale Evans, WFDC			
			Deliver Sportivate sessions (aimed at 11-25 year olds), to include Tae Kwon Do, Golf, Boxercise, Dance to Teach.	No. of sessions held/ participants	Dale Evans WFDC			
			Sports activities in school holidays, inc. Play Here, Sport Here sessions	No of sessions held/ participants	Dale Evans WFDC			
			Delivery of under 16s free swimming initiative	No: of u 16s accessing the scheme throughout school holidays	Stuart Booton DC Leisure			

			Ongoing delivery of Health/ Track walks.	No. of participants	WFDC sports development			
			Pilot adult Bikeability training	No: of participants	Wyre Forest Cycle Forum			
<b>Worcestershire Welcomes Breastfeeding</b>		The 'normalisation' of breastfeeding by encouraging local businesses to sign up to the 'Worcestershire Welcomes Breastfeeding' scheme	Promotion of WWBF scheme at local events	No: of events supported	Anthea Griffiths HACW			
				No: of businesses signed up to initiative				
		Assist new mothers in establishing breast feeding	Volunteer champions to provide breastfeeding support to new mothers.	No. volunteers active. .No. new mothers assisted	Anthea Griffiths HACW			

Communities and groups with poorest health outcomes

Project Title	Link to other Strategies /Plans	Objectives	Actions	Measures	Lead Org's/Officer	Resources	Progress/Timescale	RAG Status
<b>Aim: To improve the health and wellbeing of communities and groups with the poorest health outcomes</b>								
<b>Areas of Highest Need</b>		To improve the health and wellbeing of communities and groups with the poorest health outcomes	<b>Walshes:</b>					
			Ongoing delivery of Your Walshes, Your Place project to engage isolated older people and encourage the public to access services.	No. people attending/ No partners promoting services	Janet Bonny			
			<b>Offmore &amp; Comberton</b>					
			Solid wall insulation project in Comberton area	No. of properties insulated	Health & Sustainability, WFDC/ Transition Kidderminster	DECC funding obtained		
			<b>Oldington &amp; Foley Park:</b>					
			Wellbeing Wednesdays at Dowles Road Community Centre	No. of people attending/ services promoted	Wayne Morris, CHG			

Accessible information and advice to all parts of the community

Project Title	Link to other Strategies/Plans	Objectives	Actions	Measures	Lead Org's/Officer	Resources	Progress/ Timescale	RAG Status
<b>Aim: To ensure that accurate information and advice is effectively distributed within the community</b>								
<b>Worcestershire Works Well</b>	Worcestershire Joint Health & Wellbeing Strategy 2013-16	Support local business to actively promote health and wellbeing amongst their employees by signing up to Worcestershire Works Well	Support the development of Worcestershire Works Well in Wyre Forest.	No: of businesses / organisations that have been supported to achieve at least Level 1.	Wyre Forest HIC	Existing budgets		
<b>Health Chats Training</b>	Worcestershire Joint Health & Wellbeing Strategy 2013-16	Maximise opportunities to raise awareness of health and wellbeing issues across the community	To deliver Health Chat's Training and Train the Trainer sessions to front line staff.	No: of Health Chat's Training & Train the Trainer sessions delivered	Wyre Forest HIC	Existing budgets		
				No: of people trained				
<b>Digital Inclusion</b>	Future Lives programme	Support access to health services online	Pilot project to be carried out	Pilot project completed	Karen Wright, WCC			



## Overview & Scrutiny Committee

### Briefing Paper

Report of: Rhiannon Foxall, Business Improvement Officer  
Date: 10<sup>th</sup> September  
Open

### How Are We Doing? Performance Update

#### 1. Summary

- 1.1 To update Members on the performance of the Council for Quarter 1 (from 1<sup>st</sup> April 2014 to 30<sup>th</sup> June 2014).

#### 2. Background

- 2.1 Performance management is instrumental in all council activities as it helps us to keep track of how well we are performing and enables any potential issues to be identified at an early stage so remedial action can be taken. It also informs our decision making processes which underpin the delivery of our Corporate Plan 2014-19.
- 2.2 The Council has a number of processes in place to monitor our performance including:
- Corporate Plan Actions
  - Corporate Risks and associated actions
  - Leading Measures
  - Lagging Measures

#### 3. Progress

- 3.1 Appendix 1 is an exception report for all of our purposes (People, Place, Housing, Planning, Business, Enabling)
- 3.2 Appendix 2 is a detailed report of performance against our purpose of 'Enabling'.

#### 4. Key Achievements/Issues

- 4.1 The various systems thinking interventions throughout the authority are progressing well. At the end of April, we began the Finance Intervention with the aim to "Help me make Good Financial Decisions". As reported in Wyred Weekly on the 8<sup>th</sup> July, work has concentrated on 3 main areas:
- **Budgeting** – meetings have taken place with managers in Economic Prosperity and Place to look at producing more

purposeful reports, enabling staff to self serve, producing their own reports and holding regular face to face meetings with their Accountants and the Financial Service Officers. These new reports are in the process of being written and will be trialled shortly.

- **Purchase to Pay**– Two trials have been running in the Strategic Housing Service and at the Depot at Green Street. The trials have concentrated on managers and their staff being responsible for raising their own Purchase orders.
- **Role of the Finance and Corporate Support Teams** – Tracy Vaughan, Tracey Southall and Sharon Hudson have been holding one to one meeting with Corporate Support, Accountancy and Audit team members to ask key questions and collect ideas and data on the understanding of purpose, how they think their role fits into the intervention and how we can improve services.

Further interventions are planned in the Human Resources and ICT teams. These will be particularly complex interventions as any changes will ultimately impact on all service teams across the authority.

- 4.2 Total amount of hours forfeited by staff via the Flexi Time and TOIL systems (LA042) has decreased significantly over the last two years showing a slight improvement in the balance of workload for staff. However, it still remains an ongoing issue with the number of hours forfeited in Quarter 1 being 784.
- 4.3 A change in the Local Government Pension Scheme from April 2014 increasing pension contribution rates was not implemented correctly by our payroll suppliers resulting in the reduction in the accuracy of payroll payments (LE060). We worked closely with Redditch and Bromsgrove to make the necessary changes to correct this; they funded an internal audit review to provide assurance of the system going forward.

## **5. Options**

- 5.1 That the progress in performance for quarter 1 be noted.

## **6. Consultation**

- 6.1 Cabinet Member for Strategy.
- 6.2 Corporate Leadership Team.

## **7. Related Decisions**

- 7.1 None.

## **8. Relevant Council Policies/Strategies**

- 8.1 Wyre Forest District Council Corporate Plan 2014 – 2019.

8.2 Wyre Forest Forward Transformation Framework 2014 – 2017.

**9. Implications**

- 9.1 Resources: No direct implications from this report.
- 9.2 Equalities: No direct implications from this report.
- 9.3 Partnership working: No direct implications from this report.
- 9.4 Human Rights: No direct implications from this report.
- 9.5 E-Government: No direct implications from this report.

**10. Equality Impact Needs Assessment**

- 10.1 An equality impact assessment has been undertaken and it is considered that there are no discernible impacts on the nine protected characteristics as set out by the Equality Act 2010.

**11. Wards affected**

- 11.1 None.

**12. Appendices**

- 12.1 Appendix 1 – All purposes exception report.
- 12.2 Appendix 2 – Full ‘Enabling’ report.

**13. Background Papers**

Corporate Plan action information is available on the Council's Performance Management System, Covalent. Alternatively, reports can be requested from the Business Improvement Officer.

**Officer Contact Details:**

Name:	Rhiannon Foxall
Title:	Business Improvement Officer
Contact Number:	Ext. 2786
Email:	<a href="mailto:rhiannon.foxall@wyreforestdc.gov.uk">rhiannon.foxall@wyreforestdc.gov.uk</a>



## Exception report for all purposes

Those actions that are approaching their due date or are overdue



### Enabling others to do what they need to do

WFF 14/15 05	Wyre Forest House	50%	
Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2014	Ian Miller	Still awaiting programme of works. Continuing to seek resolution of heating and cooling system with contractor.	01-Sep-2014
WFF 14/15 10	Shared Services Review	80%	
Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2014	Ian Miller	On course to deliver £213,000 savings from revs, benefits and Hub. Further discussions with Bromsgrove and Redditch about other opportunities for shared resources.	07-Jul-2014
WFF 14/15 52	Changes to staff terms and conditions	95%	
Due Date	Managed By	Latest Note	Latest Note Date
31-Aug-2014	Ian Miller	<b>Terms and conditions</b> Agreement signed with Unions 19th June. Changes implemented with effect from 1st July 2014	05-Aug-2014

**Pay**

Letters issued end of June with new contracts to take effect 1st October. 350 out of 400 employees have accepted the local pay deal and this was implemented for them on 1 April 2014.

**Ensure that there are good things for me to do, see and visit**

WFF 14/15 43

Public toilets

50%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2015	Linda Collis	As per previous note, Upper Arley Parish Council have taken over responsibility for the operation of the toilets at 50% saving to running costs for the Council. Broadwaters still outstanding. Superloo contracts terminated, expected to be removed from sites July/August. Community toilet scheme - still being progressed in Bewdley and Stourport - not yet finalised.	08-Aug-2014

**Improve my local area**

WFF 14/15 19

Kidderminster Town Centre Public Realm Framework

57%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2015	Mike Parker	Five contractors returned PQQs and will be invited to tender late autumn. Final proposals currently being agreed and costed prior to preparation of final specification. Mott McDonald appointed to undertake stage 2 safety audit. Expecting to report final proposals to Members and other consultees during September.	13-Aug-2014

Make good development happen

WFF 14/15 15

Bewdley Medical Centre

50%



Due Date	Managed By	Latest Note	Latest Note Date
31-Dec-2015	Mike Parker	Meeting with NHS England and Matrix 31st July to agree clauses in respect of land transfer to be included in the legal agreement. Quotations for car park works and building demolition now received from contractors; currently assessing options and timing of works.	13-Aug-2014

WFF 14/15 16

Crown House

80%








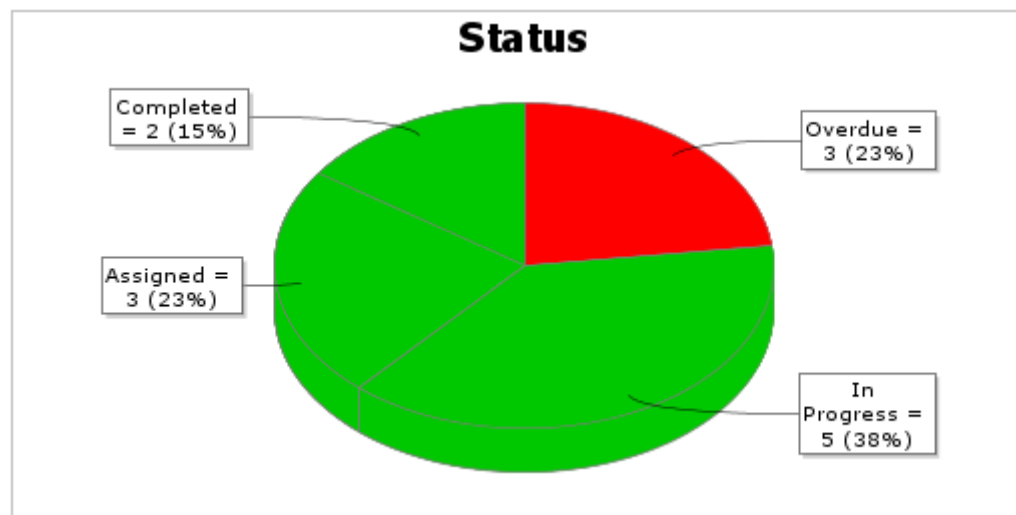
Due Date	Managed By	Latest Note	Latest Note Date
31-Dec-2014	Mike Parker	Cabinet agreed use of CPO powers on 22nd July, to be used if negotiations to acquire land through private treaty are unsuccessful. At same meeting, agreement to dispose of Council owned land in Kidderminster to accommodate new Job Centre Plus building. Meeting on 15th August to continue to progress development agreement.	15-Aug-2014

# Enabling others to do what they need to do

Progress on the purpose of 'enabling others to do what they need to do'



Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed



WFF 14/15 04

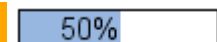
Corporate Support Services/Enabling Review



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2014	Ian Miller	All staffing reductions implemented 31 August	01-Sep-2014

WFF 14/15 05

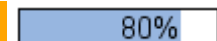
Wyre Forest House



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2014	Ian Miller	Still awaiting programme of works. Continuing to seek resolution of heating and cooling system with contractor.	01-Sep-2014

WFF 14/15 10

Shared Services Review



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2014	Ian Miller	On course to deliver £213,000 savings from revs, benefits and Hub. Further discussions with Bromsgrove and Redditch about other opportunities for shared resources.	07-Jul-2014

WFF 14/15 25

Organisational Strategy



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2014	Ian Miller	Final version considered at Group Leaders on 17th July and launched in Wyred Weekly on 30th July.	05-Aug-2014

Implementation commenced from August.

WFF 14/15 49

Localism

15%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2015	Linda Collis	<p><b>Parish</b> Churchill and Blakedown and Broome have taken over bin collection and litter picking and other parishes still subject to discussion.</p> <p><b>Act Local</b> Discussions underway with respect to Countryside Conservation Service, Highways Operational Services, Off and On Street Parking and Countywide Group established to progress this workstream.</p>	05-Aug-2014

WFF 14/15 50

Income, Commerciality and Sponsorship

0%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2015	Linda Collis	As per previous note, sponsorship contract expanded to include vehicles and gateway boundary signs.	08-Aug-2014

WFF 14/15 51

Implementation of CHRIS21 HR System

40%



Due Date	Managed By	Latest Note	Latest Note Date
30-Sep-2014	Tracey Southall	Pilot is underway during August 2014. Implementation	15-Aug-2014

planned for October but dependent upon pilot feedback.

WFF 14/15 52

Changes to staff terms and conditions

95%



Due Date	Managed By	Latest Note	Latest Note Date
31-Aug-2014	Ian Miller	<b>Terms and conditions</b> Agreement signed with Unions 19th June. Changes implemented with effect from 1st July 2014  <b>Pay</b> Letters issued end of June with new contracts to take effect 1st October. 350 out of 400 employees have accepted the local pay deal and this was implemented for them on 1 April 2014.	05-Aug-2014

WFF 14/15 53

Purpose led budgets

0%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2015	Tracey Southall	To be considered as part of the budget process but no work done at this early stage.	15-Aug-2014

WFF 14/15 54

Help me make good financial and budgeting decisions

22%



Due Date	Managed By	Latest Note	Latest Note Date
31-Oct-2014	Tracey Southall	Intervention progressing well. Trials for purchase to pay are being undertaken within the Housing team and at the	01-Sep-2014

depot with further trials planned. Redesign of reports in liaison with service managers continues to progress to timetable. The review of purpose/success criteria is also being worked on together with a Road Map to set out timescales and actions for implementation of recommendations.

WFF 14/15 55

Help me make good staffing decisions

0%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2015	Ian Miller	Review scheduled to start October 2014.	07-Jul-2014

WFF 14/15 57

Delivery of the 14/15 ICT Strategy

24%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2015	Dave Johnson	Progression of ICT Strategy on target. Circa £98k of savings achieved.	15-Aug-2014

WFF 14/15 58

Business Rates Retention Scheme

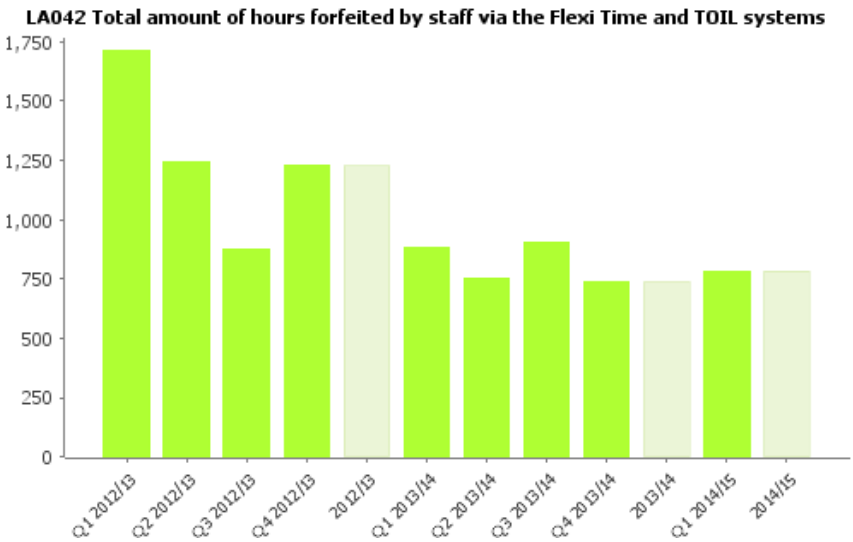
30%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2015	Mike Parker; Tracey Southall	AMTEK occupation of former Lawrence's site is good news for the business rates pool.	15-Aug-2014



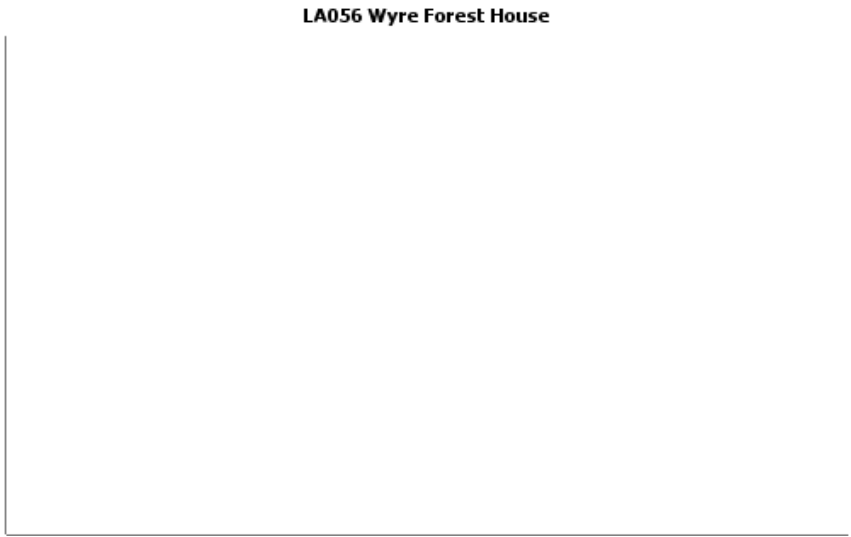
**LA042** Total amount of hours forfeited by staff via the Flexi Time and TOIL systems



Current Value 784

Managed By Vickie Lee;  
Rachael Simpson

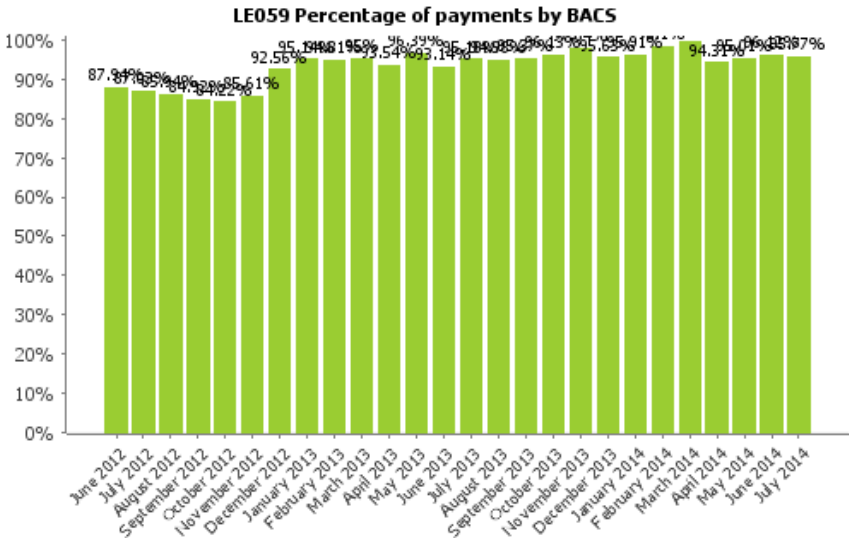
**LA056** Wyre Forest House



Current Value

Managed By Ian Miller

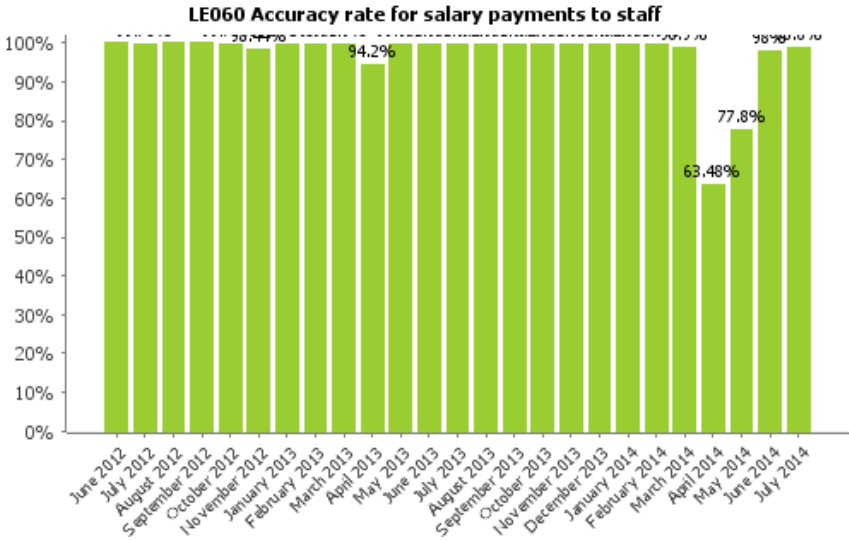
LE059 Percentage of payments by BACS



Current Value 95.77%

Managed By Tracey Southall

LE060 Accuracy rate for salary payments to staff

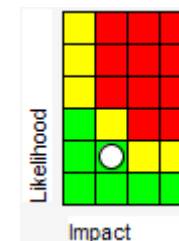


Current Value 98.6%

Managed By Tracey Southall

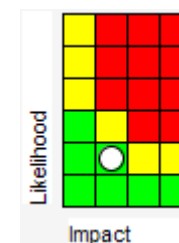
CORPRISK01

**Regular change in the political balance /direction of the Council.** The Council has a history of being hung and the current political situation is finely balanced. Having elections by thirds does not help to provide political stability. Whilst a vote on this issue in July 2013 failed to secure the required 2/3 majority, a formal Strategic Alliance is now in place. The LGA will provide a package of support if there is a change in the political control following the “All-Out” elections in May 2015, to help mitigate risk in the transitional period.



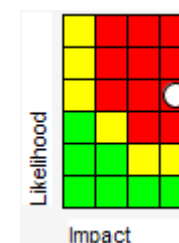
CORPRISK02

**Unable to implement and embed new ways of working.** The Council is undergoing major transformational change that embraces review of processes cultural and behavioural change, increased standards of delivery etc.

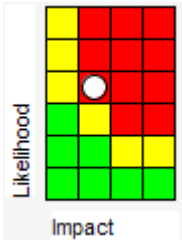


CORPRISK05

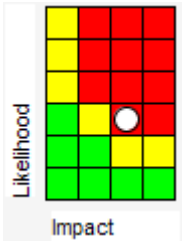
**Unable to deliver a sustainable budget for the long term.** Although the 2014/17 Medium Term Financial Strategy projects a much lower level of reserves being used over the next 3 years, the success of this strategy is reliant on the delivery of significant savings of over £2m between now and 2017. This ambitious programme of savings must be carefully managed by the Leadership team (officers and members) and achieved regardless of any change in the local political balance. Continuing risks around the Business Rates Retention Scheme and the potential for the imposition of further reductions/cessation in Government funding streams given the 2015 General Election, including New Homes Bonus, represent significant corporate financial risk. Business Rates growth and the risk of Appeals resulting in lower Business Rates yield is also an important funding element of the budget and represents a key risk to future sustainability. This is closely allied to Corporate Risk 03.



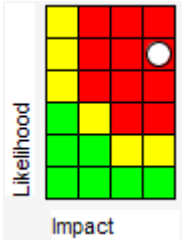
CORPRISK06      **Council 'misses' important issues and/ or is in breach of a requirement.**  
The Council is a small organisation but it is still expected to respond to, and comply with, new legislation, strategies, audit requirements etc.



CORPRISK07      **Implementation of New ICT Strategy.** There continues to be significant investment in the development of technology at the Council. A new ICT Strategy was agreed in 2013/14 and this is in the process of being implemented across the authority. The new website has been implemented and the focus continues to be on, supporting the move to greater self-service by customers, ensuring continued PSN compliance, update systems to ensure best value / efficiencies and refresh Server / Storage platform to deliver ICT services / and systems over the Medium Term Financial Strategy.

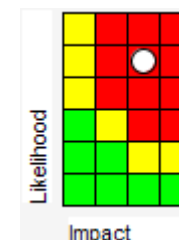


CORPRISK08      **Not able to maintain a skilled and motivated workforce.** Against the background of a move away from the National Pay Agreement, locally agreed low pay increases and other changes to conditions the Council needs to continue to maintain a workforce with adequate capacity, skills, experience and motivation – so still being seen by staff as a good employer. The restructure following the move to the Wyre Forest House has provided slimmer management structures and more devolution of responsibility which should assist in motivation and retention of the workforce, alongside rolling out a management development programme.



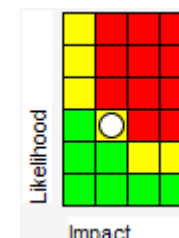
CORPRISK09

**Capacity to do everything is insufficient.** A flexible resource is required to do everything that the Council has committed itself to – transformation, core service review, review of partnerships. The Management/CLT Review, together with the prospect of further restructuring, the pace of change and need to continue to deliver key projects, represent a significant resourcing risk over the next 12 months. This leads to concerns that there will be insufficient capacity to deliver the Wyre Forest Forward Savings and the ability to provide effective leadership for the management of the Council, following the review of the CLT structure, planned to be implemented from April 2015.



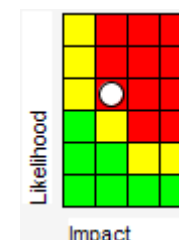
CORPRISK10

**Unable to effectively improve the Council's reputation.** The Council's reputation is extremely important, progressive improvement is important and can be subject to political influence that is difficult to predict and control. Effective consultation and communication with increased focus on customer engagement (both internal and external) are key to this gradual progression – along with purposeful service delivery.



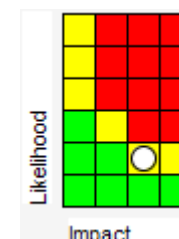
CORPRISK11

**Member skills and/or competencies are inadequate.** All political groups sometimes struggle to find suitable candidates to stand. This may be alleviated to a degree by the reduction in size of the Council in 2015. Member training takes place but is not universally attended. Increased pressure on members to develop specialist roles and devote more time.



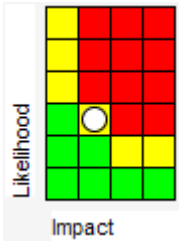
CORPRISK12

**Unable to ensure a secure network which would make ICT vulnerable to attacks and threats.** The Council has successfully achieved PSN compliance but this needs to be managed and maintained. ICT to regularly review and assess threats and impacts on the network and generate a formal risk/incident log and any remedial account required or acceptance of residual risk by the organisation where judged appropriate.



CORPRISK13

**Unable to deliver satisfactory services through Shared Service arrangements.** The Council is partner in a number of Shared Services – Worcestershire Regulatory Services, Emergency Planning, Water Management, Payroll, Building Control, Economic Development and Regeneration – and is either host to the Shared Service or a partner in receipt of a service.



Listed below are primary actions for other purposes but also impact on this purpose

Listed below are primary measures for other purposes but also impact on this purpose



## Overview & Scrutiny Committee

### Briefing Paper

Report of: Tracey Southall  
Chief Financial Officer  
Date: 10<sup>th</sup> September 2014  
Open

#### **Recommendations from Treasury Management Review Panel: Consideration of Annual Report on Treasury Management Service, Actual Prudential Indicators 2013/14 and Technical Revision to the Treasury Management Strategy Statement 2014/15**

#### **1. Summary**

- 1.1 The purpose of this report is to provide a review of the treasury management activities for 2013/14, in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 To seek approval for the actual 2013/14 prudential and treasury indicators in this report.
- 1.3 To note the annual treasury management report for 2013/14.
- 1.4 To note the technical revision to the Investment Policy and Strategy Statement 2014/15, set out in Appendix 2.
- 1.5 This report was endorsed by the Treasury Management Review Panel on 1<sup>st</sup> September 2014. Overview and Scrutiny is asked to consider and recommend that Council gives approval to the report recommendations as set out in paragraph 4 of this paper. This is in compliance with the CIPFA Treasury Management Code of Practice.

#### **2. Background**

- 2.1 This 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 2013/14. 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).
- 2.2 During 2013/14 the minimum reporting requirements were that the full Council should receive the following reports:
  - an annual treasury strategy in advance of the year (Council 27/02/13)

- a mid year treasury update report (Council 27/11/13)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

2.3 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.

2.4 This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Treasury Management Review Panel, reporting to Overview and Scrutiny Committee before they were reported to the full Council. Member training on treasury management issues was undertaken during the year on 2<sup>nd</sup> September 2013 and 28<sup>th</sup> January 2014 in order to support Members' scrutiny role.

### **3. Key Issues**

3.1 During 2013/14, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

<b>Actual prudential and treasury indicators</b>	<b>2012/13 Actual £'000</b>	<b>2013/14 Original £'000</b>	<b>2013/14 Actual £'000</b>
Actual capital expenditure	5,546	6,407	2,165
Capital Financing Requirement	5,505	9,683	5,539
Gross borrowing	3,201	9,027	5,321
External debt	3,023	9,027	5,018
Investments:			
• Longer than 1 year*	1,356	1,414	194
• Under 1 year	7,479	4,281	10,211
• <b>Total</b>	<b>8,835</b>	<b>5,695</b>	<b>10,405</b>

\*Investments at 31<sup>st</sup> March 2013 & 2014 include Icelandic investments at impaired values.

Actual capital expenditure in 2013/14 was lower than originally anticipated mainly due to slippage in the Future Leisure Provision, ICT Strategy, Regeneration of Economic Development, Housing Assistance Schemes, Bewdley Medical Centre Scheme and Vehicle Renewals.



- 3.2 Other prudential and treasury indicators are to be found in Appendix 1. The Chief Financial Officer also confirms that borrowing was only undertaken for a capital purpose and the statutory borrowings limit (the authorised limit), was not breached.
- 3.3 The financial year 2013/14 continued the challenging environment of previous years, namely low investment returns.
- 3.4 The Council entered into further external borrowing, drawing £1m in April 2013 and £1m in December 2013. Competitive rates were achieved with the officers working in close liaison with Capita Asset Services – Treasury Solutions (Capita) our professional advisors. The borrowing was undertaken within the Capital Financing Requirement (CFR). Full details can be found in Section 4 of Appendix 1.
- 3.5 The full annual review can be found at Appendix 1. This provides greater detail on the treasury activity for 2013/14 along with other relevant information.

**3.6 TECHNICAL REVISION TO THE INVESTMENT POLICY AND STRATEGY STATEMENT 2014/15**

- 3.6.1 Council approved the initial Investment Policy and Strategy Statement 2014/15 on 26<sup>th</sup> February 2014. This included the counterparty criteria and investment limits for the financial year 2014/15. On 23<sup>rd</sup> June 2014 Capita issued details of an update to their creditworthiness Policy. Details of the technical changes to the current methodology can be found in Appendix 2.

**3.7 UPDATE ON CONSULTANCY AND BANKING CONTRACTS**

- 3.7.1 The Council has used Capita (previously known as Sector Treasury Services) as its external treasury advisors since September 2010, when they were appointed following a full competitive tendering process. The contract included an option to extend for a further 2 years following the initial three year term (section 2.5 of the original agreement). Following a review of the services provided, consideration of market factors and liaison with the Cabinet Member, the Capita contract was extended by a further two years, commencing 1<sup>st</sup> September 2013. The Chief Financial Officer secured favourable terms for the contract extension, to ensure this service continues to provide good value for money.
- 3.7.2 The Council's banking contract with the Co-operative Bank expired on 31<sup>st</sup> March 2014. Following a competitive tender process, the banking contract was awarded to Lloyds Bank plc on 9<sup>th</sup> December 2013 which allowed sufficient time for the changes that were required to systems. Members will be aware of previous briefings issued as a result of the credit rating downgrades of the Co-operative Bank. Appropriate consideration of credit ratings was included as part of the tender process to ensure the Council is protected as far as possible, going forward. Lloyds Bank and the Co-operative Bank

worked with officers to ensure a smooth transition during the change in banking arrangements. For information, the transition was so smooth that Lloyds Bank have asked this Council to consider being a case study to other Local Authorities as an example of how efficient and timely the changeover can happen with Lloyds.

**4. Options**

**Overview and Scrutiny Committee recommends to Council to:**

- 4.1 Approve the actual 2013/14 prudential and treasury indicators in this report.**
- 4.2 Note the annual treasury management report for 2013/14.**
- 4.3 Note the technical revision to the Investment Policy and Strategy Statement 2014/15, set out in Appendix 2.**

**5. Consultation**

- 5.1 Capita, Treasury Management Consultants.
- 5.2 Corporate Leadership Team.
- 5.3 Leader of the Council.
- 5.4 Cabinet Member for Resources and Transformation.
- 5.5 Treasury Management Review Panel.

**6. Related Decisions**

- 6.1 Recommendation from Treasury Management Review Panel 1<sup>st</sup> September 2014.

**7. Relevant Council Policies/Strategies**

- 7.1 Council 27/02/13– The Prudential System of Local Government Finance and the Treasury Management Policy and Strategy Report 2013/2014  
[http://www.wyreforest.gov.uk/council/docs/doc47705\\_20130227\\_council\\_agenda.pdf](http://www.wyreforest.gov.uk/council/docs/doc47705_20130227_council_agenda.pdf)
- 7.2 Council 25/09/13 – Annual Report on Treasury Management Service and Actual Prudential Indicators 2012/2013  
[http://www.wyreforest.gov.uk/council/docs/doc48376\\_20130925\\_council\\_agenda.pdf](http://www.wyreforest.gov.uk/council/docs/doc48376_20130925_council_agenda.pdf)
- 7.3 Council 27/11/13 – Treasury Management Mid-year Review Report and Updated Prudential Indicators 2013/2014  
[http://www.wyreforest.gov.uk/council/docs/doc48584\\_20131127\\_council\\_agenda.pdf](http://www.wyreforest.gov.uk/council/docs/doc48584_20131127_council_agenda.pdf)

- 7.4 Council 26/02/14 – Treasury Management Strategy 2014/15

[http://www.wyreforest.gov.uk/council/docs/doc48860\\_20140226\\_council\\_agenda.pdf](http://www.wyreforest.gov.uk/council/docs/doc48860_20140226_council_agenda.pdf)

## **8. Implications**

- 8.1 **Resources:** The Financial Implications are contained within section 3 of this report and Appendix 1.
- 8.2 **Legal & Policy:** Legal and Policy Implications are contained within paragraph 13.1 of Appendix 1.
- 8.3 **Risk Management:** Risk Management is contained within paragraphs 13.2, 13.3, 13.4 and 13.5 of Appendix 1. As demonstrated within this report the current economic position is very volatile; as a result, the risk is managed by more frequent and detailed reviews supported by the Treasury Management Review Panel. The Council will continue to invest with only those institutions which have the necessary credit ratings in order to preserve the Council's Capital.

There is a small increase in risk by placing up to 50% of the total investments with the part-nationalised banks. However, such investments are only placed by exception, with the express approval of the Chief Financial Officer. The Council will continue to aim to achieve the optimum return on its investments commensurate with its investment priorities of security and liquidity. The Council has been advised that any withdrawal of Government support for the part-nationalised banks could take 12 months and remains in close liaison with Capita concerning the potential withdrawal of support for Lloyds Bank plc.

## **9. Equality Impact Needs Assessment**

- 9.1 This is a financial report and there is no requirement to consider an Equality Impact Assessment.

## **10. Wards affected**

- 10.1 All.

## **11. Appendices**

- 11.1 Appendix 1 – Treasury Activity 2013/14.
- 11.2 Appendix 2 – Technical Revision to Investment Policy and Strategy Statement 2014/15 – Changes to Creditworthiness Methodology.

## **12. Background Papers**

- 12.1 Local Government Act 2003.

## **Agenda Item No. 7**

- 12.2 CIPFA's Revised Prudential Code for Capital Finance in Local Authorities, 2011.
- 12.3 CIPFA's Revised Code of Practice on Treasury Management in the Public Services, 2011.
- 12.4 Local Government and Housing Act 1989.
- 12.5 01/09/14 - Annual Report on Treasury Management Service, Actual Prudential Indicators 2013/14 and Technical Revision to the Treasury Management Strategy Statement 2014/15.

### **Officer Contact Details:**

Name: Tracey Southall  
Title: Chief Financial Officer  
Contact Number: 01562 732125  
Email: [tracey.southall@wyreforestdc.gov.uk](mailto:tracey.southall@wyreforestdc.gov.uk)

Name: Lisa Hutchinson  
Title: Principal Accountant  
Contact Number: 01562 732120  
Email: [lisa.hutchinson@wyreforestdc.gov.uk](mailto:lisa.hutchinson@wyreforestdc.gov.uk)

**TREASURY ACTIVITY 2013/14**

**1. Introduction and Background**

1.1 This report summarises:

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- The actual prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to its indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity; and
- Detailed investment activity.

**2. The Council's Capital Expenditure and Financing 2013/14**

2.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

2.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

<b>£'000</b>	<b>2012/13 Actual</b>	<b>2013/14 Estimate</b>	<b>2013/14 Actual</b>
Capital Expenditure	5,546	6,407	2,165
Resourced by:			
• Capital receipts	3,661	1,245	832
• Capital grants	748	1,393	1,028
• Revenue	-	263	10
<b>Unfinanced capital expenditure</b>	<b>1,137</b>	<b>3,506</b>	<b>295</b>

**3. The Council's Overall Borrowing Requirement**

3.1 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2013/14 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

- 3.2 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board (PWLB), other Councils or the money markets), or utilising temporary cash resources within the Council.
- 3.3 **Reducing the CFR** – the Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.
- 3.4 The total CFR can also be reduced by:
- the application of additional capital financing resources (such as unapplied capital receipts); or
  - charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).
- 3.5 The Council's 2013/14 MRP Policy (as required by DCLG Guidance) was approved as part of the Treasury Management Strategy Report for 2013/14 on 27<sup>th</sup> February 2013.
- 3.6 The Council's CFR for the year is shown below, and represents a key prudential indicator.

<b>CFR £'000</b>	<b>31<sup>st</sup> March 2013 Actual</b>	<b>31<sup>st</sup> March 2014 Original Indicator</b>	<b>31<sup>st</sup> March 2014 Actual</b>
Opening balance	4,570	6,609	5,505
Add unfinanced capital expenditure (as shown in 2.2))	1,137	3,506	295
Less MRP	(202)	(432)	(261)
Closing balance	5,505	9,683	5,539

- 3.7 The borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

- 3.8 **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2013/14) plus the estimates of any additional capital financing requirement for the current (2014/15) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs. The table below highlights the Council's gross borrowing position against the CFR for 2013/14 and 2012/13. The Council has complied with this prudential indicator.

<b>£'000</b>	<b>31<sup>st</sup> March 2013 Actual</b>	<b>31<sup>st</sup> March 2014 Original</b>	<b>31<sup>st</sup> March 2014 Actual</b>
Gross borrowing position	3,201	9,027	5,321
CFR	5,505	9,683	5,539

- 3.9 The authorised limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2013/14 the Council has maintained gross borrowing within its authorised limit.
- 3.10 The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.
- 3.11 Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	<b>2013/14</b>
<b>Authorised limit</b>	<b>£20.000m</b>
<b>Maximum gross borrowing position (during 2013/14)</b>	<b>£5.038m</b>
<b>Operational boundary</b>	<b>£15.000m</b>
<b>Average gross borrowing position</b>	<b>£4.284m</b>
<b>Financing costs as a proportion of net revenue stream</b>	<b>1.95%</b>

**4. Treasury Position as at 31<sup>st</sup> March 2014**

- 4.1 The Council's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the beginning and the end of 2013/14 the Council's treasury position was as follows:

Treasury position	31 <sup>st</sup> March 2013		31 <sup>st</sup> March 2014	
	Principal £'000	Average Rate/Return %	Principal £'000	Average Rate/Return %
Fixed rate funding:				
PWLB	1,000	2.62	2,000	2.07
Market – Other Local Authority*	2,000	0.75	3,000	0.72
Market – Mortgage Bonds**	23	6.26	18	6.33
<b>Total Debt</b>	<b>3,023</b>	<b>1.41</b>	<b>5,018</b>	<b>1.28</b>
<b>Fixed Interest Investments***</b>	<b>(8,835)</b>	<b>0.73</b>	<b>(10,405)</b>	<b>0.59</b>
<b>Net investment position</b>	<b>(5,812)</b>		<b>(5,387)</b>	

\* Borough of Kings Lynn and West Norfolk (£2m), Derbyshire County Council (£1m).

\*\* Liverpool Victoria Friendly Society Ltd.

\*\*\*Principal at 31<sup>st</sup> March 2013 & 2014 includes Icelandic investments at impaired values. The average rate achieved excludes Icelandic investments.

The maturity structure of the debt portfolio was as follows:

	2012/13 Actual £'000	2013/14 Original Limits £'000	2013/14 Actual £'000
Under 12 months	-	100%	-
Between 1 and 2 years	2,000	100%	3,000
Between 2 and 5 years	17	100%	1,018
Between 5 and 10 years	1,006	100%	1,000
<b>Total</b>	<b>3,023</b>		<b>5,018</b>



The maturity structure of the investment portfolio was as follows:

	2012/13 Actual £'000	2013/14 Original £'000	2013/14 Actual £'000
Investments:			
• Longer than 1 year*	1,356	1,414	194
• Under 1 year	7,479	4,281	10,211
<b>Total</b>	<b>8,835</b>	<b>5,695</b>	<b>10,405</b>

\* The only investments held for more than 1 year relate to impaired Icelandic deposits.

The exposure to fixed and variable rates was as follows:

	31 <sup>st</sup> March 2013 Actual	2013/14 Original Limits	31 <sup>st</sup> March 2014 Actual
Fixed rate (principal or interest)	100%	100%	100%

## 5. The Strategy for 2013/14

- 5.1 The expectation for interest rates within the strategy for 2013/14 anticipated a low but rising Bank Base Rate (starting in quarter 1 of 2015), and gradual rises in medium and longer term fixed borrowing rates during 2013/14. 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.
- 5.2 In this scenario, the treasury strategy was to postpone external borrowing for as long as possible to avoid the cost of holding higher levels of investments over and above day to day cash flow requirements, and to reduce counterparty risk.
- 5.3 The actual movement in gilt yields meant that Public Works Loan Board (PWLB) rates were on a sharply rising trend during 2013 as markets anticipated the start of tapering of asset purchases by the Federal Reserve (Fed). This duly started in December 2013 and the United States (US) Federal Open Market Committee (FOMC) (a Committee within the Fed), adopted a future course of monthly reductions of \$10bn (from a starting position of \$85bn), meaning that asset purchases were likely to stop by the end of 2014. However, volatility set in during the first quarter of 2014 as fears around emerging markets, various vulnerabilities in the Chinese economy, the increasing danger for the Eurozone to drop into a deflationary spiral, and the situation in the Ukraine, caused rates to dip down, reflecting a flight to quality into United Kingdom (UK) gilts. The consequence of this was that PWLB borrowing rates fell in quarter 1 2014.

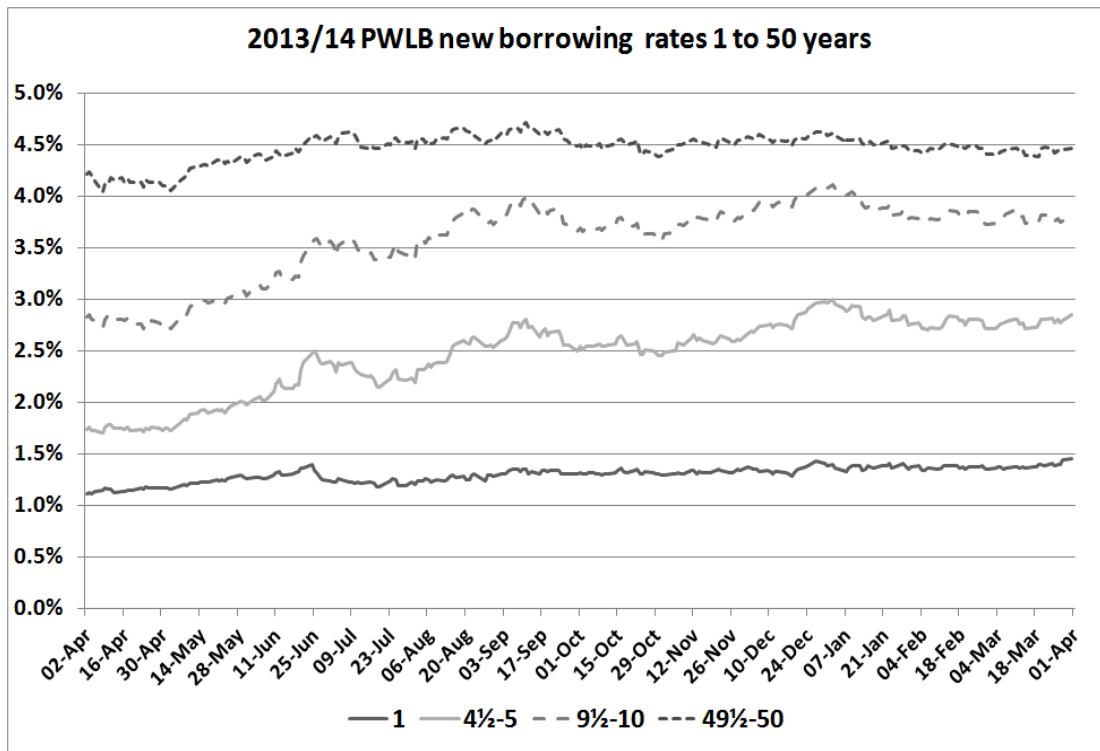
- 5.4 The strategy adopted in the original Treasury Management Strategy Report for 2013/14 approved by Council on 27<sup>th</sup> February 2013 was not subject to revision during the year.

**6. The Economy and Interest Rates (as provided by Capita Asset Services)**

- 6.1 The original expectation for 2013/14 was that Bank Rate would not rise during the year and for it only to start gently rising from quarter 1 of 2015. This forecast rise has now been pushed back to a start in quarter 3 2015. Economic growth (Gross Domestic Product (GDP)) in the UK was virtually flat during 2012/13 but surged strongly during the year. Consequently there was no additional quantitative easing during 2013/14 and Bank Rate ended the year unchanged at 0.5% for the fifth successive year. While Consumer Price Index (CPI) inflation had remained stubbornly high and substantially above the 2% target during 2012, by January 2014 it had, at last, fallen below the target rate to 1.9% and then fell further to 1.7% in February. It is also expected to remain slightly below the target rate for most of the two years ahead.
- 6.2 Gilt yields were on a sharply rising trend during 2013 but volatility returned in the first quarter of 2014 as various fears sparked a flight to quality (see paragraph 6.4.) The Funding for Lending Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which then resulted in money market investment rates falling drastically in the second half of that year and continuing into 2013/14. That part of the Scheme which supported the provision of credit for mortgages was terminated in the first quarter of 2014 as concerns rose over resurging house prices.
- 6.3 The United Kingdom (UK) coalition Government maintained its tight fiscal policy stance but recent strong economic growth has led to a cumulative, (in the Autumn Statement and the March Budget), reduction in the forecasts for total borrowing, of £97bn over the next five years, culminating in a £5bn forecast surplus in 2018/19.
- 6.4 The European Union (EU) sovereign debt crisis subsided during the year and confidence in the ability of the Eurozone to remain intact increased substantially. Perceptions of counterparty risk improved after the European Central Bank (ECB) statement in July 2012 that it would do “whatever it takes” to support struggling Eurozone countries; this led to a return of confidence in its banking system which has continued into 2013/14 and led to a move away from only very short term investing. However, this is not to say that the problems of the Eurozone, or its banks, have ended as the zone faces the likelihood of weak growth over the next few years at a time when the total size of government debt for some nations is likely to continue rising. Upcoming stress tests of Eurozone banks could also reveal some areas of concern.

## 7. Borrowing Rates in 2013/14

- 7.1 **PWLB borrowing rates** - the graphs and table for PWLB maturity rates below show, for a selection of maturity periods, the high and low points in rates, the average rates, spreads and individual rates at the start and the end of the financial year.



## 8. Borrowing Outturn for 2013/14

### 8.1 Treasury Borrowing

The Council entered into further external borrowing with The Public Works Board (PWLB) on 2<sup>nd</sup> April 2013 and Derbyshire County Council on 9<sup>th</sup> December 2013. The loans were drawn to fund net unfinanced capital expenditure within the CFR.

Loans at 31<sup>st</sup> March 2014 are detailed as follows:

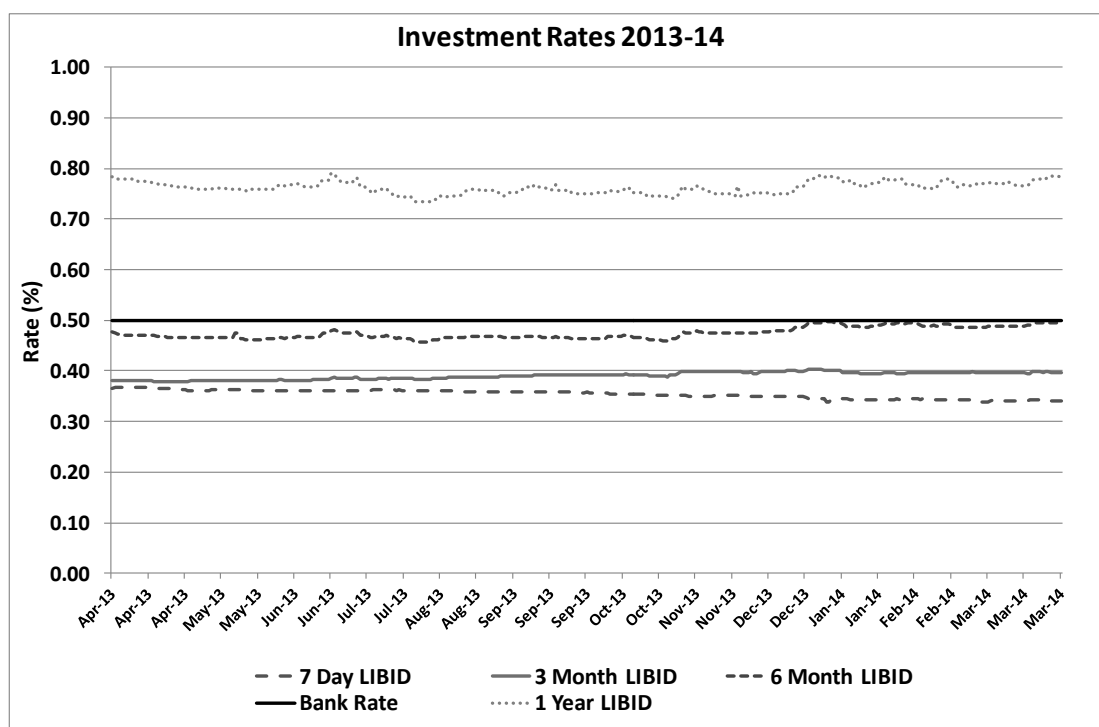
Lender	Date	Principal	Type	Interest Rate	Maturity
Market - Borough of Kings Lynn & West Norfolk	14/01/13	£2m	Fixed interest rate	0.75%	14/07/14 (1.5 years)
PWLB	15/03/13	£1m	Fixed interest rate	2.62%	15/03/22 (9 years)
PWLB	02/04/13	£1m	Fixed interest rate	1.52%	02/04/18 (5 years)
Market – Derbyshire County Council	09/12/13	£1m	Fixed interest rate	0.65%	08/12/14 (364 days)

## 8.2 Rescheduling

No rescheduling was carried out during the year.

## 9. Investment Rates in 2013/14

- 9.1 Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for five years. Market expectations of the start of monetary tightening ended up almost unchanged at around the end of 2014/beginning of 2015. The Funding for Lending Scheme resulted in deposit rates remaining depressed during the whole of the year, although the part of the scheme supporting provision of credit for mortgages came to an end in the first quarter of 2014.



## 10. Investment Outturn for 2013/14

- 10.1 Investment Policy – the Council's investment policy is governed by DCLG guidance, which has been implemented in the annual investment strategy approved by the Council on 27<sup>th</sup> February 2013. This policy sets out the approach for choosing investment counterparties, 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.). The Capita Credit Worthiness Policy adds further layers of check.
- 10.2 On 15<sup>th</sup> July 2013 Capita changed the suggested three month limit (green colour) to 100 days. This was due to a regulatory change imposed by the Financial Conduct Authority on UK banks in terms of which assets counted as being liquid assets on bank balance sheets.

- 10.3 The investment activity during the year conformed to the approved strategy, with the exception of a minor technical breach, and the Council had no liquidity difficulties. The single technical breach of the Policy occurred on 4<sup>th</sup> February 2014, when the proceeds of the sale of the Council's Landsbanki claim were paid, without notification of the exact date, to the Council causing a breach of the £1m investment limit with the Co Operative Bank (the Council's own bankers). The payment was made very late in the day and therefore the Council was unable to place the funds with an approved counterparty on the same day. The funds were subsequently placed for investment on the following day with an approved counterparty in accordance with the Treasury Strategy.
- 10.4 Resources – the Council's cash balances comprise revenue and capital resources and cash flow monies. The Council's core cash resources comprised as follows, and met the expectations of the budget:

<b>Balance Sheet Resources (£'000)</b>	<b>31<sup>st</sup> March 2013</b>	<b>31<sup>st</sup> March 2014</b>
Balances	<b>3,168</b>	<b>3,295</b>
Earmarked reserves	<b>4,396</b>	<b>4,955</b>
Provisions	<b>169</b>	<b>1,350</b>
Usable capital receipts	<b>2,139</b>	<b>2,129</b>
<b>Total</b>	<b>9,872</b>	<b>11,729</b>

- 10.5 **Investments held by the Council** - the Council maintained an average balance of £14.470m of internally managed funds. The internally managed funds earned an average rate of return of 0.59%. The comparable performance indicator is the average 7-day LIBID rate, which was 0.43%. External Interest received on investments totalled £85,400 compared to the revised budget of £60,000.

## **11. Performance Measurement**

- 11.1 One of the key requirements in the Code is the formal introduction of performance measurement relating to investments, debt and capital financing activities. Whilst investment performance criteria have been well developed and universally accepted, debt performance indicators continue to be a more problematic area with the traditional average portfolio rate of interest acting as the main guide. The Council's performance indicators were set out in the Annual Treasury Management Strategy.
- 11.2 This service has set the following performance indicator:
- Investments – Internal returns (0.59%) above the 7 day London Interbank Bid (LIBID) rate (0.43%)
- 11.3 The Council continues to be a member of the Capita regional benchmarking group. The group comprises nine Local Authorities; two County Councils, one City Council, one Borough Council and five District Councils, and the group meet twice a year. Quarterly performance reports are prepared by Capita. The purpose of the benchmarking group is to compare Security of Capital, Liquidity and Yield (SLY - risk and return), aiming to maximise return in line with each authority's individual risk appetite.

- 11.4 Capita reported that the results of the benchmarking group at 31<sup>st</sup> March 2014 were that the Weighted Average Maturity (WAM) was 59 days and the Risk Factor was 2.65 (1 being the lowest, 7 being the highest). The Council's yield was 3<sup>rd</sup> lowest in the group and the risk factor was joint highest at 3.6, demonstrating the Council's slightly higher risk appetite, although still relatively low compared to the model range. It should be noted that some members of the group invest almost entirely in the DMO (AA+) and other Local Authorities, with a risk factor of 1 and a return of circa 0.40%. This is explored in more detail in the separate benchmarking report on this agenda.

## **12. Icelandic Bank Defaults**

- 12.1 As has been widely reported, this Council had £9m invested in Icelandic banks at the time of their collapse in October 2008.
- 12.2 In January 2014 the Council sold its Landsbanki claim and has recovered almost 97% of the £3million that it had deposited.
- 12.3 The position on recovery of the remaining £6 million Icelandic investments is that, at 31st March 2014, a total of £5.015m had already been received (83.5%).

<b>Financial Institution</b>	<b>Principal Invested £</b>	<b>Principal Repaid at 31/03/14 £</b>	<b>Recovery at 31/03/14 %</b>	<b>Estimated Total Recovery %</b>
Kaupthing Singer & Freidlander	5,000,000	4,075,000	81.50	85.50
Heritable Bank	1,000,000	939,843	93.98	93.98
<b>Total</b>	<b>6,000,000</b>	<b>5,014,843</b>	<b>83.58</b>	<b>86.91</b>

- 12.4 The UK Government, Local Government Association, administrators and other agencies have continued to work throughout 2013/14 in recovering assets and co-ordinating repayments to all UK councils with Icelandic investments.
- 12.5 In the case of Heritable Bank plc, a significant repayment was made in August 2013, bringing the total repayments to approximately 94%. For the purposes of the year-end Accounts this was expected to be the last payment, although the final position has yet to be confirmed. In the case of Kaupthing, Singer and Friedlander Ltd, the administrators made two dividend payments during the financial year. The Council is currently estimating a further 4% recovery during the next 18 months. Members will be periodically updated on the latest developments.

**13. Regulatory Framework, Risk and Performance**

- 13.1 The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance:
- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
  - The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken;
  - Statutory Instrument (SI) 3146 2003, as amended, developed the controls and powers within the Act;
  - The SI requires the Council to undertake any borrowing activity with regard to the CIPFA) Prudential Code for Capital Finance in Local Authorities;
  - The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
  - Under the Act the CLG has issued Investment Guidance to structure and regulate the Council's investment activities.
  - Under section 238(2) of the Local Government and Public Involvement in Health Act 2007 the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8<sup>th</sup> November 2007.
- 13.2 The Council has complied with all of the above relevant statutory and regulatory requirements which limit the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means both that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach.
- 13.3 The Council has fully co-operated with a number of internal and external reviews into the Icelandic investments, including a member Treasury Management Review Panel that showed full compliance with all approved policies and procedures.
- 13.4 The Council is aware of the risks of passive management of the treasury portfolio and, with the support of Capita, the Council's advisers, has proactively managed its treasury position.
- 13.5 Shorter-term rates and likely future movements in these rates predominantly determine the Council's investment return. These returns can therefore be volatile and, whilst the risk of loss of principal is minimised through the annual investment strategy, accurately forecasting future returns can be difficult.

**TECHNICAL REVISION TO**  
**CURRENT ANNUAL INVESTMENT STRATEGY**  
**(FROM TREASURY MANAGEMENT STRATEGY STATEMENT 2014/15,**  
**APPROVED BY COUNCIL ON 26<sup>th</sup> FEBRUARY 2014)**

**Capita Asset Services Creditworthiness/Rating Methodology Changes**

- 1.1 On 23<sup>rd</sup> June 2014 Capita issued a Newsflash informing clients of a change in their credit methodology. The amendment reflects anticipated changes to the way institutions are rated in light of regulatory changes, especially with respect to implied sovereign support. This was not as a result of any deterioration in the credit environment. To help make institutions more robust, new International Standards recommended higher capital standards for major financial institutions. In the UK, regulations required banks and building societies to have these in place by the close of 2013. Whilst these changes are in place to help to make institutions more creditworthy and less likely to fail, they will not prevent all failures. However, they should ensure that any failings will have a smaller impact on the wider financial markets. This strengthening of the financial sector will eventually lead to sovereign nations stepping back from any bail-out obligations, with the result that investors will bail-in (i.e. potentially lose all or part of a deposit to plug a balance sheet failure in the institution). It is important to remember that governments are looking to reduce institutional risk, make them stronger, before considering withdrawing support.
- 1.2 The main rating agencies (Fitch, Moody's and Standard & Poor's) have provided some institutions with a rating uplift due to implied levels of sovereign support. In recent months Capita have been in regular dialogue with the rating agencies to ensure they fully understand how their ratings are affected by the evolving regulatory regime, both now and in the future. The clear message from these discussions is that implied sovereign support levels are going to be removed and that this process will commence this year. The actual timing of the changes is still subject to discussion, but Capita are pre-empting the moves by making immediate changes to their methodology.
- 1.3 The current methodology was introduced at the start of the financial crisis, taking account of the full extent of rating categories applied to financial institutions and their domestic sovereigns. It has been a robust process which has provided clients with a wide range of suitable counterparties, based on rating agency methodologies that, themselves, evolved through the financial crisis. The changes in agency methodologies moving forward are such that Capita believe it is now right to make changes themselves. It is important to stress that the rating agency changes do not reflect any changes in the underlying status of the institution, merely the implied level of support that has been built into ratings through the financial crisis. Capita have detailed below the range of impacts across the three rating agencies and how they will address them.



- 1.4 Both Fitch and Moody's provide "standalone" credit ratings for financial institutions. For Fitch, it is the Viability Rating, while Moody's has the Financial Strength Rating. Due to the removal of sovereign support from institution assessments, both agencies have suggested going forward that these will be the same as their Long Term ratings. As such, there is no point monitoring both Long Term and these "standalone" ratings. Furthermore, Fitch has already begun assessing its Support ratings, with a clear expectation that these will be lowered to 5, which is defined as *"A bank for which there is a possibility of external support, but it cannot be relied upon."* With all institutions likely to drop to these levels, there is little to no differentiation to be had by assessing Support ratings.
- 1.5 As a result of these rating agency changes, whilst Capita will still display a full set of credit ratings for the immediate future, the credit element of their new methodology will focus solely on the Short and Long Term ratings of an institution. In addition, Rating Watch and Outlook information will continue to be assessed where it relates to these categories. This is the same process for Standard & Poor's that they have always taken, but a change to the use of Fitch and Moody's ratings. Furthermore, Capita will continue to utilise Credit Default Swap (CDS) prices as an overlay to ratings in their new methodology. For information, a CDS protects lenders in the event of default on the part of the borrower by transferring the associated risk in return for periodic income payments.
- 1.6 Capita will maintain the same "colour coding" duration suggestions. These will be based on the new range of rating categories. The new methodology came into effect on Friday 27<sup>th</sup> June 2014.
- 1.7 In summary, the credit element of the Capita methodology will focus on the short and long term ratings of an institution, with the continued use of Rating Watches, Outlook information and the CDS price overlays. The colour coding will remain but the new methodology will ensure that implied sovereign support (as taken into account by Fitch and Moody's) will no longer be relied upon. The following table shows an example of suggested durations comparing the old and new methodologies. This demonstrates that the resulting increase in durations reflect the short and long term strength of the counterparties.

<b>Counterparty</b>	<b>20<sup>th</sup> June 2014 (old methodology)</b>	<b>27<sup>th</sup> June 2014 (new methodology)</b>
Barclays	<b>Green (0-100 days)</b>	<b>Red (up to 6 months)</b>
Santander	<b>Green (0-100 days)</b>	<b>Red (up to 6 months)</b>
Nationwide	<b>Green (0-100 days)</b>	<b>Red (up to 6 months)</b>
Coventry Building Society	<b>No Colour</b>	<b>Green (0-100 days)</b>

WYRE FOREST DISTRICT COUNCIL

FEEDBACK FROM CABINET MEETING HELD ON  
TUESDAY 22<sup>ND</sup> JULY 2014

Agenda  
Item No.

DECISION

8.1        Housing Allocation Policy

**Decision:** The new allocations policy, attached at appendix 2 of the report to Cabinet be adopted.

9.1        Climate Change Update

**Decision:** The Climate Change Strategy and Action Plan 2014-15 as set out at Appendix 1 of the report to the Overview and Scrutiny Committee be approved.

12.1       Maximising the Value of Council Property Assets

**Decision:**

1.    Delegated authority be granted to the Director of Economic Prosperity & Place, in consultation with the Cabinet Member for Planning & Economic Regeneration to continue to progress the business case(s) for disposal of, or investment in, the list of land and properties set out in Appendix 1 to the confidential report to Cabinet, including the appropriate vehicle to deliver the desired outcomes.
2.    The capital receipts from the sale of the land and buildings be utilised as set out at Appendix 1 of the confidential report to Cabinet (with the exception of the property mentioned in the report) and any future land and buildings that may be considered appropriate as an 'evergreen' fund to support future investment opportunities in developments that deliver further receipts for disposal or return on investment.
3.    To further develop the business case(s) for the renewable resources income generating options and delegated authority be granted to the Director of Economic Prosperity & Place, in consultation with the Cabinet Member for Planning & Economic Regeneration, for the implementation of those proposals which produce a positive rate of return over an acceptable payback period.

**Recommend to Council:**

4.    The allocation of capital receipts from the sale of the land and buildings identified at 2 in the confidential report to Cabinet be agreed, to create an 'evergreen' fund to support future investment

**opportunities in developments that deliver further receipts for disposal or return on investment; that delegated approval be given to Cabinet to agree the appropriate investments upon which to spend such investment fund monies; and that delegation be granted to Cabinet to decide to add any future capital receipts to the evergreen investment fund as they deem appropriate.**

**Overview & Scrutiny Committee Work Programme 2014-2015**

**July 2014**

3<sup>rd</sup> Leisure Centre Update  
Housing Allocation Policy  
How Are We Doing? Performance Update (Q4)  
Climate Change Update  
Joint WRS Task Group (Final Report)  
Tracking Recommendations 2013-2014

10<sup>th</sup> Development of Council's Assets (Exempt)

23<sup>rd</sup> Joint WRS Task Group (Final Report)  
Call In – Review of Hub Satellite Offices at Stourport and Bewdley

**September 2014**

How Are We Doing Q1 update (Enabling)  
Recs from Treasury Management Review Panel (to Council)  
Health Action Plan

**October 2014**

Leisure Centre Update  
Design Supplementary Planning Document

**November 2014**

How Are We Doing Q2 update (Business and People)  
Recs from Treasury Management Review Panel

**December 2014**

Leisure Centre Update  
Annual Crime & Disorder Review

**February 2015**

Leisure Centre Update  
How Are We Doing Q3 update (Place)

**April 2015**

Leisure Centre Update

**2015-2016 Municipal Year**

**June 2015**

Leisure Centre Update  
How Are We Doing Q4 update (Housing and Planning)

## **Terms of Reference - The Overview and Scrutiny Committee**

1. Reviews the policies of the Council and the Cabinet and recommends to the Council or the Cabinet:
  - (i) Whether any new policies are required.
  - (ii) Whether any existing policies are no longer required.
  - (iii) Whether any changes are required to any existing policies.
  - (iv) Whether any action is required to make the policies more effective.
2. Reviews the discharge of Cabinet functions, and recommends to the Council or the Cabinet:
  - (i) Whether any action should be taken to improve the economy, efficiency and effectiveness of those functions.
  - (ii) Whether any action should be taken to improve the co-ordination of the various functions within the Authority, or with any other person or body.
  - (iii) Whether the function should continue to be discharged or be discharged in another way.
3. Reviews any decisions or proposed decisions of the Council and of the Cabinet. In undertaking such reviews, the Overview and Scrutiny Committee shall in particular consider:
  - (i) Whether the relevant criteria were used.
  - (ii) Whether the decision is in accordance with the budget and policy framework of the Council.
  - (iii) Whether the decision or action was within the powers of the Authority.
  - (iv) Whether the decision was lawful.
  - (v) Whether the decision contributes to the efficient, effective and economic discharge of the function.
4. Recommendations should all take account of the following:
  - (i) Whether the decision should be reconsidered, and if so, what alternative decision should be taken.
  - (ii) Whether the proposed decision should be taken or taken in a different form.
  - (iii) Whether any further action should be taken in the experience of that decision to ensure proper or better implementation of decisions.
  - (iv) Whether any further actions should be taken in the experience of that decision to improve the manner or quality of decision-making for the future.

5. Considers any matters which affect the Council or its administrative area or the inhabitants of that area and makes recommendations to the Council or the Cabinet arising from that consideration.

6. External Partners

Reviews the performance and effectiveness of the Council's external partner organisations, including the duty to scrutinise the local Crime and Disorder Reduction Partnership.

7. Review Panels

Establishes time limited Review Panels which focus upon specific issues of concern raised by Members through a Scrutiny Proposal Form, consider evidence, and subsequently make recommendations to the Overview and Scrutiny Committee. A protocol for the establishment of Review Panels is attached as Appendix C at section 10 of the Constitution.

8. Review the Forward Plan

Regularly reviews the Forward Plan with a view to deciding which, if any, forthcoming items require consideration.

9. Sets and agrees an Annual Work Programme and prioritises the work of the Committee.

10. Ensures consideration is given to encouraging public participation and engagement in functions of the Committee.

11. Ensures that the views of any invitees and co-opted Members (where appropriate) are taken into account when conducting investigations.

12. Monitors the implementation of scrutiny recommendations.

13. Reviews and scrutinises relevant public bodies and partners in the District, including the Council's contribution and relationship with them. Where necessary, requesting them to address overview and scrutiny about their activities, performance, particular decisions, initiatives or projects.