

Public Document Pack



PLEASE NOTE THAT PRAYERS WILL BE HELD AT 6.50PM BEFORE THE COMMENCEMENT OF THE BUSINESS OF THE COUNCIL.

THE MAYOR REQUESTS THAT ANY MEMBER WISHING TO PARTICIPATE IN PRAYERS BE IN ATTENDANCE BY NO LATER THAN 6.45PM.

Dear Sir/Madam,

You are summoned to attend the meeting of the Borough Council of Newcastle-under-Lyme to be held in the ***Astley Room - Castle House*** on ***Wednesday, 30th January, 2019*** at ***7.00 pm***.

B U S I N E S S

1 APOLOGIES

2 DECLARATIONS OF INTEREST

To receive declarations of interest from Members on items contained within this agenda.

3 MINUTES

To consider the minutes of the previous meeting(s)

To follow.

4 MAYOR'S ANNOUNCEMENTS

5 INVESTMENT STRATEGY 2019/20

(Pages 5 - 16)

6 STATEMENT OF THE LEADER OF THE COUNCIL

To receive a statement by the Leader of the Council on the activities and decisions of Cabinet and items included on the Forward Plan.

Report to follow.

7 REPORTS OF THE CHAIRS OF THE SCRUTINY COMMITTEES

(Pages 17 - 20)

- a) Economy, Environment and Place Scrutiny Committee
- b) Health, Wellbeing and Partnerships Scrutiny Committee

A verbal update will be given for the Finance, Assets and Performance Scrutiny Committee.

8 REPORTS OF THE CHAIRS OF THE REGULATORY COMMITTEES (Pages 21 - 22)

Chairs are requested to submit written reports to the Democratic Services Manager by (two days before meeting).

a) Licensing and Public Protection Committee

A verbal update will be given for the Planning committee.

The Audit and Standards Committee has not met since the last meeting of the Council.

9 MOTIONS OF MEMBERS (Pages 23 - 30)

A notice of motion, under Appendix 7 – paragraph 12 other than those listed in Appendix 7 – paragraph 10 of the Constitution must reach the Chief Executive at least ten clear days before the relevant Meeting of the Council.

10 QUESTIONS TO THE MAYOR, CABINET MEMBERS AND COMMITTEE CHAIRS

11 RECEIPT OF PETITIONS

To receive from Members any petitions which they wish to present to the Council.

12 STANDING ORDER 18 - URGENT BUSINESS

To consider any communications which pursuant to Appendix 7 – paragraph 7 of the constitution are, in the opinion of the Mayor, of an urgent nature and to pass thereon such resolutions as may be deemed necessary.

13 DISCLOSURE OF EXEMPT INFORMATION

To resolve that the public be excluded from the meeting during consideration of the following report(s) as it is likely that there will be disclosure of exempt information as defined in paragraphs contained within Part 1 of Schedule 12A (as amended) of the Local Government Act 1972.

Yours faithfully



Acting Chief Executive / Head of Paid Service

NOTICE FOR COUNCILLORS

1. Fire/Bomb Alerts

In the event of the fire alarm sounding, leave the building immediately, following the fire exit signs..

Fire exits are to be found at the side of the room leading into Queens Gardens.

On exiting the building Members, Officers and the Public must assemble at the statue of Queen Victoria. DO NOT re-enter the building until advised to by the Controlling Officer.

2. Attendance Record

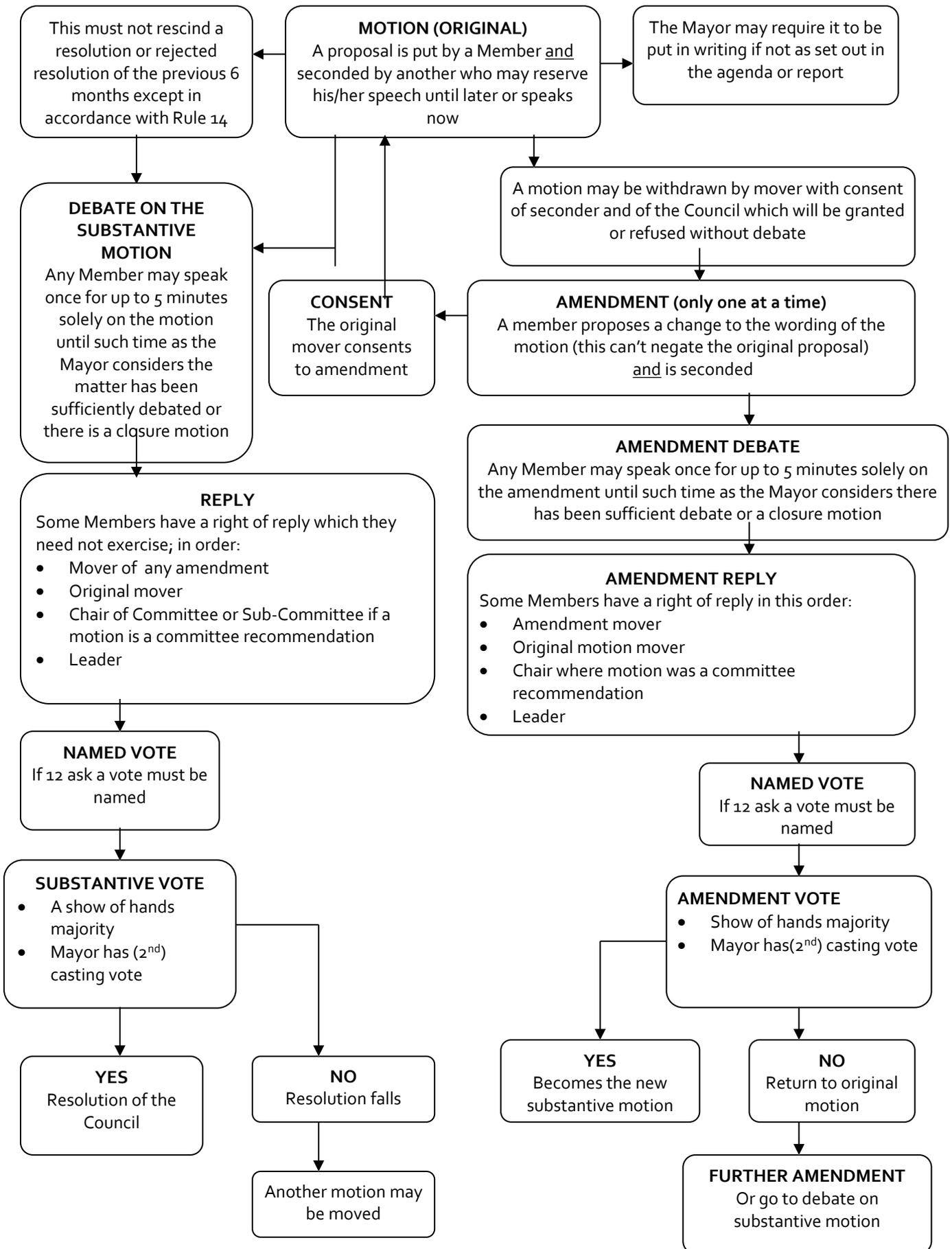
Please sign the Attendance Record sheet on entering the building. This will be located at the reception desk.

3. Mobile Phones

Please switch off all mobile phones before entering the Council Chamber.

4. Notice of Motion

A Notice of Motion other than those listed in Standing Order 19 must reach the Chief Executive ten clear days before the relevant Meeting of the Council. Further information on Notices of Motion can be found in Section 5, Standing Order 20 of the Constitution of the Council.



NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE COUNCIL

30 January 2019

1. INVESTMENT STRATEGY 2019/20

Submitted by: Executive Director – Resources and Support Services

Portfolio: Finance and Efficiency

Ward(s) affected: All Indirectly

Purpose of the Report

To approve the Investment Strategy for 2019/20.

Recommendations

(a) That the Investment Strategy Report for 2019/20 be approved.

Reasons

The Council needs to have an approved Investment Strategy for 2019/20 in place before the start of the 2019/20 financial year.

1. Background

1.1 This strategy is compiled according to the Ministry of Housing, Communities and Local Government's Guidance on Local Government Investments ("the Guidance") and the 2017 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code") It sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

2. Issues

2.1 The Investment Strategy for 2019/20 is attached at Appendix 1.

2.2 This investment strategy is a new strategy for 2019/20, meeting the requirements of statutory guidance issued by the government in January 2018

2.3 The Strategy is based on guidance provided by Arlingclose Ltd, the Council's treasury management advisors.

2.4 Quantitative investment indicators are included within the Strategy to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

2.5 This Strategy is part of several strategies including the Council's Capital Strategy and Treasury Management Strategy.

3. Legal and Statutory Implications

3.1 See Background for details.

4. **Financial and Resource Implications**

4.1 There are no specific financial implications arising from the strategy report.

5. **Major Risks**

5.1 Investments are a major area of risk for the Council in that large amounts of money can be involved.

5.2 The overriding consideration is to safeguard the Council's capital. Within this constraint the aim is to maximise any return.

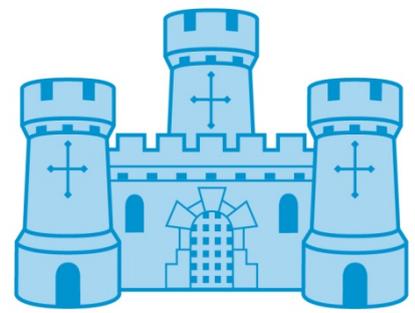
5.3 Operational procedures, coupled with monitoring arrangements, are in place to minimise the risk of departures from the approved strategy.

6. **List of Appendices**

6.1 Appendix 1, Investment Strategy Report 2019/20.

7. **Background Papers**

- Ministry of Housing, Communities and Local Government's Guidance on Local Government Investments;
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes (2017);
- Council's Treasury Management Strategy 2019/20;
- Council's Capital Strategy 2019/20;
- Local Government Act 2003; and
- Local Authorities (Capital Finance and Accounting) (England) Regulations 2003.



**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

Investment Strategy 2019/20



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Introduction

This strategy is compiled according to the Ministry of Housing, Communities and Local Government's Guidance on Local Government Investments ("the Guidance") and the 2017 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code") It sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

The Guidance distinguishes between Treasury Management Investments and Other Investments. Treasury Management Investments are those which arise from the Council's cash flows and debt management activity and ultimately represent balances which need to be invested until the cash is required for use in the course of business. Other Investments are all those falling outside of normal treasury management activity, as defined above. They may be made with the express purpose of making a financial surplus for the Council, usually as a means towards balancing the revenue budget. They may be funded from borrowing where appropriate. The prime example referred to in the Guidance is direct investment in property assets. Loans, for example to voluntary organisations, local enterprises or joint ventures are also classified as Other Investments.

The Council invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as [treasury management investments](#)),
- to support local public services by lending to or buying shares in other organisations ([service investments](#)), and
- to earn investment income (known as [commercial investments](#) where this is the main purpose).

This investment strategy is a new strategy for 2019/20, meeting the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

Possible Revisions to the Strategy

The initial strategy may be replaced with a revised strategy at any time during the year in cases where any treasury management issues (including investment issues) need to be brought to the attention of Full Council.

Treasury Management Investments

The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £0m and £10m during the 2019/20 financial year.

Contribution: The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

Further details: Full details of the Council's policies and its plan for 2019/20 for treasury management investments are covered in a separate document, the treasury management strategy.

Service Investments: Loans

Contribution: During 2018/19 the Council has not lent money to local charities, housing associations or any other bodies. However the Council would consider applications from such bodies individually, in order to support local public services and stimulate local economic growth.

Security: The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Loans for service purposes in £ thousands

Category of borrower	31/03/2018 Actual			2019/20
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Local charities	0	0	0	500
Housing associations	0	0	0	500
Other bodies	0	0	0	500
TOTAL	0	0	0	1,500

Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Council's statement of accounts from 2018/19 onwards will be shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

Risk assessment: The Council assesses the risk of loss before entering into and whilst holding service loans on an individual basis for each proposal. The risks inherent in the proposal will be reported to members when it is placed before them for consideration together with an assessment of the likelihood of any of them materialising, their impact on the revenue budget and the mitigating controls that will be put in place. Risk factors to be assessed include:

- barriers to entry into and exit out of the market concerned;
- the nature and level of competition;
- how the market and customer needs will evolve over time;
- ongoing need for further investment to be made; and
- whether there is sufficient internal capacity to assess the business case and risks relating to the proposal.

An initial review of each proposal will be carried out by Council officers, intended to determine whether there are any risks apparent at that stage which indicate that the proposal should not be proceeded with. Provided this is not the case and it has also been determined that there is a worthwhile business case for further consideration, a more detailed risk assessment will be carried out. Where necessary, owing to lack of internal expertise, external advisors may be used to assist with the assessment of appropriate risks. Any other appropriate sources of information may be used to assess and monitor risk,

including credit ratings, if these are relevant. Data used to monitor ongoing risk will be reviewed regularly and appropriate action will be taken if there are any indications of increasing risk or risks materialising.

The Council will consider the following points:

- the degree to which the loan complies with corporate policies and furthers corporate objectives;
- the overall desirability of the activity which the loan is intended to fund;
- affordability in terms of the use of capital or other resources and impact on the revenue budget;
- the likelihood that the loan will be repaid in accordance with agreed terms; and
- the total amount of loans already made to ensure that as a whole the Council is not over-exposed to the risk of default.

All proposed loans will be subject to approval by members, normally via Full Council, following consideration of a report setting out all relevant matters, including compliance with the above criteria.

All loans will be subject to credit control arrangements to recover overdue repayments. Credit risk will be determined by reference to the “expected credit loss” model for loans and receivables as set out in International Reporting Standard (IFRS) 9 Financial Instruments.

Service Investments: Shares

Contribution: The Council currently does not invest in the shares of suppliers and local businesses in order to support local public services and stimulate local economic growth. This is due to the nature of the risks associated with investing in shares i.e. they are volatile and may fall in value meaning that the initial outlay may not be recovered. If the Council was to consider investing in shares, then in order to limit the risk, upper limits on the sum invested in each category of shares would need to be set.

Shares held for service purposes in £ thousands

Category of company	31/03/2018 actual			2019/20
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Suppliers	0	0	0	250
Local businesses	0	0	0	250
TOTAL	0	0	0	500

Non-specified Investments: Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Council’s upper limits on non-specified investments. The Council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

If the Council were to consider placing funds in any other type of investment which would be categorised as Non-Specified, the security of the capital sum would be the paramount concern. The same requirements as to credit ratings relating to Specified Investments will

apply, and in appropriate cases the advice of the Council's treasury management advisors will be sought.

Commercial Investments: Property

Contribution: The Council invests in local commercial property with the intention of making a profit that will be spent on local public services. These are held primarily to earn income to be used to support the revenue budget although in some cases there may also be a contribution towards the economic wellbeing of the Borough.

Security: In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

A fair value assessment of the Council's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment.

The majority of the investment property portfolio was acquired some time ago and there is no debt associated with any of the properties and the initial investment costs have been recouped many years ago. Investment properties are valued at fair value. The values of the properties will fluctuate according to market conditions prevailing from time to time, however these fluctuations do not constitute losses of capital invested. The value of investment properties included in the Council's balance sheet as at 31 March 2018 is £17.835m.

If there are any new commercial investments funded from borrowing, their value will be monitored to determine whether it is sufficient to act as security for the capital invested and outstanding borrowing. If there is a significant fall in value then this will be reported to members.

Risk assessment: There are risks associated with making and holding commercial investments which require assessment and management.

With regard to the Council's current portfolio of commercial investments, comprising investment properties, the main risk is of not achieving the budgeted amount of income or of expenditure exceeding budgeted amounts. These risks are assessed and provided for via the assessment of the appropriate amount to hold in reserve in General Fund Balances. If the result of the assessment shows that current levels are inadequate, the necessary additional contribution will be made via inclusion in the Medium Term Financial Strategy.

With regard to consideration of proposed new commercial investment there will be additional risks to be assessed and taken account of. The degree of control which the Council has over the materialisation of these risks and its ability to mitigate them should they arise will be important considerations. In most, if not all, cases the Council will be operating in a competitive environment and possibly one which it is not experienced in operating within, all of which increases the level of risk.

A comprehensive risk assessment, taking account of all appropriate factors, will be carried out on an individual basis for each investment proposal. The risks inherent in the proposal will be reported to members when it is placed before them for consideration together with an assessment of the likelihood of any of them materialising, their impact on the revenue budget and otherwise and available mitigation measures. Risk factors to be assessed include:

- barriers to entry into and exit out of the market concerned;
- the nature and level of competition;
- how the market and customer needs will evolve over time;
- ongoing need for further investment to be made, for example to adapt investment property or repair defects or carry out cyclical maintenance; and

- whether there is sufficient internal capacity to assess the business case and risks relating to the proposal.

An initial review of each proposed investment will be carried out by Council officers, intended to determine whether there are any risks apparent at that stage which indicate that the proposal should not be proceeded with. Provided this is not the case and it has also been determined that there is a worthwhile business case for further consideration of the investment, a more detailed risk assessment will be carried out. Where necessary, owing to lack of internal expertise, external advisors may be used to assist with the assessment of appropriate risks. Any other appropriate sources of information may be used to assess and monitor risk, including credit ratings, if these are relevant. Data used to monitor ongoing risk will be reviewed regularly and appropriate action will be taken if there are any indications of increasing risk or risks materialising.

An independent review shall be undertaken by external investment property advisors on the Council's existing commercial property portfolio. The recommendations from this review will be actioned where necessary.

Liquidity: Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. There is no outstanding borrowing in relation to the current portfolio so any sales proceeds would be available in full to support capital investment.

In the case of any future commercial property investments, the likely degree of liquidity will be a consideration in deciding whether to make the investment.

Loan Commitments and Financial Guarantees

Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Council and are included here for completeness. To date, the Council is not contractually committed to make any loans.

Proportionality

The Council is dependent on profit generating investment activity to achieve a balanced revenue budget. The table below shows the extent to which the expenditure planned to meet the service delivery objectives of the Council is dependent on achieving the expected net profit from investments over the lifecycle of the Medium Term Financial Plan.

Net investment property income is subject to fluctuation according to market conditions and other factors such as bad debts and unforeseen expenditure. Accordingly the possibility of shortfalls in contribution towards the revenue budget from this source is one of the factors specifically taken into consideration in calculating the level of General Fund balance to be held as a contingency against adverse budget variances. Currently a total of £1.200m is held in balances to cover this and other risks and can be drawn upon in the event of risks materialising.

It is not planned to vary the amount of investment property held in the short term. However, in accordance with the Asset Management Strategy, all such property will be kept under review to determine whether the return obtained justifies retention and there may be instances where it is decided to dispose of property to obtain a capital receipt. The net contribution made towards balancing the revenue budget and the options for replacing any significant loss of income will be one of the factors taken into account when determining whether or not to dispose of a property.

Borrowing in Advance of Need

The Prudential Code for Capital Finance in Local Authorities (2017) issued by CIPFA states that local authorities should not borrow more than or in advance of their needs purely to profit from the investment of the extra sums borrowed. This is repeated in the Statutory Investment Guidance issued by the Ministry of Housing, Communities and Local Government.

The reasons for making an investment are unlikely to be purely in order to make a profit since investments may also be made with the intention of furthering corporate aims or service objectives, such as economic regeneration.

Accordingly, borrowing will be permitted in respect of Other Investments. The Council will consider each proposal to borrow on its merits. As well as the corporate or service benefits due regard will be given to the financial impact upon the revenue budget in terms of capital financing costs.

All borrowing will be subject to approval by members, normally via Full Council, following consideration of a report setting out all relevant matters, including those referred to above.

Capacity, Skills and Culture

Council members and staff involved in dealing with Other Investments will have regard to the provisions of the CIPFA Prudential Code and the regulatory regime within which local authorities operate when carrying out these functions.

Investment in commercial property is a specialist area and the Council does not presently have sufficient skills and knowledge in house to effectively appraise investment proposals or to negotiate with third parties or manage certain types of investment on an ongoing basis. Accordingly, it will be necessary to supplement internal resources with external advice, commissioned on a case by case basis and where asset management is required external managers may need to be employed, particularly if investment is made in residential property.

Decisions to make Other Investments and the means of financing them will be subject to member approval. This will normally be by Full Council (but may be by Cabinet where permitted by the Council's Constitution). Members will consider a report setting out all matters relevant to the making of an investment before making a decision. The normal scrutiny and call-in arrangements will apply.

The Investment Strategy will be approved by Full Council.

Investment Indicators

The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

Gross and Net Income - Historic and Current Year

	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Estimate
	£'000	£'000	£'000	£'000
Commercial Properties				
Gross Income	1,259	1,294	1,327	1,004
Gross Expenditure	(571)	(749)	(871)	(649)
Net Income	688	545	456	356
Net Service Expenditure (Whole Council)	(6,235)	(6,510)	(6,776)	(7,010)
Ratio of Net Income to Net Service Expenditure	11.03%	8.37%	6.73%	5.08%

Gross and Net Income - Over Period of Approved Medium Term Financial Strategy 2019/20 to 2023/24 – Based on 2% increase on 2018/19

	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
	£'000	£'000	£'000	£'000	£'000
Gross Income	1024	1045	1065	1087	1108
Gross Expenditure	(662)	(675)	(689)	(702)	(717)
Net Income	362	369	377	384	392

Vacancy Levels

2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Target
%	%	%	%
7.3	8.3	7.7	12.0

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ECONOMY, ENVIRONMENT AND PLACE SCRUTINY COMMITTEE

CHAIR'S REPORT

The Economy, Environment & Place Scrutiny Committee has held one meeting since the last full Council meeting. In this meeting the committee had a presentation from HS2 representatives on the construction traffic implications around junction 15 of the M6 and the mitigation measures planned to be undertaken as a result of this. There was also information presented on a possible new junction between junction 15 and 14 for sole use of HS2 vehicles. All of this was received to help the committee in its process for lobbying for a smart motorway between junctions 15 and 16.

An update was given and received on the latest recycling and chargeable plans for garden waste, focussing on the communications aspect and the contingency plans in place for inclement weather.

An update was given and received on car parking within the Borough and examples of financial consequences of free parking on certain days and times were tabled. The committee is now waiting on the cabinet coming forward with its next steps on the 10 year forward plan.

A brief report was received on the Borough Market management and a more comprehensive report is expected in March.

Finally a report was received on the discretionary grants scheme.

Cllr Gary White
Chair E,E&P Scrutiny Committee

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HEALTH, WELLBEING AND PARTNERSHIPS SCRUTINY COMMITTEE

CHAIR'S REPORT

Meeting held on 3 December

Minutes received for 10 September 2018 and approved.

Minutes of Healthy Staffordshire Select Committee for 17 September 2018 - approved.

Report received from Britain in Bloom - an excellent result for the Borough and the volunteer community groups, long may it continue.

Report from SPACE - an increase in attendance this year, approx 1106, which resulted in a reported 41% drop in ASBs over Staffordshire and Stoke-on-Trent. The most significant drop was in Newcastle - 69 reported youth ASBs compared to 147 during the same period last year. It was also stated that if we knew the amount of grant available from the Police Commissioner was known earlier, more could be planned. A letter has been sent to Matthew Ellis.

Report of Community Recreation and Leisure Strategy was received along with Evaluation of Impact and effectiveness Of Educational Community Recreation Programmes.

Introduction to climbing for young people aged 7 and up at Jubilee 2 introduced 400 young people to this scheme.

Swimming England Learn to Swim programme - the programme is taught for 48 weeks of the year with each course lasting for 12 weeks. In excess of 900 individuals participated.

Brampton Museum Educational Service - The Museum offers an exciting and popular programme for schools which links with the National Curriculum. In 2017/2018 the Museum received visits from 42 schools, mainly from the Newcastle under Lyme and Stoke-on-Trent areas but some also from Cheshire; this amounted to 2300 schoolchildren.

Parkinson's Disease - Councillors Maxfield and Panter finished their project on Parkinson's and the booklet was overwhelmingly received by both the Borough and outside agencies and groups. This project started and finished well within the allocated time and both Councillors have raised awareness as well as raising the bar for the committee itself. A good job very well done.

CCTV Report - recommendation to upgrade the current CCTV system subject to the views of the Health, Well being partnership committee. This would include monitoring arrangements via a paid service.

Cllr Ian Wilkes
Chair of HWP Scrutiny Committee

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Report to Full Council (January 2019) from the Chair of Licensing & Public Protection

The Licensing & Public Protection Committee has met once since the last Full Council, on 11th December. Members received reports on the following principle headings:

- Taxi Policy Update and Consultation.

Members supported an extension to the consultation period, following a request from representatives of the trade. The consultation will now run until 14th Feb 2019.

- Public Protection and Public Protection Sub Committee Arrangements.

Consideration was given to a report seeking Members approval for changes to the arrangements for the Public Protection Sub-Committee meetings. The changes have been made to accommodate Members availability for the meetings.

A programme of meetings and nominated members to be developed. The Public Protection Sub Committee to include 4 members per Sub Committee to ensure a quorum of 3 members in attendance.

- The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018.

Consideration was given to a report advising Members of changes that had occurred as a result of the Animal Welfare (Licencing of Activities Involving Animals) (England) Regulations 2018 which came into force on 1st October 2018.

Members were advised that staff would require additional training in the future and that this work had to be prioritised.

- Extended Use of Fixed Penalty Notices.

Consideration was given to a report seeking Members approval to increase the number of environmental offences where enforcement may be delivered through the issuing of penalty notices. The two new provisions will be small scale fly tipping and littering from vehicles.

Cllr Mark Olszewski

Motion to Council January 2019

Ethical Debt Collection

People fall into debt for a variety of reasons for example unemployment, relationship breakdown and illness. It is a counter-intuitive fact of our society that just when people are at their most vulnerable creditors utilise tactics that further add stress, increase debt and hinder the financial recovery of the individual. The use of bailiffs to collect council tax arrears is one example of such a strategy that has a significant impact on our vulnerable residents already struggling.

Two local authorities, Hammersmith and Fulham¹ and more recently Bristol City Council² have adopted innovative ethical debt recovery policies that aim to phase out the use of bailiffs. Such policies have been welcomed by charities such as the Money Advice Trust, The Children's Society, StepChange Debt Charity and Citizens Advice Bureau.

The latter charity produced a report³ in November 2018 reviewing the impact of 2014 rule changes to bailiff regulations and national standards. They concluded that the reforms to the industry have not worked and the lack of an independent regulator is a significant factor in this lack of progress. They ask that the government, in its post-implementation review⁴, consider the introduction of such a regulator.

This council believes:

That it is incumbent on all local authorities to show care and consideration to its residents and not cause additional stress and debt burden to those in financial difficulty in pursuit of council tax arrears.

That the use of bailiffs should not be used in the collection of council tax owed by individual residents.

This council resolves:

To review its debt collection policies and implement an ethical debt collection approach

To reduce or cease entirely its use of bailiffs

To write to the government supporting the Citizen's Advice Bureaus call for an independent regulator for the debt collection sector.

Proposed: Allison Gardner

Seconded: Sara Pickup

¹ <https://www.lbhf.gov.uk/articles/news/2017/07/new-ethical-approach-debt-collection-hf>

² https://www.bristolpost.co.uk/news/bristol-news/council-cut-back-heavy-handed-1854032?fbclid=IwAR0Swx7MJ1crEeTGNFJVep_BXbOrSJbs3gR7q1DVVWGWONmY-A9TDE39nf84

³ <https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/debt-and-money-policy-research/a-law-onto-themselves-how-bailiffs-are-breaking-the-rules/>

⁴ <https://www.gov.uk/government/consultations/review-of-enforcement-agent-bailiff-reforms-call-for-evidence>

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The Future of our Local Health Services (North Staffordshire)

This consultation aims to determine the requirement and location of community care beds and the introduction of 4 integrated care hubs in North Staffordshire located in Newcastle-under-Lyme, Stoke South, Stoke North and Staffordshire Moorlands.

Within this process campaigners and stakeholders involved in engagement events were presented with bed modelling for North Staffordshire of 132 community beds, reduced from 264. Note that this reduction has not been through a consultation process and de facto results in closure of community hospitals in North Staffordshire.

The consultation went live in December 2018 and closes on March 17th 2019. The aims of the consultation are to determine:

- How community-based services can be delivered differently in a more integrated way, closer to home
- How to make better use of community hospital rehabilitation beds
- How to ensure consultant-led outpatients clinics work more efficiently and importantly, ensure consultants have more time with patients and less time travelling.

The current CCG options for location of the integrated care hubs in Newcastle are:

- Option 3a One hub: Hub services delivered from existing Bradwell site
- Option 3b One hub: Hub services delivered from Milehouse LIFT with Bradwell hospital estate repurposed.

The stated preferred option is option 3a. However, there is concern with campaigners that it is not a given that option 3a will be chosen without strong local support. Note that should option 3b be selected this could signal the complete loss of Bradwell Hospital.

Options for Community Beds:

This is based on the provision of 132 community beds. 77 beds will be based at Haywood Community Hospital and so the consultation is based on the further location of the remaining 55 beds.

The options are as follows:

1. Provision at The Haywood Hospital
2. provision across Haywood Hospital and Leek Moorlands Hospital
3. provision across Haywood and Longton Cottage Hospital
4. provision across Haywood and Cheadle Hospital
5. provision across Haywood and Bradwell Hospital
6. provision across Haywood and Care Homes

Despite scoring lowest by engagement groups option 6 is the preferred option for the CCGs.

This council believes:

Bradwell Hospital is a well loved and used asset to the borough

The best integrated care hub option for Newcastle-under-Lyme Borough and its surrounds is option 3a Bradwell Hospital.

The best option for the location of 55 community care beds is option 5 provision across Haywood and Bradwell Hospital

This council resolves:

To publicly reaffirm its commitment to supporting the future of Bradwell Hospital as a community hospital with functioning wards.

To have the Leader of the Council and the Chief Executive to write to:

- Sir Neil McKay: Independent Chair Together We're Better,
- David Pearson: Vice Chair Together We're Better,
- Simon Whitehouse – Director Together We're Better,
- Marcus Warnes CCG Accountability Officer,
- Alan White, Staffordshire County Council Cabinet member for Health, Care and Wellbeing

reiterating point 1, expressing concern at the 50% community bed reduction without consultation and affirming its preferred options for the current consultation (hub: option 3a and beds: option 5).

To encourage members to respond to the consultation in line with the recommended options (hub option 3a and beds option 5), available at <https://www.healthservicesnorthstaffs.nhs.uk/>

To encourage members, officers and residents to attend the CCG consultation workshop event on Wednesday 13th February at Holy Trinity Community Centre London Road, Newcastle-under-Lyme, Staffordshire, ST5 1LQ <https://www.eventbrite.co.uk/e/future-of-local-health-services-public-event-newcastle-under-lyme-tickets-53436899204>

To support the Battle for Bradwell campaign relaunched on 26th January in asking and facilitating Newcastle residents to respond to the current consultation.

Proposed: Allison Gardner

Seconded: Andrew Fox-Hewitt

Supplementary material:

This council has consistently supported the ongoing campaign to keep Bradwell Hospital a fully functioning community hospital with wards available for step up and step down care. The value of having specialist, NHS, staff providing such intermediate care and rehabilitation in Bradwell Hospital has repeatedly been highlighted by members and our residents.

The original reasoning for closing the community beds, under My Way My Care Home First, was that people prefer to receive care at home and that they become deconditioned when lying in hospital beds. The drive was also in response to the numbers of patients experiencing delayed discharge due to a lack of care at home.

NHS staff, unions, campaigners, councillors and residents all understood and agreed with the argument that care, when possible, was better at home. However, they critiqued the current logic due to the cuts in community care and difficulties in recruiting, for example, district nurses. Indeed, we have seen growing cuts in NHS community care and also within social care, another example being the loss of cardiac care nurses.

It is equally important to note that the award-winning, teams that worked at Bradwell Hospital before the 2016 closures were specialists in rehabilitation and intermediate care. This meant that patients did not suffer deconditioning because they were encouraged to get out of bed and wear day clothes, do their hair and be mobile. Bradwell had the facilities where a full assessment was possible in determining if someone was physically fit to leave full care.

Now, in 2019, concerns have repeatedly been expressed as to the efficacy and safety of the services implemented in place of functioning community hospitals under Home First and Discharge to Assess. Questions have also been raised regarding the high rates of readmittance following discharge, indicating people are returned home before they are physically fit and safe to do so.

In addition, whilst acknowledging people of all ages require intermediate care, the needs of our growing elderly population are a significant concern. The CQC Report: Staffordshire Systems Review – Report into Services for Older People noted that care home choice can be restricted and that quality varies. It also noted that some of our elderly resident's experience difficulties accessing suitable care and support in the community.

Residents in Newcastle value Bradwell Hospital as an accessible hospital, with good parking, modern feel and pleasant surrounds. The clinics run at Bradwell are heavily used and well thought of. The loss of the intermediate care, palliative care and dementia wards have caused hardship to local residents, physically, mentally and financially, as our casework has illustrated.

It is worth recalling that the original drive to close our community hospital, under My Care My Way Home First was severely criticised by councils in North Staffordshire and were referred to the Secretary of State for Health and Social Care. The resultant Independent Reconfiguration Panel report condemned the CCGs and stated they had failed to make the case for change. The report stated:

“The bed modelling presented to the committee in September 2015, has proved entirely incorrect and misleading”

Despite this damning report the CCGs have continued to pursue a complete reconfiguration of our local health service under a new consultation process: The Future of our Local Health Services (North Staffordshire) by Together We're Better, Staffordshire's Sustainability and Transport Plan partnership.

This consultation, by its modelling for 132 community beds, and stating a preferred option for care homes over community hospitals, de facto results in the closure of community hospitals without formal consultation.

The case for Bradwell Hospital being the site for the integrated care hub is as follows:

On the key benefits: Meets needs; clinical sustainability; quality care and national and local strategy Bradwell scores higher than the Milehouse LIFT, particularly in the categories “meets needs” and “clinical sustainability”. Additionally, Bradwell has a greater number of clinical rooms which will aid the quality of care.

Bradwell scores lower in terms of accessibility but distance and score difference is very marginal.

Bradwell does cost more than the Milehouse LIFT but the difference in overall scoring is not large. Significantly Bradwell Hospital provides a greater return on investment than Milehouse LIFT

The case for Bradwell Hospital being the site for community beds is as follows:

Although all the hospitals require some investment Bradwell however does not require any capital costs to increase bed capacity (as is required for Leek Hospital with a cost of £11 772 691) as it already has sufficient of 64 beds capacity (and therefore the flexibility to manage surges in demand).

A common comment by reference groups was that Bradwell Hospital was difficult to access but analysis shows that the average travel time by car is broadly in line with other options. It should be noted that feedback in some groups was heavily partisan which will have weighted the feedback and may explain the contradiction.

It should also be noted that Bradwell Hospital's proximity to the Royal Stoke, which patients are used to travelling to, means that diversion to Bradwell is not a significant change. Additionally, the proximity of Bradwell benefits the Royal Stoke which have repeatedly required the wards to be re-opened during severe pressures.

The case put forward by the CCGs for use of care homes is complex, piecemeal and not robust given that it is dependent on private care homes which can vary from year to year in care quality and ownership. Indeed, since 2016 it has been the case that beds have been commissioned in care homes that subsequently have been found requiring improvement by the CQC and changes to plans required.

Noting that the Independent Reconfiguration Panel report commented:

“...the CCGs present plans that they simply do not carry through and make decisions that do not turn out as intended. They seem to have been overtaken by events and demonstrated a lack of both capacity and capability to implement major change with their partners.”

It does not bode well that rather than a simple, one site option that centralises the services and staff the CCG are opting for an insecure, complex but cheaper model.

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