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Telford & Wrekin
Co-operative Council

Protect, care and invest
to create a better borough

Borough of Telford and Wrekin

Full Council

Thursday 10 November 2022

6.00 pm

Telford Theatre, Limes Walk, Oakengates, Telford, TF2 6EP

Democratic Services: Jayne Clarke / Stacey 01952 383205 / 384382
Worthington

Media Enquiries: Corporate Communications 01952 382406

Committee Members: Councillors S Bentley, K T Blundell, M Boylan, A J Burford, S P Burrell, E M Callear, L D Carter, E J Carter, G H Cook, S Davies, N A Dugmore, A J Eade, A R H England, N A M England, R C Evans, V A Fletcher, I T W Fletcher, J Gough, E J Greenaway, C Healy, V J Holt, M B Hosken, T L B Janke, A S Jhawar, J Jones, R T Kiernan, J E Lavery, A Lawrence, J Loveridge, A D McClements, R Mehta, K Middleton, L A Murray, T J Nelson, G L Offland, R A Overton, I Preece, S J Reynolds, G C W Reynolds, S A W Reynolds, H Rhodes, K S Sahota, P J Scott, J M Seymour, C F Smith, M J Smith, B J Thompson, W L Tomlinson, K T Tomlinson, C R Turley, P Watling, B Wennington, D R W White and D Wright

Agenda

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| 1.0 | Prayers and Reflections | |
| 2.0 | Apologies for Absence | |
| 3.0 | Declarations of Interest | |

4.0 Minutes of the Previous Meeting 7 - 12

To confirm the minutes of the last meeting of the Council.

ANNOUNCEMENTS

5.0 Leader's Report & Announcements

The Leader of the Council may give an oral report on matters of significance to the Borough, comment upon the Cabinet decisions or make any announcements.

6.0 Mayor's Announcements 13 - 18

To note the Mayoral Engagements undertaken since the previous Council meeting.

QUESTIONS

7.0 Public Questions

To receive any questions from the public which have been submitted under Council Procedure Rules 7.11 and 7.12. The session will last no more than 15 minutes with a maximum of 2 minutes allowed for each question and answer. Questions can be asked of the Leader and Cabinet Members.

8.0 Councillor Questions On Notice

To answer questions received under Council Procedure Rule 6.2.

NB In accordance with the provisions of Council Procedure Rule 6.2.9 there will be a maximum of 30 minutes allowed for questions and answers. Any question not answered within the 30 minute time limit will receive a written reply within 5 working days.

9.0 Cabinet Decisions Made Since the Last Meeting of the Council 19 - 24

To receive the report on the Cabinet decisions made since publication of the last Council meeting agenda. Cabinet Members may speak on these decisions and Members may ask questions about key decisions of the relevant Cabinet Member for the purposes of clarification only. Members are asked to note the additional delegations to officers granted at those meetings.

DECISION-MAKING

10.0 Independent Inquiry Update Report 25 - 42

To receive an update report in respect of the steps that have been

taken to support, and progress, the implementation of recommendations following the publication of the report of Mr Tom Crowther KC, the Independent Chair of the Independent Inquiry into CSE in Telford.

11.0 Recommendations from Cabinet

11.1 Cabinet - 13 October 2022 - 2022/23 Financial Monitoring Report 43 - 48

To receive the report with the latest financial monitoring position for the year.

12.0 Recommendations from Boards and Committees

12.1 Audit Committee - 19 July 2022 - Treasury Management - 2021/22 Annual Report and 2022/23 Update 49 - 76

At its meeting held on 19 July 2022, the Audit Committee made the following recommendation to Council:

RESOLVED – that the report be recommended to Full Council.

12.2 Standards Committee - 28 September 2022 - Appointment of Independent Persons 77 - 80

At its meeting held on 28 September 2022, the Standards Committee made the following recommendation to Council.

RESOLVED to RECOMMEND TO COUNCIL that the appointments of Thomas Senior and Julia Lynch as Independent Persons for Telford and Wrekin Council be approved for an initial period of four years.

Leave of Absence

13.0 Councillor Leave of Absences 81 - 82

Councillors Miles Hosken and Karen Tomlinson have requested that they be granted up to six months leave of absence from Council duties.

DEBATE

14.0 Motions on Notice

14.1 Councillor A J Burford will propose the following Motion:-

“This Council calls on the Secretary of State for Health and Social Care to carry out an urgent review and reversal of the Government’s downgrade plan for our health and social care services and to provide the necessary resources to ensure Telford & Wrekin and Shropshire

has the health and social care services that our residents deserve.

The Government's shambolic plans to downgrade Telford's 24/7 A&E to a so called 'A&E Local' has been discredited by a number of clinical bodies and means that Telford would be the largest and growing town in England without a fully functional A&E. The government also still plans to move our Consultant led Women and Children Unit from Telford, which flies in the face of recognised clinical need, the very reason why it was built in Telford! We note, with deep concern, that the cost of the Government's downgrade plan is between £500m and £600m, yet they have only allocated a loan of £312m, which will inevitably mean some vital services will have to be cut as a result.

This does not make sense - Telford & Wrekin and Shropshire residents deserve better. This Council agrees to:-

- Urgently write to the Health and Social Care Secretary to ask for an urgent review and reversal of the Government's downgrade plan; and
- Take all steps necessary to make a referral to the Independent Reconfiguration Panel to seek a review of this decision."

The Motion will be seconded by Councillor A D McClements.

14.2 Councillor P R Watling will propose the following Motion:-

"This Conservative government has crashed the British economy from Downing Street as a result of their unfunded 'mini' budget. Families and households here in Telford and Wrekin will pay more for their mortgages, rents, food, and fuel and public services will have less money to pay for services that residents here in Telford and Wrekin rely on – from social care to education, health and policing to council services. Great Britain is in a cost of living crisis because the Conservative government has crashed the economy.

We, as a council, are committed to reducing inequalities across Telford and Wrekin which has been at the heart of our work for more than a decade. This has provided a strong foundation that enabled us to quickly mobilise additional support for our community throughout the Covid pandemic, and other emergencies, such as flooding. This unprecedented cost of living crisis means that our residents and businesses now need us to be on their side more than ever.

As a council on the side of our resident this Council:-

- Declares a cost of living emergency
- Will write to the government and local MPs seeking urgent assurance that the council budget will be protected in real-terms so that the council can support residents here in Telford and Wrekin
- As already set out last year, remains committed to freezing general council tax in April 2023 for the second year in a row – and notes the council has the lowest council tax in the Midlands for the services that

we provide

- Agrees to do all it can with the resources available to it to aid residents through the cost of living crisis but acknowledges that without government support for residents and the council – cuts to services are inevitable. ”

The Motion will be seconded by Councillor K Middleton.

14.3 Councillor A J Eade will propose the following Motion:-

“This Council calls for average speed cameras to be installed on the section of the dangerous A41, which runs through the Borough of Telford & Wrekin.

Council also undertakes to support colleagues at Shropshire Council in lobbying the Police and Crime Commissioner to allocate the £400,000 available funding to deliver this essential safety measure.”

The Motion will be seconded by Councillor S P Burrell.

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FULL COUNCIL

Minutes of a meeting of the Full Council held on Thursday, 14 July 2022 at 6.00 pm in The Place, Limes Walk, Oaken gates, Telford, TF2 6EP

Present: Councillors S Bentley, K T Blundell, M Boylan, A J Burford, E M Callear, L D Carter, E J Carter, G H Cook, S Davies, N A Dugmore, A J Eade, A R H England, N A M England, R C Evans, J Gough, C Healy, V J Holt, M B Hosken, T L B Janke, A S Jhawar, J Jones, J E Lavery, A Lawrence, J Loveridge, A D McClements, R Mehta, K Middleton, L A Murray, T J Nelson, R A Overton, I Preece, S J Reynolds, G C W Reynolds, S A W Reynolds, H Rhodes, K S Sahota, P J Scott, J M Seymour, C F Smith, B J Thompson, W L Tomlinson, K T Tomlinson, C R Turley, P Watling, B Wennington and D Wright

In Attendance:

Apologies: Councillors S P Burrell, V A Fletcher, I T W Fletcher, E J Greenaway, R T Kiernan, G L Offland, M J Smith and D R W White

209 Prayers and Reflections

Mr Suleman from the King Street Mosque said prayers.

210 Declarations of Interest

None.

211 Minutes of the Previous Meeting

RESOLVED – that the minutes of the meeting held on 19 May be confirmed and signed by the Mayor.

212 Leader's Report & Announcements

The Independent Inquiry, that published its report into child sexual exploitation on Tuesday 12 July 2022, highlighted the pain and distress victims and survivors had gone through.

The Leader thanked them for sharing their experiences with the Inquiry; their tenacity and resilience in speaking up was extraordinary.

The Leader stated the Council was deeply sorry for the pain and suffering that had been caused.

He also thanked The Sunday Mirror and Geraldine McKelvie for shining a light on child sexual exploitation in Telford and supporting the victims and survivors in telling their personal and harrowing stories.

Additionally, the Council acknowledged the hard work of the Inquiry chair, Tom Crowther QC, and his team who worked on the Inquiry.

The report, commissioned by the Council, dated back to 1989 and it heard evidence dating back to the 1970s.

In 1989, the Leader was 3 years of age. He was proud to come from Telford and it had been a wonderful place to grow up.

However, it clearly was not the same for many children and young people. This brought great sadness.

As a Telford dad and a corporate parent, the Leader was more determined than ever to make this a safe and happy place for future generations.

The report had found areas where more could have been done over the last three decades to support victims and survivors and their families.

Even though the Inquiry acknowledged significant and transformational improvements since 2016, and the inquiry specifically stated that services today were good, the Council fully accepted and would act on all of the Inquiry's recommendations in full.

It was for all; every elected Member, Council officer, and every partner to ensure these recommendations were fully implemented.

The Leader would be speaking to the Conservative and Liberal Democrat group leaders and the Police & Crime Commissioner about how they could work together to take the recommendations forward.

One early concern from victims and survivors was the funding of the CATE team, the team of dedicated professionals who were at the forefront of the response to tackling child sexual exploitation, and who were commended throughout by the Inquiry. The report proposed that the team was properly funded for the next 5 years. The Leader made a commitment that funding would be protected, not just for the next 5 years but also beyond as long as Labour led the Council.

The Leader was humbled and thankful in equal measure that survivors Holly Archer and Scarlett Jones had agreed to be part of the implementation process moving forward. Working together, they would co-design the Council's response to the Inquiry's recommendations; to make sure it was doing the very best it could for those people who needed it the most.

He thanked Scarlett and Holly for holding the Council to account and for agreeing to be part of the Authority's journey moving forward.

Together, everybody could ensure that a future that we can be proud about is built, a future that ensured that children and grandchildren, now and for generations to come, were safe and happy in Telford and share in the positive

experiences a child growing up here in Telford and Wrekin should experience.

213 Mayor's Announcements

The Mayor asked Members to note the report on Mayoral Engagements since the last meeting of full Council.

This was the Mayor's first Full Council meeting since his appointment and it had been a busy start to his mayoral year. He had enjoyed attending many High Street Celebrations which was a fantastic way to start his term.

The Mayor had continued to enjoy attending new business openings, family fun days, and awards and presentation events. This included the launch of the Queen's Award for Enterprise and a very special Garden Party hosted by the Lord-Lieutenant of Shropshire and celebrated the extraordinary contributions made by individuals within their local communities throughout the Covid-19 pandemic.

As a Town, local communities celebrated the Queen's Platinum Jubilee and it was a pleasure to witness so many events taking place.

In the Autumn, the Mayor would be officially launching his Charity Appeal and he was looking forward to attending forthcoming engagements.

214 Public Questions

No questions were received.

215 Councillor Questions On Notice

The following questions were asked under Council Procedure Rule 6.2.2:-

- (a) Councillor P Scott asked the following question of Councillor A Burford, Cabinet Member: Cabinet Member for Adult Social Care and Health, Integration and Transformation

"Residents in Newport and all over the Borough are often having extreme difficulty getting a doctor's appointment due, I believe, to the surgeries still operating under Covid guidelines. Often we are held in a queue for a long time to be triaged by a receptionist before being offered a call back by a GP. Some people cannot afford to stay on a phone for up to half an hour or beyond. Others give up and go across to A & E which in itself causes other problems.

Is there anything we as a council can do to get surgeries back using the pre Covid appointment guidelines"

Councillor A Burford responded that he had raised this issue at every avenue possible and that some practices performed better than others and there was currently a staffing crisis. He confirmed that this was at the top of the list for

the Scrutiny Work Programme and he acknowledged the frustration and anxiety it caused.

Councillor P Scott asked a supplementary question

“The CCG would not allow surgeries to go against covid guidelines, their argument is people with underlying illnesses still need to go to attend at the surgery and appointments. Are you aware that the covid guidelines are being forced upon surgeries and Health England”

Councillor A Burford responded that in relation to the covid guidelines the number of face to face appointments was increasing and there was a new normal which was a mix of telephone consultations and face to face appointments, determined by the initial consultation. This was now the preferred way of dealing with appointments but he did understand the frustration of not being able to get a face to face appointment if wanted or needed. He confirmed that the guidelines were still in place for GP surgeries

216 Cabinet Decisions Made Since the Last Meeting of the Council

Members received the report on the Cabinet decisions made since the last meeting of the Council.

No questions of clarification were raised.

217 Financial Monitoring 2022/23

The Cabinet Member for Finance, Governance and Customer Services presented the report of the Director: Finance and Human Resources which provided Members with the latest financial monitoring position for the year in relation to the revenue budget, capital programme and income collection.

RESOLVED – that:

- a) the 2022/23 revenue budget position and approve the allocations of the contractual inflation contingency be noted;
- b) the position in relation to capital spend be noted;
- c) the changes to the capital programme detailed in Appendix C be approved; and
- d) the collection rates for NNDR, council tax and sales ledger be noted.

218 Recommendations from Cabinet

- (a) 2021/22 Financial Outturn Report

(a) 2021/22 Financial Outturn Report

The Cabinet Member for Finance, Governance and Customer Services presented the report of the Director: Finance and Human Resources in relation to the 2021/22 Financial Outturn.

The estimated revenue outturn for the last financial year would be within budget by £48,000. The year end position had allowed some funds to be set aside to support the medium term financial strategy. Capital spending at year end was £57m against an approved budget of £73m. The programme of spending continued to be affected by the coronavirus pandemic. However all schemes were now in progress with some being rephrased into the current year creating treasury management benefits. The pandemic continued to have an impact on collection rates for 2021/22, however at the end of the year income collection was ahead of the target set for Council tax and business rates. Collection rates in relation to the sales ledger was slightly behind target.

The unaudited accounts generated for Nuplace showed a generated profit of £407,000 with a dividend of £163,000 paid to the council as its sole investor. An additional sum of £1.8m from net additional interest and marginal costs had also been received with the financial benefits being invested into front line services. Since 2009 the council had achieved savings of £133m including £7m during the last financial year. Despite the continued financial pressures, the council had ended the year within budget.

RESOLVED - that:

- a) the Revenue outturn position for 2021/22, which remains subject to audit by the Council's external auditors, and related virements in Appendix 3 be approved;
- b) the transfers and changes to reserves and associated approval to the relevant members of the Senior Management Team (as determined by the Chief Executive) and after consultation with the relevant Cabinet Member to spend the reserves detailed in section 5 and Appendix 5 be approved;
- c) the Capital outturn position and related supplementary estimates, re-phasing and virements showing Appendix 4 and as summarised in the report be approved;
- d) delegated authority to the Director: Finance & HR to make any changes required, in consultation with the Cabinet Member for Finance, Governance & Customer Services be granted;
- e) the performance against income targets be noted; and
- f) the 2022/23 Public Health Grant and update to the 2022/23 budget strategy be approved.

219 Recommendations from Boards and Committees

a) Annual Scrutiny Update

Councillor S J Reynolds presented the Annual Report for information.

Councillor C R Turley seconded the report.

Councillor A J Eade asked:

- a) *Children are finding it hard to learn, due to gaps in their learning and prolonged periods of isolation – do we have any figures on how many children are affected by that; and*

- b) *The Committee heard that the authority had worked hard during the pandemic to ensure vulnerable children were in schools” – Again do we have any figures regarding that and how many children are in fact missing from school in the borough.*

Councillor N Dugmore asked:

On the Transport Strategy could he be given a figure on the number of Council owned electric vehicle charging points both private and public within the Borough.

Written responses to these questions would be provided.

RESOLVED - that the Annual Scrutiny Report 2021/2022 be noted.

220 Notices of Motion

Councillor A Eade withdrew the motion pending publication of the Council’s Fair Cost of Care survey results to enable the administration to publish its findings.

The withdrawal of the motion was seconded by Councillor N Dugmore and agreed by all Members.

The meeting ended at 6.34 pm

Chairman:

Date: Thursday, 10 November 2022

MAYORAL ENGAGEMENTS

15 July – 28 October 2022

JULY

- | | | |
|-----------|-----------|---|
| 15 | M | Millbrook Primary School Awards Presentation, Leegomery |
| | M | Visit to Meadows Primary School, Ketley |
| 16 | M | Telford African and Afro- Caribbean Resource Centre (TAARC) Family Fun Day, Hadley |
| | M | Official Opening of Early Milestones Nursery Setting, Leegomery |
| | M | Traditional Chinese Gathering, Telford |
| 18 | M | Visit to Lawley Primary School, Lawley |
| 19 | M | Queen's Baton Relay, Telford |
| 22 | M | Celebration of University Centre Telford's English Café, Telford |
| | M | Memorandum of Understanding Inaugural Ceremony, Birmingham |
| 26 | M | Canadian Press Tour of Ironbridge Gorge World Heritage Site, Commonwealth Games 2022, Coalbrookdale |
| | M | Cancer Support Celebration, Telford |
| | M | Grand Reception to commemorate Azadi Ka Amrit Mahotsav as Pride of Bharat @75 welcoming Team India, Birmingham |
| | DM | University of Wolverhampton Graduation Ceremony (Schools of Built Environment & Pharmacy and Science & Medicine), Wolverhampton |
| 27 | M | Citizenship Ceremony, Wellington |
| 28 | M | Opening of the Severn Hospice Community Shop, Hadley |
| 29 | M | Chocolate Eclair Charity Eating Challenge, Wellington |
| 30 | M | Race Against Blood Cancer: Remembering |

Khaleel, Trench

AUGUST	31	M	An Evening with Hon Capt Durdana Ansari OBE, Coventry
	1	M	Commonwealth Games Festival Photocall, Telford
		M	PODS Charity Picnic in the Park, Wellington
	6	M	Jamaican Independence Celebration, Hadley
	7	M	Team India Champions of Commonwealth Games 2022, Birmingham
		DM	Market Drayton Mayoral Civic Service, Market Drayton
	10	M	Shropshire Army Cadet Force Annual Camp 2022, Liverpool
	12	M	Shropshire Society in London - Tea at Shrewsbury Flower Show, Shrewsbury
	14	M	BBC Radio Shropshire Interview
		M	Celebrate Pakistan Independence Cricket Tournament, Wellington
	15	M	High Commission of India 'Evening Reception' On-Board a Ship, London
	16	M	West Midlands Ambulance Donnington Hub Visit, Donnington
	18	M	Balloon Fiesta Photo Call, Telford
	19	M	Celebration at Hindu Temple, Dawley Bank
	20	M	Lawley Bank Court Summer Fayre, Lawley
	21	M	Indian Association of Liverpool 15th August Celebration, Liverpool
	24	M	Mayor's Civic Service, Telford
25	M	YMCA Clean up Event, Wellington	
26 - 28	M	Balloon Fiesta Weekend, Telford	

- 29** **M** Annual Ironbridge Coracle Regatta,
Ironbridge
- 30** **M** Leegomery Community Fun Day,
Leegomery
- SEPTEMBER**
- 3** **M** Horsehay Horticultural Society: Horsehay
Flower, Vegetable and Craft Show,
Horsehay
- 4** **M** Telford Ramblers 50th Anniversary, Telford
- M** Lawley & Overdale Parish Council Queen's
Platinum Jubilee Family Picnic, Overdale
- M** Punjabi Giddha Event, Hadley
- 6** **M** Exotic Zoo Visit, Telford
- 7** **M** University of Wolverhampton Honorary
Award Correspondence - Dr Satya Sharma
MBE, Wolverhampton
- M** TV Appearance to discuss multi-faith
community work, West Bromwich
- 8** **M** Unveiling of Jubilee Public Art, The Wrekin
- M** Shropshire U3A Branch 8th Birthday
Celebration, Wellington
- M** RAF Cosford Annual Reception, Cosford
- DM** Royal Air Force Shawbury's Annual
Reception, Shawbury
- 9** **M** Signing of the Book of Condolence,
Southwater One, Telford
- 11** **M** Shropshire Proclamation of New
Sovereign, Shrewsbury
- M** Telford & Wrekin Proclamation to
Announce the Accession of the New
Sovereign, Telford
- M** Local Proclamation, Dawley
- 12** **M** Signing of Book of Condolence with High
Sheriff & Under Sheriff, Telford
- 16** **M** Visit to Farcroft Care Home, Telford

- M** Visit to Barclay House Care Home, Wellington
- M** Visit to Lake View Care Home, Telford
- M** Priorslee House Care Home, Priorslee
- 18** **M** Lightmoor View Care home, Lightmoor
- M** County Memorial Service, Shrewsbury
- M** Telford & Wrekin Silence & Reflection, Telford
- 20** **M** British Empire Medal Investiture, Madeley
- M** Gulshan Radio Appearance, Wolverhampton
- 22** **M** Telford & Wrekin 2022 Netball Tournament, Dawley
- M** Festival of Imagination, Ironbridge
- 24** **M** Lawley & Overdale Parish Council Lawley 5K Fun Run, Lawley
- M** The Dyslexia Awards, Ironbridge
- 25** **DM** Newport's Civic Service St Nicholas Church, Newport
- DM** Royal Air Forces Association Wrekin Branch Battle of Britain Service 2022, Wellington
- 27** **M** Lawley & Overdale Parish Council Charity Presentation, Overdale
- 28** **M** Lawley Bank Court, Sanctuary Retirement Living Visit, Telford
- 29** **M** Visit to Thomas Telford School, Telford
- 30** **M** Make a Difference Awards 2022, Madeley
- M** Friends of Telford Town Park Celebration of their Queen's Award for Voluntary Service 2020, Telford
- OCTOBER** **1** **M** Local Dog Charity Fundraiser, Wellington

- 2 **M** Gandhi Jayanti Celebrations, Birmingham
- M** High Sheriff's Celebration of Volunteers, Broseley
- M** Kay's Lounge Opening, Oakengates
- 3 **M** Rose Manor Silver Monday Event, Telford
- 4 **M** The Institute of Revenues Rating & Valuation Conference and Exhibition, Telford
- M** Telford & Wrekin Council Employee Awards, Telford
- M** Community interaction with His Excellency High Commissioner of India to UK, Birmingham
- 5 **M** Visit to Farmstead Care Home, Lawley
- M** The Institute of Revenues Rating & Valuation Awards Dinner, Telford
- 6 **M** Shropshire Music Awards, Oakengates
- 7 **M** Black History Month Celebration & Film Premier, Wellington
- 10 **M** Visit to Southall School, Telford
- 12 **M** Evening Reception with British Red Cross, Oswestry
- 15 **M** Historic Rally Festival, Telford
- M** Arlestone Memories Group 'Memories of Arlestone' Event, Arlestone
- M** Mayor's Charity Launch, Jackfield
- 17 **M** Lightmoor Primary School's Diversity & Culture Exhibition Launch, Lightmoor
- 19 **M** Unison Retired Members Conference, Telford
- M** Citizenship Ceremony, Wellington
- M** Meadows Primary School's Diwali Day,

Ketley

- | | | |
|-----------|----------|---|
| 21 | M | Diwali Festival of Light Celebration, Oakengates |
| 22 | M | Wellington Fire Station Open Day, Wellington |
| | M | Lawley Village Academy's Celebrating Lawley Event, Lawley |
| | M | TAARC Windrush Exhibition & Black History Month Celebration, Hadley |
| 24 | M | Bandi Chhor Divas & Divali Celebrations, Oakengates |
| | M | Diwali Celebrations, Telford |
| 26 | M | Priorslee House 1st Birthday, Telford |
| | M | Lawley Walkers Group Walk, Lawley |
| 27 | M | Telford's Snowboard and Ski Centre's 50 th Birthday Celebration, Madeley |
| 28 | M | Queen's Award for Voluntary Service to East Shropshire Talking Newspaper Celebration, Telford |



Telford & Wrekin
Co-operative Council

Protect, care and invest
to create a better borough

Borough of Telford and Wrekin

Council

10 November 2022

Report of Cabinet - For Information Only

Cabinet Member:	Cllr Rae Evans - Cabinet Member: Finance, Governance and Customer Services
Lead Director:	Anthea Lowe - Director: Policy & Governance
Service Area:	Legal & Democracy
Report Author:	Sam Yarnall - Democracy Officer (Scrutiny)
Officer Contact Details:	Tel: 01952 382193 Email: Sam.Yarnall@telford.gov.uk
Wards Affected:	All Wards
Key Decision:	Not Key Decision
Forward Plan:	Not Applicable
Report considered by:	Not Applicable

1.0 Recommendations for decision/noting:

1.1 None. For information only.

2.0 Purpose of Report

2.1 This report sets out those matters determined by the Cabinet at its meetings on 14 July 2022, 22 September 2022, and 13 October 2022.

3.0 Background

3.1 The report sets out those matters determined by the Cabinet since the full Council meeting of 14 July 2022 for the information of full Council.

4.0 Summary of main proposals

4.1 The report is for the information of Members.

5.0 Alternative Options

5.1 Not applicable.

6.0 Key Risks

6.1 Key risks are described in each individual report presented at Cabinet. Copies of these reports have been circulated to all Members of the Council previously.

7.0 Council Priorities

7.1 The relevant Council Priorities for each Cabinet decision are described in the relevant report.

8.0 Financial Implications

8.1 As described in each report considered by Cabinet. Copies of all reports have been previously circulated to all Members of the Council.

9.0 Legal and HR Implications

9.1 Legal implications are described in each individual report presented at Cabinet. Copies of these reports have been circulated to all Members of the Council previously.

10.0 Ward Implications

10.1 Implications for individual wards are set out in the reports previously considered by Cabinet.

11.0 Health, Social and Economic Implications

11.1 These implications are considered with every report presented to Cabinet and make up a section of each individual report. These reports have already been circulated to all Councillors.

12.0 Equality and Diversity Implications

12.1 As described in each report considered by Cabinet. Copies of all reports have been previously circulated to all Members of the Council.

13.0 Climate Change and Environmental Implications

13.1 The climate change and environmental implications of reports are described in each individual report.

14.0 Background Papers

None

15.0 Appendices

- 1 Cabinet Decisions Made Since the Last Meeting of the Council

16.0 Report Sign Off

Signed off by	Date sent	Date signed off	Initials
Legal	02/11/2022	02/11/2022	RP

Appendix 1

Cabinet Decisions Made Since the Last Meeting of the Council

Matters that have been determined by Cabinet are listed below:

	2.1	<u>14 July 2022</u>
K	2.1.1	Annual Public Health Report
K	2.1.2	Equality & Diversity Strategy
K	2.1.3	Electric Vehicle Strategy
NK	2.1.4	Local Cycling & Walking Infrastructure Plan
K, C	2.1.5	Financial Monitoring 2022/23
NK	2.1.6	Representation on Outside Bodies
	2.2	<u>22 September 2022</u>
NK	2.2.1	Customer Feedback Reports for 2021-22
K	2.2.2	Customer Strategy Update and Key Actions for 2022-2024
K	2.2.3	Designation of New Local Nature Reserves
NK	2.2.4	Telford and Wrekin Council Becoming Carbon Neutral and Plastic Free Update
NK	2.2.5	Hackney Carriage Fares and Charges
K	2.2.6	Vision 2032
	2.3	<u>13 October 2022</u>
NK	2.3.1	Independent Inquiry Update Report
NK	2.3.2	Corporate Parenting Strategy 2022-2025
NK	2.3.3	Councillors Pride Fund 2021-22 Helping to Protect, Care and Invest in our Communities
K	2.3.4	Cost of Living Strategy
K, C	2.3.5	2022/23 Financial Monitoring Report
NK	2.3.6	Digital Strategy Update
NK	2.3.7	Telford Land Deal Update
K	2.3.8	Vision 2032

Key

K	= Key Decisions
NK	= Non-Key Decisions
E	= Exempt Items
PE	= Part Exempt Item
C	= Council
PC	= Part Recommendation to Council

Delegation of Powers Granted by the Cabinet

REPORT HEADING	DELEGATION GRANTED TO	DETAIL OF DELEGATION GRANTED
Equality & Diversity Strategy	Director: Communities, Customer and Commercial Services in consultation with the Cabinet Member for Leisure, Public Health and Well-Being, Equalities and Partnerships	Take the necessary steps to implement the EDI Action Plan moving forward.
Electric Vehicle Strategy	Director: Neighbourhood & Enforcement Services in consultation with the Deputy Leader & Cabinet Member for Housing, Enforcement & Transport	Refresh the Public Electric Vehicle Infrastructure Strategy as required to support the emerging Local Transport Plan.
Local Cycling & Walking Infrastructure Plan	Director: Neighbourhood & Enforcement Services in consultation with the Deputy Leader & Cabinet Member for Housing, Enforcement & Transport	Refresh the existing 2017 Cycling and Walking Strategy to support the emerging Local Transport Plan.
Representation on Outside Bodies	Monitoring Officer in consultation with the Cabinet Member: Finance, Governance and Customer Services	To consider which bodies to nominate to and which Councillor is nominated.
Customer Strategy Update and Key Actions for 2022-2024	Director: Communities, Customer and Commercial Services in consultation with the Cabinet Member: Finance, Governance and Customer Services	Take the necessary steps to implement these recommendations.
Designation of New Local Nature Reserves	Director: Prosperity and Investment and Director: Policy and Governance in consultation with Cabinet Member: Climate Change, Green Spaces, Natural and Historic Environment and Cultural Services	To complete the declaration process.

REPORT HEADING	DELEGATION GRANTED TO	DETAIL OF DELEGATION GRANTED
Hackney Carriage Fares and Charges	Director: Neighbourhood & Enforcement in consultation with the Chair of the Licensing Committee	To take all necessary steps to undertake any consultation and introduce any revised fares and charges structure.
Independent Inquiry Update Report	Director: Policy and Governance Director: Policy & Governance	To take all steps necessary to engage an independent Chair and independent facilitator for the Strategic Implementation Group as identified within the report. To take all steps necessary to engage an independent Chair for the CSE Partners Group as identified within this report.
Cost of Living Strategy	Director: Communities, Customer and Commercial Services in consultation with the Member Cost of Living Group chaired by the Leader	To take the necessary steps to implement these recommendations, including the approval of spending the Household Support Fund Grant allocations and Council Tax Hardship Fund;
Digital Strategy Update	Director: Communities, Customer and Commercial Services in consultation with the Cabinet Member: Finance, Governance and Customer Services	To take the necessary steps to implement the actions contained in Appendix A of the report.



Telford & Wrekin
Co-operative Council

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to create a better borough

Borough of Telford and Wrekin

Full Council

Thursday 10 November 2022

Independent Inquiry Update Report

Cabinet Member:	Cllr Lee Carter - Cabinet Lead: Independent Inquiry
Lead Director:	Anthea Lowe - Director: Policy & Governance
Service Area:	Policy & Governance
Report Author:	Anthea Lowe - Director: Policy & Governance
Officer Contact Details:	Tel: 01952 383219 Email: anthea.lowe@telford.gov.uk
Wards Affected:	All Wards
Key Decision:	Not Key Decision
Forward Plan:	Not Applicable
Report considered by:	Not Applicable

1.0 Recommendations for decision/noting:

It is recommended that Council:-

- 1.1 Notes the update contained within this report in respect of the steps taken following publication of the Independent Inquiry into CSE in Telford to ensure recommendations are implemented;
- 1.2 Notes the governance model for implementing the recommendations as set out in **Appendix A** to this report;
- 1.3 Notes the steps taken to date to secure an Independent Chair and an Independent Facilitator for the Strategic Implementation Group as identified within this report;
- 1.4 Delegates authority to the Director: Policy & Governance to take all steps necessary to engage the Independent Chair and Independent Facilitator for the Strategic Implementation Group as identified within this report; and

Independent Inquiry Update Report

- 1.5 Delegates authority to the Director: Policy & Governance to take all steps necessary to engage an independent Chair for the CSE Partners Group as identified within this report.

2.0 Purpose of Report

- 2.1 This report is intended to provide an update to Members in respect of the steps that have been taken to support, and progress, the implementation of recommendations following the publication of the report of Mr Tom Crowther KC, the Independent Chair of the Independent Inquiry into CSE in Telford (“the Inquiry”) on 12 July 2022.

3.0 Background

- 3.1 In 2018, it was agreed that the Council would commission a judge-led independent inquiry into historic child sexual exploitation (“CSE”) within the Borough and, further to this agreement, the Council engaged international law firm Eversheds Sutherland in January 2019 to act as an Independent Commissioning Body to appoint an independent Chair of the Inquiry. The Independent Chair, Tom Crowther KC, was appointed in July 2019 and his work commenced shortly thereafter.
- 3.2 The appointment of the Independent Chair of the Inquiry was carried out through joint working between a cross-party group of elected Members and survivors. This group also agreed the terms of reference for the Inquiry.
- 3.3 On 12 July 2022, the Independent Chair of the Inquiry published his report (“the Report”) which contained 47 recommendations. Since then, a significant amount of work has been carried out to ensure that the Council, and partner agencies, have appropriate mechanisms in place to ensure that the recommendations are implemented. This report summarises the actions taken to date.
- 3.4 On 14 July 2022, the Leader confirmed that the Council would be working with individuals with lived experience of CSE (often referred to as survivors). These three individuals have broad experience of working within the field of CSE and trafficking; being recognised on the national stage in respect of the work they do with survivors, delivering training across a range of statutory organisations, advising the Home Office on matters relating to trafficking and supporting NGOs in their efforts to combat CSE and trafficking.
- 3.5 Members will know that child safeguarding is the joint responsibility of a number of organisations and that there is a statutory requirement for these organisations to form a Safeguarding Partnership. The Telford & Wrekin Safeguarding Partnership covers both adults’ and children’s safeguarding with the Safeguarding Children’s Board being responsible for matters relating to children and young people. The Safeguarding Children’s Board, and the wider Safeguarding Partnership, is chaired by an independent Chair.
- 3.6 The terms of reference for the Inquiry sets out that the Independent Chair of the Independent Inquiry, Tom Crowther KC, will return to review implementation of the

recommendations set out in the Report two years following publication of that Report.

Actions taken since publication

- 3.7 There are a number of actions that have been undertaken since publication of the Report. These actions can be broken down into some broad categories; governance arrangements and action planning, Council-related recommendations, Partner-related recommendations (partners include West Mercia Police, West Mercia Police & Crime Commissioner and Shropshire, Telford & Wrekin Integrated Care System (formerly the CCG)) and, finally, joint actions across more than one organisation. More detail on each of these categories is provided below.

Governance arrangements and action planning

- 3.8 An action plan has been created which breaks down each of the 47 recommendations into individual actions; 149 in total. This action plan identifies the lead agency, lead officers within the Council, sets out what outcome each recommendation is expected to deliver and what evidence is needed to demonstrate that the recommendation has been implemented. This is a working document and will be updated regularly to reflect the changing landscape of implementation as matters progress. It should be noted that the actions encompass those that are the responsibility of a single organisation and those that are cross-cutting across two or more agencies.
- 3.9 Meetings with partners have taken place to develop a model of governance for the implementation of recommendations and to ensure that appropriate mechanisms are in place for approval across all organisations as well as allowing for the Safeguarding Partnership having oversight of the partnership response. Attached at **Appendix A** is a copy of the governance model, which is described in more detail below. The governance model provides for a number of groups, each with an individual purpose.

3.9.1 Internal Operations Group (IOG)

The IOG is a group which is an internal Council group. This group is chaired by a member of the Senior Management Team and comprises officers from across a number of services within the Council, from ICT to licensing, finance to children's services. The purpose of this group is, amongst other things, to:-

- a) using, their service area expertise, suggest ways in which the recommendations can be implemented;
- b) receive actions from the Strategic Implementation Group (SIG); and
- c) ensure actions are implemented within their respective service areas.

Each organisation has similar internal arrangements to consider recommendations in respect of their own agencies.

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3.9.2 Strategic Implementation Group (SIG)

The SIG is a group made up of a number of individuals internal to the Council and external partners. The individuals with lived experience are part of this group. The purpose of this group is, amongst other things, to:-

- a) consider the action plan and agree the approach to implementation of recommendations;
- b) provide insight from those with lived experience in terms of the potential impacts of proposed actions;
- c) act as a forum for holding each other to account and holding partners to account; and
- d) providing reports to full Council at appropriate junctures to keep Members updated as to progress of implementation.

It has been agreed that the SIG will be chaired by an Independent Chair and that it will also be supported by an Independent Facilitator. Suggestions of individuals to fulfil these two roles have been received from those with lived experience and from the Local Government Association (LGA) through September and the SIG members have agreed the individuals that they would like to fulfil these roles and approaches have been made to these individuals.

3.9.3 The members of the SIG have identified preferred individuals to fulfil the role of independent Chair and the role of Independent Facilitator for the SIG. Contact has been made with these individuals to assess whether or not they are willing and able to fulfil the roles. Discussions are ongoing and it is hoped that these discussions will conclude shortly.

3.9.4 CSE Partners Operations Group

This group is intended to bring partners together and is the forum for representatives from the respective internal operational groups to come together and update on progress of implementation and discuss how those actions that are cross-cutting can be implemented. Again, it is intended that this group will be independently chaired and, we are now in a position to provide towards engaging someone to fulfil this role. Council is asked to delegate authority to the Director: Policy & Governance to take the necessary steps to secure an individual to fulfil this role.

3.9.5 Cross-Party Member Liaison Group

It is proposed that, to introduce additional scrutiny to the process, a cross-party Member Group is formed to review progress against the action plan. To be effective, it is proposed that this group will be made up of one member from each political group. Group Leaders received an invitation to nominate a member to this group in the summer. To date of publication of this report we have received two nominations and there remains one vacancy.

3.9.6 Scrutiny Assembly

The implementation of recommendations is, clearly, a priority for the Council and partners and there is a desire for the process to be as transparent as possible. As a result, it is intended that scrutiny assembly will be given an opportunity (roughly every 6 months) to review the action taken in respect of implementation. Members will know that scrutiny has an ability to invite partners to attend meetings to give an account of actions they have taken and it is proposed that representatives from partner organisations will be invited to attend scrutiny assembly meetings.

3.9.7 Full Council

It is proposed that a report will be presented to full Council approximately every 6 months so that there is further opportunity to review progress against implementation. It is expected that the SIG will prepare reports for consideration by full Council including a final report to confirm that actions have been implemented and recommending that Mr Crowther is invited to return to Telford and Wrekin to review implementation of recommendations.

3.9.8 Telford & Wrekin Safeguarding Partnership

As mentioned earlier in this report, the Safeguarding Partnership is responsible for the partnership response to children's safeguarding. The Safeguarding Partnership has a statutory responsibility to ensure adequate arrangements are in place across the Borough for the safeguarding of children. The Safeguarding Partnership has agreed to the governance model outlined above and shown in **Appendix A**. It should be noted this governance model includes a reporting line to the Safeguarding Partnership to ensure oversight and assurance using the existing governance structures within the Partnership.

3.10 **Council-related recommendations**

As well as the activity outlined above, some progress has already been made against some of the recommendations contained within the Report. These are summarised below.

3.10.1 Recommendation 1 – Establish a Joint CSE Review Group

This is a multi-agency recommendation but requires specific actions of both the Council and West Mercia Police before being progressed on a multi-agency basis. To date, the Council's Business Insight team has commenced reviewing the current datasets available to the Council to establish what, if anything, needs to be developed to ensure that data meets the points raised by the Inquiry. Once this has been completed, the SIG will be asked to consider the datasets and suggestions for future data. The assessment of, and updating to, datasets includes the data referred to in Recommendations 4 and 5.

3.10.2 Once the datasets have been agreed, the SIG will be asked to work with partners to agree an annual report template in accordance with Recommendation 2.

3.10.3 Recommendation 6 – Information Sharing training between partners

This recommendation is also cross-organisational. However, in order to undertake training on information sharing, there is a need for robust information sharing arrangements to be in place between partners. To that end, the current information sharing agreement has been reviewed and re-signed off pending a wider review by all partners. Although not mentioned in any recommendations, the Council will also be seeking a review of how partners demonstrate that they have discharged their responsibilities under section 11 Children Act 2004 particularly as changes will be made to processes and procedures following the implementation of recommendations. This also links to recommendation 14 concerning information sharing within, and with, schools. It also links to recommendation 20 regarding sexual health screening.

3.10.4 Recommendation 7 - Budget commitment to fund CATE

This recommendation requires the Council to make an ongoing funding commitment to the CATE (Children Abused Through Exploitation) team. At Cabinet on 14 July 2022, the Leader made a commitment to continue to fund CATE, in accordance with the recommendation, for as long as the administration is in place. This has now been picked up as part of the budget-planning process to ensure that this is taken into account through the budget-setting process and included in the medium term financial strategy.

3.10.5 Recommendation 9 – Review of partnership sub-groups

Again, this is another cross-organisational recommendation and relates, specifically, to the Safeguarding Partnership. Partners have commenced discussions around the governance arrangements of the Safeguarding Partnership; this meeting was facilitated by an independent facilitator. This will help shape the review of the sub-groups. It should be recognised that the sub-groups are not solely concerned with child sexual exploitation as the Safeguarding Partnership has a wider remit in respect of child safeguarding and there are statutory requirements that the partnership must satisfy. The new proposed arrangements will be shared with the SIG for comment.

3.10.6 Recommendation 10 – Review of CATE Pathway

This recommendation comprises a number of actions, the first being an initial review of the CATE pathway to ensure that it fully articulates the model of response provided including the circumstances in which a child that is the subject of a Child Protection Plan can receive support via the CATE Pathway, and vice versa. That initial review has been carried out and the CATE pathway document has been updated to accurately reflect how the service is delivered and, in particular, to reflect that the CATE Pathway and statutory safeguarding pathways are not mutually exclusive. The remaining actions will be completed as part of the work required for the action plan.

3.10.7 Recommendation 13 – external audit of case files

There are many stages that make up a 'case' within either the Safeguarding team or the CATE team. For example, multi-agency meetings, child protection conferences (where needed), working with children young people and their families and similar. Since publication of the Inquiry report, the Council has commenced internal audits of multi-agency meetings so that a benchmark can be set and trends identified. This will help frame the wider piece of work recommended by the Independent Chair in respect of external audits of case files. Consideration will now be given as to how to secure the services of an external organisation, with appropriate specialist expertise, to undertake this work. For the purpose of assurance, however, it should be noted that through the process of Ofsted inspections, casework is reviewed and assessed.

3.10.8 Recommendation 15 – working with parents as partners

The Independent Chair's recommendation in this regard is that the Council should treat parents of children subject to/at risk of sexual exploitation as partners. This is something that the Council always endeavours to achieve and is reflected in the current pathways used by the Council. However, the way in which work is carried out with parents and the way that they are kept informed is something that will be reviewed and it has been agreed that the Independent Lived Experience Consultees will be involved with this piece of work to help review and inform the information shared with parents at the outset of working with a young person and throughout. It should be noted, however, that there may be times when the circumstances in any given case mean that working with parents as partners may not be possible.

3.10.9 Recommendation 16 – review of social care cases to ensure interventions are reasonable

This recommendation relates to the possibility that social workers may have unconscious bias towards parents who may have experienced sexual exploitation as a child or young person. There are difficulties in being able to identify cases that involve children whose parents have had experience of exploitation but work is ongoing in this respect. The recommendation requires training to be given to tackle unconscious bias if any trends are identified. However, the council believes this recommendation does not go far enough as unconscious bias should form a fundamental part of training for any social worker even if there is no trend identified. The Council's mandatory training programme includes unconscious bias training – this extends to **all** staff. Furthermore, the Council intends to link this recommendation to recommendation 13 (see above) to ensure that the presence of any undue bias is considered in any external audit carried out.

3.10.10 Recommendation 17 – Counselling for victims/survivors

This recommendation requires the Council to commit to the provision of contingency funding for continued access to counselling for affected victims/survivors following the publication of the Report. This is something that the Council had already put in place in anticipation of the Report being published.

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Throughout the Inquiry process, counselling was made available through an independent, confidential counselling service, Base 25 to support those who wanted to give evidence to the Inquiry. Arrangements have been made with Base 25 to continue to provide counselling to those who are affected by the publication of the report. This counselling is available to anyone within the Borough, irrespective of age or personal circumstances and, as well as survivors, can also be accessed by those whose family members have been exploited and those who have worked with survivors and their families.

3.10.11 Recommendation 19 – Youth Support

This recommendation requires the Council to collaborate with external organisations who may be able to offer youth services. Work has started on this recommendation by mapping out exactly what provision exists within the Borough from all organisations, such as the Council, community groups and the voluntary sector. This will then help to inform discussions around any gaps in the youth offer and how these can be addressed.

3.10.12 Recommendation 21 – updated method of reporting concerns

The Independent Chair has recommended that the Council provide a mechanism for reporting concerns anonymously. The ICT department has been instructed to look at online web forms for reporting purposes which do not require personal details of the complainant. However, whilst the recommendation is silent in this regard, it is essential that appropriate training is in place to ensure that relevant staff have the skills to attribute appropriate weight to any anonymous complaints

3.10.13 Recommendation 22 – review complaints process

The Council undertook a review of its complaints process for dealing with complaints about the handling of CSE cases in anticipation of the publication of the Inquiry's report. This review was undertaken to enable the Council to respond to any immediate complaints received following publication of the Report. However, it was expected that there would need to be a further review following the Report being published and the SIG will be involved in helping to shape that process.

3.10.14 Recommendation 23 – Working with neighbouring licensing authorities

In essence, this recommendation recognised the good practice of the licensing team in respect of steps taken to tackle CSE and requires the Council to work with neighbouring authorities to seek agreement to taking an identical approach to things such as CSE training for taxi and hackney carriage drivers, taxi standards and pricing structures. Letters have been sent to Leaders and Chief Executives of our three neighbouring authorities seeking a meeting to progress discussions on these points. Positive responses have been received from two of the three authorities concerned and further contact has been made with the third whom has yet to respond. Officers are ready to meet with their counterparts from these authorities at the earliest opportunity.

3.10.15 Recommendation 28 – Explore implementation of CCTV in taxis

The Council had already started work on a pilot scheme to encourage installation of CCTVs in taxis, having recently updated its policy on CCTV usage in taxis. The first CCTV system has recently been installed in a hackney carriage vehicle which operates regularly from outside Pussycats Nightclub in Wellington. The licensing team is continuing to engage with drivers and operators to increase take up of CCTV installation as part of the pilot. The outcome of the pilot scheme will help to influence next steps and inform the consultation with the trade as set out in the recommendation.

3.11 **West Mercia Police recommendations**

3.11.1 Recommendation 3 – WMP to prepare mapping and prevalence data

West Mercia Police (WMP) already collates data in relation to CSE but work is ongoing to ensure such data meets the requirements of the Inquiry recommendations. WMP have allocated this work to its Strategy, Planning & Insight team. It is intended that the first tranche of data will be available from January 2023 and updated on a 6 monthly basis. This links to recommendations 1 and 2 (see above).

3.11.2 Recommendation 6 – information sharing training between partners

There is already training in place across the workforce which is focused on the recognition of vulnerability and this being flagged to WMPs Harm Assessment Unit. Colleagues in the Harm Assessment Unit are specially trained in information sharing and safeguarding as they do this on behalf of the force. All new recruits receive dedicated input on Vulnerability and Safeguarding which sets out how information should be shared and what is required of officers. Specialists within the Force who deal with Child Protection, CSE and Missing Persons receive additional specialist training in this area and the up skilling of the specialist workforce continues with increased specialist trained officers coming online. Multi-agency 'levels of need' training has also been introduced across the West Mercia area which includes information sharing. This is available to all partners.

3.11.3 National guidance regarding Safeguarding Information sharing for police is being developed by the NPCC Lead for the multi-agency safeguarding hub. This work is being led by WMP Vulnerability and Safeguarding Unit and will shortly be shared with partners across the country and Government departments for consultation. WMP have had success in Hereford utilising 'Working Together' – 'continuum of need for safeguarding' – it is anticipated that this approach would help to fulfil this recommendation. WMP will be sharing this approach with other local authorities in West Mercia to seek agreement to adopting this approach to help inform future training.

3.11.4 Recommendation 8 – Ring-fencing of WMP's CE Team Resource

The Chief Constable is responsible for budgeting responsibilities for WMP and will consider this recommendation in line with the budget-setting process. Resources

and caseloads are being reviewed based upon data received from the Strategy, Planning and Insight team. However, additional training has already been arranged to improve the knowledge of the current workforce and to support and enhance delivery. This includes training of police staff that they have the skills to gather vital intelligence and can talk to children via Achieving Best Evidence (ABE) conversations. All Missing Persons Coordinators are to attend a Modern Day Slavery and Human Trafficking Course. Continuing Professional Development is being developed for frontline staff to cover child exploitation, trafficking and the National Referral Mechanism.

3.11.5 Recommendation 20 – sexual health screening

This has been shared and escalated to the National Police Chiefs Advisor on Data Protection Act and Information Sharing for a police position in the first instance, prior to engagement at a local level with the Local Authority and Health.

3.11.6 Recommendation 29 - WMP role in taxi licensing enforcement to be reviewed

Responsibility for taxi licensing enforcement within WMP lies with the Problem Solving Hubs. Work has commenced in the Problem Solving Hubs to review the current process. This will then need to feed into the wider partnership in respect of taxi licensing enforcement.

3.11.7 Recommendation 36 – WMP to review use of CSE marker system

WMPs Information Management Unit currently reviews all crimes/incidents and will allocate markers. Where appropriate, child exploitation coordinators also consider daily reports. An audit is currently underway in respect of Modern Slavery and Human Trafficking and this aspect of the Inquiry's recommendations will be considered as part of that audit. Alongside this audit work, WMP is also engaged in a 'reset' exercise and, as part of this, the Vulnerability and Safeguarding Team will ensure relevant training and guidance is in place for all frontline staff regarding markers.

3.11.8 Recommendation 37 – Police officer and staff CSE training to be reviewed

Since commencement of the Inquiry, a vast amount of training has already been delivered. There is also significant amounts of training due for delivery within the next 6 months that should satisfy this recommendation. The position will be reviewed at that point to identify any gaps that need to be addressed. However, currently, the training programme includes the following:-

- Dedicated training for student officers on CSE which includes the signs, symptoms and common myths surrounding child abuse and child sexual exploitation, digital policing, responding to CSE and the national drivers for police services including high profile cases such as Rotherham and, locally, the Inquiry.
- Continuing Professional Development (CPD) training of frontline staff includes National Referral Mechanism training, modern day slavery and inappropriate language. A week-long professional curiosity course is

attended by a number of staff and, CPD on professional curiosity and CE/CSE is due to be delivered this year.

- In March 2022, officers staff and partners attended training which included the National Referral Mechanism, child exploitation, modern slavery and Operation Innerste (safeguarding of unaccompanied migrant children) – this was delivered jointly by the West Midlands Violence Reduction Unit and the Children’s Society.
- CPD training on Adverse Childhood Experiences including how to adopt a holistic approach to police investigations incorporating the voice of the child.
- Early help officers delivering training to frontline staff on child risk assessments including engagement with children.

3.11.9 Recommendation 38 – Review of WMP complaints handling procedures

The Professional Standards department has commenced work on this recommendation.

3.11.10 Recommendation 39 – review of approach to NRM referrals

This is a multi-agency recommendation. There has recently been a national pilot regarding the NRM (National Referral Mechanism) with a further pilot expected to commence in January 2023. It is anticipated that the decision making in relation to the NRM will be devolved to Local Authorities in respect of children. At present a strategy discussion takes place for each child and the decision is made in relation to the requirement for an NRM referral. Where relevant the NRM is submitted by the LA. As part of the CSE Partner’s Group, discussions will be held with the Local Authority regarding audit/reality testing to ensure the practice now in place is effective and followed. Current training will be reviewed following the outcomes of any audits.

3.12 **Shropshire, Telford & Wrekin ICS recommendations**

For ease of understanding, it should be noted that the ICS has taken the place of the Clinical Commissioning Group which was dissolved on 1 July 2022. The ICS commissions various health providers to deliver health services such as mental health provision, hospital care etc.

3.12.1 Recommendation 42 – Quality of CSE training

The ICS have commenced the first stage of this recommendation by seeking copies of all children’s safeguarding training content from local health providers. This will allow a review to be undertaken of the quality, consistency and content of such training. The intention is to achieve a universal standard for safeguarding training across all local health providers. In addition to this, the ICS has started work on designing a specific CSE case file audit.

Further, Children’s Safeguarding Quality Assurance visits have commenced since the creation of the ICS on 1 July 2022. These Quality Assurance visits include themes from the Inquiry and recommendations relating to CSE with action plans

for NHS providers to complete. To date, visits have been made to Robert Jones Agnes Hunt Orthopaedic Foundation Trust and the British Pregnancy Advisory Service. Visits to BeeU (children and adolescent mental health service) and sexual health services are planned in the forthcoming months. These QA visits include CSE questions to ensure that staff know how to identify the signs of CSE and know how to refer cases.

System-wide GP training on CSE commenced on 21 September 2022 delivered by named GPs and the Deputy Designate Safeguarding Nurse. Informal feedback on this training has been positive. This session has also been recorded so that it can be utilised across the wider primary care service. It includes CSE case studies, videos, explorative questions and a minimum pass mark is set.

3.12.2 Recommendation 43 – Improvements to trauma-related mental health services

The ICS is working with the Director of Delivery and transformation to ensure that the offer to victims and survivors of CSE, who need trauma-related mental health services, is part of the planned commissioning arrangements. The ICS has also asked NHS England to nominate a lead for commissioning in the area to work as part of the working group on this point.

The local Mental Health Trust (MPFT) delivers trauma-informed care training to staff which is endorsed by the Care Quality commission. Additional resource requirements are being scoped and identified to help further improve local service provision. MPFT have also produced a specialist video looking into trauma-informed care which can be used in trauma-informed care training workshops.

3.12.3 Recommendation 45 – Guidance for sexual health clinics responsible for giving sexual health advice to be reviewed

Work is ongoing to review processes within sexual health clinics and health providers giving sexual health advice. Moving forward, children's safeguarding nurses will ensure that the Inquiry recommendations are incorporated into service specifications for future procurement purposes.

British Pregnancy Advice Service have confirmed that all young people under the age of 18 are subject to a supportive review of any safeguarding needs and this includes exploration of the young person's needs and experiences.

3.12.4 Recommendation 46 – GPs to be consulted about CSE data collection

This recommendation relates to flagging CSE concerns on a child's medical records as well as raising this issue at a regional and national level. The current practice, if a child is known to be at risk of/subject to CSE a template letter is sent to the child's GP practice to alert medical practitioners that the child/young person is at risk of CSE. This letter is attached to child's electronic record and/or placed in the patient's notes which ensures that the letter transfer to a new GP practice if the child relocates.

This recommendation also required the ICS to raise the issue of flagging CSE concerns on a child's GP records at national and regional meetings. The ICS has raised with NHS England the issue of CSE data recording in accordance with the recommendation. Additionally, the ICS safeguarding leads have initiated discussions with regional NHS England safeguarding leads to explore a national digital solution to this challenge.

3.12.5 Recommendation 47 – GPs to implement review system for children moving practice

As well as the actions identified at paragraph 3.11.4 above, GP practices have been asked to record data on the number of children and young people considered to be at risk of/subject to CSE and to ensure records are flagged accordingly. As mentioned above, digital recording issues are under development and NHS England has been approached to explore this at a national level. In the meantime, the ICS has designated named GPs to devise a surgery QA visit schedule to cover this subject.

3.13 **West Mercia Police & Crime Commissioner recommendations**

3.13.1 Recommendation 40 – commit to continued funding for CSE initiatives

These initiatives are currently funded through individual Community Safety Partnerships (CSPs) based on their assessment of need. For 22/23, Telford & Wrekin CSP are being funded £16,000 for Taxi Marshalls, and £7,190 for Street Pastors. CSP funding overall, has been committed to 31st March 2025, subject to conditions around strategy for achieving outcomes & evidence based proposals.

The PCC recently held a CSP Summit bringing together CSP Chairs from across the force area. The agenda included an IITCSE paper summarising the recommendations from the inquiry such that learning could be shared with all areas. The CSP Chairs reflected on their local experiences in relation to taxi marshalls, taxi licensing and street pastors. The views shared at the CSP summit will be used to inform ongoing discussion and review of current provision of these initiatives across West Mercia. The CSP Summits are held bi-annually, with the next meeting to be scheduled in March/April 2023.

3.13.2 Recommendation 41 – Holding to Account meetings

The PCC will have a formal holding to account meeting in March 2023. The meeting will enable the PCC to hold the Chief Constable to account for progress in delivering activity against police-led recommendations. The terms of reference for the meeting will be informed by the detail set out under recommendation 41.

The PCC is also interested in exploring opportunities and mechanisms for incorporating partnership / public scrutiny into the holding to account process. This will be subject to discussion at future Strategic Implementation Group meetings.

The PCC has a statutory role around reviews of police complaints. This process must be considered in the context of recommendation 41.3. The sharing of

information relating to complaints in CSE cases cannot compromise (or be seen to compromise) lawful, statutory process in respect of PCC complaint reviews.

4.0 Comments from partners

4.1 Partners have been invited to provide comments in relation to this report. These are detailed below.

4.2 Comments from the independent lived experience consultants

As individuals who have experienced sexual exploitation as children, we understand the trauma and long-lasting impact such experiences can have. We are committed to doing everything that we can to raise awareness of CSE, support people who are currently being exploited or have been exploited in the past. Additionally, we have experience of supporting organisations, including national government, in reviewing the measures in place to address CSE and trafficking within the UK and are pleased to be asked to work with the Council in supporting the implementation of recommendations. Whilst we are in the early stages of that process, we believe that the Council is committed to implementing the recommendations and being subject to critical challenge from us (and others). We are satisfied that the governance model that has been developed is one which will allow the Council and partners to effectively engage with each other and with us to ensure that all parties are working towards the aim of implementing all recommendations.

4.3 Comments from West Mercia Police & Crime Commissioner

A full plan has been developed for implementation within the Office of the Police and Crime Commissioner, in respect of addressing recommendations arising from the IITCSE report.

The report contains 2 PCC-led recommendations (no 40. and no.41). An update on these recommendations has been provided. While other recommendations are primarily focused on other organisations the PCC has considered the implications of all the recommendations, given his statutory roles in police governance and ensuring local priorities are joined up. The action plan developed captures PCC input to all relevant recommendations, and is intended to ensure improvements are delivered right across West Mercia, not just in Telford & Wrekin. The PCC's team will work to deliver the action plan in the coming months and provide regular feedback on progress to the PCC through governance structures in place internally and externally. The expectation is that there will be further work that is identified to ensure that appropriate governance structures, processes and support are in place to tackle CSE across West Mercia.

5.0 Key Risks

5.1 There is a risk associated with this report in so much as the implementation of some of the recommendations require budget commitment. At a time of economic turbulence, there is a risk that the actions needed to implement recommendations are not sustainable in the long term; this applies to all partners. However, as part

of the ongoing financial management measures for each organisations, there will be a need to review priorities and make decisions in accordance with the economic circumstances at the time. The Council has made it clear that it is committed to implementing all recommendations relating to it and this will be taken into account through the Council's Medium Term Financial Strategy.

6.0 Council Priorities

6.1 This report supports the following council priorities:-

- Every child, young person and adult lives well in their community.
- All neighbourhoods are a great place to live.

7.0 Financial Implications

7.1 A number of recommendations made in the Report will have cost implications which will need to be considered as part of the Council's Medium Term Financial Strategy.

8.0 Legal and HR Implications

8.1 The Council has the legal power to secure services from a wide range of organisations and individuals to enable it to carry out its functions. The proposals contained in this report are in line with these legal powers.

8.2 Ultimately, it will be a matter for the independent Chair of the Independent Inquiry to reach a conclusion as to the effectiveness, or otherwise, of the implementation. Whilst there are no legislative provisions setting out how best to manage projects of this nature, the robust governance structure described in this report will support the Council, and partners, in demonstrating that appropriate actions have been completed.

9.0 Ward Implications

9.1 Although there are no direct ward implications arising from the proposals contained in this report, it is clear that the ongoing implementation of recommendations will impact upon those living in all wards within the Borough.

10.0 Health, Social and Economic Implications

10.1 There is significant evidence demonstrating that children and young people who experience CSE suffer significant and long-lasting trauma throughout their lives. Evidence suggests that many (although not all) who experience CSE are more likely to have less positive life outcomes than those who have not; this includes lower educational attainment, difficulty building and maintaining secure relationships, difficulty securing employment, mental health challenges and substance abuse.

Independent Inquiry Update Report

10.2 The proposals set out in this report are the first step in strengthening the response offered to tackle CSE across the Borough by all agencies with safeguarding duties.

11.0 Equality and Diversity Implications

11.1 The implementation of recommendations will include consideration of equality and diversity matters as actions are progressed.

12.0 Climate Change and Environmental Implications

12.1 There are environmental impacts associated with holding meetings in person as a result of carbon emissions. However, where appropriate, meetings will be held remotely or as a hybrid meeting.

12.2 Wherever possible, papers relating to meetings will be shared electronically only.

13.0 Background Papers

1. Cabinet Report of 13 October 2022 – Independent Inquiry Update Report

15.0 Appendices

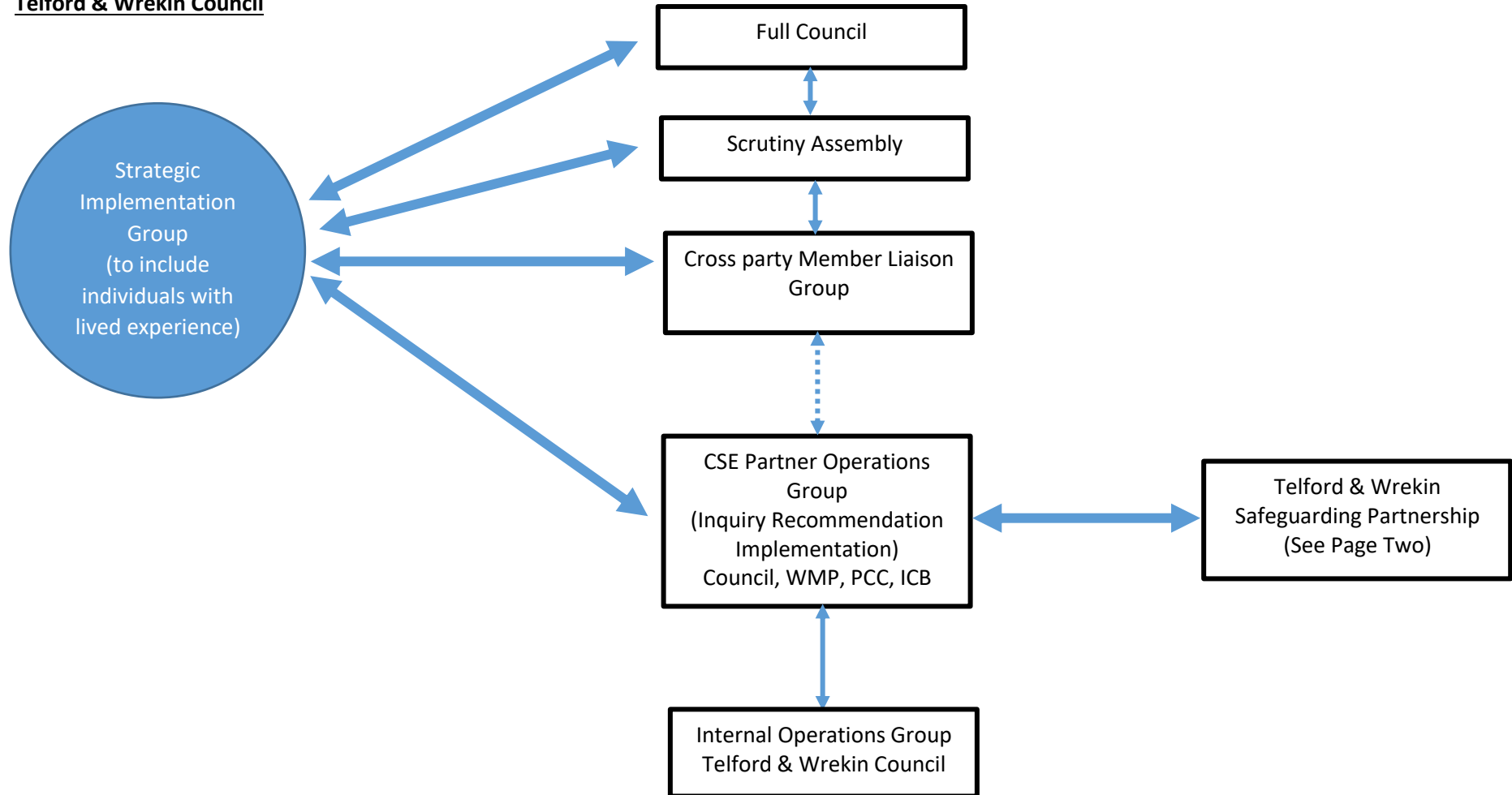
Appendix A Governance Model

16.0 Report Sign Off

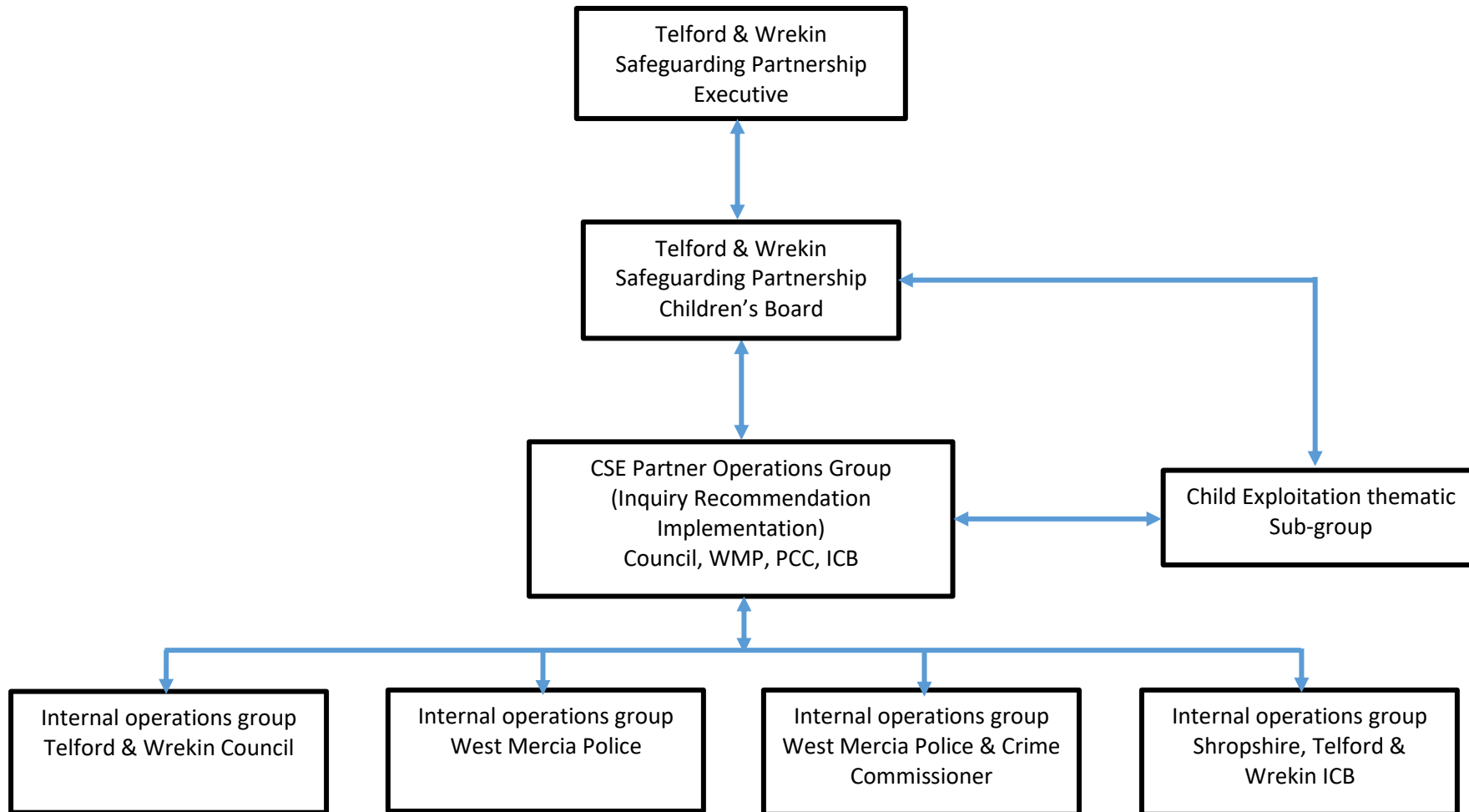
Signed off by	Date sent	Date signed off	Initials
Legal	29/10/2022	31/10/2022	RP
Finance	29/10/2022	31/10/2022	MB
Cabinet Lead	29/10/2022	02/11/2022	LC

Governance Model for CSE Inquiry Recommendations

Telford & Wrekin Council



Telford & Wrekin Safeguarding Partnership





Telford & Wrekin
Co-operative Council

Protect, care and invest
to create a better borough

Borough of Telford and Wrekin

Full Council

Thursday 10 November 2022

2022/23 Financial Monitoring Report

Cabinet Member:	Cllr Rae Evans - Cabinet Member: Finance, Governance & Customer Services
Lead Director:	Ken Clarke – Director: Finance & Human Resources
Service Area:	Corporate & Capital Finance
Report Author:	Pauline Harris, Corporate Finance Manager
Officer Contact Details:	Tel: 01952 383701 Email: pauline.harris@telford.gov.uk
Wards Affected:	All Wards
Key Decision:	Key Decision
Forward Plan:	5 October 2022
Report considered by:	Cabinet - 13 October 2022

Recommendations for Decision/Noting

It is recommended that Full Council :

- 1.1 approve the changes to the capital programme detailed in Appendix A

2.0 Purpose of Report

- 2.1 The financial monitoring report to Cabinet on 13 October provided an update on the revenue budget and progress relating to the capital programme. The report included some changes to the capital programme which now require formal approval by Full Council.

3.0 Background

- 3.1 The Medium Term Financial Strategy 2022/23 - 2025/26 was approved at Full Council on 3 March 2022, which included the 2022/23 revenue budget and medium term capital programme.
- 3.2 Changes to the capital programme are approved by Full Council.

4.0 Summary of main proposals

4.1 The approvals required are attached at Appendix A.

5.0 Alternative Options

5.1 Not Applicable.

6.0 Key Risks

6.1 Budget holders actively manage their budgets and the many financial risks and challenges that council services face, examples include the risk of a particularly harsh winter which would impact adversely on the winter gritting and adult social care budgets, the increasing dependency on income from a wide range of activities and the risk of interest rate movements and inflationary pressures, the risk of changes in legislative or accounting requirements impacting on budgets etc. The Council has comprehensive risk management arrangements in place, which are reviewed and updated by the Senior Management Team and an appropriate level of revenue contingencies and reserves.

7.0 Council Priorities

7.1 Delivery of all priorities depends on the effective use of available resources. Regular financial monitoring in the financial management reports helps to highlight variations from plan so that action can be taken to effectively manage the Council's budget.

8.0 Financial Implications

8.1 The financial impacts are detailed throughout the report.

9.0 Legal and HR Implications

9.1 None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and ensure that the Council takes action if overall net overspends /shortfalls emerge.

10.0 Ward Implications

10.1 There are no impacts on specific wards

11.0 Health, Social and Economic Implications

11.1 There are no Health, Social and Economic Implications directly arising from this report.

12.0 Equality and Diversity Implications

12.1 There are no Equality & Diversity implications directly arising from this report.

13.0 Climate Change and Environmental Implications

13.1 There are no Climate Change and Environmental Implications directly arising from this report.

14.0 Background Papers

1	Medium Term Financial Strategy 2022/23 – 2025/26	Council	03/03/2022
2	Service & Financial Planning Report – 2021/22 Outturn	Cabinet	23/06/2022
		Council	14/07/2022
3	2022/23 Financial Monitoring Report	Cabinet	14/07/2022
		Council	14/07/2022
4	2022/23 Financial Monitoring Report	Cabinet	13/10/2022

15.0 Appendices

Appendix A Capital Approvals

16.0 Report Sign Off

Signed off by	Date sent	Date signed off	Initials
Director	01/11/2022	01/11/2022	KC
Finance	01/11/2022	01/11/2022	PH
Legal	01/11/2022	01/11/2022	RP

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Capital Approvals - by Service Area

Appendix A

Slippage						
Scheme	Service Area	Funding Source	22/23 £	23/24 £	24/25 £	Later Yrs £
Pride in Your High Street	Housing, Employment & Infrastructure	Prudential	(500,000.00)	500,000.00		
Property Investment Programme	Prosperity & Investment	Prudential	(4,475,000.00)	(3,750,000.00)	8,225,000.00	
Housing Company	Prosperity & Investment	Prudential	(4,850,000.00)	(1,597,500.00)	(3,702,993.00)	10,150,493.00
HE Land Deal	Prosperity & Investment	External	(300,000.00)	300,000.00		
Leisure Condition Works	Prosperity & Investment	Prudential	(650,000.00)	650,000.00		
Climate Change	Communities, Customer & Commercial Services	Prudential	(2,055,000.00)	2,055,000.00		
Capital Investment Fund	Corporate Items	Prudential	(535,000.00)	535,000.00		
Total			(13,365,000.00)	(1,307,500.00)	4,522,007.00	10,150,493.00

New Allocations						
Scheme	Service Area	Funding Source	22/23 £	23/24 £	24/25 £	Later Yrs £
Housing	Housing, Employment & Infrastructure	Grant	1,121,440.48			
Housing Company	Prosperity & Investment	Capital Receipts	1,513,000.00			
Flooding Repair and Renewal Grants	Neighbourhood & Enforcement Services	Grant	22,658.52			
Highways / Footpaths	Neighbourhood & Enforcement Services	External	21,662.10			
Pride in our Play Areas	Neighbourhood & Enforcement Services	External	16,742.50			
LED Lighting	Neighbourhood & Enforcement Services	External	2,700.00			
Integrated Transport	Neighbourhood & Enforcement Services	External	9,425.00			
Pride in our Play Areas	Neighbourhood & Enforcement Services	Revenue	1,400.00			
Potters LCF	Neighbourhood & Enforcement Services	Grant	15,000.00			
ICT Investment Programme	Communities, Customer & Commercial Services	Capital receipts	528,696.18			
Managing the Funding of the Capital Programme	Corporate Items	Capital receipts	(1,278,696.18)	(1,050,000.00)	(550,000.00)	
Managing the Funding of the Capital Programme	Corporate Items	Prudential	1,278,696.18	1,050,000.00	550,000.00	
Total			3,252,724.78	0.00	0.00	0.00

Virements						
Scheme	Service Area	Funding Source	22/23 £	23/24 £	24/25 £	Later Yrs £
Pride in Your High Street	Housing, Employment & Infrastructure	Prudential	(80,000.00)			
Stalled Sites	Prosperity & Investment	Prudential	80,000.00			
Dawley Swimming Pool	Prosperity & Investment	Prudential		6,960,000.00		
Dawley Swimming Pool	Prosperity & Investment	Revenue		790,000.00		
Safer Routes to Schools	Neighbourhood & Enforcement Services	Prudential		125,000.00		
Bus Stops	Neighbourhood & Enforcement Services	Prudential		250,000.00		
Southwater Lake	Neighbourhood & Enforcement Services	Prudential	500,000.00			
Footways	Neighbourhood & Enforcement Services	Prudential	500,000.00			
Safer Routes to Schools	Neighbourhood & Enforcement Services	Prudential	125,000.00			
Integrated Transport	Neighbourhood & Enforcement Services	Prudential	500,000.00			
Violence Against Women & Girls	Neighbourhood & Enforcement Services	Prudential	250,000.00			
Mobile Enforcement Hub & CCTV	Neighbourhood & Enforcement Services	Prudential	210,000.00			
Leisure Capital Schemes	Communities, Customer & Commercial Services	Prudential	1,350,000.00	1,250,000.00		
Events	Communities, Customer & Commercial Services	Prudential	755,000.00	1,000,000.00		
Capital Investment Fund	Corporate Items	Prudential	(4,190,000.00)	(9,585,000.00)		
Capital Investment Fund	Corporate Items	Revenue		(790,000.00)		
Total			0.00	0.00	0.00	0.00

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Borough of Telford and Wrekin

Full Council

Thursday 10 November 2022

Treasury Management - 2021/22 Annual Report and 2022/23 Update

Cabinet Member:	Cllr Rae Evans - Cabinet Member: Finance, Governance and Customer Services
Lead Director:	Ken Clarke - Director: Finance & Human Resources
Service Area:	Finance & Human Resources
Report Author:	Edward Rushton - Group Accountant
Officer Contact Details:	Tel: 01952 383750 Email: edward.rushton@telford.gov.uk
Wards Affected:	All Wards
Key Decision:	Not Key Decision
Forward Plan:	Not Applicable
Report considered by:	Audit Committee - 19 July 2022

1.0 Recommendations for decision/noting:

Full Council is asked to:

- 1.1 Note the contents of the report; and
- 1.2 Note the performance against Prudential Indicators.

2.0 Purpose of Report

- 2.1 This report updates members on the outcome of Treasury Management activities for 2021/22 and details the position for 2022/23 to 31st May 2022.

3.0 Background

- 3.1 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 2021/22. 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).

During 2021/22 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year
- a mid-year, treasury update report
- an annual review following the end of the year describing the activity compared to the strategy, (this report)

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.

This Council 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 Audit Committee before they were reported to the full Council. Member training on treasury management issues was provided on 25/01/2022 in order to support members’ scrutiny role.

4.0 Summary of main proposals

4.1 2021/22 Treasury Outturn

Treasury portfolio

	31.03.2021 £m	31.03.2022 £m	Movement £m
Borrowing (excl. PFI)	281.1	282.7	1.6
Investments (excl. NuPlace)	(20.7)	(36.5)	(15.8)
Net indebtedness	260.4	246.2	(14.2)

Borrowing can only be undertaken to fund capital investment and not to support the revenue budget which supports the delivery of most Council services. The total value of assets held by the Council at 31 March 2022 was £788.4m some £505.7m greater than debt outstanding.

Borrowing Strategy

The borrowing strategy for 2021/22 was to borrow temporarily to take advantage of low interest rates where possible and review opportunities for new longer term borrowing as appropriate. Maintaining high levels of cheap temporary borrowing has contributed to surplus treasury management returns of more than £30m since 2015/16 which has reduced the impact of Government cuts and therefore helped to protect frontline services.

Borrowing (excluding PFI) was £1.7m higher at 31 March 2022 compared to 31 March 2021 in part due to an increase in investments held. Short term borrowing was taken during the year at favourable interest rates generating a significant benefit for the Council's budget.

Investment Strategy

The investment strategy for 2021/22 was to gain maximum benefit with security of capital being the key consideration. The average return on investments for the year was 0.07%, slightly higher than the the bench mark of 0.06%. Temporary investments (excluding NuPlace share capital) increased by £15.9m at 31 March 2022 compared to 31st March 2021. This was predominantly due to the receipt of Government funding associated with the £150.00 Energy Rebates to be distributed to the vast majority of households in the Borough which was received at the end of March.

The Council continued to face financial pressure in 2021/22, particularly at the start fo the year, as a result of the coronavirus pandemic. As a result, the monitoring of cash flow to ensure that sufficient funds were available to meet financial obligations was key throughout the financial year. Short-term borrowing, through temporary loans mainly from other local authorities, helped to cover cash flow requirements.

Overall Outturn

Through the application of the above Borrowing and Investment Strategies, treasury delivered a net over-achievement of £4.425m against budget during 2021/22. The majority of the saving resulted from a mix of cash flow benefits together with our active approach of maintaining short-term borrowing, benefiting from low interest rates, and locking into longer term borrowing when conditions were favourable to do so.

The 2021/22 Annual Treasury Management Review is included in Appendix 1 and Treasury Pudential Indicators in Appendix 3.

4.2 2022/23 Update

Treasury Portfolio at 31.05.2022

	31.03.2022 £m	31.05.2022 £m	Movement £m
Borrowing (excl. PFI)	282.7	285.8	3.1
Investments (excl. NuPlace)	(36.5)	(15.6)	20.9
Net indebtedness	246.2	270.2	24.0

The strategy for 2022/23 remains consistent with that outlined in the 2022/23 Treasury Strategy, which was agreed for approval at Full Council on 3rd March 2022 and by this committee on 25th January 2022. The Strategy is also in-line with that of the previous year.

Borrowing

New borrowing will be required during the year, in line with the approved capital programme. Consideration will be given to the maturity profile of current debt, interest rates and refinancing risks as well as the source, which is expected to be a mix of temporary loans, long term loans obtained from the Public Works Loans Board and Municipal Investment Loans.

On 19 May 2022 the Council launched a Municipal Investment Loan on the Abundance Platform: the Telford & Wrekin Climate Action Investment. This provides an opportunity for individuals to lend money to the Council which will be used to fund a range of projects across Telford & Wrekin to help tackle the climate emergency, including: replacing 2 fossil-fuel powered minibuses with electric minibuses; working with local organisations and businesses to improve energy efficiency in buildings; and installing renewable technologies, such as solar panels and ground source heat pumps into temporary/supported accommodation properties. With a target of raising £0.5m, loans are for a 5 year period at a fixed interest rate of 2.10% per annum. This is a new borrowing source for the Council (permitted in the approved Treasury Strategy), which is an alternative to PWLB and is specifically aimed to support the Council's Climate Change Agenda. The cost of borrowing to the Council, including fees, was comparable with PWLB rates at the time of entering the arrangement in that on the day the offer was launched the cost of the debt to the Council was lower than PWLB would have been. Legally, the investments are Loans from individual people to the Council.

Investments

Investment opportunities will be reviewed as they arise and we will seek to gain maximum benefit within the agreed risk parameters. The Council does not currently hold any long term investments, which reduces counter-party risk and also reduces net interest costs as longer-term borrowing costs tend to be greater than we are able to earn on new investments.

Link Treasury Services, the Council's treasury advisors, are providing regular investment and borrowing updates, including updated counterparty advice, which is being followed.

5.0 Alternative Options

5.1 N/A

6.0 Key Risks

6.1 See Appendix 1.

7.0 Council Priorities

7.1 Effective management of the Council's Treasury portfolio helps support the Council's overall financial position through minimising borrowing costs and optimising investment income whilst following the principles of Security, Liquidity and Yield; and therefore supports the delivery of all Council priorities.

8.0 Financial Implications

8.1 Where appropriate these are detailed in the body of the report and the appendices.

9.0 Legal and HR Implications

9.1 The Director: Finance & HR (Section 151 Officer), has responsibility for the administration of the financial affairs of the Council. In providing this report the Section 151 Officer is meeting one of the responsibilities of the post contained within the Council's Constitution at Part 2, Officers, Functions of the Chief Financial Officer, para. 8 which states "The Chief Financial Officer will contribute to the promotion and maintenance of high standards of governance, audit, probity and propriety, risk management and the approval of the statement of accounts through provision of support to the Audit Committee."

9.2 The Council has power to raise finance via Community Municipal Loans and this was formally and fully considered as part of the due diligence process prior to the launch of the loans.

10.0 Ward Implications

10.1 There are no impacts on specific wards in this report.

11.0 Health, Social and Economic Implications

11.1 The Economic Climate has direct relevance to Treasury Management and is covered in detail in the report and accompanying appendices.

12.0 Equality and Diversity Implications

12.1 The Council will not knowingly directly invest in organisations whose activities include practices which directly pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the mission and values of the Council. At the same time the Council will take full responsibility for proper management of risk and safeguarding its investments by ensuring that they are diversified and made with organisations that are suitably credit assessed.

13.0 Climate Change and Environmental Implications

13.1 As mentioned in Section 4.2 above, the Council launched a Municipal Investment Loan on the Abundance Platform: the Telford & Wrekin Climate Action Investment which supports the Councils climate change agenda.

14.0 Background Papers

- 1 2020/21 Treasury Update Report and 2021/22 Treasury Management Strategy
- 2 2021/22 Prudential Indicators Report

- 3 2021/22 Treasury Update Report and 2022/23 Treasury Management Strategy

15.0 Appendices

- 1 Annual Treasury Management Review 2021/22

16.0 Report Sign Off

Signed off by	Date sent	Date signed off	Initials
Finance	26/09/2022	07/10/2022	PH
Legal	26/09/2022	07/10/2022	RP
Director	26/09/2022	07/10/2022	KC

Annual Treasury Management Review 2021/22

Telford & Wrekin Council

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Annual Treasury Management Review 2021/22

Purpose

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 2021/22. 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).

During 2021/22 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year,
- a mid-year, (minimum), treasury update report, and
- an annual review following the end of the year describing the activity compared to the strategy, (this report)

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.

This Council 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 Audit Committee before they were reported to the full Council. Member training on treasury management issues was undertaken during the year on 03/03/2022 in order to support members' scrutiny role.

Executive Summary

During 2021/22, 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:

Prudential and treasury indicators	31.3.21 Actual £000	2021/22 Original £000	31.3.22 Actual £000
Capital expenditure			
• Total	57,710	101,855	57,367
Capital Financing Requirement:			
• Total	480,078	541,572	500,140
• Less Other Long Term Liabilities	(50,398)	(50,895)	(50,880)
• Loans CFR	429,680	490,677	449,260
Gross borrowing			
• External Debt	281,085	359,746	282,743
Investments			
• Longer than 1 year	0	0	0
• Under 1 year	20,652	15,000	36,522
• Total	20,652	15,000	36,522
Net borrowing			
• Total	260,433	344,746	246,221

Other prudential and treasury indicators are to be found in the main body of this report. The Director of Finance & HR also confirms that borrowing was only undertaken for a capital purpose and the statutory borrowing limit, (the authorised limit), was not breached.

The financial year 2021/22 continued the challenging investment environment of previous years, namely low investment returns.

Borrowing can only be undertaken to fund capital investment and not to support the revenue budget which supports the delivery of most Council services. The total value of assets held by the Council at 31 March 2022 was £788.4m some £505.7m greater than debt outstanding.

Introduction and Background

This report summarises the following:-

- 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 this indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity; and
- Detailed investment activity.

1. The Council's Capital Expenditure and Financing

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.

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

£'000 General Fund	31.3.21 Actual	2021/22 Budget	31.3.22 Actual
Capital expenditure			
• Capital Programme	57,710	101,855	57,367
Financed in year	35,300	41,642	37,036
Unfinanced capital expenditure	22,410	60,213	20,331

2. The Council's Overall Borrowing Need

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 2021/22 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.

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 that 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], or the money markets), or utilising temporary cash resources within the Council.

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.

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).

The Council’s 2021/22 MRP Policy, (as required by DLUHC Guidance), was approved as part of the Treasury Management Strategy Report for 2021/22 on 04/03/2021.

The Council’s CFR for the year is shown below, and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the Council’s borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract.

CFR (£'000): <i>General Fund</i>	31.3.21 Actual	2021/22 Budget	31.3.22 Actual
Closing balance	480,078	541,572	500,140
Less Other Long Term Liabilities	(50,398)	(50,895)	(50,880)
Loans CFR	429,68	490,677	449,260

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

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 (2021/22) plus the estimates of any additional capital financing requirement for the current (2022/23) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2021/22. The table below highlights the Council’s gross borrowing position against the CFR. The Council has complied with this prudential indicator.

	31.3.21 Actual	2021/22 Budget	31.3.22 Actual
Gross borrowing position (external debt)	£281.085m	£359.746m	£282.743m

	31.3.21 Actual	2021/22 Budget	31.3.22 Actual
Loans CFR	£429.680m	£490.677m	£449.260m
(Under) / over funding of CFR	(£148.595m)	(£130.931m)	(£166.517m)

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 2021/22 the Council has maintained gross borrowing within its authorised limit.

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 are acceptable subject to the authorised limit not being breached.

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. See Appendix A for comparators.

	2021/22
Maximum gross borrowing position during the year	£282.7m
Authorised limit (Borrowing)	£450.0m
Operational boundary (Borrowing)	£430.0m
Financing costs as a proportion of net revenue stream	3.84%

3. Treasury Position as at 31st March 2022

The Council’s treasury management 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 end of 2021/22 the Council’s treasury, (excluding borrowing by PFI and finance leases), position was as follows:

DEBT PORTFOLIO	31.3.21 Principal	Interest Rate %	31.3.22 Principal	Interest Rate %	Movement in Principal
Fixed rate funding:					
- PWLB	£169.0m	2.57%	£201.8m	2.55%	£32.8m
- Market	£40.0m	4.17%	£40.0m	4.17%	£0.0m
Variable rate funding:					
- Temporary	£72.1m	0.77%	£41.0m	0.14%	(£31.1m)
Total debt	£281.1m	2.52%	£282.8m	2.47%	£1.7m
Loans CFR	£429.7m		£449.3m		£19.6m
Over / (under) borrowing	(£148.6m)		(£166.6m)		(£18.0m)
Total investments	£20.7m	0.00%	£36.5m	0.07%	£15.8m
Net debt	£260.4m		£246.3m		(£14.1m)

The maturity structure of the debt portfolio was as follows:

	31.3.21 Actual		2021/22 original limits %		31.3.22 Actual	
	£m	%	Lower	Upper	£m	%
Under 12 months	£79.2m	28.2	0.0	70.0	£51.4m	18.2
12 months and within 24 months	£7.2m	2.5	0.0	30.0	£10.3m	3.6
24 months and within 5 years	£21.6m	7.7	0.0	50.0	£31.8m	11.2
5 years and within 10 years	£27.4m	9.7	0.0	75.0	£42.9m	15.2
10 years and above*	£145.7m	51.9	25.0	100.0	£146.4m	51.8

* this includes £25m Lenders Option Borrowers Options (LOBO) loans that are potentially callable at certain points before the maturity date.

INVESTMENT PORTFOLIO	31.3.21 Actual £000	31.3.21 Actual %	31.3.22 Actual £000	31.3.22 Actual %
Treasury investments				
Banks	3,072	14.9	3,842	9.5
DMADF (H M Treasury)	12,600	61.0	27,700	75.8
Money Market Funds	4,980	24.1	4,980	14.7
Total managed in house	20,652	100%	36,522	100%
Total managed externally	0		0	
TOTAL TREASURY INVESTMENTS	20,652	100%	36,522	100%

The maturity structure of the investment portfolio was as follows:

	31.3.21 Actual £000	2021/22 Budget £000	31.3.22 Actual £000
Investments			
Longer than 1 year	0	0	0
Up to 1 year	20,652	15,000	36,522
Total	20,652	15,000	36,522

4. The Strategy for 2021/22

4.1 Investment strategy and control of interest rate risk

Investment returns remained close to zero for much of 2021/22. Most local authority lending managed to avoid negative rates and one feature of the year was the continued growth of inter local authority lending. The expectation for interest rates within the treasury management strategy for 2021/22 was that Bank Rate would remain at 0.1% until it was clear to the Bank of England that the emergency level of rates introduced at the start of the Covid-19 pandemic were no longer necessitated.

The Bank of England and the Government also maintained various monetary and fiscal measures, supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to survive the various lockdowns/negative impact on their cashflow. The Government also supplied huge amounts of finance to local authorities to pass on to businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates remained low until towards the turn of the year when inflation concerns indicated central banks, not just the Bank of England, would need to lift interest rates to combat the second-round effects of growing levels of inflation (CPI was 6.2% in February).

Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates. Such an approach has also provided benefits in terms of reducing the counterparty risk exposure, by having fewer investments placed in the financial markets.

4.2 Borrowing strategy and control of interest rate risk

During 2021/22, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were very low and minimising counterparty risk on placing investments also needed to be considered.

The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Director of Finance therefore monitored interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risks:

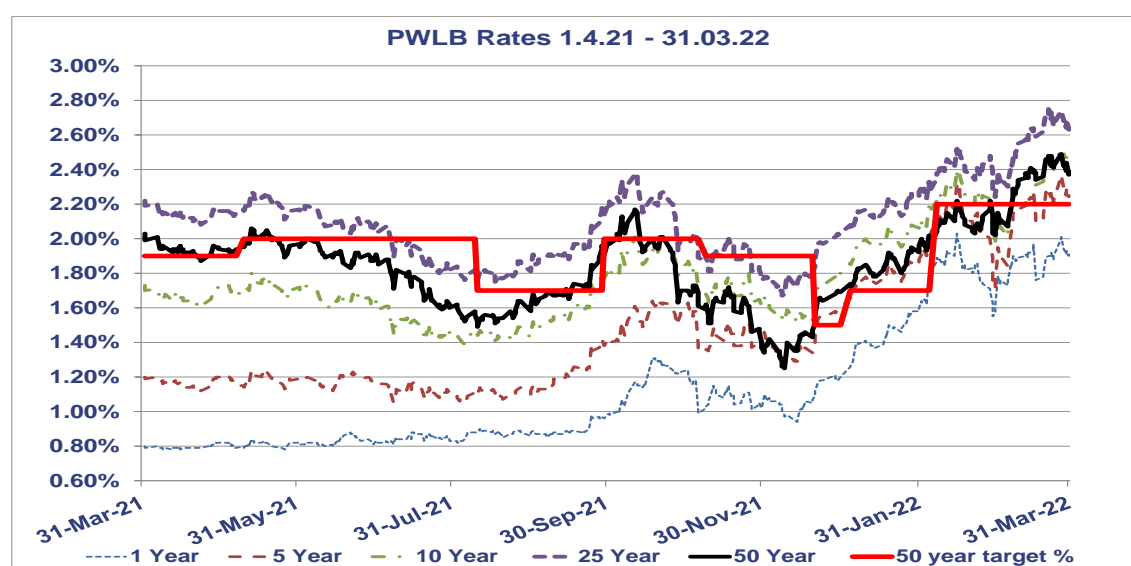
- if it had been felt that there was a significant risk of a sharp FALL in long and short term rates, (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings would have been postponed, and potential rescheduling from fixed rate funding into short term borrowing would have been considered.
- if it had been felt that there was a significant risk of a much sharper RISE in long and short term rates than initially expected, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

Interest rate forecasts expected only gradual rises in medium and longer-term fixed borrowing rates during 2021/22 and the two subsequent financial years until the turn of the year, when inflation concerns increased significantly. Internal, variable, or short-term rates, were expected to be the cheaper form of borrowing until well in to the second half of 2021/22.

HIGH/LOW/AVERAGE PWLB RATES FOR 2021/22

	1 Year	5 Year	10 Year	25 Year	50 Year
01/04/2021	0.80%	1.20%	1.73%	2.22%	2.03%
31/03/2022	1.91%	2.25%	2.43%	2.64%	2.39%
Low	0.78%	1.05%	1.39%	1.67%	1.25%
Low date	08/04/2021	08/07/2021	05/08/2021	08/12/2021	09/12/2021
High	2.03%	2.37%	2.52%	2.75%	2.49%
High date	15/02/2022	28/03/2022	28/03/2022	23/03/2022	28/03/2022
Average	1.13%	1.45%	1.78%	2.10%	1.85%
Spread	1.25%	1.32%	1.13%	1.08%	1.24%

PWLB RATES 2021/22



PWLB rates are based on gilt (UK Government bonds) yields through H.M. Treasury determining a specified margin to add to gilt yields. The main influences on gilt yields are Bank Rate, inflation expectations and movements in US treasury yields. Inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation and the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last 30 years. We have seen, over the last two years, many bond yields up to 10 years in the Eurozone turn negative on expectations that the EU would struggle to get growth rates and inflation up from low levels. In addition, there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. Recently, yields have risen since the turn of the year on the back of global inflation concerns.

5. Borrowing Outturn

Treasury Borrowing – During the year 8 new PWLB loans were raised

Borrowing - loans were drawn to fund the net unfinanced capital expenditure and naturally maturing debt.

The loans drawn were:

Lender	Date Raised	Principal	Type	Interest Rate	Duration
PWLB	*31/08/2021	£5.0m	Fixed interest rate - Annuity	1.23%	12 years
PWLB	*27/10/2021	£5.0m	Fixed interest rate - Annuity	1.69%	12 years
PWLB	*09/11/2021	£5.0m	Fixed interest rate - Annuity	1.65%	12 years
PWLB	*11/11/2021	£5.0m	Fixed interest rate - Annuity	1.49%	12 years
PWLB	17/02/2022	£5.0m	Fixed interest rate - EIP	2.12%	10 years
PWLB	17/03/2022	£5.0m	Fixed interest rate - EIP	1.24%	12 years
PWLB	21/03/2022	£5.0m	Fixed interest rate - Annuity	2.21%	12 years
PWLB	29/03/2022	£5.0m	Fixed interest rate - Annuity	2.27%	10 years

This compares with a budget assumption of borrowing at an interest rate of 2.5%.

*loans included in 2021/22 Treasury Update Report presented to Audit Committee 25th January 2022

Borrowing in advance of need

The Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

Early Repayments or Rescheduling

No loans were repaid early or rescheduled during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

Debt Performance

As highlighted in Section 3 the average interest rate for borrowing fell slightly over the course of the year from 2.52% to 2.47%

6. Investment Outturn

Investment Policy – the Council’s investment policy is governed by DLUHC investment guidance, which has been implemented in the annual investment strategy approved by the Council on 04/03/2021. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies.

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

Investments held by the Council

- The Council maintained an average daily balance of £28.053m of internally managed funds.
- The internally managed funds earned an average rate of return of 0.07%.
- The comparable performance indicator is the average 7-day SONIA rate, which was 0.06%.

Investments (£m)	31.3.21	31.3.22
Cash Investments	20.652	36.522

At the 31.03.2022 total usable reserves were £137.6m, which has supported the overall cash flow position and the level of internal borrowing.

7. Overall Outturn for 2021/22

Overall a net benefit of £4.425m was made against budget for the year. The sound overall position has resulted from a mix of cash flow benefits plus pro-active treasury management activities through the active management of borrowing and taking advantage of low interest rates prevailing for the year.

8. Shropshire Council Debt

The Council makes an annual contribution towards Shropshire Council costs on pre disaggregation debt (i.e. pre unitary inception). The contribution in 2021/22 was £1.201m and interest paid averaged 4.9%. The rate of interest paid on this is managed by Shropshire and is considerably higher than the rate payable by Telford & Wrekin Council on its borrowing.

9. Leasing

Each year the Council arranges operating leases for assets such as vehicles, computers and equipment. This helps spread the cost over a number of years in line with the anticipated life of the equipment.

Two leasing drawdowns were completed for 2021/22, one in October and the other in January. These consisted of –

- Finance lease from Triple Point totalling £0.110m which funded the acquisition of gym equipment at Horsehay, and
- Finance lease from Society Generale Equipment Financing totalling £0.03m which funded grounds maintenance equipment at Horsehay Golf Centre.

10. The Economy and Interest Rates

UK. Economy. Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021, 0.50% at its meeting of 4th February 2022 and then to 0.75% in March 2022.

The UK economy has endured several false dawns through 2021/22, but with most of the economy now opened up and nearly back to business-as-usual, the GDP numbers have been robust (9% y/y Q1 2022) and sufficient for the MPC to focus on tackling the second-round effects of inflation, now that the CPI measure has already risen to 6.2% and is likely to exceed 8% in April.

Gilt yields fell towards the back end of 2021, but despite the war in Ukraine gilt yields have shot higher in early 2022. At 1.38%, 2-year yields remain close to their recent 11-year high and 10-year yields of 1.65% are close to their recent six-year high. These rises have been part of a global trend as central banks have suggested they will continue to raise interest rates to contain inflation.

Historically, a further rise in US Treasury yields will probably drag UK gilt yields higher. There is a strong correlation between the two factors. However, the squeeze on real household disposable incomes arising from the 54% leap in April utilities prices as well as rises in council tax, water prices and many phone contract prices, are strong headwinds for any economy to deal with. In addition, from 1st April 2022, employees also pay 1.25% more in National Insurance tax. Consequently, inflation will be a bigger drag on real incomes in 2022 than in any year since records began in 1955.

Average inflation targeting. This was the major change in 2020/21 adopted by the Bank of England in terms of implementing its inflation target of 2%. The key addition to the Bank's forward guidance in August 2020 was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and *achieving the 2% target sustainably*". That mantra now seems very dated. Inflation is the "genie" that has escaped the bottle, and a perfect storm of supply side shortages, labour shortages, commodity price inflation, the impact of Russia's invasion of Ukraine and subsequent Western sanctions all point to inflation being at elevated levels until well into 2023.

USA. The flurry of comments from Fed officials following the mid-March FOMC meeting – including from Chair Jerome Powell himself – hammering home the hawkish message from the mid-March meeting, has had markets pricing in a further 225bps of interest rate increases in 2022 on top of the initial move to an interest rate range of 0.25% - 0.5%.

In addition, the Fed is expected to start to run down its balance sheet. Powell noted that the rundown could come as soon as the next meeting in May.

The upward pressure on inflation from higher oil prices and potential knock-on impacts on supply chains all argue for tighter policy (CPI is estimated at 7.8% across Q1), but the hit to real disposable incomes and the additional uncertainty points in the opposite direction.

More recently, the inversion of the 10y-2y Treasury yield spread at the end of March led to predictable speculation that the Fed's interest rate hikes would quickly push the US economy into recession. Q1 GDP growth is likely to be only between 1.0% and 1.5% annualised (down from 7% in Q4 2021). But, on a positive note, the economy created more than 550,000 jobs per month in Q1, a number unchanged from the post-pandemic 2021 average. Unemployment is only 3.8%.

EU. With euro-zone inflation having jumped to 7.5% in March it seems increasingly likely that the ECB will accelerate its plans to tighten monetary policy. It is likely to end net asset purchases in June – i.e., earlier than the Q3 date which the ECB targeted in March. And the market is now anticipating possibly three 25bp rate hikes later this year followed by more in 2023. Policymakers have also hinted strongly that they would re-start asset purchases if required. In a recent speech, Christine Lagarde said “we can design and deploy new instruments to secure monetary policy transmission as we move along the path of policy normalisation.”

While inflation has hit the headlines recently, the risk of recession has also been rising. Among the bigger countries, Germany is most likely to experience a “technical” recession because its GDP contracted in Q4 2021, and its performance has been subdued in Q1 2022. However, overall, Q1 2022 growth for the Eurozone is expected to be 0.3% q/q with the y/y figure posting a healthy 5.2% gain. Finishing on a bright note, unemployment fell to only 6.8% in February.

China. After a concerted effort to get on top of the virus outbreak in Q1 of 2020, economic recovery was strong in the rest of the year; however, 2021 has seen the economy negatively impacted by political policies that have focussed on constraining digital services, restricting individual freedoms, and re-establishing the power of the One-Party state. With the recent outbreak of Covid-19 in large cities, such as Shanghai, near-term economic performance is likely to be subdued. Official GDP numbers suggest growth of c4% y/y, but other data measures suggest this may be an overstatement.

Japan. The Japanese economic performance through 2021/22 is best described as tepid. With a succession of local lockdowns throughout the course of the year, GDP is expected to have risen only 0.5% y/y with Q4 seeing a minor contraction. The policy rate has remained at -0.1%, unemployment is currently only 2.7% and inflation is sub 1%, although cost pressures are mounting.

World growth. World growth is estimated to have expanded 8.9% in 2021/22 following a contraction of 6.6% in 2020/21.

Deglobalisation. Until recent years, world growth has been boosted by increasing globalisation i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed

inflation. However, the rise of China as an economic superpower over the last 30 years, which now accounts for 18% of total world GDP (the USA accounts for 24%), and Russia's recent invasion of Ukraine, has unbalanced the world economy. In addition, after the pandemic exposed how frail extended supply lines were around the world, both factors are now likely to lead to a sharp retrenchment of economies into two blocs of western democracies v. autocracies. It is, therefore, likely that we are heading into a period where there will be a reversal of world globalisation and a decoupling of western countries from dependence on China (and to a much lesser extent Russia) to supply products and vice versa. This is likely to reduce world growth rates.

Central banks' monetary policy. During the pandemic, the governments of western countries have provided massive fiscal support to their economies which has resulted in a big increase in total government debt in each country. It is therefore very important that bond yields stay low while debt to GDP ratios slowly subside under the impact of economic growth. This provides governments with a good reason to amend the mandates given to central banks to allow higher average levels of inflation than we have generally seen over the last couple of decades. Both the Fed and Bank of England have already changed their policy towards implementing their existing mandates on inflation, (and full employment), to hitting an average level of inflation. Greater emphasis could also be placed on hitting subsidiary targets e.g. full employment before raising rates. Higher average rates of inflation would also help to erode the real value of government debt more quickly.

11. Other

IFRS 16: The implementation of the new IFRS 16 Leases accounting standard, for Local Government, has been further delayed until 2024/25.

Prudential and Treasury Indicators are detailed in Appendix A.

12. 2022/23 Treasury Update

The remainder of this report deals with the current financial year based largely on information to 31 May 2022.

12.1. 2022/23 Treasury Strategy

The strategy for 2022/23 was approved by Full Council 3rd March 2022. The strategy is to continue to keep investments as short term, where possible, to reduce the need to borrow thus reducing investment exposure and maximising overall returns to the revenue account. We will review investment opportunities if they arise and also review borrowing opportunities as we progress through the year and look to take advantage of advantageous interest rates where appropriate. The Medium Term Financial Strategy 2022/23 – 2025/26, approved by Full Council on 3rd March 2022, will see the Council continue to invest in significant regeneration projects including highways and building homes and commercial property as part of the approved Housing Investment Programme and the Property Investment Programme.

In order to comply with MiFID II the Council will maintain a minimum investment balance of £10m.

12.2. Interest Rates

The Bank of England increased the base rate from 0.75% to 1.0% on 5th May 2022 as it continued to seek to control increasing inflation which hit a 30 year high of 7% (CPI) in March and increased further to 9% in April the fallout as higher prices for goods due to stock shortages as economies start to open up following the pandemic, along with higher energy prices and Russia's invasion of Ukraine which has led more increases in the prices of energy and food. It is anticipated that the base rate will continue to rise throughout 2022/23 finishing the year at 2.0%.

12.3. Prudential Regime

This Council agreed its required indicators at Council on 3rd March 2022.

The Council has operated within the Treasury Limits and Prudential Indicators set.

The Council set itself an Operational Limit for external debt of £475m for 2022/23 and an Authorised limit of £495m. Our total borrowing outstanding as at 31st May 2022 (excluding PFI) is £285.8m which is within both limits.

12.4. Borrowing

Treasury Borrowing – During the year 1 new PWLB loan has been raised

Borrowing – the loan was drawn to fund the net unfinanced capital expenditure and naturally maturing debt.

The loans drawn were:

Lender	Date Raised	Principal	Type	Interest Rate	Duration
PWLB	28/04/2022	£5.0m	Fixed interest rate - Annuity	2.56%	11 years

In total £10.4m of PWLB Loans are due to mature during the year.

On 19 May 2022 the Council launched a Municipal Investment Loan on the Abundance Platform: the Telford & Wrekin Climate Action Investment. This provides an opportunity for individuals to lend money to the Council which will be used to fund a range of projects across Telford & Wrekin to help tackle the climate emergency, including: replacing 2 fossil-fuel powered minibuses with electric minibuses; working with local organisations and businesses to improve energy efficiency in buildings; and installing renewable technologies, such as solar panels and ground source heat pumps into temporary/supported accommodation properties. With a target of raising £0.5m, loans are for a 5 year period at a fixed interest rate of 2.10% per annum. This is a new borrowing source for the Council (permitted in the approved Treasury Strategy), which is an alternative to PWLB and is specifically aimed to support the Council's Climate Change Agenda. The cost of borrowing to the Council, including fees, was comparable with PWLB rates at the time of entering the arrangement in that on the day the offer was launched the cost of the debt to the Council was lower than PWLB would have been. Legally, the investments are Loans from individual people to the Council.

12.5. Investments

The strategy for the year is to gain maximum benefit at minimum risk whilst achieving as a minimum, the overnight deposit rate. For the period to 31st May 2022 some £1,497m worth of investments have been made with the Debt Management Office (DMO), Lloyds Bank and Money Market Funds. Rates have ranged from an average of 0.53% to 0.82%

The Council holds investments in money market funds which gives increased diversification of counter-party risk and slightly higher yield whilst retaining a high degree of liquidity. These investment are held in one diversified fund.

The Council can place up to £15.0m with any Counterparty, with the exception of Treasury's DMO facility which is Government backed and therefore considered to be very secure so no limit is placed on investments with the DMO. At the end of May the greatest exposure with a single counterparty was £10.8m (58.2% of the portfolio) with the DMO.

INVESTMENT PORTFOLIO	31.5.22 Actual £000	31.5.22 Actual %
Treasury investments		
Banks	2,787	15.0
DMADF (H M Treasury)	10,800	58.2
Money Market Funds	4,980	26.8
Total managed in house	18,567	100%
Total managed externally	0	
TOTAL TREASURY INVESTMENTS	18,567	100%

12.6. Projected Performance 2022/23

Senior Finance Officers are closely monitoring the Treasury position, particularly with the likelihood of the continuing interest rate rises. The financial monitoring report presented to Cabinet on 14 July 2022 included a projected benefit of £2.5m from treasury management activities. Updates will be provided in future financial monitoring reports taken to Cabinet.

12.7 MRP Update

In November 2021 the Department for Levelling Up, Housing and Communities (DLUHC) launched a consultation seeking views on proposed changes to regulations in relation to the duty of local authorities to make prudent Minimum Revenue Provision each year. The consultation closed in February 2022. The proposals for change related to the exclusion of a proportion of debt from the MRP calculation, particularly relating to investment assets, capital loans and some operational assets. Following concerns raised by a number of authorities it was apparent that the proposed changes may have given rise to unintended consequences and DLUHC amended the proposals to allow additional flexibilities with respect to capital loans. At the time of writing this report, a further consultation is underway on the amended proposals which will inform the government's final response. It is currently intended that the proposed changes will take effect from the 2023/24 financial year and the Council will prepare the budget for 2023/24 and later years on the revised basis once known.

ABBREVIATIONS USED IN THIS REPORT

CFR: capital financing requirement - the council's annual underlying borrowing need to finance capital expenditure and a measure of the council's total outstanding indebtedness.

CIPFA: Chartered Institute of Public Finance and Accountancy – the professional accounting body that oversees and sets standards in local authority finance and treasury management.

CPI: consumer price index – the official measure of inflation adopted as a common standard by countries in the EU. It is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.

ECB: European Central Bank - the central bank for the Eurozone

EU: European Union

EZ: Eurozone -those countries in the EU which use the euro as their currency

Fed: the Federal Reserve System, often referred to simply as "the Fed," is the central bank of the United States. It was created by the Congress to provide the nation with a stable monetary and financial system.

FOMC: the Federal Open Market Committee – this is the branch of the Federal Reserve Board which determines monetary policy in the USA by setting interest rates and determining quantitative easing policy. It is composed of 12 members--the seven members of the Board of Governors and five of the 12 Reserve Bank presidents.

GDP: gross domestic product – a measure of the growth and total size of the economy.

G7: the group of seven countries that form an informal bloc of industrialised democracies--the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom--that meets annually to discuss issues such as global economic governance, international security, and energy policy.

Gilts: gilts are bonds issued by the UK Government to borrow money on the financial markets. Interest paid by the Government on gilts is called a coupon and is at a rate that is fixed for the duration until maturity of the gilt, (unless a gilt is index linked to inflation); while the coupon rate is fixed, the yields will change inversely to the price of gilts i.e. a rise in the price of a gilt will mean that its yield will fall.

HRA: housing revenue account.

IMF: International Monetary Fund - the lender of last resort for national governments which get into financial difficulties.

LIBID: the London Interbank Bid Rate is the rate bid by banks on deposits i.e., the rate at which a bank is willing to borrow from other banks. It is the "other end" of the LIBOR (an offered, hence "ask" rate, the rate at which a bank will lend). These benchmarks ceased on 31st December 2021 and have, generally, been replaced by SONIA, the Sterling Overnight Index Average.

MHCLG: the Ministry of Housing, Communities and Local Government - the Government department that directs local authorities in England.

MPC: the Monetary Policy Committee is a committee of the Bank of England, which meets for one and a half days, eight times a year, to determine monetary policy by setting the official interest rate in the United Kingdom, (the Bank of England Base Rate, commonly called Bank Rate), and by making decisions on quantitative easing.

MRP: minimum revenue provision - a statutory annual minimum revenue charge to reduce the total outstanding CFR, (the total indebtedness of a local authority).

PFI: Private Finance Initiative – capital expenditure financed by the private sector i.e. not by direct borrowing by a local authority.

PWLB: Public Works Loan Board – this is the part of H.M. Treasury which provides loans to local authorities to finance capital expenditure.

QE: quantitative easing – is an unconventional form of monetary policy where a central bank creates new money electronically to buy financial assets, such as government bonds, (but may also include corporate bonds). This process aims to stimulate economic growth through increased private sector spending in the economy and also aims to return inflation to target. These purchases increase the supply of liquidity to the economy; this policy is employed when lowering interest rates has failed to stimulate economic growth to an acceptable level and to lift inflation to target. Once QE has achieved its objectives of stimulating growth and inflation, QE will be reversed by selling the bonds the central bank had previously purchased, or by not replacing debt that it held which matures. The aim of this reversal is to ensure that inflation does not exceed its target once the economy recovers from a sustained period of depressed growth and inflation. Economic growth, and increases in inflation, may threaten to gather too much momentum if action is not taken to 'cool' the economy.

RPI: the Retail Price Index is a measure of inflation that measures the change in the cost of a representative sample of retail goods and services. It was the UK standard for measurement of inflation until the UK changed to using the EU standard measure of inflation – Consumer Price Index. The main differences between RPI and CPI is in the way that housing costs are treated and that the former is an arithmetical mean whereas the latter is a geometric mean. RPI is often higher than CPI for these reasons.

SONIA: the Sterling Overnight Index Average. Generally, a replacement set of indices (for LIBID) for those benchmarking their investments. The benchmarking options include using a forward-looking (term) set of reference rates and/or a backward-looking set of reference rates that reflect the investment yield curve at the time an investment decision was taken.

TMSS: the annual treasury management strategy statement reports that all local authorities are required to submit for approval by the full council before the start of each financial year.

Appendix A: Prudential and treasury indicators

1. PRUDENTIAL INDICATORS	2020/21	2021/22	2021/22
Extract from budget setting report	actual	original	actual
	£'000	£'000	£'000
Capital Expenditure	£57,710	£101,855	£57,367
Ratio of financing costs to net revenue stream	4.35%	6.4%	3.84%
Gross borrowing requirement General Fund brought forward 1 April	£276,185	£299,533	£281,085
carried forward 31 March	£281,085	£359,746	£282,743
in year borrowing requirement	£4,900	£60,213	£1,658
Loans CFR	£429,680	£490,677	£449,260
Annual change in Loans CFR	£20,884	£59,315	£19,580

2. TREASURY MANAGEMENT INDICATORS	2020/21	2021/22	2021/22
	actual	original	actual
	£'000	£'000	£'000
Authorised Limit for external debt - borrowing	£450,000	£450,000	£450,000
other long term liabilities	£64,000	£64,000	£64,000
TOTAL	£514,00	£514,000	£514,000
Operational Boundary for external debt - borrowing	£430,000	£430,000	£430,000
other long term liabilities	£60,000	£60,000	£60,000
TOTAL	£490,000	£490,000	£490,000
Actual external debt	£281,085	£359,746	£282,743

Maturity structure of fixed rate borrowing during 2021/22	upper limit	lower limit	31.03.22
under 12 months	0.0%	70.0%	18.2%
12 months and within 24 months	0.0%	30.0%	3.6%
24 months and within 5 years	0.0%	50.0%	11.2%
5 years and within 10 years	0.0%	75.0%	15.2%
10 years and within 20 years	0.0%	100.0%	51.8%
Maturity structure of investments during 2021/22	upper limit	lower limit	
Longer than 1 year	0.0%	95.0%	0.0%
Up to 1 year	0.0%	100.0%	100.0%

Credit risk indicator	2020/21 Actual	2021/22 Target	2021/22 Actual
Portfolio average credit score	1.59	6 or lower	1.44

Target – 6 or lower is equivalent to a credit rating of 'A' or higher

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Telford & Wrekin
Co-operative Council

Protect, care and invest
to create a better borough

Borough of Telford and Wrekin

Full Council

Thursday 11 November 2022

Appointment of Independent Persons

Cabinet Member:	Cllr Rae Evans - Cabinet Member: Finance, Governance and Customer Services
Lead Director:	Anthea Lowe - Director: Policy & Governance
Service Area:	Policy & Governance
Report Author:	Richard Phillips - Service Delivery Manager; Legal & Democracy
Officer Contact Details:	Tel: 01952 383241 Email: richard.phillips@telford.gov.uk
Wards Affected:	All Wards
Key Decision:	Not key decision
Forward Plan:	Not Applicable
Report considered by:	Not Applicable

1.0 Recommendations for decision/noting:

Full Council is asked to:

- 1.1 Agree the appointment of Thomas Senior and Julia Lynch as Independent Persons for Telford and Wrekin Council for an initial period of four years.

2.0 Purpose of Report

- 2.1 Following a recruitment exercise and the identification of two suitable candidates, this report seeks a decision from Full Council to appoint two new independent persons to assist the Monitoring Officer when considering complaints under the Code of Conduct for Elected Members.

3.0 Background

- 3.1 Standards Committee, at its meeting on 28 September 2022, agreed to recommend the appointment of two new independent persons to Full Council.

3.2 Following an open recruitment exercise, three applications were received and, after discussion with the Chair, two candidates were interviewed. Following those interviews, it is recommended that both candidates are appointed as Independent Persons for the Council for an initial term of four years.

4.0 Summary of main proposals

4.1 Following a recruitment exercise, two candidates have been identified who are suitable for appointment as Independent Persons. Details of each candidate have been set out below. They each have a working knowledge of local government law, meet the eligibility criteria set out in the Localism Act 2011 and are committed to good governance and the ethical framework relating to the member standards regime.

4.2 Thomas Senior resides within the Borough. He is a Senior Lawyer and Manager at Dudley Metropolitan Borough Council and has previously also worked at City of Wolverhampton Council. He has direct experience of standards work through his employment.

4.3 Julia Lynch is a Senior Lawyer working at the Information Commissioner's Office and has previously worked within Legal Services at Sandwell Metropolitan Borough Council. She has direct experience of conducting standards investigations and assisting her then Monitoring Officer.

4.4 Both candidates are, in the opinion of the Monitoring Officer, suitable for appointment to the role of Independent Person. Although the Localism Act 2011 only requires a Council to appoint a single independent person, Members may recall that the Committee for Standards in Public Life considers it to be good practice to have at least two Independent Persons appointed, to account for any potential conflicts of interest.

5.0 Alternative Options

5.1 The Council must, in accordance with the Localism Act 2011, appoint an Independent Person to be consulted by the complainant, any elected member subject to a complaint and the Monitoring Officer when determining Code of Conduct complaints.

5.2 The Committee for Standards in Public Life has recently recommended that an Independent Person should spend no longer than 8 years in the role, a period which the current Independent Person has exceeded.

5.3 If the Council does not appoint new Independent Persons, it will not be acting in accordance with the recommendations of the Committee for Standards in Public Life.

5.4 The appointment of at least two Independent Persons is a recommendation of the Committee for Standards in Public Life, allowing for flexibility should conflicts of interest arise or for the unavailability of a single Independent Person. It would be open to the Council to only appoint a sole Independent Person but for the reasons identified, it is not considered best practice to do so.

6.0 Financial Implications

6.1 The Independent Person roles will be remunerated by payment of a co-optee fee, which is in accordance with the Members' Allowances set by full Council and applies to all co-optees, across all of the Council's committees. The fees will be met from existing departmental budgets.

7.0 Legal and HR Implications

7.1 The Council must, in accordance with the Localism Act 2011, appoint at least one Independent Person. The report sets out that it is considered best practice to appoint more than one Independent Person, should a conflict arise. The recommendations contained within this report will ensure the Council is meeting its statutory obligations and ensure that Code of Conduct matters can be progressed efficiently and in accordance with the law.

8.0 Background Papers

1 Standards Committee Papers of 1 February and 28 September 2022.

9.0 Report Sign Off

Signed off by	Date sent	Date signed off	Initials
Legal	01/09/2022	02/09/2022	AL
Finance	01/09/2022	07/09/2022	MB

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Borough of Telford and Wrekin

Full Council

Thursday 11 November 2022

Councillor Leave of Absences

Cabinet Member:	Cllr Rae Evans - Cabinet Member: Finance, Governance and Customer Services
Lead Director:	Anthea Lowe - Director: Policy & Governance
Service Area:	Policy & Governance
Report Author:	Richard Phillips - Service Delivery Manager: Legal & Democracy
Officer Contact Details:	Tel: 01952 383255 Email: richard.phillips@telford.gov.uk
Wards Affected:	Ercall, Dothill
Key Decision:	Not Key Decision
Forward Plan:	Not Applicable
Report considered by:	SMT – 08/11/2022

1.0 Recommendations for decision/noting:

Council is asked to:

- 1.1 Approve leave of absences for Councillor Karen Tomlinson and Councillor Miles Hosken until 2 March 2023.

2.0 Purpose of Report

- 2.1 This report seeks approval of Full Council for leave of absences for Councillors, who owing to medical matters are at risk of not attending a meeting of the Council within a period of 6 months.

3.0 Background

- 3.1 Members will be aware that the Local Government Act 1972 requires Members to attend a meeting of the authority at least once in 6 months. In the event that they do not do so, then they automatically cease to be a Member of the Council. This

Councillor Leave of Absences

applies unless the reason for the failure to attend is one that has been approved by Council. This is known as the 6 month rule.

4.0 Summary of main proposals

4.1 Leave of absences are sought for two Members. Councillor Karen Tomlinson is presently recuperating following surgery and Councillor Miles Hosken is recovering from an injury he has recently sustained. It is intended that the leave of absence is granted until 3 March 2023, but nothing would preclude the Councillors from returning to their duties at an earlier date.

5.0 Financial Implications

5.1 There are no financial implications arising from this report.

6.0 Legal and HR Implications

6.1 Full Council is empowered pursuant to section 85 the Local Government Act 1972, to agree the absence of Councillors where there is a risk that they may breach the six month rule.

7.0 Background Papers

There are no background papers to this report.

8.0 Appendices

There are no appendices to this report.

16.0 Report Sign Off

Signed off by	Date sent	Date signed off	Initials
Legal	27/10/2022	27/10/2022	RP