

Shropshire Council  
 Legal and Democratic Services  
 Shirehall  
 Abbey Foregate  
 Shrewsbury  
 SY2 6ND  
 Date: 15 September 2021

**Committee: Council**

**Date: Thursday, 23 September 2021**

**Time: 10.00 am**

**Venue: The Auditorium - Theatre Severn, Frankwell Quay, Frankwell, Shrewsbury. SY3 8FT**

You are requested to attend the above meeting. The Agenda is attached

**Members of the Council** – a briefing note will be circulated by e-mail prior to the meeting with important housekeeping details and arrangements for the morning.

**Members of the Public** – there will be some access in the Theatre for the public to attend the meeting. If you wish to attend the meeting please e-mail [democracy@shropshire.gov.uk](mailto:democracy@shropshire.gov.uk) to check whether a seat will be available for you.

Members of the public will be able to access the live stream of the meeting by clicking on this link

[www.shropshire.gov.uk/CouncilMeeting23Sept21](http://www.shropshire.gov.uk/CouncilMeeting23Sept21)

Tim Collard  
 Interim Assistant Director – Legal and Democratic Services

Vince Hunt (Chairman)	Ted Clarke	Tracey Huffer
Brian Williams (Vice Chairman)	Gerald Dakin	Kirstie Hurst-Knight
Lezley Picton (Leader)	Rosemary Dartnall	Mike Isherwood
Steve Charmley (Deputy Leader)	Steve Davenport	Mark Jones
Roy Aldcroft	Mary Davies	Simon Jones
Jeff Anderson	Julian Dean	Duncan Kerr
Caroline Bagnall	Geoff Elner	Heather Kidd
Nicholas Bardsley	David Evans	Christian Lea
Joyce Barrow	Julia Evans	Hilary Luff
Bernie Bentick	Roger Evans	Nigel Lumby
Thomas Biggins	Paul Gill	Elliott Lynch
Ed Bird	Rob Gittins	Robert Macey
Andy Boddington	Nat Green	Richard Marshall
Peter Broomhall	Kate Halliday	David Minnery
Julia Buckley	Simon Harris	Dan Morris
Garry Burchett	Nigel Hartin	Pamela Moseley
Gwilym Butler	Nick Hignett	Alan Mosley
Dean Carroll	Ruth Houghton	Cecilia Motley
	Richard Huffer	Peggy Mullock

Ian Nellins  
Kevin Pardy  
Vivienne Parry  
Tony Parsons  
Ed Potter  
John Price  
Chris Schofield

Dan Thomas  
Robert Tindall  
Edward Towers  
Dave Tremellen  
Kevin Turley  
David Vasmer  
Alex Wagner

Claire Wild  
Rob Wilson  
Leslie Winwood  
Paul Wynn

Your Committee Officer is:

**Amanda Holyoak**

Tel: 01743 257714

Email: [amanda.holyoak@shropshire.gov.uk](mailto:amanda.holyoak@shropshire.gov.uk)

# AGENDA

## 1 Apologies for Absence

## 2 Disclosable Pecuniary Interests

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

## 3 Minutes (Pages 1 - 18)

To approve as a correct record the minutes of the previous meeting held on 15 July 2021

## 4 Announcements

To receive such communications as the Chairman, Leader and Head of Paid Service may desire to lay before the Council.

## 5 Public Questions

To receive any questions from the public, notice of which has been given in accordance with Procedure Rule 14. Deadline for notification is 10am on Tuesday 21 September 2021

A petition, bearing over 1000 signatures has been received from Rachel Connolly, requesting a debate under the Council's Petition Scheme. The petition requests that the Council:

Hold a full member debate on the rationale and impact of Kier and Shropshire Council's proposal to centralise the highways service delivery by closing the 2 depots serving the East of the county. Members are asked to consider whether closing and selling off the depots in Bridgnorth & Hodnet is in the interests of local residents and quality of service. Members will take a vote on whether the proposed closures should go ahead or not.

The petitioner will be allowed 5 minutes to outline their case, after which there may a debate of up to a maximum of 15 minutes

## 6 Annual Treasury Report 2020/21 (Pages 19 - 36)

Report of the Executive Director, Resources is attached

Contact: James Walton. Tel. 01743 258915

## 7 Annual Assurance Report of the Audit Committee to Council 2020/21 (Pages 37 - 54)

Report of the Executive Director, Resources is attached

Contact: James Walton. Tel. 01743 258915

## **8 Changes to the Appointment of the External Auditor**

Report of the Executive Director, Resources **TO FOLLOW**

Contact: James Walton. Tel. 01743 258915

## **9 Adoption of LGA New Model Code of Conduct (Pages 55 - 76)**

Report of the Interim Assistant Director – Legal and Democratic Services is attached

Contact Tim Collard. Tel. 01743 252756

## **10 Appointment of Monitoring Officer**

At the last Council meeting the report entitled Changes to the Constitution explained that the Assistant Director of Legal and Democratic Services (“ADLADS”) would be designated (when the post is appointed to permanently) as the Monitoring Officer upon the retirement of the Director of Legal and Democratic Services. Claire Porter has now retired but it has not yet been possible to appoint permanently to the ADLADS role and therefore, in the meantime, it is recommended that the current interim ADLADS, Tim Collard, is appointed as Monitoring Officer of the Council on a temporary basis until the post is filled permanently.

## **11 Allocation of Committee Seats and Appointments (Pages 77 - 82)**

Report of the Interim Assistant Director – Legal and Democratic Services is attached.

Contact Tim Collard. Tel. 01743 252756

## **12 Motions**

The following motions have been received in accordance with Procedure Rule 16:

**1 The following motion has been received from Councillor Duncan Kerr and is supported by the Green Group**

**Motion to Shropshire Council on White Ribbon Accreditation.**

According to the Government (<https://www.gov.uk/government/publications/domestic-abuse-bill-2020-factsheets/domestic-abuse-bill-2020-overarching-factsheet> ) over 2.3 million people suffer domestic abuse each year at a total cost to the public purse of over £66bn. We also know that two women a week lose their lives to domestic abuse and this number has increased during the Covid lock-down.

In Shropshire Domestic Abuse is a major cause of the escalating number of children being made subject to a Child Protection Plan and is the single biggest reason for Section 42 adult safeguarding enquiries and conclusions. West Mercia Police report that it accounts for 17% of reported crimes with a 22% increase year on year (<https://www.westmercia-pcc.gov.uk/app/uploads/2020/11/PCC-Domestic-Abuse-Strategy-V4.pdf?x13793&x41491>).

We are sure that all members of the Council welcome the Domestic Abuse Act 2021 which provides for a legal definition of domestic abuse and increases the powers and responsibilities of the Council to victims and survivors. However, if we really care about

these victims we need to go further than simple legal compliance and follow the many Councils who are leading their communities in taking a stand against domestic abuse by becoming White Ribbon Accredited organisations.

This motion therefore resolves that Shropshire Council will seek to become an accredited White Ribbon Authority by March 2022.

## **2 The following motion has been received from Councillor Rob Wilson and is supported by the Liberal Democrat group**

### **Active Travel**

This council notes:

1. Shropshire Council declared a Climate Emergency in May 2019.
2. Shropshire Council unanimously voted to support Gear Change and ensure that all cycle infrastructure in Shropshire conforms to LTN 1/20 in September 2020.
3. In April 2021 Shropshire appointed an Active Travel Officer to lead on the development of a Local Cycling and Walking Infrastructure Plan for Shropshire (LCWIP), as well as other active travel projects.
4. According to the Cabinet Member for Highways and Infrastructure, the total capital budget available to highways for 2021/22 is approximately £28.5m.
5. £0.314m has been specifically allocated to active travel measures, this is just over 1%, and approximately £1 per head of population.
6. Shropshire Climate Action Partnership (of which Shropshire Council is a founding member), Living Streets, Sustrans and Cycling UK all agree that Local Authorities should commit 10% over their highways budget to Active Travel.
7. In Scotland it was announced in August 2021 that the governing parties will increase the proportion of Transport Scotland's budget spent on Active Travel initiatives so that by 2024-25 at least £320 million or 10 per cent of the total transport budget will be allocated to active travel. That's around a threefold increase on the 3.5 per cent of the transport budget currently allocated to active travel. This is nearly £60 per head of population.
8. Research by Nottingham Trent University in 2020 determined that Local Authorities spend on average £2 per head of population on active travel.
9. Research by Cycling UK in 2021 determined that Local Authorities spend on average per head of population £2.58 on active travel measures from Core Funding.
10. In Groningen in the Netherlands they spend €85 euro per head of population.
11. The economic case for investment in active travel is strong. We get £5.50 for every £1 we invest and the benefits are cross-cutting: a healthier population; stronger, safer local communities; better access to jobs and education; and lower levels of pollution.
12. Enabling active travel is important in Shropshire's rural and urban communities alike.
13. Research by YouGov in July 2020 found that 77% of the people in the UK are in support of road space reallocation to enable safer cycling and walking.
14. To date Shropshire has been awarded £86,000 from Tranche 1 of the Active Travel Fund, and £259,500 from Tranche 2.
15. In "Gear Change: one year on" (July 2021) it was stated by the Government that Local Authorities who do not take Active Travel seriously will see their funding reduced.
16. On 28 July 2020, the Government of the United Kingdom announced the establishment of Active Travel England as part of a Gear Change. Active Travel England will be an inspectorate and funding body. Active Travel England will act as

a statutory consultee within the planning system to press for adequate walking and cycling provision in all developments over a certain threshold.

This council resolves:

1. To make Active Travel England a statutory consultee on all planning applications in Shropshire.
2. To support the ambition of 10% of highways funding being allocated to active travel measures.
3. To ensure that all active travel measures conform to LTN 1/20.
4. That the Cabinet Member for Highways should report to the Council in September of each year, what percentage of the total highways budget has been spent on active travel measures in the preceding financial year.
5. To increase spending on Active Travel Measures by 3% of the total highways capital budget each year.
  - a. 2022/23 – 4% of the total highways budget
  - b. 2023/24 – 7% of the total highways budget
  - c. 2024/25 – 10% of the total highways budget

**3. The following motion has been received from Councillor Alex Wagner and is supported by the Liberal Democrat group**

**Motion of support for the 'Shrewsbury Horseshoe' bus route**

Council notes:

- The Government's recent Bus Back Better Campaign which calls on Shropshire Council to construct a comprehensive Bus Service Improvement Plan (BSIP)
- The Government's Active Travel Policies – Local Cycling and Walking Infrastructure Plan (LCWIP) , Mini Holland Bids, Low Traffic Neighbourhoods and School Streets Initiative.
- Shropshire Council's support for the Shrewsbury Big Town plan and the Government's Active Travel Policies
- That there is an urgent need to dramatically reduce our carbon footprint.
- That current bus services in Shrewsbury do not link places that people need to visit - a poor service for those who do not own car and not one that will encourage car owners to leave their vehicle at home.
- The 'Shrewsbury Horseshoe' bus route proposal as discussed at the 13th September Shrewsbury Town Council meeting, in the Shropshire Star, and as supported by Shrewsbury Town FC, the Bus Users Shropshire Group, and the Zero Carbon Shropshire Group.

# Shrewsbury Peripheral Bus Route Proposal

Councillor Bernie Bentick - August 2021



Council resolves;

- To support the proposal for a new 'Shrewsbury Horseshoe' peripheral bus route and its potential to be an integral part of the Bus Service Improvement Plan (BSIP).

**4. The following motion has been received from Councillor Roy Aldcroft and is supported by Councillors David Evans, Kirstie Hurst-Knight and John Price.**

## **Closure of Community Ambulance Stations**

As local representatives of our communities we are concerned that West Midlands Ambulance Service is proposing to close Community Ambulance Stations across Shropshire. The reason given being the costs of these rest points and operational efficiency. We are also very unhappy that the town councils have not been advised or consulted about this review.

We do not agree with the closure of the Community Ambulance Stations in Shropshire for the following reasons:

- a. The public have always been keen to support their local ambulance stations. During the 1990's the service was reliant from all four of these areas to buy lifesaving paramedic equipment and supporting Community First Responder Schemes. The community identifies with its ambulance station in a similar way to community fire stations.
- b. Given that Ambulance Crews are mobile almost as soon as their shift starts, the 'local crew' may not spend much time at their station. That includes the hubs at Shrewsbury and Donnington. With that we agree, however, those crews are travelling areas all over the West Midlands and may make use of these Community Stations for short periods instead of returning to the hubs at Shrewsbury and Donnington.
- c. The stations deemed for closure are all in the vicinity of major routes, the A5, A49, A53 and A442 used by many ambulances as they answer or return

from calls. These Community Ambulance Stations give an added layer of flexibility for crew welfare and standby along major routes. After all we don't want to return to the days of using laybys as standby points.

- d. Community Ambulance Stations provide a backup in remote parts of the county where crews can get a break, wherever they started from. This provides an element of 'rolling cover' throughout this, the largest inland county in the UK particularly in a county with regular floods and snow challenges.
- e. The amount of money saved will be minimal, just enough to equip a modern ambulance, rather than the ambulance or its crew.
- f. Patient handovers at receiving hospitals have been a major problem for many years even before the pandemic. Losing 1,000 hours of operational time in July 2021, taking something like 85 ambulances off the road. Now, that does have serious financial consequences. Now that does need sorting!

This proposed closure exercise merely tinkers around the edges it does not address the biggest drain on resources. When paramedic crews are held at hospital for such long periods, is it not the case that High dependency crews, without the equipment and training, are attending Cat 1 and Cat 2 calls until qualified assistance is available?

For these reasons we strongly object to the closure of these Community Ambulance Stations and therefore this Council resolves to:

1. Ask the Leader and Chief Executive to write to West Midlands Ambulance Service to express our opposition to the proposed closures
2. Ask the Leader and Chief Executive to write to local MPs to raise the proposals with the Secretary of State for Health & Social Care

## **5 The following motion has been received from Councillor Nat Green and is supported by the Liberal Democrat Group**

### **Motion of support for blue-badge friendly Shrewsbury Town Centre pedestrianisation**

Council notes;

- Trial pedestrianisation of Shrewsbury Town Centre was a success, with footfall above pre-pandemic levels despite a national slump of 20%.
- Data from the Shrewsbury Business Improvement District shows that 80% of businesses in Shrewsbury Town Centre would like some form of pedestrianisation to be in place – with most businesses favouring complete closure rather than allowing some vehicles through.
- Support from residents of Town Walls and other local streets for the introduction of Low Traffic Zones in Shrewsbury Town Centre.

This Council resolves to;

- Reintroduce a weekend closure trial, addressing concerns with disabled access.
- Reintroduce daily closures on Milk Street and The Square to allow hospitality businesses to have additional space available for customer use
- Work with the Shrewsbury Big Town Plan Partners to address concerns raised during the trial and develop a holistic strategy to reduce through traffic



## **6 The following motion has been received from Councillor Julian Dean and is supported by the Green Group**

### **Carbon Tax**

Concentrations of CO<sub>2</sub> in the atmosphere continue to rise despite international agreements. Whilst targets can serve a purpose, what has been lacking are mechanisms to drive down emissions quickly. Crucially, this means a Carbon Tax, given that 'Cap and Trade' systems have failed to drive the change we need.

The moral and economic case for such a tax rests on the 'polluter pays' principle:

- Currently the costs of climate breakdown are not born by the industries and activities that are causing the damage but by people and communities coming under increasing pressure and danger. As The Economist leader states (17/7/21); 'The opportunity to pollute the atmosphere without penalty is ... a kind of distorting subsidy'.
- A Carbon Tax, set at the right level, will drive fossil fuel burning out of the economy and promote investment in clean alternatives.
- Applied at the border it will have the same effect internationally.

Such a tax will produce a dividend that can be used to ensure a just transition for communities facing rapid change, as well as to help communities around the world adapt to the inevitable change and disruption that climate breakdown is already bringing.

This approach is supported by a broad coalition of NGOs and civil society groups and was recently included in a set of proposals from the European Commission. COP26 should establish an international carbon tax framework, but if this doesn't happen, the UK and other countries wishing to show leadership should introduce their own carbon taxes. . By including border tax adjustment this can drive other economies to follow suit.

Therefore Council resolves to support calls for a Carbon Tax by;

Writing to Shropshire's MPs, to Alok Sharma, President of COP26, and to the Prime Minister, calling for the UK to:

1. Propose an international carbon tax framework to the COP; the tax to be applied to imports as well as to domestic production
2. Introduce a UK-wide carbon tax by the end of 2022.

## **7 The following motion has been submitted by Councillor Rosemary Dartnall and is supported by the Labour Group**

### **Code Red for Humanity**

Last month the United Nations warned that the latest Intergovernmental Panel on Climate Change report is a Code Red for Humanity. We, all of humanity, live here, on Earth, on borrowed time unless we can mend our ways.

This latest IPCC assessment strongly evidenced a rise in global mean surface temperature (GMST) directly attributable to greenhouse gas emissions created by human activity, that will deliver progressively more extreme weather events to every society, in every corner of the world.

The principal problem is greenhouse gas emissions, particularly carbon dioxide (CO<sub>2</sub>).

Rapidly increasing volumes of CO<sub>2</sub> stored in our atmosphere and our oceans is causing intense temperature rise and ocean acidification, leading us inexorably to climate catastrophe. The Biodiversity Crisis is the Climate Emergency's twin sister: one a direct consequence of the other. There are six known mass extinction events in Earth's history, the sixth being the current one. The extinction of 40% of living species is needed to earn the dubious title. Species become extinct as a result of being unable to adapt to rapidly changing environmental circumstances. We must adapt in order to survive.

Carbon dioxide emissions must be cut by 7.6% each year for the next ten years to avert severe climate disruption. We simply cannot continue to carry on regardless. We must act now, as individuals and on all levels of civilisation. This is a collective challenge that requires everyone's attention.

The Code Red for Humanity is incumbent on all leaders, at every level of government, to exercise responsibility, to act decisively with a liveable future in mind, on behalf of our constituents, their children, and their children's children.

Shropshire Council is requested to declare that following the 2019 Climate Change declaration and the 2021 Code Red for Humanity it is now time to act with vigour across all directorates to address the Climate Emergency. To position and retain improved Climate Emergency mitigation, carbon dioxide emission reduction and biodiversity retention at the very heart of all policy making, all day-to-day management and all projects the council manages, including requiring the same standard in all service and other contracts with third party organisations and suppliers.

- Urgently expand the Climate Change Task Force
- Develop Climate Emergency mitigation training for all teams across the council, including cabinet and other members. Appoint champions in all departments
- Strengthen the council's procurement policy so that all suppliers and contractors operate appropriate and rigorous Climate Emergency mitigation practice aligned with our own
- Measure and count the performance of our suppliers and contractors when undertaking council operations against Shropshire Council's Climate Emergency performance
- Produce a monthly report detailing Climate Emergency performance and the impact of the management and operation of all council services and projects
- Proactively reduce the number of short car journeys taken, particularly in our towns at first: Act to discourage cars from our town centres, develop low traffic zones, create safe active travel routes and improve urban public transport
- Provide advice and support service to Shropshire companies, charities and organisations seeking to develop and implement Climate Emergency mitigation practices
- Identify means, such as providing office support, to enable Shropshire Climate Action Partnership to act as an exemplar

We need nothing short of a revolution to combat the Climate Emergency and this motion requests that revolution in Shropshire, right now.

## **13 Questions from Members (Pages 83 - 90)**

To receive any questions from Members, notice of which has been given in accordance with Procedure Rule 15.2.

**14 Exclusion of Press and Public**

To resolve that, in accordance with the provisions of Schedule 12A of the Local Government Act 1972 and Paragraph 10.4 [3] of the Council's Access to Information Rules, the public and press be excluded from the meeting during consideration of the following items.

**15 Exempt Minutes (Pages 91 - 94)**

To approve as a correct record the exempt minutes of the previous meeting held on 15 July 2021

**16 HRA Purchase of Affordable Homes at Frith Close, Shrewsbury and Ellesmere Wharf, Ellesmere (Pages 95 - 114)**

Exempt report of Executive Director of Place is attached

Contact Mark Barrow. Tel. 01743 258916

**17 Shrewsbury Pitch & Putt Golf Development (Pages 115 - 126)**

Exempt report of Executive Director of Place is attached

Contact Mark Barrow. Tel. 01743 258916

**18 Pride Hill, Civic Accommodation and Riverside Development Opportunities (Pages 127 - 138)**

Exempt report of Executive Director of Place attached

Contact: Mark Barrow. Tel. 01743 258916

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## Committee and Date

Council

23<sup>rd</sup> September 2021

## COUNCIL

### **Minutes of the meeting held on 15 July 2021**

**In The Auditorium - Theatre Severn, Frankwell Quay, Frankwell, Shrewsbury. SY3 8FT**

**10.00 am - 3.50 pm**

**Responsible Officer:** Tim Ward

Email: [tim.ward@shropshire.gov.uk](mailto:tim.ward@shropshire.gov.uk) Tel: 01743 257713

### **Present**

Councillors Vince Hunt (Chairman) and Lezley Picton (Leader), Brian Williams (Vice Chairman), Steve Charmley (Deputy Leader), Roy Aldcroft, Jeff Anderson, Caroline Bagnall, Nicholas Bardsley, Joyce Barrow, Bernie Bentick, Thomas Biggins, Ed Bird, Andy Boddington, Peter Broomhall, Julia Buckley, Garry Burchett, Gwilym Butler, Dean Carroll, Ted Clarke, Gerald Dakin, Rosemary Dartnall, Steve Davenport, Mary Davies, Julian Dean, Geoff Elner, David Evans, Julia Evans, Roger Evans, Paul Gill, Rob Gittins, Nat Green, Kate Halliday, Nigel Hartin, Nick Hignett, Ruth Houghton, Richard Huffer, Tracey Huffer, Kirstie Hurst-Knight, Mike Isherwood, Mark Jones, Simon Jones, Duncan Kerr, Heather Kidd, Christian Lea, Hilary Luff, Nigel Lumby, Elliott Lynch, Robert Macey, Richard Marshall, David Minnery, Pamela Moseley, Alan Mosley, Cecilia Motley, Peggy Mullock, Ian Nellins, Kevin Pardy, Vivienne Parry, Tony Parsons, Ed Potter, John Price, Chris Schofield, Robert Tindall, Edward Towers, Kevin Turley, David Vasmer, Alex Wagner, Claire Wild, Leslie Winwood and Paul Wynn

### **17 Apologies for Absence**

Apologies for absence were received from Councillors Simon Harris, Dan Morris, Dan Thomas, Dave Tremellen and Rob Wilson

### **18 Disclosable Pecuniary Interests**

Members were reminded that they must not participate in the discussion or vote on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

Councillor Cecilia Motley declared a Pecuniary Interest in Agenda Item 7, Shropshire Local Plan Review and stated that she would leave the theatre during consideration of the item, taking no part in the debate or vote.

Councillor Kevin Turley declared a Pecuniary Interest in Agenda Item 7, Shropshire Local Plan Review and stated that he would leave the theatre during consideration of the item, taking no part in the debate or vote.

## 19 Minutes

Councillor R Evans requested that the minutes be amended to reflect that there was an election for the post of Chairman and a vote for an alternative member also took place.

### **RESOLVED:**

That the Minutes of the meeting held on 20 May 2021, as circulated with the agenda papers, be approved and signed as a correct record.

## 20 Announcements

### **Chairman's Engagements**

The Chairman referred Members to the list of official engagements carried out by himself and the Vice Chairman since the last meeting of the Council on 20 May 2021, which had been circulated by email.

The Leader congratulated the England Football Team on reaching the Euro 2020 Final, however she reported that she was deeply saddened that the celebrations were overshadowed by the racial abuse that the team and, in particular, three of the players who took penalties, had received. The Leader stated that she would be writing to the Government to state that there was no place for abuse in our society and that life bans from social media and football matches should be handed out to those found guilty of these offences. The Leader urged Members to do the same.

## 21 Public Questions

The Speaker advised there were 3 public questions from Graham Betts, Anita Rose and David Cooper. Answers to the questions were provided by the respective Portfolio Holders. A copy of the questions and the responses provided are attached to the signed minutes and available from the web page for the meeting

[Council 15 July 2021](#)

## 22 Financial Outturn 2020/21

It was proposed by the Portfolio Holder for Resources, Councillor Gwilym Butler, and seconded by Councillor Jeff Anderson that the report of the Executive Director of Resources, a copy of which is attached to the signed minutes and the recommendations contained therein, be received and agreed.

In response to a question relating to recommendation K, The Portfolio Holder for Resources confirmed that he had provided a written response to this question which had previously been raised and that could be found on the Members Gateway and that it was part of the initial business plan for the purchase of the shopping centre. As the Members Gateway was not available to the public, he would take advice from

officers as to whether the information was commercially sensitive and provide a response.

**RESOLVED:** That the contents of the report and recommendations A-K be noted and approved.

## 23 Shropshire Local Plan Review - Submission for Examination

*Councillor Cecilia Motley and Councillor Kevin Turley declared a pecuniary interest and left the stage during consideration of this item, taking no part in the debate or vote.*

It was proposed by the Portfolio Holder for Economic Growth, Regeneration & Planning, Councillor Ed Potter, and seconded by Councillor Paul Wynn that the report of the Executive Director of Place, a copy of which is attached to the signed minutes and the recommendations contained therein, be received and agreed.

The Chairman reported that a number of proposed amendments had been received and that they would be considered and discussed in the order in which they were received.

### Amendment from Councillor Julia Buckley:

I would like to propose the following amendment, which is supported by Councillor Caroline Bagnall and Councillor Tony Parsons:

Recommendation B -. That authority is delegated to the Executive Director of Place in consultation with the Portfolio Holder for Economic Growth, Regeneration and Planning to make additional minor editorial changes to the submission documents, ahead of their submission to the Secretary of State.

(minor editorial amendment proposed, included at appendix 3 or 5.35 of the report) **amendment in bold.**

5.35 The availability of sufficient infrastructure is an important aspects of planning. At the Plan making stage there is a need to consider these issues from a strategic perspective and to draw upon available evidence to ensure that necessary infrastructure improvements are likely to be achieved in a timely manner.

Draft Policy DP25 states that new development should only take place where there is sufficient existing infrastructure capacity available, and that where there is a shortfall in provision as a result of new development, the developer contributions will be required to fund necessary improvements.

Developer contributions include the Community Infrastructure Levy (CIL) where the priority will be to use this to support critical or statutory infrastructure requirements from development, such as highways and education provision.

The Shropshire Place Plans and the Strategic Infrastructure and implementation Plan are key documents and will provide the ongoing evidence to support the use of CIL funds in line with the needs of new development and the aspirations of local communities.

Amendment proposed: Add **“For settlements whose developments exceed 5% growth over the 5 years of the plan review period, a gateway will be introduced to pause any further development approvals until a review of the Strategic**

**Infrastructure and implementation Plan confirms adequate provision is in place across education, medical, public transport, active travel and highways infrastructure. At which point the gateway is unlocked to consider further development proposals, sites and applications for that settlement”.**

Upon being put to the vote, the proposed amendment fell.

*Councillor Roger Evans and Councillor Heather Kidd requested that their vote in support of the amendment be noted.*

Amendment from Councillor Julian Dean, seconded by Councillor Julia Evans:

Delete all and insert:

That the Council agrees to not submit the draft Local Plan to the Secretary of State for Independent Examination at this time.

That the Executive Director of Place together with the Portfolio Holder for Economic Growth, Regeneration and Planning are tasked to bring forward – at the earliest opportunity - a revised draft Local Plan, together with a revised timeline for consultation and council agreement, in order to produce a plan that has more ambitious development policies with regard to climate change mitigation and adaptation, and that sets levels of growth in line with, rather than substantially in excess of, the baseline defined needs.

Upon being put to the vote, the proposed amendment fell.

Amendment from Cllr Andy Boddington and seconded by the Liberal Democrat Group.

Replace paragraph 2 with:

This council recognises the contributions that officers, councillors and communities have made to the current draft of the new local plan. It believes that further scrutiny of the plan is needed to ensure that it is aligned with community needs and priorities, and to ensure that it provides the most robust blueprint for the county through to 2038.

This council proposes that the council’s overview and scrutiny committees review those areas of the plan within their remits, producing a report to go to a special meeting of this council in October or November 2021.

On being put to a recorded vote the proposed amendment fell by 29 Members voting in favor, 39 against and no abstentions, as follows:

FOR (29)

Bagnall, Bentick, Boddington, Buckley, Clarke, Dartnall, M. Davies, Dean, J. Evans, R. Evans, Green, Halliday, Hartin, Houghton, R. Huffer, T. Huffer, Isherwood, Kerr, Kidd, Moseley, Mosley, Mullock, Pardy, Parry, Parsons, Tindall, Towers, Vasmer, Wagner.

AGAINST (39)

Aldcroft, Anderson, Bardsley, Barrow, Biggins, Bird, Broomhall, Burchett, Butler, Carroll, Charmley, Dakin, Davenport, Elnor, D. Evans, Gill, Gittins, Hignett, Hunt,



Hurst-Knight, M. Jones, S. Jones, Lea, Luff, Lumby, Lynch, Macey, Marshall, Minnery, Nellins, Picton, Potter, Price, Schofield, Turley, Wild, Williams, Winwood, Wynn.

ABSTENTION (0)

Debate then turned to the substantive motion, which had been moved and seconded, to approve the recommendation contained within the report of the Executive Director of Place.

On being put to a recorded vote the proposition was carried by 34 Members voting in favor, 28 against and 5 abstentions, as follows:

FOR (34)

Aldcroft, Anderson, Bardsley, Barrow, Broomhall, Burchett, Butler, Carroll, Charmley, Dakin, Davenport, Elner, D. Evans, Gill, Gittins, Hignett, Hunt, Hurst-Knight, M. Jones, S. Jones, Luff, Lumby, Macey, Marshall, Minnery, Mullock, Nellins, Picton, Potter, Price, Schofield, Wild, Williams, Wynn.

AGAINST (28)

Bagnall, Bentick, Bird, Boddington, Buckley, Dartnall, M. Davies, Dean, J. Evans, R. Evans, Green, Halliday, Hartin, Houghton, R. Huffer, T. Huffer, Isherwood, Kerr, Kidd, Lea, Moseley, Pardy, Parry, Parsons, Tindall, , Vasmer, Wagner, Winwood.

ABSTENTION (5)

Biggins, Clarke, Lynch, Mosley, Towers

**RESOLVED:**

- A. That the Council agrees to submit the draft Local Plan (Appendix 1) to the Secretary of State for Independent Examination, along with the Schedule of Proposed Minor Modifications (Appendix 3) and the other prescribed documents and evidence base in line with Regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012, (as amended).
- B That authority is delegated to the Executive Director of Place in consultation with the Portfolio Holder for Economic Growth, Regeneration and Planning to make additional minor editorial changes to the submission documents, ahead of their submission to the Secretary of State

## 24 **Adoption of Stoke Upon Tern Neighborhood Development Plan**

It was proposed by the Portfolio Holder for Economic Growth, Regeneration & Planning, Councillor Ed Potter, and seconded by Councillor Paul Gill that the report of the Executive Director of Resources, a copy of which is attached to the signed minutes and the recommendations contained therein, be received and agreed.

**RESOLVED:**

That Shropshire Council as the Local Planning Authority 'makes' i.e. adopts the Stoke upon Tern Neighbourhood Plan and brings it into force as part of the Development Plan for Shropshire.

**25 Investment in Highways**

It was proposed by the Deputy Leader and Portfolio Holder for Physical Infrastructure, Highways and Built Housing Councillor Steve Charmley and seconded by Councillor Richard Marshall that the report of the Executive Director of Resources, a copy of which is attached to the signed minutes and the recommendations contained therein, be received and agreed.

Councillor Andy Boddington proposed that recommendation 2.3 be amended to read:  
-

Approve some of variations to the current capital programme proposed in Appendix A to release additional capital investment of £7m into highway maintenance for the current financial year, while setting the Highways Maintenance Challenge budget at £1.643m for the current year.

The amendment was seconded by Councillor Bernie Bentick.

Members expressed concern that money was being removed from the drainage budget as this would have a knock-on effect on highways. The Deputy Leader and Portfolio Holder for Physical Infrastructure, Highways and Built Housing explained that this referred to 3 specific projects funded by the DFT which could not be delivered in the current financial year and that the normal drainage budget would not be affected.

Following a vote, the amendment was defeated.

Members welcomed the additional funding for highways. Among concerns expressed were: -

- The need for adequate monitoring of Keir and other contractors
- Reduction in the broadband budget
- Need for engagement with Town and Parish Councils and local Members

Councillor Julia Buckley made reference to the proposed closures of the highways depots at Hodnet and Bridgnorth and proposed that the following recommendation be added: -

That no highways depots be closed until Council receives a report for members to discuss and approve.

Councillor Les Winwood seconded the amendment

Following a vote, the amendment was defeated.

Following a vote, it was **RESOLVED:**

That Council

- 2.1 Note the contents of this report.
- 2.2 Provide a mandate for officers to investigate a highway investment strategy of between £60m and £120m as part of a broader medium-term financial strategy
- 2.3 Approve the variations to the current capital programme proposed in Appendix A to release additional capital investment of £8m into highway maintenance for the current financial year.

**26 Appointment of Officers to statutory roles - Returning Officer, Statutory Scrutiny Officer**

It was proposed by the Chairman Councillor Vince Hunt, and seconded by the Vice Chairman Councillor Brian Williams that the report of the Interim Assistant Director of Legal and Democratic Services, a copy of which is attached to the signed minutes and the recommendations contained therein, be received and agreed.

**RESOLVED:**

That Andy Begley (Chief Executive) be appointed as Returning Officer in accordance with section 35(1) of the Representation of the People Act 1983 with immediate effect.

That Tim Collard (Interim Assistant Director Legal and Democratic Services) be appointed as the Deputy Returning Officer in accordance with section 35(1) of the Representation of the People Act 1983 with immediate effect.

That Andy Begley (Chief Executive) be appointed as the Electoral Registration Officer in accordance with section 8(2)(a) of the Representation of the People Act 1983 with immediate effect

That Tim Collard (Interim Assistant Director Legal and Democratic Services) be appointed as the Deputy Electoral Registration Officer in accordance with section 8(2)(a) of the Representation of the People Act 1983 with immediate effect

That Alden Whitaker-Brown (Interim Assistant Director– Business Intelligence) be appointed as the Statutory Scrutiny Officer in accordance with section 9FB of the Local Government Act 2000

## 27 Changes to the Constitution

It was proposed by the Chairman Councillor Vince Hunt, and seconded by the Vice Chairman Councillor Brian Williams that the report of the Interim Assistant Director of Legal and Democratic Services, a copy of which is attached to the signed minutes and the recommendations contained therein, be received and agreed.

Councillor Roger Evans expressed concern that the proposals had not been brought to the Constitution Working Group and expressed concern regarding the removal of Local Joint Committees as they provided a valuable source of local consultation. He proposed the following amendment: -

That recommendation A be removed from the recommendations.

The amendment was seconded by Councillor Heather Kidd.

Following a vote, the amendment was defeated.

Councillor Kidd asked for assurances that alternative provision to the LJC's be brought forward as soon as possible. The Leader of the Council assured members that this would be done.

### **RESOLVED:**

- A. That authority be delegated to the Interim Assistant Director (Legal and Democratic Services) to remove all references to Local Joint Committees from the Council's Constitution.
- B. That the Scheme of Delegation set out in Appendix 1 to this report is adopted and published, replacing the current Scheme of Delegation set out in Part 8 of the Constitution
- C. That the "Channel Panel" be included in part 3 of the constitution (responsibility for functions) as a statutory panel made up of representatives of Shropshire Council and the chief officer of police plus others as specified by the Counter-terrorism and Security Act 2015 with the function of
  - i. assessing the extent to which individuals (as identified on reasonable grounds by the chief constable or the local authority) are vulnerable to being drawn into terrorism; and
  - ii. amongst other things, preparing a plan in respect of identified individuals who the panel considers should be offered support for the purpose of reducing their vulnerability to being drawn into terrorism.
- D. That paragraph 11.4(c) of Article 11 of the Constitution be amended, and an additional paragraph (d) be inserted to read as follows:

- “(c) Subject to (d) below, the decision whether or not to accept such a delegation from another local authority shall be reserved to the Council meeting.
- (d) the decision whether or not to accept a delegation from another local authority in respect of cross border planning applications shall be made by the relevant Planning Committee.”

E. That the “Joint Health Overview and Scrutiny Committee” be included in Part 3 of the Constitution (Responsibility for Functions) as a Statutory Body. It is recommended that the six Shropshire Council representatives (three Councillors (politically balanced) and three co-opted members who are independent of the council) are appointed by the Health and Adult Social Care Overview and Scrutiny Committee (Councillors being selected from the membership of the Health and Adult Social Care Overview and Scrutiny Committee) in order to scrutinise health issues that impact on the wider health economy in Shropshire, Telford & Wrekin.

## 28 Motions

The following motions were received in accordance with Procedure Rule 16:

### **1. The following motion has been received from Councillor Julian Dean and is supported by the Green Group:**

#### **Decarbonising our homes**

Council recognises the urgent need to decarbonise heating and power in homes. Shropshire Climate Action Partnership estimates 20,000 homes per year need to be made zero carbon ready, whilst Friends of the Earth suggest 9,000 homes need insulation upgrades and 5,500 need fossil-fuel free heating systems annually. The collapse of the Green Homes Grant and the failure of the government so far to provide long term dependable finance & market shaping for this purpose make this task more challenging & more urgent.

Council further recognises the ‘green recovery’ opportunity presented by the need to decarbonise our homes. LGA Inform estimates there could be 1700 jobs in Shropshire by 2030 in low carbon heating and energy efficiency work.

We note that Shropshire Council has improved the SAP rating for its own on-grid stock to above that for the country as a whole, which given the age of the stock is a credible achievement, but much more remains to be done.

We welcome the council’s initiatives to bring together partners to develop countywide retrofit work and call on Cabinet to publish a retrofit strategy for the county in early 2022.

We recognise that, to begin with, establishing the skills and firms to retrofit our homes will rely on developments in the social housing sector. We therefore call on the portfolio holder, Asset Assurance Board and Star Housing Board to consult tenants and seek their approval to design and cost a programme of work that would

decarbonise the council's housing stock by 2030. We recommend that all options be considered in the implementation of this programme including partnerships with neighbouring authorities, social housing providers & innovative social & private sector enterprises.

We recognise that the cost of this investment in our future may exceed the resources of the HRA so we also call on the DCLG to provide the funding necessary to implement this scheme as recommended by the recent Environmental Audit Committee report and we ask the County's MP to support this request.

Councillor Duncan Kerr seconded the Motion

Cllr David Vasmer proposed the following amendment

That the following be added at the end of the resolution:

Recognising the need to make heating and power in all our homes cheaper to run and release less carbon, the Council calls on Cornovii and the Star Housing Board to provide decarbonised affordable housing to the highest standards currently available and to set up and publicise an informed campaign to advice householders and landlords how they can decarbonise homes throughout Shropshire.

The amendment was seconded by Councillor Andy Boddington. The amendment was accepted by Councillor Dean and became part of the substantive motion

### **Amendment 2 from Cllr Steve Charmley**

Council recognises the urgent need to decarbonise heating and power in homes. Shropshire Climate Action Partnership estimates 20,000 homes per year need to be made zero carbon ready, whilst Friends of the Earth suggest 9,000 homes need insulation upgrades and 5,500 need fossil-fuel free heating systems annually. The collapse of the Green Homes Grant and the failure of the government so far to provide long term dependable finance & market shaping for this purpose make this task more challenging & more urgent.

Council further recognises the 'green recovery' opportunity presented by the need to decarbonise our homes. LGA Inform estimates there could be 1700 jobs in Shropshire by 2030 in low carbon heating and energy efficiency work.

We note that Shropshire Council has improved the SAP rating for its own on-grid stock to above that for the country as a whole, which given the age of the stock is a credible achievement, but much more remains to be done.

We welcome the council's initiatives to bring together partners to develop countywide retrofit work, and call on Cabinet to publish a retrofit strategy for the county in early 2022.

We recognise that, to begin with, establishing the skills and firms to retrofit our homes will rely on developments in the social housing sector. We therefore call on the portfolio holder, Asset Assurance Board and Star Housing Board to consult tenants and seek their approval to design and cost a programme of work that

would decarbonise the council's housing stock by 2030. We recommend that all options be considered in the implementation of this programme including partnerships with neighbouring authorities, social housing providers & innovative social & private sector enterprises.

We recognise that the cost of this investment in our future may exceed the resources of the HRA. Full Council resolves to continue to lobby MHCLG to ask for the funding necessary to implement this scheme as recommended by the recent Environmental Audit Committee report and thank Shropshire's MPs for supporting our efforts to secure the funding needed for this scheme.

The amendment was accepted by Councillor Dean and became part of the substantive motion

**RESOLVED:**

Council recognises the urgent need to decarbonise heating and power in homes. Shropshire Climate Action Partnership estimates 20,000 homes per year need to be made zero carbon ready, whilst Friends of the Earth suggest 9,000 homes need insulation upgrades and 5,500 need fossil-fuel free heating systems annually. The collapse of the Green Homes Grant and the failure of the government so far to provide long term dependable finance & market shaping for this purpose make this task more challenging & more urgent.

Council further recognises the 'green recovery' opportunity presented by the need to decarbonise our homes. LGA Inform estimates there could be 1700 jobs in Shropshire by 2030 in low carbon heating and energy efficiency work.

We note that Shropshire Council has improved the SAP rating for its own on-grid stock to above that for the country as a whole, which given the age of the stock is a credible achievement, but much more remains to be done.

We welcome the council's initiatives to bring together partners to develop countywide retrofit work, and call on Cabinet to publish a retrofit strategy for the county in early 2022.

We recognise that, to begin with, establishing the skills and firms to retrofit our homes will rely on developments in the social housing sector. We therefore call on the portfolio holder, Asset Assurance Board and Star Housing Board to consult tenants and seek their approval to design and cost a programme of work that would decarbonise the council's housing stock by 2030. We recommend that all options be considered in the implementation of this programme including partnerships with neighbouring authorities, social housing providers & innovative social & private sector enterprises.

We recognise that the cost of this investment in our future may exceed the resources of the HRA. Full Council resolves to continue to lobby MHCLG to ask for the funding necessary to implement this scheme as recommended by the recent Environmental Audit Committee report and thank Shropshire's MPs for supporting our efforts to secure the funding needed for this scheme.

Recognising the need to make heating and power in all our homes cheaper to run and release less carbon, the Council calls on Cornovii and the Star Housing Board to provide decarbonised affordable housing to the highest standards currently available and to set up and publicise an informed campaign to advice householders and landlords how they can decarbonise homes throughout Shropshire.

**2 The following motion has been received from Councillor Julian Dean and is supported by the Green Group:**

**A Partnership between Local Government and National Government to tackle Climate Change**

**Background**

In 2018, at COP24, the UK Government signed up to having 'domestic institutional arrangements, public participation and engagement with local communities' so localities can play their part in delivering the UKs 'Nationally Determined Contributions' in the Paris Climate Agreement.

In May 2021 Alok Sharma MP, President of COP26 said Collaboration would be a key objective of the climate summit

"Governments, business and civil society (sometimes called 'non-state actors' and including local government) need to work together to transform the ways we power our homes and businesses, grow our food, develop infrastructure and move ourselves and goods around"

Despite these agreements and statements there is still no formal relationship allowing a joint partnership working between Local and National Government on climate action.

This Council resolves to

- In this year of COP26 add our voice to calls by the Local Government Association and the Association of Directors of Environment, Economy, Planning and Transport & others for a joint local & national government Task Force to plan action to reach 'net zero' emissions. Such a partnership can set appropriate regulations, benchmarks and targets and create the much-needed long-term funding mechanisms to enable local communities and economies to decarbonise whilst remaining resilient and sustainable
- Write to Alok Sharma MP, President for COP26, the Prime Minister and the Leadership Board of the LGA informing them of our support for a joint Local/National Government Climate Change Partnership Taskforce and asking for one to be established as soon as possible.

The motion was seconded by Councillor Julia Evans

Councillor David Vasmer proposed the following amendment

Under This Council Resolves add an additional section as follows:



- respond to the Government's call for local government to transform the way we develop infrastructure by reviewing the Council's capital programme. This review should examine ways in which objectives might be achieved by developing alternative capital projects which will reduce the council's contribution to carbon emissions such as replacing the North West Relief Road with improvements to existing roads, park and ride and public transport along with the adoption of active travel measures.

Councillor Alex Wagner seconded the amendment.

On taking a vote the amendment was defeated.

#### **RESOLVED:**

This Council resolves to

- In this year of COP26 add our voice to calls by the Local Government Association and the Association of Directors of Environment, Economy, Planning and Transport & others for a joint local & national government Task Force to plan action to reach 'net zero' emissions. Such a partnership can set appropriate regulations, benchmarks and targets and create the much-needed long-term funding mechanisms to enable local communities and economies to decarbonise whilst remaining resilient and sustainable
- Write to Alok Sharma MP, President for COP26, the Prime Minister and the Leadership Board of the LGA informing them of our support for a joint Local/National Government Climate Change Partnership Taskforce and asking for one to be established as soon as possible.

### **3. The following motion has been received from Councillor Duncan Kerr and is supported by the Councillors Julian Dean, Julia Evans and Mike Isherwood:**

#### **Waste Minimisation**

“Shropshire Council has a recycling rate inside the top 50 in England (source: <https://www.letsrecycle.com/councils/league-tables/2019-20-overall-performance>).

Unfortunately the same data puts us in the top 5 authorities in the country when it comes to total household waste arisings per household. The consequence of this is that we are at the top of our family group for the costs of waste collection and disposal. There may be all sorts of nuances and caveats to these figures, but the result is that we are producing a lot of household waste and it is costing a lot to process and that has environmental and economic impact. Indeed Shropshire with a recycling rate of some 55% sends almost as much waste to landfill (222kgs) as neighbouring Herefordshire with a recycling rate of just 41% (228kgs) (source lets recycle data for 2019.20). That's why the waste hierarchy places waste minimisation at the top and why is a key part of the fifth Carbon budget from the Committee for Climate Change (<https://www.theccc.org.uk/wp-content/uploads/2016/07/5CB-Infographic-FINAL-.pdf>).

Back in 2010 Shropshire Council approved a waste minimisation plan which aimed to reduce total waste arisings per person by 10% by 2015. The target was not reached then and has still not been reached some eleven years later. Currently we are still producing some 490kgs of waste per person.

It is therefore proposed that as a matter of urgency the portfolio-holder revisits the waste hierarchy and produces a waste minimisation for the County by December 2021. Given the scale of the climate emergency we now face, and the need to catch-up on previous failed initiatives, it is proposed that the new target should be a 25% reduction in waste arisings per person by 2025. This would take our waste arisings down to 367kgs per person just below the current England average of 373 kgs and assumes no improvement by any other authority. Such a policy would also complement any initiative by the Council to improve recycling by replacing crates with wheeled bins. It is, we suggest, the bare minimum step we should be doing. We are sure that many members of the local community with expertise in this area would assist the Council in developing such an approach and there is much good practice available on-line.

Some measures that may be considered if preparing this strategy may have resource implications. The comparative data from CIPFA shows that authorities who produce less waste spend less in processing and disposing of it which is why our comparative costs are so high. Although a very small part of the waste stream is land-filled with a land-fill tax on active waste now £96 per tonne savings from reducing waste can be significant and will more than off-set any upfront costs so it would be a prudent use of the Council invest to save resources”.

The motion was seconded by Councillor Mike Isherwood

**RESOLVED:**

That the motion not be supported

**4. The following motion has been received from Councillor Rosemary Dartnall and is supported by the Labour Group:**

Based on data published on Shropshire Council’s website, in late 2020 the average Shropshire house price equates to 6.7 times the annual average income, meaning that our essential and key workers are often unable to live local to their workplace. In recent years both homelessness and the use of temporary accommodation have risen in Shropshire. There is a need for 5,000 genuinely affordable homes not adequately met despite widescale development across the county. Some housing developers seek to undermine the minimum percentage requirements for building affordable homes which is set at either 10, 15 or 20% of the number of homes built. At the recent South Planning Committee meeting, it was revealed that the developer seeking to build 1,000 homes on the Ironbridge power station site has applied to reduce the 20% minimum of affordable homes stipulated in that area to a mere 5%, claiming that this is needed on fiscal grounds despite Shropshire Council’s own value judgment that this particular site could viably support 30% affordable homes. Shropshire Council is hereby asked to investigate making an

increase in the requirement for affordable homes in all developments in order to address better the housing need of local people and signal clearly to interested parties that housing built must equate to local need and fulfil the council's minimum requirements.

The amendment was seconded by Councillor Tony Parsons

**RESOLVED:**

That the motion not be supported

**5 The following motion has been received from Councillor Kate Halliday and is supported by Councillors Rosemary Dartnall, Julia Buckley and Alan Mosley:**

This council is committed to support an initiative to make Shropshire into a recognised 'Council of Sanctuary' welcoming those fleeing violence and persecution in their own countries. We recognise their potential contribution to our county, and also recognise that a comprehensive, co-ordinated and forward-looking approach is needed if the welfare of people moving into the county, and community cohesion between new and existing communities, are to be supported effectively.

Local authorities across the political spectrum have been awarded 'Council of Sanctuary' status. Shropshire Council is already taking many of the actions required to achieve 'Sanctuary Status' through its existing programmes. To become a Council of Sanctuary there are some straightforward steps

- 1 – Contact 'City of Sanctuary' to pledge support and connect with them
- 2 – Join the local authority network. In joining the network we are committing to work towards the Council of Sanctuary Award and are agreeing to sign up as a Supporting Organisation
- 3 – Produce an Action Plan which focuses on learning, embedding the principles of City of Sanctuary, and sharing good news stories.
- 4 – Then when ready apply for recognition.

More information can be found on the City of Sanctuary website

<https://cityofsanctuary.org/>

This council:

- Acknowledges the contribution of refugees and people seeking sanctuary to Shropshire
- Are willing to add our organisation's name to the list of supporters of City of Sanctuary
- This council will work to implement the City of Sanctuary pledges through its actions and policies, and with its partners in the statutory and voluntary sectors.
- This council is committed to support an initiative to make Shropshire a 'Council of Sanctuary'

The motion was seconded by Councillor Rosemary Dartnall

**RESOLVED:**

That the motion be supported

**29 Questions from Members**

The Speaker advised that the following questions had been received in accordance with Procedure Rule 15. A copy of the report containing the detailed questions and their formal response is attached to the signed minutes.

Received from Councillor Kevin Pardy and answered by Councillor Steve Charmley, Portfolio Holder for Physical Infrastructure, Highways and Built Housing, in relation to remedial work to the Heathgate Roundabout. By way of supplementary question, Councillor Pardy asked for temporary lines to be installed as a safety measure ahead of works being carried out. The Portfolio Holder agreed to investigate this and provide an answer by email.

Received from Councillor Duncan Kerr and answered by Councillor Kirstie Hurst-Knight, Portfolio Holder for Children and Education, in relation to the increase in the number of “looked after” children. By way of supplementary question Councillor Kerr asked for the estimated cost to Shropshire Council of a 30% rise in Children taken into care and the costs of the review carried out in 2019 and mentioned in the reply from the portfolio-holder. The Portfolio Holder agreed to investigate this and provide an answer by email.

Received from Councillor Ruth Houghton and answered by Councillor Steve Charmley, Portfolio Holder for Physical Infrastructure, Highways and Built Housing, in relation to the long term use of temporary traffic lights. By way of supplementary question Councillor Houghton asked for confirmation as to how many lights and the costs. The Portfolio Holder agreed to investigate this further and provide an answer by email.

Received from Councillor Roger Evans and answered by Councillor Ed Potter – Portfolio Holder for Economic Growth, Regeneration & Planning in relation to reforms to the planning system. By way of supplementary question Councillor Evans asked does the current portfolio holder support what was stated by previous portfolio holder. The Portfolio Holder agreed to provide an answer by email.

**30 Appointments to Committees**

It was proposed by the Chairman Councillor Vince Hunt, and seconded by the Vice Chairman Councillor Brian Williams that the following amendments to committee membership be agreed

Councillor David Vasmer to replace Councillor Heather Kidd as a member of Performance Management Scrutiny Committee.

Councillor Roy Aldcroft to be appointed as a substitute member of the Performance Management Scrutiny Committee.

Councillor Julian Dean to be appointed as a substitute member for the Independent Group on the Northern Planning Committee.

## **RESOLVED**

That Councillor David Vasmer replace Councillor Heather Kidd as a member of Performance Management Scrutiny Committee.

That Councillor Roy Aldcroft to be appointed as a substitute member of the Performance Management Scrutiny Committee.

That Councillor Julian Dean to be appointed as a substitute member for the Independent Group on the Northern Planning Committee.

### **31 Report of the Shropshire and Wrekin Fire and Rescue Authority**

It was proposed by the Chairman, Councillor Vince Hunt and seconded by Councillor Paul Wynn that the report of the Shropshire and Wrekin Fire and Rescue Authority, a copy of which is attached to the signed minutes, be received and noted.

#### **RESOLVED:**

That the report of the Shropshire and Wrekin Fire and Rescue Authority be noted.

### **32 Exclusion of Press and Public**

#### **RESOLVED**

That in accordance with the provisions of Schedule 12A of the Local Government Act 1972 and Paragraph 10.4[3] of the Council's Access to Information Rules, the public and press be excluded from the meeting during consideration of the following items

### **33 London Road Shrewsbury Development Scheme Report**

It was proposed by Portfolio Holder for Economic Growth, Regeneration & Planning Councillor Ed Potter, and seconded by the Portfolio Holder for Adult Social Care, Public Health and Assets Councillor Dean Carroll that the exempt report of the Executive Director of Place, a copy of which is attached to the signed minutes and the recommendations contained therein, be received and agreed.

#### **RESOLVED:**

That the recommendations in the exempt report be agreed.

**34 Maesbury Solar PV**

It was proposed by the Portfolio Holder for Climate Change, Natural Assets & the Green Economy Councillor Ian Nellins, and seconded by the Portfolio Holder for Adult Social Care, Public Health and Assets Councillor Dean Carroll that the exempt report of the Executive Director of Place, a copy of which is attached to the signed minutes and the recommendations contained therein, be received and agreed.

**RESOLVED:**

That the recommendations in the exempt report be agreed.

**35 Shropshire Community Leisure Trust - Proposed Leisure Management Contract Extension**

It was proposed by the Portfolio Holder for Communities, Place, Tourism & Transport Councillor Cecilia Motley, and seconded by the Leader, Councillor Lezley Picton that the exempt report of the Executive Director of Place, a copy of which is attached to the signed minutes and the recommendations contained therein, be received and agreed.

**RESOLVED:**

That the recommendations in the exempt report be agreed.

Signed ..... (Chairman)

Date: .....



<u>Committee and Date</u>	<u>Item</u>
Cabinet 08 September 2021	
Audit Committee 16 September 2021	
Council 23 September 2021	<u>Public</u>

## ANNUAL TREASURY REPORT 2020/21

**Responsible Officer** James Walton

e-mail: James.Walton@shropshire.gov.uk Tel: (01743) 258915

### 1. Synopsis

As at 31.03.21 the Council held £148m investments and £304m borrowing. This report shows the borrowing & investment strategy, outturn for 2020/21 and investment performance of the internal treasury team, confirming activities align with the approved Treasury Management Strategy.

### 2. Executive Summary

- 2.1. The report informs members of treasury activities for Shropshire Council for 2020/21, including the investment performance of the internal treasury team to 31 March 2021. The internal treasury team outperformed their investment benchmark by 0.47% in 2020/21 and performance for the last three years is 0.40% per annum above benchmark. Treasury activities during the year have been within approved prudential and treasury indicators set and have complied with the Treasury Strategy.
- 2.2. During 2020/21 the performance of the Treasury Team delivered an under spend of £3.21 million compared to budget as highlighted in paragraph 5.2 of this report. This was mainly due to Minimum Revenue Provision (MRP) savings following the Council's review of the policy and interest payable savings as no borrowing was undertaken.
- 2.3. The Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential

and treasury indicators for 2020/21. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities

### **3. Recommendations**

- 3.1. Members are asked to accept the position as set out in the report.

## **REPORT**

### **4. Risk Assessment and Opportunities Appraisal**

- 4.1. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 4.2. There are no direct environmental, equalities or climate change consequences arising from this report.
- 4.3. Compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Policy Statement and Treasury Management Practices and the Prudential Code for Capital Finance together with the rigorous internal controls will enable the Council to manage the risk associated with Treasury Management activities and the potential for financial loss.
- 4.4. The Council's Audit Committee is the committee responsible for ensuring effective consideration of the Council's Treasury Management Strategy and policies.

### **5. Financial Implications**

- 5.1. The Council makes assumptions about the levels of borrowing and investment income over the financial year. Reduced borrowing as a result of capital receipt generation or delays in delivery of the capital programme will both have a positive impact of the council's cash position. Similarly, higher than benchmarked returns on available cash will also help the Council's financial position. For monitoring purposes, assumptions are made early in year about borrowing and returns based on the strategies agreed by Council in the preceding February. Performance outside of these assumptions results in increased or reduced income for the Council.
- 5.2. The 2020/21 performance is above benchmark for the reasons outlined in paragraph 2.2 of this report and has delivered additional income of £3.21 million which has been reflected in the final Revenue Monitor report for 2020/21.



## 6. Climate Change Appraisal

6.1. The Council's Financial Strategy includes proposals to deliver a reduced carbon footprint for the Council therefore the Treasury Team is working with the Council in order to achieve this. There are no climate change impacts arising from this report.

## 7. Background

- 7.1. The Council defines its treasury management activities as "the management of the authority's investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks".
- 7.2. The Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2020/21. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.
- 7.3. Changes in the regulatory environment place a much greater onus on members for the review and scrutiny of treasury management policy and activities. Minimum reporting requirements are that the Council should receive the following reports:
- An annual treasury strategy in advance of the year.
  - A mid-year treasury update report.
  - An annual report following the year describing the activity compared to the strategy.
- 7.4. The CIPFA Code of Practice on Treasury Management states that these reports should be scrutinised by a nominated committee. These reports were scrutinised by the Audit Committee before they were reported to full Council for approval.
- 7.5. In addition to the minimum reporting requirements, the Executive Director's and Cabinet also receive quarterly treasury management update reports for information.
- 7.6. The Treasury Strategy for 2020/21 was approved by Council in February 2020, the mid-year treasury update report was approved by Council in December 2020. This Annual Report sets out our actual treasury performance for the year and shows how the actual treasury performance varied from our estimates and planning assumptions.

## **8. Borrowing Strategy and Outturn for 2020/21**

8.1. The Council's Borrowing Strategy and Outturn position for 2020/21 can be found in Appendix C.

## **9. Debt rescheduling**

9.1. No debt restructuring was undertaken during 2020/21. Further information is included within Appendix C.

## **10. Investment Strategy & Outturn for 2020/21**

10.1. The Council's Investment Strategy and Outturn position for 2020/21 can be found in Appendix C.

## **11. Compliance with Treasury Limits and Prudential Indicators**

11.1 Compliance with the Council's Treasury Limits and Prudential Indicators can be found in Appendix B & C.

### **List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

Council, February 2020, Treasury Strategy 2020/21.

Council, December 2020, Treasury Strategy 2020/21 Mid-Year Review.

Council, February 2021, Treasury Strategy 2021/22.

Cabinet, September 2020, Treasury Management Update Quarter 1 2020/21.

Cabinet, December 2020, Treasury Management Update Quarter 2 2020/21.

Cabinet, February 2021, Treasury Management Update Quarter 3 2020/21.

Cabinet, July 2021, Treasury Management Update Quarter 4 2020/21.

### **Cabinet Member:**

Gwilym Butler, Portfolio Holder for Resources

### **Local Member**

N/A

### **Appendices**

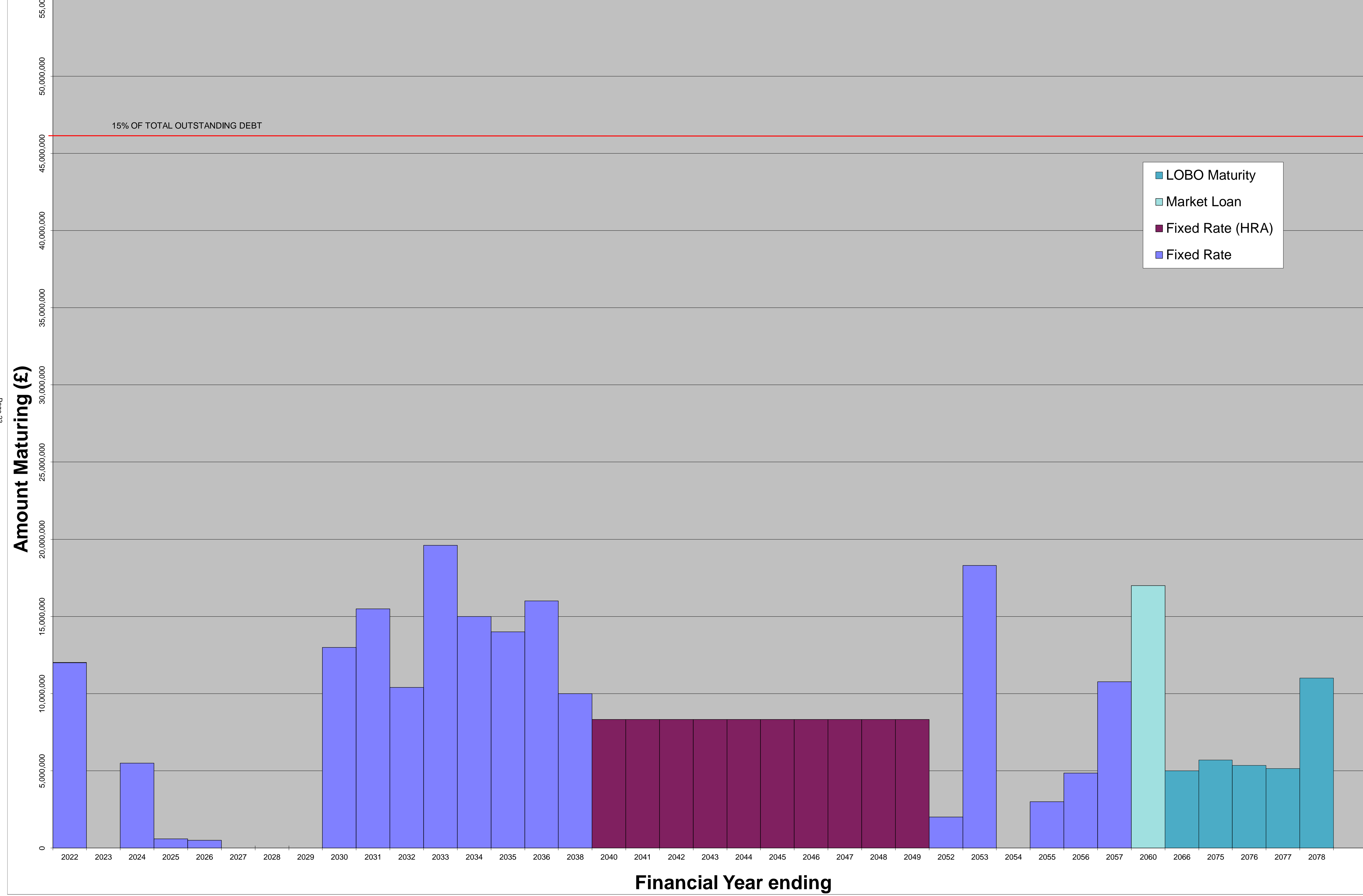
A. Debt Maturity Profile as at 31 March 2021

B. Prudential Indicators 2020/21

C. Council's Borrowing & Investment Strategy and Outturn Position 2020/21

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2038	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2052	2053	2054	2055	2056	2057	2060	2066	2075	2076	2077	2078								
Fixed Rate	12,000,000	0	5,500,000	600,000	500,000	0	0	0	13,000,000	15,487,000	10,400,000	18,600,000	15,000,000	14,000,000	16,000,000	10,000,000	8,335,000	8,335,000	8,335,000	8,335,000	8,335,000	8,335,000	8,335,000	8,335,000	8,335,000	2,000,000	18,300,000	0	3,000,000	4,853,893	10,777,000	17,000,000	5,000,000	570,000	570,000	515,000	110,000									
Fixed Rate (HRA)																																														
Market Loan																																														
LOBO Maturity	24264	0	11132	1215	1013	0	0	0	28300	31464.007	21132.8	39948.8	30510	28460	32576	20380	17003.4	17011.730	17020.07	17028.405	17036.74	17045.075	17053.41	17061.745	17070.08	17078.415	4104	37569.9	0	6165	9079.193	22168.289	35020	10330	11827.5	11106.8	93696.55	22868								
PVLR																																														
LOBO																																														
Av period																																														
2020																																														
2020																																														
303,967,893																																														

### Debt Maturity Profile as at 31/03/2021 - Appendix A



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## APPENDIX B

### SHROPSHIRE COUNCIL PRUDENTIAL INDICATORS 2020/21

- C1. The Prudential Code requires the Council to set Prudential Indicators in the Treasury Strategy and report performance against those indicators in the Annual Treasury Report.
- C2. The ratio of financing costs compared to the net revenue stream of the Council was lower than expected in 2020/21 due to net revenue stream being higher than estimated.

Prudential Indicator	2020/21 Revised Estimate	2020/21 Actual
	%	%
<b>Non HRA Ratio of financing costs to net revenue stream</b>	9.1	6.9

Prudential Indicator	2020/21 Revised Estimate	2020/21 Actual
	%	%
<b>Non HRA Ratio of financing costs (net of investment income) to net revenue stream</b>	8.4	6.5
<b>HRA Ratio of financing costs to HRA net revenue stream</b>	38.0	38.0

- C3. It can be seen from the tables that the authority was well within the approved authorised limit and the operational boundary for external debt for 2020/21.

Prudential Indicator	2020/21 Estimate	2020/21 Actual
<b>External Debt</b>	<b>£m</b>	<b>£ m</b>
<b>Authorised Limit:</b>		
Borrowing	568	304
Other long-term liabilities	97	99
<b>Total</b>	<b>665</b>	<b>403</b>

<b>Prudential Indicator</b>	<b>2020/21 Estimate</b>	<b>2020/21 Actual</b>
<b>External Debt</b>	<b>£ m</b>	<b>£ m</b>
<b>Operational Boundary:</b>		
Borrowing	475	304
Other long-term liabilities	97	99
<b>Total</b>	<b>572</b>	<b>403</b>

- C4. Gross borrowing was as anticipated due to no general fund borrowing being undertaken in 2020/21. A key indicator of prudence is that net borrowing should not exceed the capital financing requirement. It can be seen from the following figures that the Council continues to meet this prudential indicator.

<b>Prudential Indicator</b>	<b>2020/21 Estimate</b>	<b>2020/21 Actual</b>
<b>Net Borrowing &amp; Capital Financing Requirement:</b>	<b>£ m</b>	<b>£ m</b>
Gross Borrowing (inc. HRA)	304	304
Investments	110	148
<b>Net Borrowing</b>	<b>194</b>	<b>156</b>
Non HRA Capital Financing Requirement	390	273
HRA Capital Financing Requirement	95	85
<b>Total CFR</b>	<b>485</b>	<b>358</b>

- C5. Non HRA was higher and HRA capital expenditure was lower than anticipated during the year. Explanations for these under/overspends were included in the 2020/21 final capital outturn report.

<b>Prudential Indicator</b>	<b>2020/21 Revised Estimate</b>	<b>2020/21 Actual</b>
	<b>£ m</b>	<b>£ m</b>
<b>Non HRA Capital expenditure</b>	64.4	66.4
<b>HRA Capital expenditure</b>	22.3	4.5

C6. The level of fixed rate and variable rate borrowing were within the approved limits for the year.

<b>Prudential Indicator</b>	<b>2020/21 Estimate</b>	<b>2020/21 Actual</b>
<b>Upper Limit for Fixed/Variable Rate Borrowing</b>	<b>£ m</b>	<b>£ m</b>
Fixed Rate (GF)	531	304
Variable Rate	266	0

C7. The level of fixed rate and variable rate investments were within the approved limits during 2020/21.

<b>Prudential Indicator</b>	<b>2020/21 Estimate</b>	<b>2020/21 Actual</b>
<b>Upper Limit For Fixed/Variable Rate Investments</b>	<b>£ m</b>	<b>£ m</b>
Fixed Rate	220	115
Variable Rate	220	33

C8. Longer term investments were held at the year-end due to the investment in Shrewsbury Shopping Centres.

<b>Prudential Indicator</b>	<b>2020/21 Estimate</b>	<b>2020/21 Actual</b>
<b>Upper Limit for Sums Invested over 364 days</b>	<b>£m</b>	<b>£m</b>
Internal Team	50	0
External Manager	30	0
Shrewsbury Shopping Centres	90	0

C9. The maturity profile was within the limits set in the Treasury Strategy.

<b>Prudential Indicator</b>	<b>2020/21 Upper Limit</b>	<b>2020/21 Actual</b>
<b>Maturity Structure of External Borrowing</b>	<b>%</b>	<b>%</b>
Under 12 months	15	4
12 months to 2 years	15	0
2 years to 5 years	45	2
5 years to 10 years	75	9
10 years to 20 years	100	34
20 years to 30 years	100	22
30 years top 40 years	100	18
40 years to 50 years	100	2
50 years and above	100	9



## **Appendix C**

### **Borrowing Strategy for 2020/21**

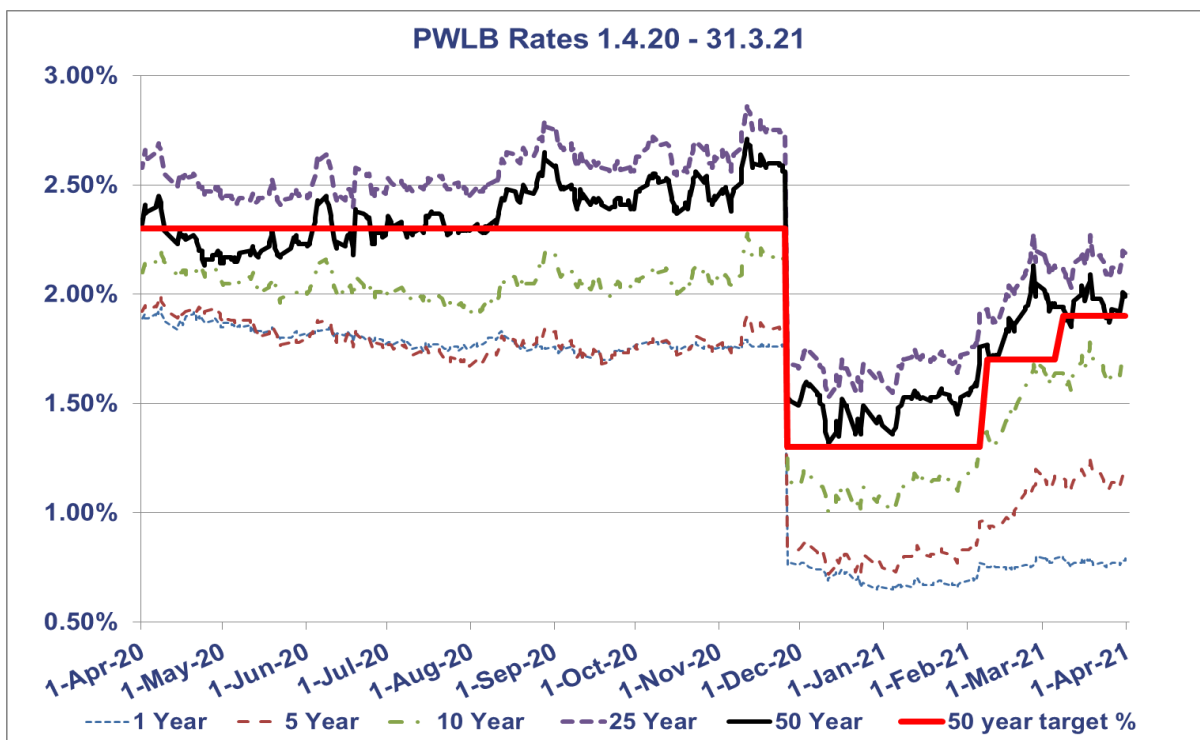
The Council's only borrowing requirement identified within the Capital Programme 2019/20 to 2021/22 was self-financing prudential borrowing of £6.030m therefore no external borrowing was required but based on the prospects for interest rates outlined in the Treasury Strategy, the Council would adopt a pragmatic approach if circumstances changed when considering any new borrowing.

Short term Public Works Loan Board (PWLB) rates were expected to be significantly cheaper than longer term borrowing rates during the year therefore borrowing in the under 10 year period early on in the financial year when rates were expected to be at their lowest would be considered. Variable rate borrowing was also expected to be cheaper than long term fixed rate borrowing throughout the year.

An alternative strategy was to defer any new borrowing as long term borrowing rates were expected to be higher than investment rates during the year. This would maximise savings in the short term and also have the added benefit of running down investments which would reduce credit risk.

### **Borrowing outturn for 2020/21**

The Treasury Team take advice from its external treasury advisor, Link Asset Services, on the most opportune time to borrow. Movements in rates during 2020/21 are shown in the graph below.



Members have previously been advised of the unexpected change of policy on PWLB lending arrangements in October 2010 following the Comprehensive Spending Review. In addition, in October 2019, the Treasury and PWLB announced an increase in rates of 1% across all borrowing periods. This made new borrowing more expensive and repayment relatively less attractive. That increase was then, at least partially, reversed for some forms of borrowing on 11<sup>th</sup> March 2020, but not for mainstream non-HRA capital schemes. A consultation was then held with local authorities and on 25<sup>th</sup> November 2020, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates; the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three year capital programme.

The table below shows PWLB borrowing rates for a selection of maturity periods. The table also shows the high and low points in rates during the year, average rates during the year and individual rates at the start and the end of the financial year.

	1 Year	5 Year	10 Year	25 Year	50 Year
<b>Low</b>	0.65%	0.72%	1.00%	1.53%	1.32%
<b>Date</b>	04/01/2021	11/12/2020	11/12/2020	11/12/2020	11/12/2020
<b>High</b>	1.94%	1.99%	2.28%	2.86%	2.71%
<b>Date</b>	08/04/2020	08/04/2020	11/11/2020	11/11/2020	11/11/2020
<b>Average</b>	1.43%	1.50%	1.81%	2.33%	2.14%
<b>Spread</b>	1.29%	1.27%	1.28%	1.33%	1.39%

Following discussions with Link, as general fund borrowing rates were significantly higher than investment rates during the year it was agreed that if any new borrowing was required during the year it would be deferred in order to maximise savings in the short term and reduce credit risk by reducing investments. No new external borrowing was required in 2020/21.

The Council's total debt portfolio at 31 March 2021 is set out below:-

<b>Type of Debt</b>	<b>Balance £m</b>	<b>Average Borrowing Rate 2020/2021</b>
General Fund Fixed rate - PWLB	171.02	5.01%
HRA Fixed rate - PWLB	83.35	3.51%
Fixed rate - Market	49.20	4.10%
Variable rate	0	N/A

The maturity profile of the debt is evenly spread to avoid large repayments in any one financial year. The average debt period for PWLB loans is 19 years, market loans have an average debt period of 49 years. The total debt portfolio has a maturity range from 1 year to 57 years.

The Treasury Strategy allows up to 15% of the total outstanding debt to mature in any one year. It is prudent to have the Council's debt maturing over many years so as to minimise the risk of having to re-finance when interest rates may be high. The actual debt maturity profile is within these limits (Appendix A).

### **Debt rescheduling**

No debt restructuring was undertaken during 2020/21. The introduction of a differential in PWLB rates on the 1 November 2007, which was compounded further following a policy change in October 2010 and subsequent changes in 2019 and 2020, as outlined above has meant that large premiums would be incurred if debt restructuring was undertaken, which cannot be justified on value for money grounds.

Although these changes have restricted debt restructuring, the current debt portfolio is continually monitored in conjunction with external

advisers in the light of changing economic and market conditions to identify opportunities for debt rescheduling. Debt rescheduling will only be undertaken:

- To generate cash savings at minimum risk.
- To help fulfil the Treasury Strategy.
- To enhance the balance of the long term portfolio by amending the maturity profile and/or volatility of the portfolio.

### **Investment Strategy for 2020/21**

Our treasury advisor originally felt when the strategy was approved by Council in February 2020 that the bank rate would remain at 0.75% during 2020/21. These forecasts factored in the uncertainty surrounding the future of the trading relationship between the UK and EU, and an agreed deal on Brexit, including agreement on the terms of trade. It was not expected the MPC would be able to deliver on an increase in Bank Rate until the Brexit issue was finally settled. However, there was an expectation that Bank Rate would rise after that issue was settled but would only rise to 1.25% in 2022/23. The coronavirus outbreak has done huge economic damage to the UK and to economies around the world. The Bank of England took emergency action in March 2020 to cut Bank Rate to first 0.25%, and then to 0.10%, where it has remained. Consequently, our treasury advisor's interest rate forecast was reviewed, and their updated forecast was approved by Council in December 2020 as part of the mid-year report. Their revised forecast took account of the expectation that Bank Rate would stay at 0.10% during 2020/21.

In 2020/21 investment of surplus cash was managed by the internal treasury team. The strategy for the in-house team was influenced by the need to keep funds relatively short for cash flow purposes. Lending continued to be restricted to UK banks, one overseas bank, three Building Societies, two Money Market Funds (AAA credit rating), Part Nationalised Banks, UK Government and other Local Authorities in line with the Council's policy on creditworthiness which was approved in the Annual Investment Strategy.

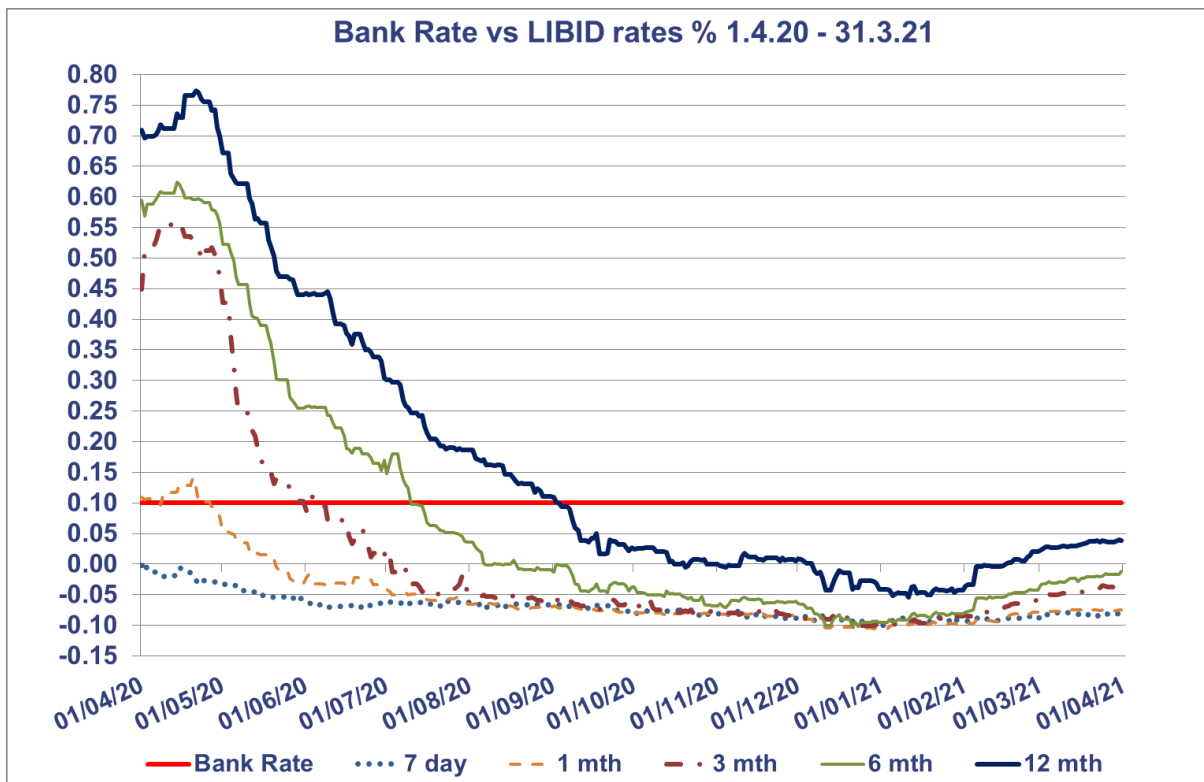
### **Investment outturn 2020/21**

The rates forecast, detailed in 10.1, was invalidated by the Covid-19 pandemic bursting onto the scene in March 2020 which caused the Monetary Policy Committee to cut Bank Rate in March, first to 0.25% and then to 0.10%, in order to counter the hugely negative impact of the national lockdown on large swathes of the economy. The Bank of England and the Government also introduced new programmes of supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to

survive the lockdown. 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 plummeted.

To counter the low investment rates and following advice from Link, use was made of direct deals with main UK banks, for various periods from three months to one year. Direct deals offered enhanced rates over the equivalent rates available through brokers. This provided opportunities to lock into higher, long term rates at times when it was thought they offered substantial enhancement over short term benchmark rates. Enhanced market rates when compared to bank rate has resulted in the total portfolio outperforming the benchmark. Use of instant access accounts with Svenska Handelsbanken was continued, together with use of Money Market Funds with Aberdeen & Insight Investment. These accounts offered instant access to funds, however they also saw suppressed yields in line with levels when placing short term deposits through brokers.

Movements in short term rates through the year are shown in the below.



Throughout the year the average interest rate earned on investments was suppressed due to unexpected cuts to bank rate, in response to the Covid 19 pandemic. This resulted in the internal treasury team achieving a lower level of interest on revenue balances than budgeted. This lower than projected amount earned on investments was offset by

an under-spend on debt charges due to no long-term general fund borrowing being undertaken in 2020/21. The total £3.21 million underspend was mainly due to MRP savings following a review of the Council’s policy and interest payable savings.

At 31 March 2021 the allocation of the cash portfolio was as follows:

	<b>£m</b>
• In-house short dated deposits for cash flow management	62.8
• In-house long dated deposits (up to 1 year)	12.0
• Other Local Authorities	73.0
<b>Total</b>	<b>147.8</b>

The following table shows the average return on cash investments for the internal treasury team during the year and for the last 3 years to 31 March 2021. Recognising the need to manage short term cash flow requirements, the target for the internal team is the 7 day LIBID rate.

	<b>Return 2020/21</b>	<b>Return 3 years to 31 March 2021</b>
	<b>%</b>	<b>% p.a.</b>
Internal Treasury Team	0.40	0.72
Benchmark (7 Day LIBID rate)	-0.07	0.32

The conclusions to be drawn from the table are:

- During 2020/21 the internal treasury team outperformed their benchmark by 0.47%.
- Over the 3 year period the internal team’s performance has been 0.40% per annum above the benchmark.

### **Compliance with Treasury Limits and Prudential Indicators**

All borrowing and lending transactions undertaken through the year have complied with the procedures and limits set out in the Council’s Treasury Management Practices and Treasury Strategy. In addition, all investments made have been within the limits set in the approved counterparty list. No institutions, in which

investments were made, showed any difficulty in repaying investments and interest in full during the year.

Appendix B shows the Prudential Indicators approved by Council as part of the 2020/21 and 2021/22 (revised estimate) Treasury Strategies compared with the actual figures for 2020/21. In summary, during 2020/21 treasury activities have been within the prudential and treasury limits set in the Treasury Strategy.

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<u>Committee and Date</u>	<u>Item</u>
Audit Committee	
30 July 2021	
10:00 am	<u>Public</u>
23 September 2021	

## **ANNUAL ASSURANCE REPORT OF AUDIT COMMITTEE TO COUNCIL 2020/21**

**Responsible Officer** James Walton

e-mail: James.walton@shropshire.gov.uk

Tel: 01743 258915

### **1. Summary**

- 1.1. A key part of the Audit Committee's role is to report annually to Full Council on the Committee's findings, conclusions and recommendations. Audit Committee has some concerns but on balance can provide reasonable assurance.

### **2. Executive Summary**

- 2.1. Attached to this report is the Audit Committee's Annual Assurance Report to Council for 2020/21. This provides Council with independent reasonable assurance that it has in place adequate and effective governance, risk management and internal control frameworks; internal and external audit functions and financial reporting arrangements that can be relied upon and which contribute to the high corporate governance standards that this Council expects and maintains consistently.
- 2.2. The Audit Committee recognises and is concerned about the limitations identified in the internal control framework as reported in the Head of Audit's Opinion and the potential impact on value for money but on balance, can provide reasonable assurance, founded on those reports, explanations and assurances received, throughout the year.

### **3. Decisions**

#### **3.1. Recommendations to Council**

Council is asked to consider and comment on the contents of the Annual Assurance report for 2020/21 before recommending accepting this report. In considering the report, Members are asked to recognise that Audit Committee would not be as effective without the backing, reports and training from Audit staff.

## **REPORT**

### **4. Risk Assessment and Opportunities Appraisal**

- 4.1. The Audit Committee's Annual Assurance Report is part of the overall internal control arrangements and risk management process. The Audit Committee objectively examines and evaluates the adequacy of the control environment through the reports it receives and in turn can provide assurances to Council on its governance, risk management and internal control frameworks; internal and external audit functions and financial reporting arrangements that inform the Annual Governance Statement.
- 4.2. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998. There are no direct environmental, equalities, consultation or climate change requirements or consequences of this proposal.

### **5. Financial Implications**

- 5.1. There are no direct financial implications from this report. In assessing the internal control environment, risk management and governance aspects of the Council, the Audit Committee can provide a perspective on the overall value for money of these.

### **6. Climate Change Appraisal**

- 6.1. This report does not directly make decisions on energy and fuel consumption; renewable energy generation; carbon offsetting and mitigation; or on climate change adaptation. Therefore, no effect to report.

### **7. Background**

- 7.1. A key part of the Audit Committee's role is to report annually to Full Council on the Committee's findings, conclusions and recommendations; providing its opinion on the adequacy and effectiveness of the Council's governance, risk management and internal control frameworks; internal and external audit functions and financial reporting arrangements. In addition, the Audit Committee should report to Council where they have added value, improved or promoted the control environment and performance in relation to its Terms of Reference and the effectiveness of the Committee in meeting its purpose and functions.
- 7.2. The Audit Committee has a well-established role within the Council, and it is important that an Annual Assurance report based on the work of the Committee is produced and recommended to Council. In compiling this assurance report, information provided at the Audit Committee meeting on 30<sup>th</sup> July 2021 has also been considered.
- 7.3. In addition, this report has been reviewed to ensure its continuing compliance with CIPFA<sup>1</sup>'s Audit Committees, Practical Guidance for Local Authorities and Police, 2018 edition. This requires the Audit Committee to be held to account on a regular basis by the Council specifically in relation to:

Whether the;

- committee has fulfilled its agreed terms of reference;
- committee has adopted recommended practice;
- development needs of committee members have been assessed and whether committee members are accessing briefing and training opportunities;
- committee has assessed its own effectiveness, or been the subject of a review, and the conclusions and actions from that review and,
- what impact the committee has on the improvement of governance, risk and control within the Council.

## **8. Conclusion**

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<sup>1</sup> The Chartered Institute of Public Finance and Accountancy.

- 8.1. The annual assurance report to Council for 2020/21, attached to this report, is an aid to addressing the key areas where the Committee should be held to account. **(Appendix A)**.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

CIPFA's Audit Committees, Practical Guidance for Local Authorities and Police, 2018 edition  
Audit Committee reports 2020/21

**Cabinet Member (Portfolio Holder)**

Lezley Picton, Leader of the Council and Brian Williams, Chairman of the Audit Committee

**Local Member**

N/A

**Appendices**

Appendix A - Draft Audit Committee Annual Assurance Report 2020/21



## APPENDIX A

### AUDIT COMMITTEE ANNUAL ASSURANCE REPORT FINANCIAL YEAR 2020/21

#### STATEMENT FROM THE CHAIRMAN OF THE AUDIT COMMITTEE

1. Governance in and of the public sector continues to be high profile with the Chartered Institute of Public Finance and Accountancy (CIPFA) supporting good practice in local government. In Shropshire we have a Code of Corporate Governance which is reviewed annually in line with the best practice issued by CIPFA and SOLACE<sup>2</sup>; we have also produced an Annual Governance Statement, again in line with best practice and legislative requirements. Being well managed and well governed are important attributes in helping to improve performance and in reducing the risk of failing to achieve our objectives and providing good service to our community.
2. Shropshire Council has an Audit Committee that is long established in seeking to maintain and improve our governance procedures. The Committee is a key component of the Council's corporate governance arrangements and a major source of assurance of the Council's arrangements for managing risk, maintaining an effective control environment and reporting on internal and external audit functions and financial and non-financial performance.
3. The benefits to the Council of operating an effective Audit Committee are:
  - Maintaining public confidence in the objectivity and fairness of financial and other reporting.
  - Reinforcing the importance and independence of internal and external audit and any other similar review process; for example, reviewing and approving the Annual Statement of Accounts and the Annual Governance Statement.
  - Providing a sharp focus on financial reporting both during the year and at year end, leading to increased confidence in the objectivity and fairness of the financial reporting process.
  - Assisting the co-ordination of sources of assurance and, in so doing, making management more accountable.
  - Providing additional assurance through a process of independent and objective review.
  - Raising awareness within the Council of the need for governance, internal control and the implementation of audit recommendations.

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<sup>2</sup> Society of Local Authority Chief Executives

- Providing assurance on the adequacy of the Council's risk management arrangements and reducing the risk of illegal or improper acts.
4. The Committee continues to have a professional and arm's length relationship with Grant Thornton, the Council's external auditors, who attend all meetings of the Committee to offer their advice where needed.
  5. The Committee undertakes a substantial range of activities and works closely with both internal and external auditors and the Chief Finance Officer (Executive Director of Resources {Section 151 Officer}) in achieving our aims and objectives. We have put together a work and development plan for the year to enable key tasks to be considered and completed.
  6. As Chair of the Audit Committee, I see training as a key priority for members to undertake our roles effectively. The Committee continues to undertake a full and extensive programme of training and this year has been no exception. Training has been received in relation to:
    - Using MSTeams for virtual meetings, optimising the performance of the Audit Committee using technology and flexible workplaces
    - Capital Strategy and Programme
    - What to look for when considering the year end reports during a period of responding to COVID
    - Response to COVID Business Continuity and Emergency Planning
    - Managing our staff during COVID
    - Impact on Finance and associated processes as a result of COVID
    - Impact on the Internal Audit focus
    - Public Health Response to COVID
    - MHCLG<sup>3</sup> Local Government Finance presentation
    - Local government finance and the COVID19 pandemic: a NAO perspective

Members also have access to CIPFA's Better Governance Forum network which provides specific information in the form of regular briefings, training events, and an informative web site and received various communication updates throughout the year on the following topics:

- The latest strategic, finance and governance issues that will have implications for audit committee members
- Auditor's work on value for money arrangements
- The role audit committees can play in supporting the head of internal audit's annual opinion
- Reviewing the audit plan

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<sup>3</sup> Ministry of Housing, Communities and Local Government

- Self-assessment and improving effectiveness
  - Developing an effective annual governance statement
  - Focus on local audit
  - COVID-19 pandemic – Key issues for the Audit Committee
  - The annual governance statement for 2020/21
  - Local auditors and internal audit working together
7. This year the Committee has held eight planned meetings including the meeting held on 30<sup>th</sup> July 2021. We have received and considered a substantial number of reports across key areas of the Council’s activity (see **Annex A**).

### **Audit Committee Membership and Dates of Meetings**

8. Membership of the Audit Committee for 2020/21 to May 2021 was made up of the following Councillors: Peter Adams (Chairman), Brian Williams (Vice Chairman), Chris Mellings, Michael Wood and Ioan Jones. From May 2021, membership was made up of Councillors, Brian Williams (Chairman), Simon Harris (Vice Chairman), Rosemary Dartnall, Nigel Lumby and David Vasmer.
9. Substitutes were invited to attend and contribute at all meetings and training.
10. Meetings of the Committee have been held on:
- 31 July 2020;
  - 17 September 2020;
  - 29 October 2020;
  - 10 December 2020;
  - 11 February 2021;
  - 4<sup>th</sup> March 2021;
  - 20<sup>th</sup> May 2021 (Election of Chairman and Vice only) and
  - 30<sup>th</sup> July 2021.

### **Details of Reports/Information Received**

11. **Annex A** provides a summary of the key reports and information received by the Audit Committee at its meetings. These appear categorised in the areas which, under the Terms of Reference, Audit Committee have a responsibility to consider and report upon. They are:
- Governance;
  - Risk management framework;
  - Controls, including specific focus on:
    - Contracts and partnerships
    - Fraud, corruption and whistleblowing
    - Value for money
  - Financial reporting and treasury management.
- A detailed audit work plan has been agreed for the current year.

12. Following receipt of the reports the Audit Committee:
- Resolved that there were reasonable arrangements for corporate governance and where improvements are required there is a clear improvement plan with dedicated lead officers that will be monitored by Members.
  - Resolved that the risk management and assurance framework was fit for purpose and operating as intended.
  - Recognised the increased risks in the control environment and resolved that there is still a need with pressures on resources and following the Council's response to COVID and changes to major systems, to ensure continual monitoring by management and members alike on the internal control environment. Members focus will remain on areas critical to the Council, i.e. internal control environments in respect of the embedding of ERP software, major contracts and commercial activities; alongside the Council's ongoing response to COVID19.
  - Resolved that there were effective arrangements for the prevention and detection of fraud and corruption, and for enabling whistleblowing (confidential reporting).
  - Resolved that there was evidence of effective arrangements in place to support Value for Money but recognised the links to good financial management and sound internal controls in minimising opportunities for waste and fraud and maximising income and use of all assets, and the need to ensure continual monitoring by management and members alike given the reported direction of travel of the internal control environment.
  - Resolved that Financial Statements reflected the Council's true position, were complete including all transactions, and were prepared in accordance with International Financial Reporting Standards.
13. The Head of Audit has offered limited assurance for the 2020/21 year on the Council's framework for governance, risk management and internal control. There are a continuing and increased number of high and medium risk rated weaknesses identified in key individual assignments that are significant in aggregate but where discrete parts of the system of internal control remain unaffected. Management of Coronavirus has introduced unprecedented pressures and responses, and this inevitably has impacted upon her opinion. Managers' priorities have been diverted to business continuity pressures and this has removed capacity to plan and deliver improvements to known internal control processes, leading to maintained and increased risks in some areas that may impact on delivery of the Council's objectives. The year has continued to be challenging with the embedding of key fundamental line of business systems (financial and human resources), changes of key managerial posts, alongside a challenge to deliver savings,



increase income and respond to changing Coronavirus pressures, at times on a daily and weekly basis.

**Audit Service Staff**

14. The key staff are James Walton, the Section 151 Officer, Ceri Pilawski, the Head of Audit and her deputies, Principal Auditors: Katie Williams, Peter Chadderton and Barry Hanson.
15. Without the support of all Audit staff and of the officers mentioned above, it would not be possible for the Audit Committee to be as highly effective as peer comparisons show us to be. My thanks and that of my fellow committee members are given to all our Audit Service officers.

**Annual Statement of Assurance**

16. Based on:
  - The work carried out by the Internal and External Auditors and their reports presented to this Committee;
  - Reports from service managers and;
  - The work carried out by the Section 151 Officer, Head of Audit and their reports presented to this Committee.The Audit Committee recognises and is concerned about the limitations identified in the internal control framework and the impact on value for money. However, on balance, the Audit Committee can provide reasonable assurance, founded on those reports, explanations and assurances received, that the Council has in place adequate and effective governance, risk management and internal control systems; internal, external audit functions and financial reporting arrangements that can be relied upon and which contribute to the high corporate governance standards that this Council expects.

**RECOMMENDATION – Council is asked to accept this report**

Signed ..... Date.....  
On behalf of the Audit Committee  
Brian Williams

## Summary of assurance reports received by Audit Committee

### Governance

- **Management report; Annual Governance Statement (AGS) and a review of the effectiveness of the Council's internal controls and Shropshire's Code of Corporate Governance**

Report of the Section 151 Officer on the effectiveness of the system of internal controls and the production of the Annual Governance Statement. In addition, he reported on compliance with the Corporate Governance Code as reasonable.

- **Internal Audit – Annual review of Internal Audit, Quality Assurance and Improvement Programme (QAIP) 2020/21**

Report of the Section 151 Officer which provided Members with the results of a self-assessment of the Internal Audit Service against the requirements of the Public Sector Audit Standards, compliance against which demonstrates an effective Internal Audit service. There are no areas where the Internal Audit function is not complying with the Code and, whilst there are areas of partial compliance, these are not considered significant and do not compromise compliance with the code. It was noted the report should be read in conjunction with the Internal Audit Annual Report.

- **Annual review of Audit Committee terms of reference**

Report of the S151 Officer which set out changes proposed in the Terms of Reference to reflect constitutional changes allowing the Audit Committee to approve the Final Accounts Pack including the Statement of Accounts. It was confirmed that the Constitution allowed for the Committee to refer items to Cabinet and/or Council throughout the year where the Committee felt there was enough cause for concern.

- **Annual Audit Committee self-assessment**

Report of the Section 151 Officer which requested members to review and comment on the self-assessment of good practice questionnaire to assess the effectiveness of the Audit Committee and identify any further improvements. Following the assessment Members have identified areas for future focus and training sessions.

- **Internal Audit Charter**

Report of the Head of Audit which set out the requirement for an annual review of the Internal Audit Charter which had been completed. There were no proposed changes.

➤ **Draft Audit Committee annual work plan and future training requirements**

Report of the Head of Audit which provided a proposed Audit Committee work plan and sought discussion and agreement around a learning and development plan for members to ensure they were well informed and appropriately skilled to fulfil their role. It was recognised that membership of the Committee would be different after the election and that there may be different requirements which would need to be added to the programme. The Head of Audit confirmed that the work plan and learning and development plan could be amended throughout the year.

➤ **Annual Assurance report of Audit Committee to Council 2020/21**

Report of the Section 151 Officer in respect of the Audit Committee's Annual Assurance report to Council.

The Audit Committee resolved that there were reasonable arrangements for corporate governance and where improvements are required there is a clear improvement plan with dedicated lead officers that will be monitored by Members.

## **Risk Management Framework**

➤ **Management report: Risk Annual Report 2019/20 incorporating strategic risks update**

Report of the Risk and Insurance Manager which set out the challenges and achievements accomplished by the Risk and Insurance Team during 2019/20. The team includes both business continuity management and the civil contingencies responsibilities of emergency planning and as a result of this the team have experienced an unprecedented workload due to significant weather events and Coronavirus. However, the team has worked tirelessly to respond to all these incidents whilst maintaining delivery of the day job. She then drew attention to the 'good' assurance level achieved following a risk management audit and confirmed that robust policies and procedures were now in place to better respond to a further outbreak.

➤ **Management report: Strategic risks update**

Reports during the year from the Risk and Insurance Manager set out the current strategic risk exposure. There were currently 17 strategic risks on the strategic risk register, and one new risk definition for reliance on cyber and ICT infrastructure. The Risk and Insurance Manager advised Members that the new ways of working and other measures introduced as a result of the Covid Pandemic had led to the redefinition of some risks and the creation of new risk profiles.

➤ **Internal Audit report of the review of Risk Management audit 2020/21**

Report of the Principal Auditor which summarised the detailed findings identified in the Internal Audit review of risk management of which the overall control environment had been assessed as Good, the highest rating that could be given.

➤ **Draft Internal Audit risk-based plan 2021/22**

Report of the Head of Audit on the proposed risk based Internal Audit Plan for 2021/22. She drew attention to the summarised Internal Audit Plan which covered all requirements but highlighted that there could be a need to amend the plan when the ongoing effects of the pandemic were assessed and provided a proposed list of audit areas that would be removed to allow resources for Covid response activities.

She also referred members to the appendix, which set out those audit areas of high priority for which no provision had been made in this year's internal audit plan those low risk areas that would not be considered for review by Internal Audit on a rolling basis, to allow Members to consider first line assurances, if required, from managers on these areas.

The Audit Committee resolved that the risk management and assurance framework was fit for purpose and operating as intended.

## Controls

➤ **Management Report: Leisure Services Progress Update**

The Assistant Director of Homes and Communities introduced the report which gave an update on progress on audit recommendations for Leisure Services and assurance to members.

➤ **Management Report: Highways Term Maintenance and Highways Design Contracts (Exempted by Category 5)**

The Head of Head of Audit updated Members with the key findings following reviews of the Highways Term Maintenance Contract and Highways Design Contract and actions that management were taking. This was followed by:

➤ **Management report: Highways Term Maintenance Contract**

The Director of Place and Enterprise updated Members with progress following a further audit of the Highways Term Maintenance Contract. Following a request from the External Auditor, on completion of the Highways Term Maintenance and Highways Design Contract Internal Audit reviews, details of which were explored in the exempt part of the Audit Committee's business. Given the size of the contract; impact on key Council services and that the control improvements have not impacted greatly on the assurance level for the 2020/21 Internal Audit, an adjustment was agreed to the Annual Governance Statement to reflect this.

➤ **Internal Audit performance report and revised annual audit plan 2020/21**

Report of the Head of Audit which provided Members with an update of the work undertaken by Internal Audit throughout the year. By September she informed Members that 35% of the revised plan had been completed and due to the impact of Covid, there had been a significant adjustment to planned audit activity with the Audit Team supporting the Council in administering the Governments Covid-19 Business Support Grants amongst other activities. The Service Manager and Portfolio Holder with responsibility for the Pensions Payroll Interface were requested to attend a future meeting of the Committee. The Head of Audit committed to write to all Heads of Service where the date of implementation of fundamental recommendations had expired to follow up on the implementation.

By mid-November 2020, the revised plan was on target for 90% completion. The Head of Audit drew attention to a slight adjustment to the planned activity due to Covid-19 and a decrease in the higher levels of assurance, with a corresponding increase in unsatisfactory assurances, an early indicator of a weaker control environment across the Council. Members were informed of an increasing risk that the ongoing impact of Covid may have on time frames and the need for extensions.

At her March 2021 update the Head of Audit informed members that 79% of the revised plan had been completed; There had been significant revisions to the plan to reflect adjustments in both risks and a reduction in available resources given the continuing impact of the Covid pandemic. She reminded Members that they had been made aware both through reports to their Audit Committee and training sessions, where Internal Audit resources have been deployed to support service areas responding to the pandemic. In doing this, the Head of Audit was able to take assurance from knowledge gained by Auditors working within these areas and whilst not independently tested, in these unprecedented times, professional judgement was applied to several governance, internal control and risk management issues, the details of which were summarised in the report. The number of lower level assurances 49%, at this point in the year, is significantly higher than the outturn for 2019/20 of 36%. Reflected in significantly higher numbers of audited areas attracting unsatisfactory assurance (20%) compared to the previous year outturn. Whilst this did not yet demonstrate a complete picture, it was an early indicator of a weaker control environment across the Council and whilst not unexpected, with the additional pressures of responding to the COVID pandemic, was flagged up to be managed appropriately.

➤ **Internal Audit annual report 2020/21**

Report of the Head of Audit on achievements against the revised internal audit plan for 2020/21 and the annual internal audit assurance. The Head of Audit gave limited assurance for the 2020/21 year that the Council's framework for governance, risk management and internal control is sound and working effectively. She explained that there are continuing, and increased numbers of high and medium risk rated weaknesses identified in key individual assignments that are significant in aggregate but where discrete parts of the system of internal control remain unaffected. Management of Coronavirus has introduced unprecedented pressures and responses, and this inevitably has impacted upon her opinion. Managers' priorities have been diverted to business continuity pressures and this has removed capacity to plan and deliver improvements to known internal control processes, leading to maintained and increased risks in some areas that may impact on delivery of the Council's objectives. The year has continued to be challenging with the embedding of key fundamental line of business systems (financial and human resources), changes of key managerial posts, alongside a challenge to deliver savings, increase income and respond to changing Coronavirus pressures, at times on a daily and weekly basis.

The Audit Committee recognise the increased risks in the control environment and resolved that there is still a need with pressures on resources and following the Council's response to COVID and changes to major systems, to ensure continual monitoring by management and members alike on the internal control environment. Members focus will remain on areas critical to the Council, i.e. internal control environments in respect of the embedding of ERP software, major contracts and commercial activities; alongside the Council's ongoing response to COVID19.

### **Controls: Fraud, Corruption and Whistleblowing**

➤ **Fraud, special investigation and Regulation of Investigatory Powers Act (RIPA) update (Exempted by categories 2, 3 and 7)**

Members are provided with exempt reports of the Principal Auditor providing an update on the current fraud and special investigations undertaken by Internal Audit and current RIPA activity.

➤ **Annual review of Counter Fraud, Bribery and Anti-Corruption Strategy and activities, including an update on the National Fraud Initiative**

Report of the Head of Audit provided which outlined the measures undertaken in the last year to evaluate the potential for the occurrence of fraud, and how the Council managed these risks with the aim of prevention, detection and subsequent reporting of fraud, bribery and corruption. It also provided an update on the action plan to ensure continuous improvement and an update to members in response to national and local issues. It was

confirmed that the Strategy had been reviewed and updated to reflect both best practice and to align with the updated Fighting Fraud and Corruption Locally Strategy 2020. A new fourth pillar to Govern and an additional theme to Protect were included in the Strategy.

➤ **Annual Whistleblowing report**

Report of the Director of Workforce and Transformation which showed that there had been 35 cases reported under the Whistleblowing arrangements. Assurance was provided as to the currency of the Whistleblowing Policy and the protection it afforded to whistle-blowers in a recent Employment Tribunal. The judge upheld that the process had been followed completely.

The Audit Committee resolved that there were effective arrangements for the prevention and detection of fraud and corruption, and for enabling whistleblowing (confidential reporting).

**Controls: Value for Money**

➤ **External Audit: Annual audit letter 2020/21 Shropshire Council**

Following the Redmond review, the Annual Audit letter would no longer be issued after this year.

Report of the Engagement Lead (Grant Thornton) summarised the key findings arising from the work carried out for the year ended 31 March 2020. He introduced the report and drew attention to the unqualified opinion given on the Council's Financial Statements and value for money assessment and the Shropshire County Pension Fund for 2019/20.

➤ **External Audit: Pension fund audit plan 2020/21**

Report of the Engagement Lead (Grant Thornton) setting out the Pension fund plan for the year ending 31 March 2021.

➤ **External Audit: Audit fee letter 2020/21**

Report of the Engagement Lead (Grant Thornton) setting out the audit fee for the year ending 31 March 2021.

The Audit Committee resolved that there was evidence of effective arrangements in place to support Value for Money but recognised the links to good financial management and sound internal controls in minimising opportunities for waste and fraud and maximising income and use of all assets, and the need to ensure continual monitoring by management and members alike given the reported direction of travel of the internal control environment.

**Financial reporting**

➤ **External Audit: Shropshire County Pension Fund Audit Findings (Information) 2019/20**

Report of the Engagement Lead (Grant Thornton) summarised the findings for the year ended 31 March 2020 on the audit of the Pension Fund financial statements. He proposed that his opinion include an emphasis of matter on the material valuation uncertainties on some investments due to Covid. He drew attention to an overstatement of asset valuations due to the timing of the valuation and how the market had moved by year end. This was however below the materiality threshold and represented three quarters of 1% of the value of the assets.

➤ **External Audit: Audit progress report and sector update**

Report of the Engagement Lead (Grant Thornton) which highlighted the progress made on work undertaken during the year and summarised the emerging national issues and developments of relevance to the Council. Members' attention was directed to the progress to date on the audit delivery and he confirmed that External Audit continued to meet with officers as appropriate.

In September he updated the Committee on the proposed changes to the value for money approach for the 2020/21 audit and the Redmond Review which was published the previous week. Remote working as a direct result of Covid, had extended the audit process which took longer to verify data and to clarify any queries. Shropshire Council were reported as above the median line in terms of progress with the 2019/20 audit and in a good place compared to other local authorities.

The Engagement Lead explained that the Value for Money process would focus on three key areas, financial sustainability, governance and improving economy, efficiency and effectiveness. The thinking behind these changes were about promoting timely, accessible and meaningful reporting on the big issues affecting the Council. External Audit would have more responsibility to make very clear recommendations for improvement and to ensure the Council was implementing those recommendations.

The Redmond review highlighted that the current system for local authority auditing and financial reporting was not working and the arrangements that were envisaged in the 2014 Local Audit and Accountability Act had not materialised. There was concern about a lack of coherence in the system, the local audit market is extremely fragile as there was a dearth of the skills required to deliver focused public audit and the fee structure as it currently was did not support the development of the public audit profession. It recognised an urgent need for action to be taken to address these problems. The Engagement Lead for External Audit confirmed that there would be additional fees to reflect the changes to their approach and due to the impact of Covid on delivery.



In March, the Engagement Lead confirmed that the 2019/20 certification of financial statements had been completed, and the Housing Benefit certification had been completed ahead of the 31 January 2021 deadline. He then took Members through initial plans for the 2020/21 audit.

➤ **Financial outturn report 2020/21**

Report from the Section 151 Officer providing details of the revenue outturn position for the Council and the full year capital expenditure and financing of the Council's capital programme.

➤ **Approval of the Council's Statement of Accounts 2020/21 including a review of accounting policies**

Report of the Section 151 Officer on the final audited outturn position for the financial year 2020/21 and detailed amendments made to the draft Statement of Accounts during the audit process. The report identified what each of the amendments since the draft position were and included a summary of the reasoning for that change.

➤ **Approval of the Council's Statement of Accounts 2019/20 including a review of accounting policies**

Delayed due to Covid: Report of the Section 151 Officer on the final audited outturn position for the financial year 2019/20 and detailed amendments made to the draft Statement of Accounts during the audit process. The report identified what each of the amendments since the draft position were and included a summary of the reasoning for that change. None of those changes were particularly concerning. The Engagement Lead confirmed that he was proposing to issue an unqualified value for money conclusion however, he was recommending that the use of non-recurrent measures to balance the annual budget was not sustainable for the authority and that the Council needed to deliver identified savings and to develop further schemes to support its financial position going forward.

➤ **External Auditor, Redmond Review**

Report of the Engagement Lead, which updated the Committee in relation to the Redmond Review. Two key issues had come out of the review, one was that the accounts were too complex and the other was around the Audit process and the audit fees and the need to ensure that the audit market was sustainable and that audit suppliers could deliver the level of audit that the public would expect of them at a fee that would enable them to do that on a sustainable basis. Redmond was recommending not only the simplification of the accounts but also the production of an audited accounting summary, that would be more of a public document that would enable a lay person to easily understand the key financial dynamics of the local authority. The Engagement Lead reminded the meeting that

members of the Audit Committee did not necessarily have to be Members of the Local Authority and that the appointment of Independent member(s) to an Audit Committee could be a useful way to involve other stakeholders and pull in the expertise of a qualified accountant, for example.

## **Treasury Management**

### ➤ **Annual treasury report 2019/20**

Report of the Section 151 Officer providing information on treasury activities for Shropshire Council for the year including the investment performance of the internal treasury team to 31 March 2020. He reported that the Internal Treasury Team had outperformed their investment benchmark by 0.42% and that performance over the last three years was 0.32% per annum above benchmark delivering an underspend of £3.75 million. This was mainly due to a review of the Minimum Revenue Provision policy. He reported that no debt restructuring had been undertaken during the year and that all borrowing, and lending transaction had complied with prudential and treasury limits set out in the Treasury Strategy.

He also drew attention to the significant levels of ongoing savings and one-off adjustments and highlighted the minimum reporting requirements for the review and scrutiny of the Council's treasury management policy and activities undertaken by Audit Committee before being reported to full Council for approval

### ➤ **Treasury Strategy 2020/21 mid-year report**

Report of the Section 151 Officer which provided an economic update for the first six months of 2020/21; including a review of the Treasury Strategy; Annual Investment Strategy, the Council's investment portfolio; the Council's borrowing strategy; any debt rescheduling undertaken and compliance with Treasury and Prudential limits all for 2020/21.

The Treasury team achieved an outturn of 0.62% on the Council's cash balances and had outperformed the benchmark by 0.68%, amounting to £603,800 additional income.

### ➤ **Treasury Strategy 2021/22**

Report of the Section 151 Officer which proposed the Treasury Strategy for 2021/22 and the recommended Prudential Indicators for 2022/23 to 2023/24.

The Audit Committee resolved that Financial Statements reflected the Council's true position, were complete including all transactions, and were prepared in accordance with International Financial Reporting Standards.



be adopted. Whilst it would be possible to adopt the new Code in part only, it was agreed by both the Standards Committee and the Constitution Working Group that cherry picking aspects of the new Code would risk undermining the integrity of the comprehensive structure put in place by the LGA.

### **3. Recommendations**

**That members:**

- 3.1. approve the adoption of the LGA Model Code of Conduct in its entirety as the member Code of Conduct for Shropshire Council from 1<sup>st</sup> December 2021 following training**
- 3.2. request that the Monitoring Officer write to all Town and Parish Council in Shropshire to recommend that they too adopt the LGA Model Code of Conduct**

## **REPORT**

### **4. Risk Assessment and Opportunities Appraisal**

- 4.1. There is a risk that complaints might rise as a result of what appears to be an expanded Code but this will be balanced by having a clearer framework within which to deal with such complaints.
- 4.2. As the Joint Statement says at the start of the new Code “This Code has been designed to protect our democratic role, encourage good conduct and safeguard the public’s trust in local government.”
- 4.3. There will be training provided as part of the introduction of the new Code and this will focus on practical examples of when and how the rules apply. It is hoped that this will be a significant opportunity to promote the new Code within the day to day activities of the Council.

### **5. Financial Implications**

- 5.1. As referenced in the previous section, it is not clear what the impact of the new Code might be in terms of increased complaints and therefore the possibility of additional investigations, some of which

will need to be carried out by external investigators at a cost to the Council.

- 5.2. However, as the new Code provides a more comprehensive framework within which to determine whether particular behaviour might have breached the Code, it should be easier for the Monitoring Officer to legitimately determine matters at the initial stage of the complaints process without the need for an investigation.

## **6. Climate Change Appraisal**

- 6.1. Adoption of the new Code will have no obvious impact in terms of climate change.

## **7. Background**

- 7.1. The new Code includes aspects of the Council's Code and introduces a number of new principles as explained in more detail below. It would be possible to choose to adopt only certain aspects of the new Code but this was rejected as a suggestion by the Standards Committee and the Constitution Working Group.

- 7.2. The new Code includes the following principles from the current Code:

- Not using position improperly to advantage or disadvantage of anyone (i.e. act solely in public interest)
- Not using resources of Council improperly for political purposes
- Promoting high standards of conduct

- 7.3. The new Code does not include the following principles from the current Code:

- Make all choices based on merit
- Being Accountable for decisions
- Being open about and give reasons for decisions and actions

However, it is not considered that the lack of these principles being explicitly provided for in the new Code weakens it in any way as they are regarded as rules of natural justice in any event – i.e. they are principles that should be applied by members in their day to day decision-making whether set out in a Code of Conduct or not

- 7.4. The new Code states that members must not compromise the impartiality of anyone who works for the Council. On the face of it, this is weaker than the current Code which requires members to avoid financial or other obligations to individuals/organisations that

might seek to influence them. However, this is now replaced and strengthened by a more comprehensive registration and declaration of interests process designed to ensure members identify and avoid conflicts of interest

7.5. The new Code introduces some important new principles such as:

- Treating staff, other councillors and members of the public with respect;
- Not to bully, harass or discriminate
- A detailed framework for dealing with confidential information

It is suggested that these additions to the Code are to be welcomed as they frequently arise in the complaints received about members and so to have them explicitly referenced should be of assistance.

7.6. Currently members are required to register disclosable pecuniary interests and declare certain non-pecuniary interests. This is considerably expanded within the new Code which links to the key principles of bias and pre-determination. There is also considerable guidance on gifts and hospitality. Such a comprehensive structure should be helpful to both members and officers alike in establishing which decisions they should and should not participate in although it is acknowledged that the Code is complex in parts. As such, if Council agree to adopt the new Code training will be offered to all members by the Monitoring Officer.

## 8. Conclusions

8.1. Whilst it is acknowledged that the new Code is more complex and detailed than the current Code (17 pages rather than the current 2) it is recommended for adoption by the Council as it has been the result of comprehensive consultation undertaken by the LGA. That should mean that if an unusual situation arises in Shropshire it is likely to have arisen elsewhere and the LGA will be better equipped to offer advice on the scenario than would be the case if the Council decides to continue with its current Code.

8.2. It is only fair to point out that the new Code is very similar to the Code that was in existence prior to the changes introduced by the Coalition Government in the Localism Act 2011. However, the key distinction is that the new Code does not re-introduce any of the controversial sanctions then available for a breach of the Code such as suspension or disqualification.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

**Cabinet Member (Portfolio Holder) – Gwilym Butler**

**Local Member - All**

**Appendices**

A – Current Member Code of Conduct: [SUMMARY AND EXPLANATION \(shropshire.gov.uk\)](#) Page E1

B – LGA New Model Code of Conduct: [Local Government Association Model Councillor Code of Conduct 2020 | Local Government Association](#)

C – LGA Guidance on New Model Code of Conduct: [Guidance on Local Government Association Model Councillor Code of Conduct | Local Government Association](#)







## **Local Government Association**

### **Model Councillor Code of Conduct 2020**

#### **Joint statement**

The role of councillor across all tiers of local government is a vital part of our country's system of democracy. It is important that as councillors we can be held accountable and all adopt the behaviors and responsibilities associated with the role. Our conduct as an individual councillor affects the reputation of all councillors. We want the role of councillor to be one that people aspire to. We also want individuals from a range of backgrounds and circumstances to be putting themselves forward to become councillors.

As councillors, we represent local residents, work to develop better services and deliver local change. The public have high expectations of us and entrust us to represent our local area, taking decisions fairly, openly, and transparently. We have both an individual and collective responsibility to meet these expectations by maintaining high standards and demonstrating good conduct, and by challenging behaviour which falls below expectations.

Importantly, we should be able to undertake our role as a councillor without being intimidated, abused, bullied, or threatened by anyone, including the general public.

This Code has been designed to protect our democratic role, encourage good conduct and safeguard the public's trust in local government.

## **Introduction**

The Local Government Association (LGA) has developed this Model Councillor Code of Conduct, in association with key partners and after extensive consultation with the sector, as part of its work on supporting all tiers of local government to continue to aspire to high standards of leadership and performance. It is a template for councils to adopt in whole and/or with local amendments.

All councils are required to have a local Councillor Code of Conduct.

The LGA will undertake an annual review of this Code to ensure it continues to be fit-for-purpose, incorporating advances in technology, social media and changes in legislation. The LGA can also offer support, training and mediation to councils and councillors on the application of the Code and the National Association of Local Councils (NALC) and the county associations of local councils can offer advice and support to town and parish councils.

## **Definitions**

For the purposes of this Code of Conduct, a “councillor” means a member or co-opted member of a local authority or a directly elected mayor. A “co-opted member” is defined in the Localism Act 2011 Section 27(4) as “a person who is not a member of the authority but who

- a) is a member of any committee or sub-committee of the authority, or;
- b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority;

and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee”.

For the purposes of this Code of Conduct, “local authority” includes county councils, district councils, London borough councils, parish councils, town councils, fire and rescue authorities, police authorities, joint authorities, economic prosperity boards, combined authorities and National Park authorities.

## **Purpose of the Code of Conduct**

The purpose of this Code of Conduct is to assist you, as a councillor, in modelling the behaviour that is expected of you, to provide a personal check and balance, and to set out the type of conduct that could lead to action being taken against you. It is also to protect you, the public, fellow councillors, local authority officers and the reputation of local government. It sets out general principles of conduct expected of all councillors and your specific obligations in relation to standards of conduct. The LGA encourages the use of support, training and mediation prior to action being taken using the Code. The fundamental aim of the Code is to create and maintain public confidence in the role of councillor and local government.

## **General principles of councillor conduct**

Everyone in public office at all levels; all who serve the public or deliver public services, including ministers, civil servants, councillors and local authority officers; should uphold the [Seven Principles of Public Life](#), also known as the Nolan Principles.

Building on these principles, the following general principles have been developed specifically for the role of councillor.

In accordance with the public trust placed in me, on all occasions:

- I act with integrity and honesty
- I act lawfully
- I treat all persons fairly and with respect; and
- I lead by example and act in a way that secures public confidence in the role of councillor.

In undertaking my role:

- I impartially exercise my responsibilities in the interests of the local community
- I do not improperly seek to confer an advantage, or disadvantage, on any person
- I avoid conflicts of interest
- I exercise reasonable care and diligence; and
- I ensure that public resources are used prudently in accordance with my local authority's requirements and in the public interest.

## **Application of the Code of Conduct**

This Code of Conduct applies to you as soon as you sign your declaration of acceptance of the office of councillor or attend your first meeting as a co-opted member and continues to apply to you until you cease to be a councillor.

This Code of Conduct applies to you when you are acting in your capacity as a councillor which may include when:

- you misuse your position as a councillor
- Your actions would give the impression to a reasonable member of the public with knowledge of all the facts that you are acting as a councillor;

The Code applies to all forms of communication and interaction, including:

- at face-to-face meetings
- at online or telephone meetings
- in written communication
- in verbal communication
- in non-verbal communication
- in electronic and social media communication, posts, statements and comments.

You are also expected to uphold high standards of conduct and show leadership at all times when acting as a councillor.

Your Monitoring Officer has statutory responsibility for the implementation of the Code of Conduct, and you are encouraged to seek advice from your Monitoring Officer on any matters that may relate to the Code of Conduct. Town and parish councillors are encouraged to seek advice from their Clerk, who may refer matters to the Monitoring

Officer.

## **Standards of councillor conduct**

This section sets out your obligations, which are the minimum standards of conduct required of you as a councillor. Should your conduct fall short of these standards, a complaint may be made against you, which may result in action being taken.

Guidance is included to help explain the reasons for the obligations and how they should be followed.

### **General Conduct**

#### **1. Respect**

##### **As a councillor:**

**1.1 I treat other councillors and members of the public with respect.**

**1.2 I treat local authority employees, employees and representatives of partner organisations and those volunteering for the local authority with respect and respect the role they play.**

Respect means politeness and courtesy in behaviour, speech, and in the written word. Debate and having different views are all part of a healthy democracy. As a councillor, you can express, challenge, criticise and disagree with views, ideas, opinions and policies in a robust but civil manner. You should not, however, subject individuals, groups of people or organisations to personal attack.

In your contact with the public, you should treat them politely and courteously. Rude and offensive behaviour lowers the public's expectations and confidence in councillors.

In return, you have a right to expect respectful behaviour from the public. If members of the public are being abusive, intimidatory or threatening you are entitled to stop any conversation or interaction in person or online and report them to the local authority, the relevant social media provider or the police. This also applies to fellow councillors, where action could then be taken under the Councillor Code of Conduct, and local authority employees, where concerns should be raised in line with the local authority's councillor-officer protocol.

#### **2. Bullying, harassment and discrimination**

##### **As a councillor:**

**2.1 I do not bully any person.**

**2.2 I do not harass any person.**

**2.3 I promote equalities and do not discriminate unlawfully against any person.**

The Advisory, Conciliation and Arbitration Service (ACAS) characterises bullying as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Bullying might be a regular pattern of behaviour or a one-off incident, happen face-to-face, on social media, in emails or phone calls, happen in the workplace or at work social events and may not always be obvious or noticed by others.

The Protection from Harassment Act 1997 defines harassment as conduct that causes alarm or distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and

contact upon a person in a manner that could be expected to cause distress or fear in any reasonable person.

Unlawful discrimination is where someone is treated unfairly because of a protected characteristic. Protected characteristics are specific aspects of a person's identity defined by the Equality Act 2010. They are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Equality Act 2010 places specific duties on local authorities. Councillors have a central role to play in ensuring that equality issues are integral to the local authority's performance and strategic aims, and that there is a strong vision and public commitment to equality across public services.

### **3. Impartiality of officers of the council**

**As a councillor:**

#### **3.1 I do not compromise, or attempt to compromise, the impartiality of anyone who works for, or on behalf of, the local authority.**

Officers work for the local authority as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. You can question officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written. However, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

### **4. Confidentiality and access to information**

**As a councillor:**

#### **4.1 I do not disclose information:**

- a. given to me in confidence by anyone**
- b. acquired by me which I believe, or ought reasonably to be aware, is of a confidential nature, unless**
  - i. I have received the consent of a person authorised to give it;**
  - ii. I am required by law to do so;**
  - iii. the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or**
  - iv. the disclosure is:**
    - 1. reasonable and in the public interest; and**
    - 2. made in good faith and in compliance with the reasonable requirements of the local authority; and**
    - 3. I have consulted the Monitoring Officer prior to its release.**

#### **4.2 I do not improperly use knowledge gained solely as a result of my role as a councillor for the advancement of myself, my friends, my family members, my employer or my business interests.**

#### **4.3 I do not prevent anyone from getting information that they are entitled to by law.**

Local authorities must work openly and transparently, and their proceedings and printed materials are open to the public, except in certain legally defined circumstances. You should work on this basis, but there will be times when it is required by law that discussions, documents and other information relating to or held by the local authority must be treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

## **5. Disrepute**

**As a councillor:**

### **5.1 I do not bring my role or local authority into disrepute.**

As a Councillor, you are trusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. You should be aware that your actions might have an adverse impact on you, other councillors and/or your local authority and may lower the public's confidence in you or your local authority's ability to discharge your/its functions. For example, behaviour that is considered dishonest and/or deceitful can bring your local authority into disrepute.

You are able to hold the local authority and fellow councillors to account and are able to constructively challenge and express concern about decisions and processes undertaken by the council whilst continuing to adhere to other aspects of this Code of Conduct.

## **6. Use of position**

**As a councillor:**

### **6.1 I do not use, or attempt to use, my position improperly to the advantage or disadvantage of myself or anyone else.**

Your position as a member of the local authority provides you with certain opportunities, responsibilities, and privileges, and you make choices all the time that will impact others. However, you should not take advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly.

## **7. Use of local authority resources and facilities**

**As a councillor:**

### **7.1 I do not misuse council resources.**

### **7.2 I will, when using the resources of the local authority or authorising their use by others:**

- a. act in accordance with the local authority's requirements; and**
- b. ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the local authority or of the office to which I have been elected or appointed.**

You may be provided with resources and facilities by the local authority to assist you in carrying out your duties as a councillor.

Examples include:

- office support
- stationery
- equipment such as phones, and computers
- transport

- access and use of local authority buildings and rooms.

These are given to you to help you carry out your role as a councillor more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the local authority's own policies regarding their use.

## **8. Complying with the Code of Conduct**

### **As a Councillor:**

**8.1 I undertake Code of Conduct training provided by my local authority.**

**8.2 I cooperate with any Code of Conduct investigation and/or determination.**

**8.3 I do not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings.**

**8.4 I comply with any sanction imposed on me following a finding that I have breached the Code of Conduct.**

It is extremely important for you as a councillor to demonstrate high standards, for you to have your actions open to scrutiny and for you not to undermine public trust in the local authority or its governance. If you do not understand or are concerned about the local authority's processes in handling a complaint you should raise this with your Monitoring Officer.

### **Protecting your reputation and the reputation of the local authority**

## **9. Interests**

### **As a councillor:**

**9.1 I register and disclose my interests.**

Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of members of the authority .

You need to register your interests so that the public, local authority employees and fellow councillors know which of your interests might give rise to a conflict of interest. The register is a public document that can be consulted when (or before) an issue arises. The register also protects you by allowing you to demonstrate openness and a willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise. It is also important that the public know about any interest that might have to be disclosed by you or other councillors when making or taking part in decisions, so that decision making is seen by the public as open and honest. This helps to ensure that public confidence in the integrity of local governance is maintained.

You should note that failure to register or disclose a disclosable pecuniary interest as set out in **Table 1**, is a criminal offence under the Localism Act 2011.

**Appendix B sets** out the detailed provisions on registering and disclosing interests. If in doubt, you should always seek advice from your Monitoring Officer.

## **10. Gifts and hospitality**

### **As a councillor:**

- 10.1 I do not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the local authority or from persons who may apply to the local authority for any permission, licence or other significant advantage.**
  
- 10.2 I register with the Monitoring Officer any gift or hospitality with an estimated value of at least £50 within 28 days of its receipt.**
  
- 10.3 I register with the Monitoring Officer any significant gift or hospitality that I have been offered but have refused to accept.**

In order to protect your position and the reputation of the local authority, you should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you because you are a councillor. The presumption should always be not to accept significant gifts or hospitality. However, there may be times when such a refusal may be difficult if it is seen as rudeness in which case you could accept it but must ensure it is publicly registered. However, you do not need to register gifts and hospitality which are not related to your role as a councillor, such as Christmas gifts from your friends and family. It is also important to note that it is appropriate to accept normal expenses and hospitality associated with your duties as a councillor. If you are unsure, do contact your Monitoring Officer for guidance.



## **Appendices**

### **Appendix A – The Seven Principles of Public Life**

The principles are:

#### **Selflessness**

Holders of public office should act solely in terms of the public interest.

#### **Integrity**

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must disclose and resolve any interests and relationships.

#### **Objectivity**

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

#### **Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

#### **Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

#### **Honesty**

Holders of public office should be truthful.

#### **Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

## Appendix B Registering interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in "The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012". You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

**"Disclosable Pecuniary Interest"** means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

**"Partner"** means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A 'sensitive interest' is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a 'sensitive interest' you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

### Non participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest, just that you have an interest. Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.
5. [Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it ]

### Disclosure of Other Registerable Interests

6. Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests (as set out in **Table 2**), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

## Disclosure of Non-Registerable Interests

7. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in Table 1) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
8. Where a matter arises at a meeting which **affects** –
  - a. your own financial interest or well-being;
  - b. a financial interest or well-being of a relative or close associate; or
  - c. a financial interest or wellbeing of a body included under Other Registerable Interests as set out in **Table 2**

you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied

9. Where a matter (referred to in paragraph 8 above) **affects** the financial interest or well-being:
  - a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
  - b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

10. [Where you have an Other Registerable Interest or Non-Registerable Interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it]

### Table 1: Disclosable Pecuniary Interests

This table sets out the explanation of Disclosable Pecuniary Interests as set out in the [Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012](#).

<b>Subject</b>	<b>Description</b>
<b>Employment, office, trade, profession or vocation</b>	Any employment, office, trade, profession or vocation carried on for profit or gain.
<b>Sponsorship</b>	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
<b>Contracts</b>	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the

	<p>councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council —</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
<b>Land and Property</b>	<p>Any beneficial interest in land which is within the area of the council.</p> <p>‘Land’ excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (alone or jointly with another) a right to occupy or to receive income.</p>
<b>Licenses</b>	<p>Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer</p>
<b>Corporate tenancies</b>	<p>Any tenancy where (to the councillor’s knowledge)—</p> <p>(a) the landlord is the council; and</p> <p>(b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.</p>
<b>Securities</b>	<p>Any beneficial interest in securities* of a body where—</p> <p>(a) that body (to the councillor’s knowledge) has a place of business or land in the area of the council; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were</p>

	spouses/civil partners have a beneficial interest exceeds one hundredth of the total issued share capital of that class.
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\* 'director' includes a member of the committee of management of an industrial and provident society.

\* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

**Table 2: Other Registrable Interests**

You must register as an Other Registrable Interest :

- a) any unpaid directorships
  - b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority
  - c) any body
    - (i) exercising functions of a public nature
    - (ii) directed to charitable purposes or
    - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)
- of which you are a member or in a position of general control or management

## Appendix C – the Committee on Standards in Public Life

The LGA has undertaken this review whilst the Government continues to consider the recommendations made by the Committee on Standards in Public Life in their report on [Local Government Ethical Standards](#). If the Government chooses to implement any of the recommendations, this could require a change to this Code.

The recommendations cover:

- Recommendations for changes to the Localism Act 2011 to clarify in law when the Code of Conduct applies
- The introduction of sanctions
- An appeals process through the Local Government Ombudsman
- Changes to the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012
- Updates to the Local Government Transparency Code
- Changes to the role and responsibilities of the Independent Person
- That the criminal offences in the Localism Act 2011 relating to Disclosable Pecuniary Interests should be abolished

The Local Government Ethical Standards report also includes Best Practice recommendations. These are:

**Best practice 1:** Local authorities should include prohibitions on bullying and harassment in codes of conduct. These should include a definition of bullying and harassment, supplemented with a list of examples of the sort of behaviour covered by such a definition.

**Best practice 2:** Councils should include provisions in their code of conduct requiring councillors to comply with any formal standards investigation and prohibiting trivial or malicious allegations by councillors.

**Best practice 3:** Principal authorities should review their code of conduct each year and regularly seek, where possible, the views of the public, community organisations and neighbouring authorities.

**Best practice 4:** An authority's code should be readily accessible to both councillors and the public, in a prominent position on a council's website and available in council premises.

**Best practice 5:** Local authorities should update their gifts and hospitality register at least once per quarter, and publish it in an accessible format, such as CSV.

**Best practice 6:** Councils should publish a clear and straightforward public interest test against which allegations are filtered.

**Best practice 7:** Local authorities should have access to at least two Independent Persons.

**Best practice 8:** An Independent Person should be consulted as to whether to undertake a formal investigation on an allegation, and should be given the option to

review and comment on allegations which the responsible officer is minded to dismiss as being without merit, vexatious, or trivial.

**Best practice 9:** Where a local authority makes a decision on an allegation of misconduct following a formal investigation, a decision notice should be published as soon as possible on its website, including a brief statement of facts, the provisions of the code engaged by the allegations, the view of the Independent Person, the reasoning of the decision-maker, and any sanction applied.

**Best practice 10:** A local authority should have straightforward and accessible guidance on its website on how to make a complaint under the code of conduct, the process for handling complaints, and estimated timescales for investigations and outcomes.

**Best practice 11:** Formal standards complaints about the conduct of a parish councillor towards a clerk should be made by the chair or by the parish council, rather than the clerk in all but exceptional circumstances.

**Best practice 12:** Monitoring Officers' roles should include providing advice, support and management of investigations and adjudications on alleged breaches to parish councils within the remit of the principal authority. They should be provided with adequate training, corporate support and resources to undertake this work.

**Best practice 13:** A local authority should have procedures in place to address any conflicts of interest when undertaking a standards investigation. Possible steps should include asking the Monitoring Officer from a different authority to undertake the investigation.

**Best practice 14:** Councils should report on separate bodies they have set up or which they own as part of their annual governance statement and give a full picture of their relationship with those bodies. Separate bodies created by local authorities should abide by the Nolan principle of openness and publish their board agendas and minutes and annual reports in an accessible place.

**Best practice 15:** Senior officers should meet regularly with political group leaders or group whips to discuss standards issues.

***The LGA has committed to reviewing the Code on an annual basis to ensure it is still fit for purpose.***





- 2.4 The Council has been advised that Councillor R Tindall is no longer a member of the Conservative Group and has joined the Independent Group.
- 2.5 Accordingly, it is necessary to review the membership of committees to reflect this change in the relative size of the political groups.
- 2.6 The Leader of the Council has appointed an additional Deputy Portfolio Holder.
- 2.7 In addition, since the last meeting of the Council, a number of changes have been made to the membership of Committees.

### **3. Recommendations**

- 3.1 That the Council confirms the revised allocation of seats to each of the political groups for the 2021/22 municipal year as a consequence of the change in group membership as follows:
- a) That the composition and revised allocation of seats on its committees and other bodies as detailed in the report be approved.
  - b) That the Leader of the Liberal Democrat Group provides notification of which if its members will continue as a member of the Housing Supervisory Board.
  - c) That the Leader of the Independent Group confirms its representation to the Housing Supervisory Board
- 3.2 That the appointment of Councillor Roy Aldcroft as Deputy Portfolio Holder for Communities, Place, Tourism & Transport be noted
- 3.3 That following changes to committee membership be noted:
- a) Northern Planning Committee  
Councillor Steve Davenport appointed as a substitute member of the Northern Planning Committee

**b**      **Southern Planning Committee**

Councillor Robert Tindall to replace Councillor Dave Tremellen as a Member of the Southern Planning Committee

Councillor Dave Tremellen appointed as a substitute member of the Southern Planning Committee

**c**      **Communities Overview Committee**

Councillor Nick Bardsley appointed as a substitute member of the Communities Overview Committee

**d**      **People Overview Committee**

Councillor Roy Aldcroft appointed as a substitute member of the People Overview Committee

**e**      **Place Overview Committee**

Councillor Julia Evans to replace Councillor Mike Isherwood as a substitute member of the Place Overview Committee

**f**      **Audit Committee**

Councillor Roger Evans to replace Councillor David Vasmer as a Member of the Audit Committee

Councillor David Vasmer to replace Councillor Roger Evans as a substitute Member of the Audit Committee

## **REPORT**

### **4. Risk Assessment and Opportunities Appraisal**

4.1 The Council is obliged to ensure that the membership of committees and related bodies is proportionate to individual group membership.

### **5. Financial Implications**

5.1 The appointment of an additional Deputy Portfolio Holder will attract an additional allowance, currently £3,000 per annum.

### **6. Climate Change Appraisal**

6.1 The allocation of seats on Committees will have no obvious impact in terms of climate change.

### **7. Background**

7.1 The Council is required to approve the allocation of seats to the political groups for the remainder of the coming year. In accordance

with the Political Balance Rules, the revised maximum number of seats available to each of the groups will be:

<b>Group Name</b>	<b>Seats per Group</b>
Conservatives	66
Liberal Democrats	21 (-1)
Labour	14
Independent	7 (+1)
Green	6
<b>Total</b>	<b>114</b>

7.3 The Leader of the Council has confirmed the appointment of Councillor Ray Aldcroft as a Deputy Portfolio Holder for Communities, Place, Tourism & Transport

7.4 Since the last Council meeting, notification has been received of changes to the membership of Committees.

## **8. Conclusions**

8.1 The effect of the recent change in memberships of the Conservative and the Independent Groups is that the Independent Group is entitled to an additional committee seat.

7.3 The Regulations require that the majority group is entitled to a majority of seats on each of the committees of the Council. It is not possible to achieve this if the additional seat to which the Independent Group is entitled is taken from the number of seats currently allocated to the Conservative group

7.4 As a consequence, it is necessary that another group relinquishes a seat on a Committee. To comply with the regulations, The Liberal Democrat Group will need to have its allocation reduced by one.

7.5 In order to achieve political balance, the most natural place for this appears to be on the Housing Supervisory Board. The Liberal Democrat Group will retain one seat on the Board.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

None

**Cabinet Member (Portfolio Holder) – Leader of the Council**

**Local Member - All**

**Appendices**

None

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## **COUNCIL 23 SEPTEMBER 2021 MEMBER QUESTIONS**

### **Question from Councillor Pam Moseley**

Following receipt of a public petition regarding the statue of Clive of India in Shrewsbury's Town Square in July 2020, Shropshire Council recognised, inter alia, that Clive of India was now recognised as a corrupt mercenary, that a better explanation of Clive's history was required, and whilst it was not possible to rewrite history, it was important to be able to understand it.

It is now acknowledged that Clive caused great harm, and the deaths through war and famine, of over a million of the indigenous population of India. It is felt that a more accurate interpretation of his actions and the regime which he served is required, so that his life and his representation in the Square may be put into perspective by current and future generations.

The then portfolio holder for assets, growth and regeneration acknowledged that the colonial past of Britain is not something that should always be honoured, but used to inform the future, and to action this in the instance of Clive's statue in Shrewsbury. Hence, Museum staff were to be requested to provide a better interpretation of the statue for approval and locate this appropriately.

It is now over a year since this pledge, and no action has taken place with regard to the statue. Elsewhere, other Councils have faced the same or similar situations with statuary erected many years ago when cultural sensitivities were very different to those of today, but have made some efforts to ameliorate the situation; in Edinburgh for example, a statue of Henry Dundas, Lord Melville, who took action to delay the abolition of the slave trade, is now accompanied by a sign which explains that a new plaque for the statue has been commissioned to detail the impact of his actions, and gives the wording which will be on the new plaque.

Can the portfolio holder explain why there has been no progress yet on the reinterpretation of the Clive statue, and also, when this will take place?

### **Response from Councillor Cecilia Motley, Portfolio Holder for Communities, Place, Tourism & Transport**

- Cabinet decided in July 2020 to keep the statue in situ with interpretation.

- Shropshire Museums Service then sought and secured funding for the works, drafted interpretation material and consulted relevant stakeholders.
- Final sign-off on the wording and agreement of a stone inset and upright interpretation panel was provided via Cecilia Motley in July 2021.
- To mitigate delays, the Museum Service erected a temporary interpretation panel at the entrance to the museum. During periods in which lockdown forced museum closure staff worked to re-interpret items on display relating to British colonialism and updated in excess of 200 catalogue entries.
- Since sign-off was received we have identified suitable contractors and secured quotes for the stone masonry and have arranged to meet City ID who have been appointed to deliver wayfinding and heritage interpretation across the town.
- Date of installation is subject to the outcome of this meeting and production and installation timeframes however we are pushing for completion of the project this autumn.

### **Question from Councillor Roy Aldcroft**

In April next year it is expected that works will start to assist the flow of a large amount of HS2 traffic through the village of Woore, Pipegate and Irelands Cross in order to move large quantities of building materials and spoil to the working site via the A51 and A525 at Bar Hill. This process will take up to seven years and will severely impact the roadways and Woore village.

On behalf of the residents and businesses in Woore parish may I ask what reassurances Shropshire Council has negotiated with HS2, regarding the list of traffic mitigations to be completed prior to these convoys starting.

In particular, the speed limit reduction throughout the whole parish to 30mph, which will enable the provision of pedestrian crossing points at key points between Pipegate and Woore?

Significant changes are to be made in the centre of Woore regarding parking, retail activity and school drop off points, has the impact of such measures on businesses been taken into account?

Will Shropshire Council continue working with Owen Paterson, local parish leadership and HS2 to ensure the parish gets the best deal possible negotiations and supervision of this huge undertaking in order to reduce the detrimental effect HS2 activities along the route may have on the parish.



**Response from Cllr Steve Charmley – Portfolio Holder for Physical Infrastructure, Highways and Built Housing**

Shropshire Council has been working and will continue to work with Woore Parish and Owen Patterson MP on this issue. As Cllr Aldcroft is aware there have been numerous meetings and discussions to negotiate appropriate mitigations desired by the parish council and paid for by HS2. It is recognised that there will be an impact on the village of Woore and Shropshire Council with Woore Parish and Owen Patterson MP met with the Minister for HS2 to state the case and secure mitigations. In this respect 31 mitigations were identified with 21 now fully agreed or agreed in principle.

For the outstanding measures road safety audits have been commissioned and reports shared that have identified other improvements. The Council has written to HS2 and been in discussions to obtain a definite list of all measures and the necessary programme of works and will feed this back to the stakeholders.

The process for the statutory consultation process for a 30-mph zone for the village has begun and will be completed in the new year.

There has never been any doubt of working with the Parish and Owen Patterson to secure the best package of mitigations possible, however, this is a negotiation, and it can't be guaranteed that all requirements will be achieved. I do assure you though that staff are making their best efforts to achieve the best deal possible in partnership and collaboration with all concerned.

**Question from Councillor Viv Parry**

Please could this Council say how much is fly tipping costing this Council, has this gone up with Covid, what is to be done about it and what are we doing about household waste that is paid for to be removed and then is not collected but left outside the house of the person who has paid for it to be removed for over a week

**Response from Cllr Steve Charmley – Portfolio Holder for Physical Infrastructure, Highways and Built Housing**

The council's costs for dealing with fly tipped waste are

2019/20 = £96,930.76 (total collection and disposal cost)

2020/21 = £138,311.11 (total collection and disposal cost)

2020/21 showing an increase in cost of approx. 42% compared to 2019/20 which follows a national trend of increased fly tipping during the lockdown period. With covid restrictions having been lifted in July 2021 and more people returning to their pre-lock down activities we are anticipating a decrease in this trend.

With regards to waste that is paid for to be removed and then is not collected but left outside for over a week the Veolia Contract the council provides a Bulky Waste Service, which arranges to remove certain goods and appliances by appointment. Bulky waste collections are arranged for a specific day and residents asked not to present the waste until the day of collection. If the collection does not take place on the appointed day residents should contact the Council and a revised collection date will be agreed. The team have had no reports of this happening recently though. If Cllr Parry would like to forward any specific details to me, I will ask for them to be investigated.

### **Question received from Councillor Nigel Hartin**

As a recent convert to Electric vehicles, I have noted the lack of availability of EV charging points in Shropshire Council car parks across the County & in particular in Shrewsbury., indeed I appear to be better served for EV charging points in Clun courtesy of the two charging points provided at Clun Fire Station than do the residents of Shrewsbury.

Other nearby Local Authorities, such as Herefordshire Council have a number of EV charging points in their Council car parks, (eg: Garrick multi-storey, Venns Lane & Shirehall) in contrast to Shropshire Council where there are no charging points in any of the Council Car parks in the river loop (eg: Frankwell, Julian's Friars, Bridge Street, Ravens Meadow etc) nor are there any EV charging points at the Councils Park & Ride car parks. In terms of the nearest EV charging point to the River Loop, the nearest EV charging point is again provided by the Fire Authority at its St Michaels St Headquarters.

Given the push by Central Government in providing funds to assist local authorities to provide EV charging points ahead of the ban on the purchase of new Petrol & Diesel private vehicles in 2030, why is Shropshire Council so slow at doing this when other Local authorities are well ahead of us in this regard?

### **Response from Cllr Steve Charmley – Portfolio Holder for Physical Infrastructure, Highways and Built Housing**

Shropshire Council are currently in the process of finalising the design to install 50 Electric Vehicle Charging Points across the County through grant

project funding primarily to assist residential areas that have limited off-street parking. These sites will also be available to non-residents with the majority located in car parks for ease of 24-hour access located in the following towns. I am happy to forward the location of these sites if desired.

The team have also initiated the development of a strategy to ensure that further charge points are provided where most needed.

### **Question received from Councillor Alex Wagner**

Shrewsbury has been subject to a period of, according to the Council itself, 'unprecedented' development. Thousands of houses have been built in Shrewsbury, and in the Council's plan, thousands more are scheduled to be built over the next decade. Despite this, in recent years, Shrewsbury has actually seen a reduction in the number of secondary schools, most recently closing the Wakeman School and amalgamating Harlescott & Sundorne. In practical terms, this has marked a notable reduction in school choice for parents.

In previous answers to questions on school place needs, the Council have cited now-delayed projects to expand Meole, and the availability of spaces at the Academy, the latter of which is not on the right side of town for most parents. This, in the eyes of many residents, does not provide a real long-term solution to issues with school place choice, especially in light of the aforementioned development. Could I ask whether the portfolio holder agrees with prior statements that there is 'no need' for a new secondary school in Shrewsbury, and whether there is any willingness at all to try and bring plans forward this side of 2030?

### **Response from Councillor Kirstie Hurst Knight, Portfolio Holder for Children & Education**

The impact on school places from housing development in Shrewsbury in recent years is evidenced by the required expansion of school places at Mereside CE Primary School and Meole Brace CE Primary, the additional forms of entry being added to Harlescott Junior School and Sundorne Infant School in 2021/22, the addition of a new teaching block at Meole Brace School this autumn, and the building of a new primary school in Bowbrook in 2022/23.

Although parents have the right to name a school as their preference, it is important to note that they do not have the right to a school place of their choice. School place planning is not founded on the popularity of a school or its parental preference rate but on the firmer foundation of pupils

resident, and forecast to be resident, in the school's catchment area, noting that Shrewsbury has a single secondary school catchment area.

Analysis of data from the last decade shows that the supply of secondary school places in the Shrewsbury area has exceeded in-area demand each year. Officers continue to closely monitor forecasts to ensure this record is maintained. It is worth noting that they have access to a significant number of years data on in-area primary-aged pupils to plan for secondary school places in the town.

The number of Year 7 secondary school places available in Shrewsbury in 2011/12, the final year Wakeman School was open, was 945. In that year there were 721 in-area Year 7 pupils in Shrewsbury, meaning there were 224 surplus places, 23.7% of the total Year 7 capacity. The year after Wakeman School closed, the number of Year 7 places in Shrewsbury reduced to 810, with in-area Year 7 pupils numbering 692, meaning there were 118 surplus places, 14.6% of the total Year 7 capacity. This demonstrates that there were sufficient secondary school places to meet demand from in-area pupils after the closure of Wakeman School.

When Grange School and Sundorne School came together to form the Shrewsbury Academy there was no reduction in the number of Year 7 places available – the previous school admission numbers of 125 and 112 respectively were combined into an admission number for the academy of 237. The Priory School also increased their capacity per year group to 168, taking the Shrewsbury Year 7 places up to 816.

While the new teaching block project at Meole Brace School has experienced some slippage, temporary provision has been secured to ensure that the additional secondary school places can be accommodated from September 2021. The number of Year 7 places in Shrewsbury has been increased to 843 from September 2021 as a consequence of the new build. The in-area Year 7 pupil number in September is 783, meaning there are currently 60 surplus places, 7.1% of total Year 7 capacity in the town.

Further expansion in secondary school places in Shrewsbury will be dependent on a wide range of factors, not least the formal adoption of the Local Plan in July 2022 and the allocation of housing in the town in the next Plan Period. Based on this, officers will carry out a thorough review of school places across the whole county using the housing allocations for the Plan Period to identify where additional school places will be required, which will inform the development of options to deliver the required additional capacity. These options will be developed in consultation with senior school leaders in the schools impacted by a forecast growth in pupil numbers, as well as local members. This review will be programmed to

take place in the 2022/23 academic year, however current evidence suggests that further expansion will not be required in the immediate future.

In relation to secondary provision in Shrewsbury, a preferred option in addressing any forecast requirement for additional secondary school places is likely to initially focus on further expansion(s) of existing secondary schools, given the likely numbers of additional places required. This makes greater financial and economic sense and would not have a negative impact on existing schools, by drawing pupils away into a new school, potentially compromising their financial and educational viability and creating expensive unfilled school spaces in the short to medium term. The review outlined above will inform the development of these options.

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