

COUNCIL AGENDA

To:- The Members of the Staffordshire County Council

Notice is given that the meeting of the Staffordshire County Council will be held in the Council Chamber, County Buildings, Stafford at 10.00 am on Thursday, 17 March 2011 to deal with the matters set out on the agenda.

Nick Bell
Chief Executive
9 March 2011

AGENDA

(Note: The meeting will begin with prayers)

PART ONE

General housekeeping and Declaring Interest

1. **Apologies for absence (if any)**
2. **Declarations of Interest under Standing Order 16.5**
3. **Confirmation of the minutes of the Council meeting held on 10 February 2011**
(Pages 3 - 14)

4. **Chairman's Correspondence**

The Chairman will mention a range of recent items of news which may be of interest to Members

5. **Leader's Statement** (Pages 15 - 18)

The Leader will inform the Council about his work and his plans for the Council, and will give an overview of decisions taken by the Cabinet (and Portfolio Holders) since the previous meeting of the Council

6. **Questions**

Questions to be asked by Members of the County Council of the Leader of the Council, a Cabinet Member, or a Chairman of a non-Scrutiny Committee. The question will be answered by the relevant Member and the Member asking the question may then ask a follow up question which will also be answered

7. **High Speed Rail (HS2) - Preliminary Discussion** (Pages 19 - 38)

Report of the Leader of the Council

8. **Recommendations to the Council** (Pages 39 - 46)

9. **Report of the Chairman of the:-**

- a) **Staffordshire Police Authority** (Pages 47 - 50)

- b) **Stoke-on-Trent and Staffordshire Fire and Rescue Authority** (Pages 51 - 52)

10. **Petitions**

An opportunity for Members to present and speak on petitions submitted by their constituents

11. **Exclusion of the Public**

The Chairman of the Council will move the following motion so that the County Council can consider confidential business in private:-

“That the public be excluded from the meeting for the following items of business which involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972 indicated below”.

PART TWO

(All reports in this section are on pink paper)

Nil

1. Fire/Bomb Alerts

In the event of the fire alarm sounding, leave the building immediately, following the fire exit signs. Do not stop to collect personal belongings, do not use the lifts, do not re-enter the building until told to do so.

2. Attendance Record

Please sign the Attendance Record Book, which will be located at the top of the main staircase. Please ensure that the book is signed again in the afternoon if you are attending the adjourned Council meeting.

3. Mobile Phones

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

4. Tea/Coffee

Refreshments will be available from 9.30 am.

5. Questions

Questions must be addressed to the Chairman, or to the Leader of the Council or to a Portfolio Holder or to the Chairman of a Committee. Notice in writing of any question must be delivered to the office of the Chief Executive at least three clear days before the relevant Meeting of the Council i.e. **by not later than midnight on Sunday, 13 March 2011**. All questions and answers will be circulated around the Chamber before the commencement of the meeting. The questioner will be invited to read out his/her question. Similarly, the person responding will read out the reply. The Chairman will then permit the questioner to ask one supplementary question on each question/answer. Further information on Questions can be found in Paragraph 8 of Section 11 of the Constitution.

NB. Under the new arrangements approved by the Council on 20 May 2010, questions for the County Council meeting on 12 May 2011 must reach the Chief Executive by not later than midnight on Sunday, 8 May 2011.

6. Notices of Motion

A Notice of Motion must reach the Chief Executive nine clear days before the relevant Meeting of the Council, i.e. **by not later than midnight on Monday, 7 March 2011**. Further information on Notices of Motion can be found in Paragraph 11 of Section 11 of the Constitution.

NB. Under the new arrangements approved by the Council on 20 May 2010, Notices of Motion for the County Council meeting on 12 May 2011 must reach the Chief Executive by not later than midnight on Monday, 2 May 2011.

GUIDANCE ON DECLARING PERSONAL AND PREJUDICIAL INTERESTS AT MEETINGS - WHAT SHOULD YOU SAY

DEFINITION OF WHAT IS A PERSONAL OR PREJUDICIAL INTEREST

A PERSONAL INTEREST is one where your well-being or financial position, or those of a relative or a friend would be affected by the decision.

You automatically have a personal interest if you have given notice in the Register of Members' Interests under Paragraph 14 and 15, eg. if you are a School Governor appointed by the Council.

A PREJUDICIAL INTEREST is where a member of the public knowing the facts would reasonably regard the interest as so significant that it would prejudice your judgement of the public interest.

WHAT SHOULD YOU SAY?

If you have a **PERSONAL** interest you can stay but you must disclose its existence and its nature to the meeting.

An example of what you should say

"I have a personal interest in item number..... on the agenda. The interest is"

If you also have a **PREJUDICIAL** interest you must withdraw from the room when the matter is being discussed.

An example of what you should say

"I have a personal and prejudicial interest in item number..... on the agenda. The interest is I shall leave the room when that matter is being discussed"

PLEASE MAKE IT CLEAR WHETHER IT IS A PERSONAL OR PREJUDICIAL INTEREST.

It would be helpful if, prior to the commencement of the meeting, members informed Democratic Services Unit of any declarations of interest, of which they are aware. This will help in the recording of the declarations in the minutes of the meeting.

DECLARING INTERESTS AT FULL COUNCIL

The Code of Conduct only requires that personal interests (or personal and prejudicial interests) are declared where the matter to which the interest relates is being considered. Some items will be mentioned in the papers for Full Council but are not actually being considered by Full Council. In particular, some items are mentioned in the Leader's Statement as having been dealt with in Cabinet but are not actually mentioned or discussed at full Council. In such circumstances the Monitoring Officer's advice to members is that there is no need to declare an interest unless the particular matter is mentioned or discussed. As a general rule, members only need to declare an interest at full Council in the following circumstances:

- Where a matter is before the Council for a decision and/or
- Where the matter in which the member has an interest is specifically mentioned or discussed at the Council meeting.

Minutes of the County Council Meeting - 10 February 2011

Present:

Attendance	
Ben Adams	Christina Jebb, FRSA
Paul Atkins	Ivan Jennings
Philip Atkins	Phil Jones
Ray Barron	Philip Jones
Lee Bates	Kathy Lamb
Erica Bayliss	Mike Lawrence
Brian Beale	Ian Lawson
John Bernard	Geoff Locke
David Billson	Robert Marshall
Len Bloomer	Geoffrey Martin
Henry Butter	Mike Maryon
Frank Chapman	Mary Maxfield
John Cooper	David Nixon
Tim Corbett	Jeremy Oates
Pat Corfield	Michael Oates
Dylis Cornes	Ian Parry
Derek Davis, OBE	Kath Perry
William Day	Steve Povey
Veronica Downes	Robert Reade
Janet Eagland	Rex Roberts, OBE
Ray Easton	John Rowley
Brian Edwards	Liz Staples
Matthew Ellis	Stephen Sweeney
Terry Finn	Simon Tagg
John Francis	Steve Tranter
Bob Fraser	John Wells
Gill Heath	Alan White
Mark Heenan	Mark Winnington
Derrick Huckfield	

Apologies for absence: Peter Beresford, Peter Davies, Frank Lewis, MBE, Geoff Morrison and Barrie Mycock

PART ONE

49. Declarations of Interest under Standing Order 16.5

The following Member declared an interest in accordance with Standing Order 16.5:-

Member	Minute Nos.	Interest	Reason
S. Povey	54	Personal	Members of family have attended Flash CE (VC) Primary School

50. Confirmation of the minutes of the Council meeting held on 9 December 2010

RESOLVED – That the minutes of the meeting held on 9 December 2010 be confirmed.

51. Chairman's Correspondence

Messages of Congratulation to Prince William and Kate Middleton

The Chairman announced that arrangements had been made for the public to send messages to Prince William and Kate Middleton for their wedding day through a congratulatory book at the county council. Each message from county residents would be presented on its own page and bound into a commemorative book which would then be forwarded to the royal couple before their wedding on Friday, 29 April 2011.

Congratulatory messages could be sent in a number of ways including in person at County Buildings; via e-mail or via the Chairman's pages on the county council website at –

www.staffordshire.gov.uk/yourcouncil/civicoffices/chairman.

Southern Staffordshire Regeneration Awards

The Chairman informed Members that the Wombourne Community and Learning Partnership and Wombourne Youth Action Team had been announced as winners of the Young Persons Award at the recent Southern Staffordshire Regeneration Awards.

The awards recognised and promoted the breadth and quality of regeneration activities across southern Staffordshire and showcased enduring initiatives inspired by local people which enhanced local neighbourhoods and communities.

The Wombourne C&LP worked with a local youth forum where young people identified a suitable site, designed a layout for a multi use games area, consulted with residents, met with and lobbied the statutory bodies, applied for funding, and liaised with the local companies involved in creating the games area. The initiative was also shortlisted for the National Children and Young People Now Awards 2010.

The Lollipop Person of the Year Awards

The Council were informed that Alastair Chapman, who was based at Gentleshaw Primary School, had been crowned Lollipop Person of the Year for the West Midlands region.

Alastair was nominated for the award by pupils at the school who wrote letters and poems, drew pictures and filmed an assembly which was held in honour of Alastair and the vital road safety role that he carried out.

Alastair took on the role of school crossing patrol officer at Gentleshaw primary in April 2009 but started working at the school in 1994 when he joined as caretaker.

German War Graves Exchange Visit to Bremen

The Chairman informed the Council that between 27 and 30 January 2011, she, together with several other Members of the Authority, had the honour of representing the Council at the 47th "Music Show of the Nations" in Bremen, Germany. The Music Show was held annually in aid of the German War Graves Commission.

Councillor Achievement Awards 2011

The Council were informed that, at the Local Government Information Unit and CCLA Councillor Achievement Awards 2011, which were announced on 8 February, Matthew Ellis was "highly commended" in the "Online Councillor of the Year" category of the Awards. Three other Members were also shortlisted in the following categories of the Awards:

- Partnership Achievement of the Year – Philip Atkins
- Young Councillor of the Year – Ivan Jennings
- Scrutineer of the Year – Alan White

52. Strategic Plan 2011-16 and Outcome Plans 2011/12

The Leader presented to the Council the Strategic Plan 2011-2016 and the Outcome Plans 2011-12.

Members noted that the Strategic Plan was a high level plan, setting out the County Council's priorities and aims for the next five years. The Plan provided a focus for the organisation and ensured that the Council's resources were directed towards the delivery of the following cross-cutting outcomes:

- Staffordshire's economy prospers and grow, together with the jobs, skills, qualifications and aspirations to support it;
- Staffordshire is a place where people can live safely - increasingly free from crime, the causes of crime and the fear of crime;
- In Staffordshire's communities vulnerable people are able to live independent and safe lives, supported where this is required;
- Staffordshire's children and young people can get the best start in life and receive a good education so that they can make a positive contribution to their communities;
- Staffordshire is a place where people live longer, healthier and fulfilling lives;

- Staffordshire is a place where people can easily and safely access everyday facilities and activities through the highways and transport networks;
- Staffordshire's communities can access, enjoy and benefit from a range of learning, recreational and cultural activities;
- Staffordshire's people are involved in shaping the delivery of public services;
- Staffordshire's communities are places where people and organisations proactively tackle climate change, gaining financial benefit and reducing carbon emissions.

These priorities were underpinned by the County Council's agreed Core Values:

- Customer and citizen focus.
- Listening and responding to local needs.
- Encouraging personal responsibility while protecting those who need us.
- Prepared to be bold and to show leadership.
- Provide efficiency and economy through innovation.

The Strategic Plan would be delivered through, and underpinned by, the Outcome Plans.

In response to questions from Members, Mr. Atkins indicated that the Strategic Plan had been the subject of extensive consultation with the public and partner organisations. Scrutiny had also played a vital role in formulating the Plan. He concluded by indicating that responsibility for the delivery of each of the priorities in the Plan had been allocated to individual Cabinet Members and to the Council's Senior Leadership Team but that staff were also key to the delivery of the Plan's aims.

RESOLVED – (a) That the Strategic Plan 2011-2016 be adopted

(b) That the Outcome Plans be adopted.

(c) That the Chief Executive, in consultation with the Leader of the County Council, be authorised to make any minor amendments to the Strategic Plan 2011-2016.

(d) That the Senior Leadership Team Outcome Leads, in consultation with the appropriate Cabinet Member, be authorised to amend their respective Outcome Plans during the year as targets are developed to support the delivery of outcomes and the achievement of innovation and efficiencies.

53. Medium Term Financial Strategy 2011-16 and 2011/12 Budget and Council Tax

The Council received a report by the Leader of the Council on the Medium Term Financial Strategy (MTFS) 2011/16 and 2011/12 Budget and Council Tax proposals.

He informed the Council that the Cabinet, on 2 February 2011, considered the budget proposals for 2011/12 which involved a 0% increase in Council Tax. He also paid tribute to his Cabinet colleagues, the Innovation and Efficiency Board, Scrutiny Members and to the Director of Finance and Resources and his staff for their hard work in shaping the budget.

Mr. Povey moved, and Mr. Locke seconded the following amendment:

“That the recommendations contained in paragraph 1 of the report be amended by the addition of the following recommendation:

(c) This Council notes with indignation, that whilst Staffordshire is facing a massive 12.6% (£25m) reduction in its financial settlement in 2011/12, the UK’s contribution to the European Union (EU) is set to rise by 60 % over two years. This Council notes that, despite the opposition of some conservative MPs and Labour and Conservative MEPs, it is likely that the Government will agree to a further 2.9% increase in the overall EU budget. This Council believes that the EU should be treated the same as other tiers of government and in these austere times should share responsibility, along with Central and Local Government, for public spending reductions. Sharing the burden would result in less severe cuts for local authorities, and give more assistance to councils to protect front line services. This Council therefore urges Staffordshire’s 12 MPs not to support an increase in the EU budget.”

Several Members spoke in support of the proposal to write to the Staffordshire MPs but indicated that the proposed amendment to the budget recommendations was not the best way to take this matter further. The Leader of the Council indicated that he was prepared to write to Staffordshire MPs to express Members’ concerns in relation to proposed increases in the UK’s contribution to the European Union. Accordingly, Mr. Povey, with the consent of Mr. Locke, withdrew his amendment.

Mrs. Jebb moved, and Mr. Easton seconded the following amendment:

““That the recommendations contained in paragraph 1 of the report be amended by the addition of the following recommendations:

- (i) That Cabinet review carefully the earmarked reserves to identify where a small percentage of these could be reinvested into frontline services;
- (ii) That Cabinet notes the requirement for £9m general reserves in the papers from 19 January 2011 (paragraph 53) has reduced to a requirement for £8.2m general reserves in the papers for 10 February 2011 (paragraph 10.4).
- (iii) Request that this unallocated £800,000 is used to immediately restore frontline services you have cut – starting with school crossing patrols.”

A wide ranging discussion then ensued including the role of Scrutiny in helping to formulate the budget proposals; the level of the national debt; the local government staff pay freeze; and the measures being taken by the County Council to improve road safety, particularly around schools. Following a vote, the Chairman declared the amendment lost.

RESOLVED – (a) That the following be approved:

- A net revenue budget of £492.590m for 2011/12;
- A 2011/12 revenue budget for services as set out in Appendix 14 of the report;
- A contingency provision of £2m;
- A net contribution from reserves and balances of £12.607m for 2011/12;
- A budget requirement of £479.983m for 2011/12;
- A Council Tax at Band D of £1,028.81, a zero per cent increase, leading to a Council Tax for each category of dwelling as set out below:

Category of dwelling	Council Tax rate £
Band A	685.87
Band B	800.19
Band C	914.50
Band D	1,028.81
Band E	1,257.43
Band F	1,486.06
Band G	1,714.68
Band H	2,057.62

- That, after allowing for the Collection Fund surplus, the amount to be raised through Council Tax be £296.169m for 2011/12 and that the Director of Finance and Resources be authorised to sign precept notices on the billing authorities respectively liable for the total precept payable and that each notice state the total precept payable and the Council Tax in relation to each category of dwelling as calculated in accordance with statutory requirements;
- The Capital Programme as set out in Appendix 6 to the report;
- The Prudential Indicators set out in Appendix 11 to the report; and
- That it be noted that the Authorised Limit for external debt determined for 2011/12 as detailed in Appendix 11 of the report will be the statutory limit determined under Section 3(1) of the Local Government Act 2003; and
- The Financial Health Indicators set out in Appendix 13 to the report;
- That the Strategic Plan and the Medium Term Financial Strategy (MTFS) on the basis of a Council Tax increase of 2.0% for the period 2012/13 to

2015/16 and that services continue to develop their medium term plans on the basis of the planning forecasts set out in Appendix 14 of the report.

(b) That the Director of Finance and Resources' comments in respect of the adequacy of reserves and the robustness of the budget set out in the report be noted .

NOTE: The meeting was adjourned at 12:50 pm

Present at 2:00 pm:

Ben Adams	Matthew Ellis	Geoffrey Martin
Philip Atkins	Terry Finn	Mary Maxfield
Ray Barron	John Francis	David Nixon
Erica Bayliss	Bob Fraser	Jeremy Oates
Brian Beale	Gill Heath	Michael Oates
John Bernard	Mark Heenan	Kath Perry
Len Bloomer	Derrick Huckfield	Steve Povey
John Cooper	Christina Jebb, FRSA	Robert Reade
Tim Corbett	Ivan Jennings	Rex Roberts, OBE
Pat Corfield	Phil Jones	John Rowley
Dylis Cornes	Kathy Lamb	Stephen Sweeney
Veronica Downes	Mike Lawrence	John Wells
Janet Eagland	Geoff Locke	Alan White
Ray Easton	Robert Marshall	Mark Winnington
Brian Edwards		

54. Leader's Statement

The Leader of the Council presented a Statement outlining his recent work; his plans for the Council; and an overview of decisions taken by the Cabinet (and Portfolio Holders) since the previous meeting of the Council.

Future of Flash CE (VC) Primary School

(Paragraph 4 of the Statement)

Mrs. Heath referred to the decision of the Cabinet to commence a formal statutory consultation on a proposal to close Flash CE (VC) Primary School on 31 August 2011 and asked that this be held in abeyance whilst the proposed review into the sustainability of primary education in the North Moorlands was undertaken. In response, the Leader of the Council indicated that, currently, the School only had 9 pupils on its roll. It was difficult to envisage pupil numbers rising significantly, particularly when the building of new homes in the area was discouraged by the Peak Park authority. Such low numbers raised a real concern about the school's ability to deliver, and continue to deliver, a good quality education now and in the future. It also had a direct impact on the school's ability to attract and retain the high quality leadership needed for it to be viable in the longer term.

Staffordshire and Stoke-on-Trent Local Enterprise Partnership (LEP)

(Paragraph 7 of the Statement)

In response to a question by Mrs. Downes, Mr. Lawrence gave an overview of the establishment and work of the Staffordshire and Stoke-on-Trent Local Enterprise Partnership. He indicated that, recently, the LEP had successfully co-ordinated bids to the Regional Growth Fund and had also hosted an event at Keele University which had provided an opportunity for the wider Staffordshire business community to be involved in shaping the county's future.

Building Staffordshire's reputation for excellence

(Paragraph 8 of the Statement)

Mrs. Lamb referred to the way in which the County Council was coping with the current economic situation and expressed the view that not all local authorities within Staffordshire were managing to plan as effectively for the reduction in Government grant etc. In response, Mr. Adams stressed that it was important to listen to local communities in order to understand their needs and also to be transparent when taking decisions.

RESOLVED – That the Statement of the Leader of the Council be received.

55. Questions

Mr. Locke asked the following question of the Cabinet Member for Assets, Performance and Organisation:

Question

It is clearly important that the needs of religious minorities should be accommodated if reasonably possible. But concern has been expressed elsewhere in the country that, with a view to satisfying such needs, all meat served in schools or other institutions is now halal-compliant. What is the situation with regard to halal meat in meals for which Staffordshire County Council is responsible?

Reply

In Staffordshire, halal-compliant meat is not served in County Council establishments but can be specifically ordered through our suppliers if required.

Mr. Nixon asked the following question of the Cabinet Member for Highways and Environment:

Question

I find that I have a constant battle with Staffordshire County Council's gully emptying department. to get grids emptied. In 2008 when I asked for the grids in Lower Milehouse Lane to be emptied I was told that they had been emptied but, on inspecting them, I found that 36 out of 40 grids were still blocked. The above has repeated itself over the last two years but I find that the latest saga needs to be

brought to the Council's attention. Blocked grids in Liverpool Road pavement Cross Heath (ref.No. 1075285 and 1076946), Kimberley Road pavement, (Ref No. 1075286), grid at junction of Albany Road and Baden Street (ref No.1076853), Liverpool Road pavement at Milehouse (Ref. No.1076948), the last grid in Coppice View (Ref No.1070694) although are all still blocked I have been told have been emptied or in one case the job has disappeared off the screen. However, the news that Hempstalls Lane grids are not blocked and it is only leaves over the top of the grids that needs sweeping away by Newcastle Borough Council takes some beating. Last week I counted 12 blocked grids in this Lane. When are the residents in my ward going to get the service that they pay for through their community charge?

Reply

One of my senior officers has met Cllr Nixon to discuss and resolve the issues on Lower Milehouse Road. As he knows there are problems with broken connections due to either tree root ingress or damage by utility company installations. We undertake follow up schemes to rectify those but there are a great many of them over a number of sites across the county.

All but one of the other reports are in close proximity to each other and are all as a result of a blocked drain on the A34. We have already commenced work on this but replacement of new manhole covers and significant investigation work is required. It is not simply a case of gully emptying.

All the gullies in the County are routinely emptied on a frequency corresponding to the road hierarchy. However some gullies can become blocked in between the emptying programme. When these are reported to us the locations are inspected and if simple gully cleansing is required this is arranged immediately. Where more extensive works are required drainage investigations and dig down repairs are arranged and prioritised according to the likelihood of flooding.

Leaves are clearly an issue for us in the Autumn and if the road hasn't been swept then there is little point in us clearing out gullies just for them to be refilled with leaves at the next rainfall. We are currently in discussions with Newcastle Borough Council to work better together on street scene services and one aim of this will be to tie together these activities to reduce this type of problem.

Supplementary Question

I completely disagree with that answer as every three months I do actually check to see that the job I has asked for has been done. Last October, I did check to see whether the job I reported along St. Michael's Road had been done. I was told that it had been completed on 13 July which was actually two weeks before I had reported the issue. Last Thursday, when I went along Milehouse Lane, there weren't any leaves on top of the grids at all, and when I asked Newcastle-under-Lyme Borough Council how many times this lane had been swept, they said five times since October. So the problem isn't to do with the leaves, it is to do with blocked grids. I have drawn a map showing the location of the blocked grids and should be grateful if this could be looked into further.

Reply

I will pass on the information as requested. My only comment is that there does appear to be a communication gap between the County Council's Highways service and the Newcastle-under-Lyme Borough Council's Streetscene service. I would however refer you back to the answer to your written question in that some blockages may be due to either tree root ingress or damage by utility company installations and therefore, if a gulley is emptied, it may fill up again after rainfall due to that blockage.

56. Review of Cabinet Member Portfolios

The Leader of the Council announced that, following a review of Cabinet Member Portfolios, the following Members had been appointed to the new Portfolios:

Leader of the Council	Philip Atkins
Deputy Leader of the Council and Finance and Transformation	Ian Parry
Economic Growth and Enterprise	Ben Adams
Highways and Transport	Mike Maryon
Culture, Communities and Customers	Pat Corfield
Environment and Assets	Mark Winnington
Children's Wellbeing	Mike Lawrence
Adults' Wellbeing	Matthew Ellis
Public Health and Community Safety	Robbie Marshall
Education and Skills	Liz Staples

57. Electoral Review of Staffordshire

The Council received a report by the Leader of the Council in respect of the proposed draft Stage 1 submission to the Local Government Boundary Commission for England (LGBCE) consultation on a pattern of divisions for Staffordshire County Council. He also circulated to members copies of the following representations which had been received since the draft submission had been circulated to Members and were not therefore taken account of in that submission:

- Letter dated 4 February 2011 from Paul Farrelly MP.
- E-mail dated 7 February 2011 from Mr. S. Winterflood, Chief Executive, South Staffordshire Council.

- Letter dated 4 February 2011 from the Clerk to Brereton and Ravenhill Parish Council.
- Proposals submitted by the Conservative Group on the County Council.

The Leader of the Council expressed his thanks to those members of staff who had been involved in preparing the draft submission to the Commission and also to those elected members who had engaged in the consultation process which had helped to formulate the Council's proposed submission.

Mrs. Perry and Mr. Lawrence stressed the need to retain Cheslyn Hay/Essington as a dual member division as, in their opinion, it was not possible to find an acceptable way of dividing the Division into two single member divisions.

Mr Locke indicated that he supported the proposal for the Kidsgrove and Talke dual member division to be split into two single member divisions but that he was of the view that the proposed Talke Division should not encompass Red Street.

Mr. Reade referred to the representations that had been received from the Chief Executive of South Staffordshire Council and indicated that half of Penn Common already fell within the Kinver County Electoral Division.

RESOLVED – That the Chief Executive, in consultation with the Leader of the Council, be authorised to make any necessary amendments to the draft response to reflect Members' views, as set out below, and to then forward the response to the LGBCE by the deadline of 21 February 2011:

(i) That Cheslyn Hay, Featherstone, Essington and Great Wyrley be a dual member division as it is considered that keeping communities intact is important compared to numbers of electors.

(ii) That in Stafford Borough:

Division		Electors in 2010	Electors in 2016
Eccleshall	add High Offley Parish	+797	+851
Gnosall & Doxey	minus High Offley	-797	- 851
Stafford Central	minus Coton CNB	-713	- 773
Stafford North	add Coton CNB	+713	+773
Stafford South-East	minus Baswich BSC (part)	- 232	- 232
Stafford Trent Valley	add Baswich BSC (part)	+232	+232
Stafford West	no change	0	0
Stone Urban	minus Walton WAA & WAB (part)	- 1,345	- 1,308
Stone Rural	add Walton WAA & WAB (part)	+1,345	+1,308

Division	Variance in 2010	Variance in 2016
Eccleshall	-7.5%	-1.4%
Gnosall & Doxey	+1.2%	+2.8%

Stafford Central	+2.1%	+10.8%
Stafford North	-2.0%	-4.1%
Stafford South-East	+17.2%	+15.0%
Stafford Trent Valley	+2.6%	+0.03%
Stafford West	+12.0%	+8.0%
Stone Urban	+4.8%	+2.8%
Stone Rural	+4.7%	+3.8%

The total number of electors transferred in 2010 under the above proposals is 3,087 compared to 10,250 in the County Council's published proposals. This lower level, 69.88% lower, is less radical and therefore should be looked on more favourably by the LGBCE.

The officers are thanked for their work on reducing electoral variances but it is considered that keeping communities intact is also important compared to numbers of electors. However, despite that, the SCC's submission, including the above amendments, still results in a substantial reduction in the number of divisions lying outside the "10% of average" guideline.

58. To consider the report of the Chairman of the Stoke-on-Trent and Staffordshire Fire and Rescue Authority

RESOLVED – That the Periodic Report of the Stoke-on-Trent and Staffordshire Fire and Rescue Authority be adopted.

59. Petitions

Request for Parking Restrictions along Kingsway and Martin Drive, Castlefields, Stafford

Mr. Heenan presented a petition from local residents requesting the introduction of parking restrictions along Kingsway and Martin Drive, Castlefields, Stafford.

Request for a change to the parking restrictions along Market Street and Crown Bridge, Penkridge

Mrs. Downes presented a petition from local traders/shopkeepers requesting a change to the parking restrictions along Market Street and Crown Bridge, Penkridge to enable vehicles to park for 1 hour.

Retention of the Taxi Rank in Hassel Street, Newcastle-under-Lyme.

Mr Nixon presented a petition opposing proposals to relocate the Taxi Rank currently located in Hassel Street, Newcastle-under-Lyme.

Chairman

Documents referred to in these minutes as Schedules are not appended, but will be attached to the signed copy of the Minutes of the meeting. Copies, or specific information contained in them, may be available on request.

Statement of the Leader of the Council

1. Improving the Way We Work

The Cabinet has noted the progress that is being made to transform the county council into a more effective and efficient organisation focused on delivering better outcomes for the residents of Staffordshire and the place they live in.

The Cabinet reshuffle announced at the Council meeting in February reflects our focus on clear priorities, putting the economy of Staffordshire right in the centre and creating new employment opportunities.

We believe local services are an essential part of this. Against a national backdrop of council closure programmes, Staffordshire's libraries continue to thrive and we remain committed to the vital services they provide to the community.

Staffordshire continues to be recognised nationally as a leading light in reforming health services. While other parts of the UK are debating whether it can be done, in Staffordshire, GPs, Health and Social Care professionals and others are getting on and doing it.

We recently held our inaugural volunteer awards, honouring volunteers across the county. The awards reflect the wide range of ways that people are making a real and vital difference to the community.

Staffordshire County Council's new office and customer reception in Stafford will now be known as Staffordshire Place. The name for the buildings has been chosen to reflect a county that is proud of its heritage and confident in its future.

(Cabinet – 16 February 2011)

2. Joint Third Quarter Performance and Budget Monitoring Report

In our Strategic Plan we have set out a challenging and ambitious agenda for the County Council. Our vision is one of a County Council always striving for excellence, delivering at pace, and being innovative. It is therefore important that we regularly monitor our performance to see whether we are on course to achieve this.

The Cabinet have considered details of the Council's performance as at the third quarter of 2010/11. In terms of successes, it is really pleasing to note that Ofsted have rated Staffordshire's Children's Services as a grade 3, which means that the authority performs well. In addition, the large majority of early years settings are good and 98% of the county's schools are outstanding, good or satisfactory. The county council also provides good services for the county's most vulnerable children.

On the financial side, the figures now suggest a projected overspend of £5.748m for quarter 3, which is less than predicted at the end of quarter two.

One of the key underlying issues behind the overspend is the ever increasing demographic pressure on our social care and health services. Rather than simply cutting the service to meet the budget we have taken the view that we need to protect and invest in services for vulnerable people.

(Cabinet – 16 February 2011)

3. Staffordshire Transport Asset Management Plan

The Cabinet have recently approved the Transport Asset Management Plan (TAMP) which sets out the Council's approach to the allocation of resources for the management, operation, preservation and enhancement of the highway infrastructure in Staffordshire to meet the needs of business and the travelling public.

Under the TAMP, there are to be District-wide divisional highway programmes which reflect the local circumstances in each area. To ensure that County Councillors have an opportunity to influence these, district road shows are being scheduled for February and March.

The TAMP will also be supplemented with individual lifecycle plans (LCPs) for a range of the Council's highway related assets such as Carriageways, Footways, Footpaths and Cycleways, Traffic Signal and Management Systems etc and will identify the most economical way of maintaining those assets over their expected life

The Council has committed £30 million additional highway maintenance funding over the period 2009/10 to 2012/13 which has allowed us to accelerate the structural and preventative maintenance programme. However, bearing in mind the current financial situation, it is clear that the County Council will not be able to fund all desired schemes after 2011/12 and decisions will need to be taken about where to focus our limited resources. Members will be involved the prioritisation.

(Cabinet – 16 February 2011)

4. Staffordshire Passenger and Accessibility Management Plan – Young Persons Travel Card and Concessionary Fares

The Cabinet have approved the arrangements for the introduction of a Young Persons' Travelcard and the extension of the concessionary travel scheme.

The introduction of a Young Persons' Travel Card scheme will assist young people in travelling to training, employment and leisure activities as well as providing a reliable proof of age. As a universal "One Staffordshire" card, the Young Persons' Travel Card could also be configured now to enable future "add-ons", such as entry to leisure centres, young persons' discounts in stores, etc. Discussions with local bus operators have identified a high level of support for this initiative and operators are clear that it is only by improving the offer to young people that growth in the public transport market can be achieved

At its meeting on 17 November 2010, Cabinet approved a Travel Concession Scheme for Elderly and Disabled People which provides for free travel to eligible people after 09.30, Monday to Friday and all day at weekends and Bank Holidays. Cabinet also agreed to enhance the scheme to provide free travel for companions of disabled people who would otherwise be unable to travel. Following negotiations with the bus companies and discussions with representatives of District Councils, the Cabinet have agreed to extend the scheme to allow travel 24/7 at all times of the day, particularly including prior to 09:30 on Mondays to Fridays.

(Cabinet – 16 February 2011)

5. Partnerships for Care

The existing contributions framework, which determines what share of a person's care costs are borne by the county council and what share the care user must bear, is outdated, inequitable and fails to promote independence. A fundamental review of the contributions framework has therefore been undertaken in consultation with service users, carers and other stakeholders.

Cabinet have approved the introduction of a new contributions system which will be phased-in over the next three years in order to limit the financial impact of the proposed changes on existing service users.

Cabinet have also asked that further work be undertaken to explore the potential for raising the capital limit for full cost contributors above the current £25,000, allowing individuals to keep more of their capital.

(Cabinet – 16 February 2011)

6. Portfolio Holder Delegated Decisions

Portfolio holders have recently taken decisions in respect of the following matters:

- The granting of a six year tenancy of Holding No. 1, Yarlet.
- The rates to be paid to early years providers in the private, voluntary and independent sector and to maintained schools from April 2011 in respect of early years education for 3 and 4 year olds; including the continuation of transitional protection at a reduced rate for a further 12 months.

7. Forward Plan

The Cabinet have approved the Forward Plan for the period 1 March to 30 June 2011, which contains details of the decisions which the Cabinet are expected to take during that period.

8. Sport in Staffordshire

In early February 2011 I was delighted to meet the Baroness Campbell, Chair of the Youth Sport Trust down at the House of Lords. I was pleased to tell her that in Staffordshire we are confident that our plans will see more people participating in sporting activities. This will help deliver healthy lifestyles for our residents; one of the key outcomes of our Strategic Plan.

We will need to think creatively and I would like to consider how we use the best practice from the Schools' Sports Partnerships and link this with leisure centres and local sports clubs. This will significantly increase the number of people enjoying sport activities and provide more participants for the many clubs ran by enthusiastic volunteers across the county.

9. "Healthy Lives, Healthy People" – Public Health White Paper

Together with Robert Marshall, Cabinet Member for Community Safety and Public Health, I attended an event at Keele Hall organised by the regional Strategic Health Authority to input into the consultation regarding the above White Paper, published on 30 November 2010. The participants considered the government's proposals to ensure the reduction of health inequalities, improved health and protection from serious health threats.

The event was very well attended by public and community sector partners, including GPs. There was lively debate during the workshop sessions and the valuable input from those attending will hopefully help to shape the future direction of the public health strategy. Members will be aware that the proposals include the transfer of the strategic lead for public health back to upper tier local authorities.

10. JCB Academy

The JCB Academy opened its doors to its first students at the start of the 2010/2011 academic year. However, the "official" opening by the Prince of Wales and the Duchess of Cornwall took place on 18 February 2011. I was delighted to attend as this was a true celebration of a magnificent achievement. The renovation of the Tutbury Mill, (built in 1871) is superb; blending the old and the new in an imaginative and eye catching fashion.

As well as the high level of academic provision by the academy, it also provides a much needed resource for local people. It puts the school right at the heart of the village and is a hub for bringing the community together, the young, the old and those in between!

P.E.B. Atkins
Leader of the Council

County Council – 17 March 2011

High Speed Rail (HS2) – Preliminary Discussion

Recommendations of the Leader of the Council

1. That the preliminary views of Members are requested on the principle of a high speed rail network and on the detailed route between London and Birmingham/Lichfield that is currently the subject of public consultation.
2. That a further report be presented to the County Council in July covering additional material produced during the consultation and recommending a formal response by the County Council.

Report of Deputy Chief Executive and Director of Place

Reasons for Recommendations

3. The public consultation on a High Speed Rail network and more specifically on a route between London and Birmingham/Lichfield commenced on 28th February and will run until the end of July. The issues involved are complex, have already given rise to a considerable amount of 'evidence', both for and against, and will continue to do so during the course of the consultation period. Besides attempting to assimilate all this information, the County Council is likely to commission work that has yet to report. While members may have views on this subject that they would wish to air in this debate it is considered premature to determine the details of the County Council's response until as much as possible of the available information has been assessed over the next few months.

Background

4. Since the end of the 1990's and into the 2000's, use of the rail network by passengers and freight has grown apace. This growth was associated with a period of continued prosperity generated by good communications both with respect to wealth generating industry and social expectations and improvements to levels of service. Anticipating continued growth and appreciating the long lead in times associated with major new infrastructure projects, the government and the railway industry have been looking at how to provide substantial additional capacity for some time.

5. From these considerations emerged the idea of entirely new lines as opposed to continued 'upgrading' of the existing network lines. It was a short step from this conclusion to the consideration of this new line as being something new in terms of travel speeds and time savings using the latest railway technology.

6. In January 2009, the government set up HS2 Ltd., a non departmental government body staffed by secondees from the Department for Transport (DfT), Network Rail and some additional appointments, to advise it on the case for new high speed services from London to Scotland and to look more closely at the first stage in the creation of such a network, namely the link from London to the West Midlands.

7. In March 2010, the government, following consideration of the reports by HS2 Ltd., published its preferred route from London to Birmingham and onwards to link to the existing West Coast Main Line at Lichfield (see Map 1) and the principles of further lines northwards on either side of the Pennines. In order to avoid slowing and stopping, and so achieve the anticipated time savings, only one intermediate station is proposed between London and Birmingham, at Birmingham Airport/National Exhibition Centre. The cost of the first phase was estimated at up to £17.4bn and £30bn in total for the network to Leeds and Manchester.

8. All three major parties included support for the principle of a high speed rail network in their manifestos leading up to the general election in May 2010 and the Coalition government has consistently expressed its support of the principle since the election. The new government has sought and received further work with respect to HS2 in terms of some detailed refinements of the March 2010 published route, the timing of links to Heathrow and the configuration of the extended network. This latter work has resulted in government endorsement of a 'Y' configuration that splits north of Birmingham to go either side of the Pennines towards Manchester and Leeds. The government has asked HS2 to report back on a preferred detailed line for the routes from Birmingham to Manchester and from Birmingham to Leeds by the end of 2011.

9. The minister announced on 20 December the government's preferred route between London and Birmingham (see Map 1) and its intention to commence a full public consultation in February 2011 through to the end of July. The consultation will relate to the principle of high speed rail provision, the configuration of the broader high speed network and the details of a route between London and Birmingham and beyond to Lichfield.

10. Following consideration of the responses to the consultation the government will decide whether to proceed to the next stage, namely the promotion of a Hybrid Bill through parliament commencing in 2013 to gain approval for the construction of the line. At best construction could begin in 2017 with the line open for operation in 2026.

11. The proposal is contentious not only along the line of the preferred route but among the wider transportation community and the community at large. Many local authorities along the route have formally expressed their opposition to the proposal and are looking to cooperate in presenting their case opposed to the proposal in their response to the consultation. Part of this cooperative work is likely to involve the gathering of support for their case from other authorities across the country that are likely to be directly affected

by the possible extensions to the network (the 'Y' configuration) and all those that will be affected/ disadvantaged as a result of the concentration of investment in this specific element of the transport network. The County Council has been represented at meetings of such local authorities but has no current intention to join any cooperative effort.

12. At the time of writing this report the latest consultation documentation from HS2 Ltd and DfT had not been published. It is anticipated that it will update the material previously published in terms of further refinements to the previously expressed supporting case and by way of addressing various issues raised by objectors over the period since last March. Consequently only one Government document has been included in the 'review' of material set out in Appendix 2.

13. Appendix 2 sets out in very brief summary form the contents of some of the most significant documents that have been produced so far on the subject of High Speed Rail/HS2. It is by no means exhaustive. However, many of the published documents repeat the same points that feature in this 'review'. Appendix 2 is intended to provide background/contextual information to assist members in their debate, recognising the various aspects to the debate and the different positions that are being taken.

14. So far the principle contributions to the debate outside of the Government itself have been Greengauge21, Atkins, HS2 Ltd. and the HS2 Action Alliance.

15. Greengauge21 was established in 2006 by Jim Steer, one of the UK's leading transport sector specialists, as a not-for-profit company. The company seeks to act in the national and the public interest, by carrying out research and bringing forward evidence so that a full and open debate on high-speed rail can take place. Since summer 2008, a large part of Greengauge21's work has been supported and funded by an HSR Public Interest Group which includes city councils, regional development agencies, transport authorities and rail organizations that include Birmingham City Council, Newcastle City Council, Nottingham City, Nottingham County Council and Sheffield City Region.

16. Atkins and HS2 Ltd prepared the various pieces of research and development of options for consideration by government.

17. HS2Action Alliance is a not for profit organisation working with over 50 local community groups, which is challenging the case for HS2, bringing together expertise from the various groups.

18. Within the West Midlands, support for HS2 has so far come primarily from Birmingham City Council, CENTRO, Birmingham Chamber of Commerce, Birmingham International Airport and the National Exhibition Centre. These latter organisations have joined with Business Birmingham and Solihull Borough Council to form a consortium titled 'Go-HS2'. The Birmingham LEP submission explicitly included support for HS2. The Stoke-on-Trent and

Staffordshire LEP has yet to determine its position regarding HS2. A number of opposition groups/parish councils in Lichfield District are acting individually and through the HS2Action Alliance to oppose HSR/HS2.

19. In simple terms the principle points on the matter of HS2 are as follows:

FOR

- Need for additional capacity on the railways and the West Coast Mainline in particular to address future demand.
- A High Speed Rail network presents the opportunity to provide substantial additional capacity and a step change in the character of the network bringing many parts of England closer together in terms of journey times.
- Linking HS2 directly with HS1 as now proposed provides the opportunity for through travel into Europe from Birmingham and subsequently Manchester and Leeds.
- Inter city traffic transferred to the High Speed network will release capacity on the existing/classic network for new and improved service provision.
- The High Speed network together with the new opportunities on the relieved classic network will stimulate economic growth around the country.

AGAINST

- Too expensive at a time of national financial crisis
- Sufficient additional capacity can be provided by focussing attention on improvements to working on the existing network with specific new provisions at particular 'pinch points' at much less cost than the government's preferred option.
- Existing fast train services provide England with a higher level of internal connectivity than most European countries.
- The introduction of a completely new high speed rail network comes with intolerable environmental consequences.
- Potential loss of services or levels of service (particularly inter-city) from stations not on HS2.
- Lack of evidence of widespread economic benefits from high speed rail provision; at best localised and sector specific.
- Unclear fit with national airports strategy

20. Beneath these principle points there is much detailed argument over forecasts of travel demand, the valuation of time savings, details of project costs, assessments of economic impact and fares and financing.

Staffordshire and HS2

21. The detailed London to Birmingham high speed line only impacts on Staffordshire for the comparatively short stretch that runs through Lichfield

District in order to return to the existing West Coast Main Line. There is no new station on this stretch of the line, however, the high speed facility will be available for trains going to and from Liverpool and Manchester through Staffordshire albeit the service assumptions made by HS2 Ltd in their work only includes stops on such services at Stafford and Crewe (1 train per hour). Don't understand this last sentence. Parts of south eastern Staffordshire will have relatively easy access (just over 10miles from Tamworth) to the high speed rail services at the proposed intermediate station at the NEC/BIA without the need to travel into central Birmingham.

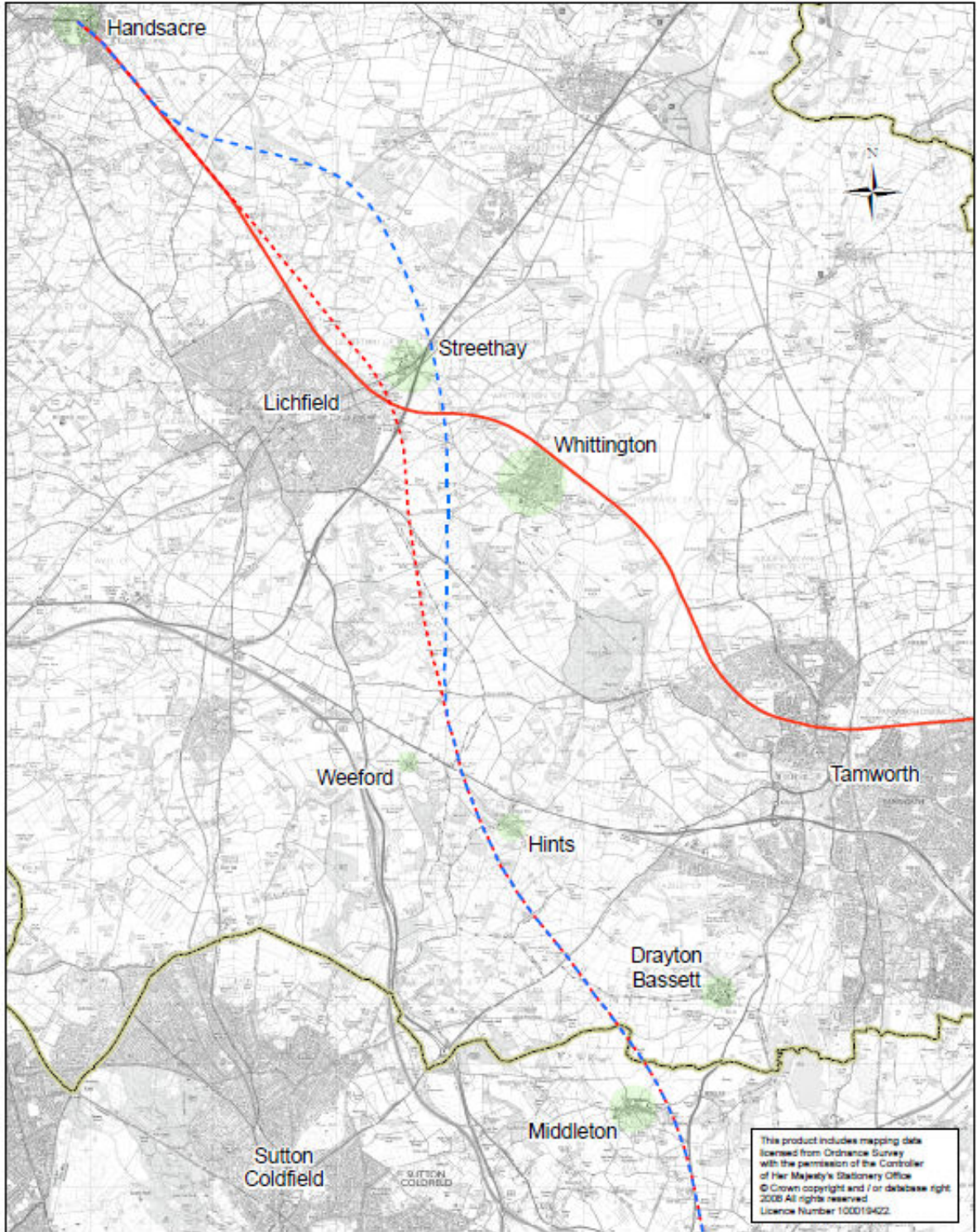
22. Regarding the possibility of a subsequent phase of the high speed rail network to be built up the western side of the Pennines, currently the indications are that were there to be any intermediary stations between Birmingham and Manchester it would most likely be similar to the NEC/BIA interchange and be solely related to Manchester airport. The whole question of how the high speed rail network fits in with a national airports strategy is unclear one way or the other. The possibility of a station/stop in the north Staffordshire area has been raised particularly by the North Staffordshire Chamber of Commerce. The Minister, in response to a parliamentary question has indicated that HS2 Ltd in their on-going work will be expected to look at the business case for intermediate stations.

23. Whether there is a station or not, albeit HS2 Ltd are currently looking at options and no indications of possible specific routes have been made known, any subsequent extension of the high speed rail route beyond Birmingham to Manchester would inevitably run through the length of Staffordshire through open countryside.

24. Whatever overarching view the County Council ultimately comes to regarding HS2 it will be necessary to prepare an assessment of local environmental impact and possible necessary mitigation measures. Such measures need to be referred to in outline at this consultation stage and developed further if/as the government proceeds with the scheme through more detailed definition by HS2 and ultimately through the use of a Hybrid Bill when the Committee stage will be primarily concerned with such mitigation with the principle have been accepted at the Second Reading stage.

High Speed 2 in Staffordshire

- - - - Initial Indicative Alignment Proposed by HS2 Limited
- - - - Latest Indicative Alignment Proposed by HS2 Limited
- West Coast Mainline
- County Boundary



Appendix 1

Equalities implications: None

Legal implications:

Possible if decide to challenge the validity of the consultation.

Resource and Value for money implications:

Possible costs associated with commissioned additional related work to inform or support the County Council's position.

Risk implications:

Potentially adverse impacts on Staffordshire environment and/or economy.

Climate Change implications:

The impact of HS2 is claimed to be carbon neutral

Health Impact Assessment screening:

None

Report author:

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List of Background Papers

As set out in Appendix 2

Appendix 2

Review of Selected HS2 Related Documentation

Greengauge21 High Speed Trains and the Development and Regeneration of Cities June 2006

Report looks at experiences across Europe with regard to development at towns and cities served by high speed train routes and stations. Experiences vary depending on circumstances with respect to distances from the capital (nearer generates commuting more distant may generate economic development) however the major requirements for economic success appear to be an established service based economy or an economy destined to change to one based more on the service sector, a clear local regeneration strategy that is prepared to focus on the new station when it is not located in the existing centre, comprehensive network of local transport facilities to provide access to the HSR/station, normally the city should be fulfilling a role as a regional centre.

The report concludes with the following statements:

‘The impact brought by high-speed trains is in fact real. But it is rarely measurable in any detail despite, in France and elsewhere, a very substantial research effort with an ever-growing body of analytical evidence on which to draw. High speed rail can be at its most effective in countries which include significant distances but also population centres of high density; especially where an important part of the long distance market involves journey distances of around 1 and a half to 2 and a half hours.’

Steer Davis Gleave for Greengauge21 and Birmingham City Council. Economic and Regeneration Impacts for Birmingham May 2008

Based on Greengauge21 concept of HSR. Considered to be a partial analysis at that time. Benefits aggregated over a 60 year appraisal period suggest the following:

- Conventional transport benefits of about £4bn of which more than three-quarters are benefits to business users.
- Additional quantified wider economic benefits of around £2bn of which the vast majority are agglomeration benefits to firms.
- An expected GDP impact of £5.2 across a 60 year period.
- The GDP impact for the West Midlands is projected to be £2.24bn of which £0.54bn would be agglomeration benefits.
- The GDP benefits to Birmingham City would be £1.23bn of which £169m are agglomeration benefits.
- The biggest beneficiaries would be in the financial and business services sector within Birmingham.

- Indicative analysis suggests further significant benefits to Birmingham from the operation of the high speed services north from BIA to Manchester. These could be of the order of £100m.

Further benefits are anticipated from recasting existing rail services using released capacity following implementation of HS2.

There would be some enhancement in rental values for central Birmingham and a more significant impact in improving vacancy rates for commercial property. Premise relocation from the West Midlands to London is unlikely, with prospects for growth in the relocation of 'back office' functions to the West Midlands especially within the financial and business service sectors.

The opportunity for new inward investment to the region could be enhanced provided the opportunities presented by HS2 were integrated with the broader economic development strategy for Birmingham and the region.

There is likely to be growth in commuting to London from the West Midlands particularly for high paid jobs that can have second order multiplier effects for the West Midlands as higher wages from London jobs are spent locally.

The HS2 link is likely to attract higher density employment development to the area around the station. This in turn will attract retail and other businesses to the area, resulting in concentration of employment. While much of this economic activity may be displaced from other locations in the West Midlands, it is likely to result in increases in property values overall to reflect higher economic value.

The report includes a review of research literature related to potential regeneration impacts.

With respect to the impact of HS1 on Ashford researchers were unable to distinguish separately the impact of HS1 and established Growth Area policy but concluded that HSR reinforces existing economic trends and connections. Experience in France and the Netherlands confirmed the concentration of offices around HSR stations. Research on Lille suggested that HSR could benefit and have a catalytic effect on the regional economy where transition and change already underway. A certain critical level in terms of strength of competitiveness must already exist or else the improved external accessibility may have a negative effect.

It is acknowledged that researchers in the UK have suggested the economic impacts of a north south HSR line may be limited because UK economic centres are relatively well connected north south.

**Colin Buchanan. Economic Impact of High Speed 1
January 2009**

The benefits of HS1 are fourfold:

- A financial impact (increase in rail revenues)

- Conventional transport benefits (e.g. journey time savings)
- Wider economic benefits (enabling workers to move to more productive jobs by increasing peak capacity to central London, and increasing the effective density of London and locations in Kent by reducing the generalised costs of travel)
- Regeneration (helping delivery the regional growth strategy and thus providing the land that allows new investment)

Taking what they consider the most realistic approach to estimating the regeneration benefits of HS1, the impacts include:

- Development impacts at Kings Cross, Stratford and Ebbsfleet (which HS1 has been fundamental in facilitating); if just five per cent of the impact is viewed to be completely additional, this benefit will be worth almost £10bn as a Present Value over 60 years;
- The value of the housing stock in the study area may increase by around £1.3bn representing a capitalised value of HS1 benefits to current residents;
- Earnings per annum across the study area may increase by between £62m and £360m due to the commuting facilitated by HS1.

Within the report it is assumed that fares on the high speed domestic services will be 30% higher than the fare for classic services.

N.B. fast local services have access to part of HS1, whereas no such access is anticipated onto HS2.

**Department for Transport. Britain's Transport Infrastructure High Speed Two
January 2009**

Set out committed programme of rail network improvements to deliver increased capacity.

Refers to 2007 White Paper Delivering a Sustainable Railway, that noted that 'on the basis of current demand trends, that existing high and sustained growth might be accommodated for at least two decades within the broad parameters of the current rail network' but also noted 'that a genuinely long-term strategy for the railway should look at the options for further increases in capacity, not least in the light of rail demand growing more strongly than predicted by industry forecasting models'. The White Paper concluded that any future planning should focus on new line options.

Acknowledged work undertaken to date including W.S.Atkins 'Because Transport Matters: High Speed Rail'; work by Booz Allen Hamilton; the work of Greengauge 21; and international experience.

Responding to Network Rail report that pointed to a strong case for an entirely new rail line in the corridor from London to the West Midlands by setting up High Speed Two Ltd.

'On present forecasts this section of the West Coast Main line [i.e. London to Birmingham] will become overloaded south of Rugby by about 2025.

Aspects covered: Capacity (road and rail), Growth Areas (benefit from released capacity), Connectivity, Modal Share (potential environmental benefits), Carbon, Line Speed.

HS2 Ltd. High Speed Rail London to the West Midlands and Beyond. A Report to Government by High Speed Two Limited December 2009

HS2 seen as part of a long term strategy to serve long distance, city to city journeys becoming more segregated to maximise benefits of reliability and capacity, well integrated with other transport networks to allow the time savings to be carried through to the whole end-to-end journey.

Infrastructure is designed for speeds of up to 400kph (250mph) in line with designs for future routes in Europe to use proven European standards, technology and practice. Propose using 400m long European sized trains that are higher and wider than UK rolling stock with up to 1100 seats.

The report recommends a route between London and Birmingham including a central London terminal station at Euston, expanded to accommodate high speed services; an interchange station with Crossrail, Greta Western main Line and Heathrow Express connections, at Old Oak Common, near Wilsden in London; a Birmingham Interchange station on the line of the route near Birmingham International Airport; a central Birmingham terminal station near Fazeley Street, in the Eastside area of the city developed in an integrated way with the existing Moor Street and New Street stations.

The report concludes that further intermediate stations on the new line would not offer value for money.

The report included some alternatives with respect to the route through the Chilterns and for the approach to the city centre of Birmingham.

While highlighting the saving of 30 minutes on the current standard time between Birmingham and London, the report also points out that by connecting to the West Coast Mainline the same time saving would apply to long distance journeys from Manchester, Liverpool, Preston and Glasgow. In an HS2 Ltd supporting document, assumptions regarding train services between London and beyond Birmingham includes 1 high speed train per hour stopping at Stafford and Crewe when returning to the classic network.

The report concludes that at this stage, there is not a clear cut economic case for including new connections either to Heathrow or HS1 given the cost involved.

The report presents a business case built around the assessment that without HS2 the West Coast Main Line would become severely capacity constrained.

At a national level, over half of the passengers on HS2 services would otherwise have travelled by classic rail. A further 16% would come from mode shift, split equally between air and car trips. The remaining 27% would be new trips, with more people travelling more often due to the faster journeys offered by high speed rail. Of the daily journeys 30% are made by business passengers and the balance by mainly leisure trips.

The London to Birmingham route is estimated to cost between £15.8bn to £17.4bn excluding rolling stock.

HS2 Ltd forecast that the preferred HS2 scheme would generate transport user benefits worth £29bn as well as additional revenues worth £15bn. This is driven almost entirely by time savings – which also reflects benefits from relief of crowding. Wider economic impacts would add a further £4bn or additional 11%.

Capacity freed up on the West Coast Main Line would allow users of shorter distance services to gain through faster, more frequent and less crowded services. Overall this expected to deliver benefits of around £2-4bn. There would also be capacity for freight growth on the southern section of the WCML, the principle UK railfreight corridor.

On balance the report considers the HS2 scheme to have a small net impact on transport emissions when set in the context of overall transport emissions.

The report recognises the effects the HS2 scheme will have on people and the natural environment but seeks to minimise them. Notional additional costs are attached to these effects but the scheme is still considered to deliver a benefit to cost ratio of at least 2.0.

Significant opportunities for development and regeneration in the areas immediately around the new stations is envisaged but only provided there is a high degree of integration between the design of HS2 stations and the relevant local transport and development plans.

The report recognises that HS2 can not be built without substantial up front public sector investment but considers that once constructed HS2's revenues would more than cover the cost of its operation.

Major capital spending would not be required until 2017/18, and would be spread over a period of 6-10 years.

As a construction project HS2 has the potential to create up to 10,000 construction jobs and a further 2,000 permanent jobs through maintenance and operation.

The report includes recommendations on the longer term strategy for an extended network comprising corridors that go either side of the Pennines.

**Greengauge21. High Speed Rail in Britain: Consequences for Employment and Economic Growth
February 2010**

Work commissioned from KPMG to analyse impact of HSR on national employment, wages and long term economic growth as opposed to the normal standard cost benefit approach.

Overall HSR could boost annual GVA (a measure of economic output) in 2040 by between £17bn and £29bn, depending on how effectively this network could enable other service changes on the rail network to be implemented and capacity constraints addressed.

Additional increased tax receipts.

The HSR network could contribute between 25,000 and 42,000 additional jobs in Britain up to 2040 as more productive businesses offer higher wages and attract people into the labour market. This only takes account of domestic job growth that could be added to by foreign firms and workers attracted by the existence of HSR.

Employment in the West Midlands could grow by around 60,000 to 70,000 in part as a result of redistribution of employment to the region from other areas of the UK less well served by HS2.

HSR supports larger economic impacts in the North helping to spread prosperity closing north-south divide.

HSR could tend to concentrate activity in the centre of core cities. Areas peripheral from the network are likely to see slower growth in employment.

Based on assumptions about improved productivity and efficiency deriving from transport changes that affect business to business connectivity and potentially also labour market catchments.

**Atkins. High Speed 2 Strategic Alternatives Study
March 2010**

Work undertaken for the Department for Transport to consider road and rail improvement alternatives to the High Speed Rail proposition being developed by HS2 Ltd. Considered 5 rail packages and 4 highway packages.

The first rail package involving longer trains was discounted as be uneconomic due to the substantial and extensive reconstruction work necessary to provide appropriately longer platforms at termini and intermediate stations.

Rail packages 2 to 5 involved progressively more additional infrastructure along the West Coast Mainline corridor that provided additional capacity but

only marginal improvements to the small reductions in intercity travel times associated with package 2.

Rail package 2 was estimated to cost £3.7bn, would result in a significant increase in seating capacity, albeit not sufficient to fully meet the projected increase in demand stated in the report, and some small reductions in intercity travel times with a Benefit to Cost ratio in the region of 2.2 to 2.9. Packages 3 to 5 increased capacity, to meet or slightly exceed forecast demand, but at significantly additional cost with a resultant progressive reduction in Benefit to Cost ratios. Packages 3 to 5 made increasing use of the Chiltern line with resultant adverse impact on the Chilterns AONB. Package 5 included 4 tracking between Aston (Birmingham) and Stafford.

Rail package 2 included the construction of a Stafford area rail bypass that the report states would be, 'a new build section of track across open countryside, the southern end of it would run through the Cannock Chase Area of Outstanding Beauty'. In applying the same sort of Appraisal Framework that was being used by HS2 Ltd, the report also recognises that the Stafford area by pass would run close to a number of areas of natural history significance.

The study acknowledges that due to the nature of the package proposals being essentially improvements to the existing infrastructure then disruption to services and the travelling public will be inevitable and very careful planning of operations would be necessary.

**Research Institute of Applied Economics, University of Barcelona.
High-Speed Rail: Lessons for Policy Makers from Experiences Abroad.
March 2010**

Prepared to advise policy makers on decisions regarding high speed rail routes in the USA by looking at experience around the world in Japan, France, Germany, Spain and Italy.

While circumstances vary significantly between countries various conclusions are reached:

- 'As few economic impacts are directly attributable to passenger HSR, it seems reasonable to allow freight transportation'
- 'Routes have to be established between the most highly populated centres so as to ensure satisfactory occupancy rates and to guarantee that the service can break even'
- 'HSR stations located outside the downtown district and without adequate multimodal connections are usually unsuccessful'
- Studies show significant potential modal shift particular from air travel on journeys between 100 and 500 miles.
- 'HSR is not a particularly useful tool for fighting CO2 emissions, being less environmentally efficient than conventional modern trains'
- 'It is consistently reported that HSR does not generate any new activities nor does it attract new firms and investment, but rather it helps to consolidate and promote on-going processes as well as to

facilitate intra-organizational journeys for those firms and institutions for whom mobility is essential'

- 'For regions and cities whose economic conditions compare unfavourably with those of their neighbours, a connection to the HST line may even result in economic activities being drained away and an overall negative impact'.
- 'Only those cities with a significant weight of services in their economic structure appear to benefit from HSR'
- 'HSR impacts on the tourism industry by promoting the number of leisure travellers to connected cities but at the same time it reduces the number of nights spent in hotels'.

Bluespace Thinking Ltd. A Review of High Speed Rail – HS2 Proposals April 2010

Reviews the economic benefit expected and the impact on CO2 emissions.

Despite encouragement to reduce travel HS2 proposals gives rise to a large addition of business and leisure travel.

Questions business case aspects, implausibly high rates of growth in transport demand (almost double that evidenced in last 15 years) including growth created by HS2's own existence, reduced need for face to face contact, benefits of overcrowding reduction reduced as forecast demand reduces, business travel time savings inconsistent with experience of use of time and user salary profile, increasing real price of rail fares, base case assumes do nothing unrealistic and results in over estimated benefits of HS2.

Failure to properly assess alternatives where Alternative 2 in WS Atkins work provides better solution.

Lack of evidence of emission reductions.

Centro High Speed Rail and supporting investments in the West Midlands Consequences for employment and economic growth June 2010

Based on work by KPMG, commissioned before March 2010 Government pronouncements re HS2.

Report examines how transport can support growth and change in economic activity as measured by GVA. Using techniques used in work for Greengauge21 (Feb 2010) focussed on the West Midlands conurbation and taking into account both the provision of HS2 and 'other local service changes'. The latter being 'indicative future services to support the introduction of HSR, improve the local distribution network and make best use of capacity made available on the 'classic' rail network'.

The 'Consequences' are based on the employment and economic impacts of improved connectivity and reduced travelling times, increased productivity and wage levels.

The timetables attached to the 'other local service changes' is recognised as 'aspirational' and is not costed.

The report concludes that HSR and supporting investments could support approximately an additional 22,000 jobs in the West Midlands metropolitan area; average wages could rise by around £300 per employee; combining to support a GVA impact of around £1,500m in 2026. The benefits are concentrated in central Birmingham and around the new Birmingham International HS station. Around 87% of these benefits could arise as new businesses start up within the metropolitan area that may otherwise have started up in other parts of the West Midlands. Higher fares or slower journey times could substantially reduce the wider benefits.

**Greengauge21 High Speed Rail Fair and Affordable
September 2010**

The report sets out how it would anticipate the existing segmented fair approach could be applied to HSR operation with the average fares on HSR and the classic network being very similar.

The report also dismisses claims that HSR will be the preserve of the wealthy elite, pointing to the pattern of existing rail use across the income groups. The report presents data that the number of rail journeys made across the lowest income quintile is about the same as the amount of travel in the middle income groups. Higher trip rates in the highest income groups reflect the preponderance of rail travel in the South East, especially commuting into London, where average incomes are well above the national average. It concludes that rail users in the lower income groups are just as likely to travel longer distances as those with higher incomes.

**Friends of the Earth Briefing High Speed Rail: Friends of the Earth's
views
October 2010**

Little cut in carbon emissions but could help if other policies change.
Must avoid SSSI's and other impacts on landscape avoided or minimised.
Very expensive way of achieving small reduction in carbon emissions.

**FTI for HS2 Action Alliance. A Review of the Business case for HS2
December 2010**

The principle focus of the report is an evaluation of HS2 Ltd's demand projections, benefit valuation, the treatment of uncertainty and the basis on which the project has been assessed, in particular in relation to alternatives. Broadly agrees with the conclusions of the HS2 Action Alliance. Report

concludes that the HS2 appraisal appears to overstate the case for HS2; some of the key assumptions are optimistic and most notably, the benefits appear to be exaggerated.

The HS2 appraisal does not compare HS2 appropriately against alternative options e.g. Atkins Rail Package 2 might deliver superior benefit cost ratios.

The projections of future demand appear optimistic, based on estimates of past relationships between demand and income growth when this relationship may be changing.

Advances in mobile technology could make the opportunity cost of journey time less of an issue in the future, reducing potential benefits.

There are a number of uncertainties about many of the underpinning assumptions and the impact of these is not adequately tested.

HS2 Action Alliance. More Capacity on WCML: an alternative to HS2 February 2011

Working on the Rail Package 2 (RP2) option that Atkins considered, HS2AA explain how RP2 was misrepresented in the Atkins, HS2 Ltd work and in the Governments Command Paper and how further capacity can be gained.

The paper considers train lengthening to 11 or 12 cars, in cab signalling and changing the balance of first and standard class cars by way of additions to the Atkins RP2 option. Through such actions capacity on the West Coast Mainline is shown to increase beyond the forecast increase in background growth included in the HS2 work. With a lower cost the package would have a better Net Benefit Ratio than HS2.

Being capable of incremental implementation the alternative approach is considered less of a risk and increased benefits by virtue of some earlier realisation of improvements.

The paper concludes with a number of rebuttals to Government responses on alternatives to HS2 covering matters of capacity (the alternative meets a realistic assessment of future need rather than significant over provision by HS2), reliability (by maintaining headways, running more trains to separate fast and slow traffic and providing faster commuter trains will not compromise reliability), disruption (of a different nature to the WCML upgrade and would learn from the lessons of that work and need to compare with massive upheaval associated with a new Euston station and the impact on communities along the length of HS2), demolition of houses (DfT unable to provide figures for impact of HS2 to consider alongside impact of some new platform provision at Euston and Manchester connected to the alternative), journey time improvements ('huge' time improvements related to HS2 unnecessary in a country already well connected compared to other European countries), transformational benefits (lack of evidence and independent support for consequent transformational benefits attached to HS2).

Tax Payers Alliance, Chris Stokes High Speed Rail Research Note February 2011

Report represents part of an ongoing 'debate' between Chris Stokes (a man with extensive and senior background in the rail industry) and Greengauge21 following an article by Stokes in 'Modern Railways'.

Concludes that there is no robust financial or economic case for HSR and that it will not solve the key practical problems of lack of capacity on commuter road and rail.

Key findings:

- Will cost over £500m per minute saved.
- With regard to rebalancing regional economies, HS2Ltd only project £2bn of lifetime 'agglomeration benefits' and the evidence for those benefits is weak.
- HS2 will never produce a financial return. The value of the net operating profit once it has been built only covers 42% of the capital costs over a 60 year project life.
- The project will not cut greenhouse gas emissions. According to HS2 Ltd it will be carbon neutral.
- Forecasts for growth in demand for HS2 are almost certainly overstated and do not take existing evidence or past experience into account and are out of kilter with virtually all other published forecasts. The business case relies on a 267% rise in demand.
- The static economic analysis used to support the case for HS2 is based on flawed assumptions such as average passenger income of £70,000 and zero passenger productivity during journey.
- Nearly half (47%) of long distance rail trips are made by people from households in the top quintile by income. HS2 is a railway for the rich, but paid for by everyone.

HS2 Action Alliance. Six Myths February 2011

1. By DfT's own admission, at best carbon neutral based on sums that flatter HS2.
2. Will not deliver wider economic benefits and cure north/south divide. Extra benefits come from use of freed up capacity, not because of faster connectivity. No conclusive evidence found to support idea that high speed connections lead to additional economic growth. Redistributive effects will benefit London. With 70% leisure travellers on HS2, and trips *to* London growing at twice the rate of those *from* London, money will move from the regions and be spent in London.
3. HS2 is not a sound investment – is not value for money. Benefits overstated, demand forecasts excessive, appraisal uses an unrealistic comparator. Fails to learn lessons from HS1, takes no

account of new technology or Government's own initiative to reduce travel, viability acknowledged to be very sensitive to reduced demand figures.

4. Not need to solve the rail capacity problem. Capacity can come from extra rolling stock and greater use of Chiltern Railways. Rail Package 2 considered by Atkins alongside HS2 but rejected by HS2 Ltd and DfT can provide necessary capacity at fraction of the cost and without over providing unnecessary capacity.
5. Will not greatly reduce domestic air travel. Opportunities for HS2 to displace air travel are reducing, not increasing as the demand for domestic air travel in the UK has been declining and with the decision not to build a third runway at Heathrow.
6. The UK does not need to catch up with Europe - it is still ahead. The UK has had a fast national railway system for a long time with routes capable of 200kph (125mph) with quicker rail journey times between the capital and the five largest cities than in any other major West European countries.

Greengauge21. Capturing the Benefits of HS2 on Existing Lines February 2011

Report looks ahead in more detail to consider what services *should* operate on the existing rail network once HS2 is open and that would otherwise be prevented by capacity constraints but *provided* a wider strategy is adopted alongside the planned project delivery arrangements for HS2 itself.

No costing included of additional parts of the wider strategy.

Applied to the southern section of the West Coast Mainline after HS2 is open. Includes new direct link fast-line services with Tamworth and Lichfield among others gaining from frequent regular interval services.

HS2 Action Alliance responds: 'Obviously new services could be introduced now – if money were no object. The reality is that additional services – with the costs that go with them – are not affordable, nor in most cases value for money'.

Recommendations to the Council

Treasury Management, Annual Investment and Minimum Revenue Provision Strategies 2011/12

1. The management of the County Council's cash flows and borrowing have a significant impact on the budget.

The Cabinet, at their meeting on 19 January 2011, approved the proposed strategies for the 2011/12 financial year.

Adoption of the Annual Investment Strategy and the adoption of the Minimum Revenue Provision policy are however, matters that are reserved for the Full Council to determine.

2. **Recommend** – (a) That, in accordance with regulations, the Annual Investment Strategy (AIS) 2011/12, comprising investment instruments, credit quality and terms of investment (attached as Appendices 1, 2 and 3), be adopted.

(b) That the Minimum Revenue Provision (MRP) policy 2011/12 (attached as Appendix 4) be adopted.

Members' Allowances Scheme - Independent Remuneration Panel Report

3. The County Council is required to establish and maintain an Independent Remuneration Panel to provide advice and recommendations to the Council on its Members' Allowances Scheme. Any decisions on the nature and level of allowances are a matter for the full Council, but the Council must have regard to any recommendations submitted by the Independent Remuneration Panel before establishing or amending the Members' Allowances Scheme. The Panel meets each year to consider the recommendations to be made to the Council in respect of the level and nature of the forthcoming year's allowances.

(**Note:** The Independent Remuneration Panel's report of February 2011, including recommendations on the Members' Allowances Scheme for 2011/12 has been sent to all members of the County Council and copies have been placed in the group rooms and members' library in County Buildings; alternatively a copy is available at [http://www.staffordshire.gov.uk/yourcouncil/members/membersallowances/.](http://www.staffordshire.gov.uk/yourcouncil/members/membersallowances/))

4. **Recommend** – (a) That the report of the Independent Remuneration Panel be received.

(b) That the hourly rate for the carers / dependents allowances in the Members' Allowance Scheme be changed to the actual cost of care up to a maximum of £14.42 per hour.

(c) The period of office for Ray Betteridge, Patrick Grange, Jane Landick, Gerald Griffin and Ian Starkie as members of the Independent Remuneration Panel be extended to 31 March 2012.

Staffordshire Local Transport Plan

5. The Local Transport Plan (LTP) (copies of which have been placed in the political group rooms and is available via the County Council's website) is a statutory document that sets out the Council's objectives, policies and targets for managing local transport and infrastructure. It covers all modes of transport (including walking, cycling, public transport, car based travel, rail and freight), the management and maintenance of the local highway network and the relationship between transport and wider policy issues such as the economy, environment and social inclusion.

Delivery of the LTP is supported by capital grants from various sources as well as revenue funding from the Council. However, in the current financial climate, it is clear that it will not be possible to fund all desired schemes even where a need has been identified. Decisions will need to be taken about where to focus limited resources and trade-offs will have to be made.

Members will be fully involved in the prioritisation process via an LTP Programme Board.

6. **Recommend** - That the LTP be approved, and that the Cabinet Member for Highways and Transport be authorised to make any necessary minor changes required to the Plan prior to its publication.

Specified Investments – Use in House

Investment	Credit Rating Criteria Adopted	Current Terms of Use
Term deposits with the UK government or with UK local authorities (i.e. local authorities as defined under Section 23 of the 2003 Act) with maturities up to 1 year	Defined by Regulations	In use
Term deposits with the Debt Management Account Deposit Facility* (DMADF) (the Debt Management Office of the UK Government) * available for investments up to 6 months	Defined by Regulations	In use
Money Market Funds (i.e. a collective investment scheme as defined in SI 2004 No 534)	AAA (the highest credit quality)	In use
Term deposits and Callable deposits with credit-rated deposit takers (banks and building societies) with maturities up to 1 year	Sector credit list	In use
Forward deals with credit-rated deposit takers (banks and building societies) up to 1 year (i.e. negotiated deal period plus period of deposit)	Sector credit list	In use

Specified Investments – Use by Cash Managers

Investment	Credit Rating Criteria	Current Terms of Use	
		SWIP	TUK
Term deposits with the UK government or with UK local authorities (i.e. local authorities as defined under Section 23 of the 2003 Act) with maturities up to 1 year	Defined by Regulations	N/A	In use
Term deposits and Callable deposits with credit-rated deposit takers (banks and building societies) with maturities up to 1 year	Cash manager discretion	In use	In use
Money Market Funds (i.e. a collective investment scheme as defined in SI 2004 No 534)	AAA (the highest credit quality)	In use	N/A
Forward deals with credit-rated deposit takers (banks and building societies) up to 1 year (i.e. negotiated deal period plus period of deposit)	Cash manager discretion	In use	In use

Non Specified Investments – Use in House

Investment	Circumstances of Use	Credit Rating Criteria	Limit	Current Terms of Use
Term deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	Not in Use	N/A	Nil	Not in Use
Callable deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	Not in Use	N/A	Nil	Not in Use
Forward deposits with credit rated banks and building societies for periods greater than 1 year (i.e. negotiated deal period plus period of deposit)	Not in Use	N/A	Nil	Not in Use
Certificates of Deposit with credit rated deposit takers (banks and building societies) with maturities up to 5 years	Subject to agreement by the Treasury Management Panel	Sector credit list	£25m *	Subject to agreement by the Treasury Management Panel
UK government gilts with maturities up to 5 years	Subject to agreement by the Treasury Management Panel	“AAA” UK Sovereign rating	£25m *	Subject to agreement by the Treasury Management Panel
Bonds issued by multilateral development banks with maturities up to 5 years	Subject to agreement by the Treasury Management Panel	“AAA”	£25m *	Subject to agreement by the Treasury Management Panel

* The limit is £25m in total for all three types of investment used in-house.

Appendix 2 (continued)

Non Specified Investments – Use by Cash Managers

Investment	Credit Rating Criteria	Limit	Current Terms of Use	
			SWIP	TUK
Term deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	Cash Manager discretion	£20m	N/A	Not in use
Certificates of Deposit with credit rated deposit takers (banks and building societies) with maturities up to a maximum of 5 years	Cash Manager discretion	£25m	In use	N/A
Callable deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	Cash Manager discretion	£20m	N/A	Not in Use
UK government gilts with maturities up to or in excess of 1 year	Cash Manager discretion	£25m	In use	N/A
Forward deposits with credit rated banks and building societies for periods > 1 year (i.e. negotiated deal period plus period of deposit)	Cash Manager discretion	£20m	N/A	Not in Use
Bonds issued in a currency other than that of the originating country (i.e. Eurobonds) With maturities in excess of 1 year	Cash Manager discretion	£25m	In use	N/A

Current Approved Lending List

UK GOVERNMENT DEPOSITS with the DEBT MANAGEMENT OFFICE
with NO MAXIMUM INVESTMENT LIMIT and a MAXIMUM INVESTMENT PERIOD OF 6 MONTHS

Debt Management Agency Deposit Facility (DMADF)

Purchase and Sale of UK Government Treasury Bills through the DEBT MANAGEMENT OFFICE with NO
MAXIMUM INVESTMENT LIMIT and a MAXIMUM INVESTMENT PERIOD OF 12 MONTHS

Treasury Bills (UK Government)

Money Market Funds (i.e. a collective investment scheme as defined in SI 2004 No 534)
with a MAXIMUM INVESTMENT LIMIT of £30m (Same Day Instant Access)

Standard Life MMF

Insight MMF

Barclays Global Investors (BGI) MMF

INSTITUTIONS with a MAXIMUM INVESTMENT LIMIT of £30m & a MAXIMUM INVESTMENT PERIOD as
shown

	<u>Max Investment Period</u>
Barclays Bank plc	6 months
HSBC plc	12 months
Nationwide Building Society	3 months
Lloyds Banking Group (includes Bank of Scotland)	12 months
Royal Bank of Scotland Group (includes NatWest)	12 months
Santander UK	6 months
Non charge capped UK Local Authorities	12 months

INSTITUTIONS with a MAXIMUM INVESTMENT LIMIT of £15m and a MAXIMUM INVESTMENT PERIOD
OF 1 WEEK

Co-operative Bank plc

Changes to the List since the Treasury Half-Year Report 20 October 2010

Adoption of Sector Creditworthiness Service and increased duration

Minimum Revenue Provision (MRP) Policy Statement

Introduction

Capital expenditure is generally expenditure on assets which have a life expectancy of more than one year e.g. buildings, vehicles, machinery etc. It would be impractical to charge the entirety of such expenditure to revenue in the year in which it was incurred therefore such expenditure is spread over several years in order to try to match the years over which such assets benefit the local community through their useful life.

The manner of spreading these costs is through an annual Minimum Revenue Provision, which was previously determined under Regulation, and will in future be determined under Guidance.

The Government issued guidance which came into force on 31st March 2008 which requires that a Statement on the Council's policy for its annual MRP should be submitted to the full Council for approval before the start of the financial year to which the provision will relate.

The guidance offers four main options under which MRP could be made (for information these are detailed over the page), with an overriding recommendation that the Council should make prudent provision to redeem its debt liability over a period which is reasonably commensurate with that over which the capital expenditure is estimated to provide benefits.

MRP Policy Statement 2011/12

The Council implemented the new Minimum Revenue Provision (MRP) guidance in 2009/10, and will assess their MRP for 2011/12 in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.

The major proportion of the MRP for 2011/12 will relate to the more historic debt liability that will continue to be charged at the rate of 4%, in accordance with the recommendations and intent of Option 1 of the Guidance.

Further amounts of new capital expenditure may continue to be charged at the rate of 4%, and added to the above mentioned base Capital Financing Requirement (CFR) amount, up to an amount equivalent to the Council's annual Supported Capital Expenditure (Revenue) allocation.

Certain expenditures reflected within the debt liability at 31st March 2011 will under delegated powers be subject to MRP under Option 3.

Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

Appendix 4 (continued)

Asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

Option 1: Regulatory Method

Under the previous MRP regulations, MRP was set at a uniform rate of 4% of the adjusted CFR (i.e. adjusted for "Adjustment A") on a reducing balance method (which in effect meant that MRP charges would stretch into infinity). This historic approach must continue for all capital expenditure incurred in years before the start of this new approach. It may also be used for new capital expenditure up to the amount which is deemed to be supported through the SCE annual allocation.

Option 2: Capital Financing Requirement Method

This is a variation on option 1 which is based upon a charge of 4% of the aggregate CFR without any adjustment for Adjustment A, or certain other factors which were brought into account under the previous statutory MRP calculation. The CFR is the measure of an authority's outstanding debt liability as depicted by their balance sheet.

Option 3: Asset Life Method.

This method may be applied to most new capital expenditure, including where desired that which may alternatively continue to be treated under options 1 or 2.

Under this option, it is intended that MRP should be spread over the estimated useful life of either an asset created, or other purpose of the expenditure. There are two useful advantages of this option: -

- Longer life assets e.g. freehold land can be charged over a longer period than would arise under options 1 and 2.
- No MRP charges need to be made until the financial year after that in which an item of capital expenditure is fully incurred and, in the case of a new asset, comes into service use (this is often referred to as being an 'MRP holiday'). This is not available under options 1 and 2.

There are two methods of calculating charges under option 3:

- a. equal instalment method – equal annual instalments,
- b. annuity method – annual payments gradually increase during the life of the asset.

Option 4: Depreciation Method

Under this option, MRP charges are to be linked to the useful life of each type of asset using the standard accounting rules for depreciation (but with some exceptions) i.e. this is a more complex approach than option 3.

The same conditions apply regarding the date of completion of the new expenditure as apply under option 3.

Staffordshire Police Authority

Periodic Report on Authority Matters

Revenue Budget 2011/12

1. **Report** – The Authority has considered its proposed Revenue Budget for 2011/12, compiled against the background of the Comprehensive Spending Review and the overriding aim to maintain resources for frontline policing, and agreed a Budget of £188,792,727 for the ensuing year.

The Authority's decision followed careful consideration of the feedback received from its widespread consultation (including that with local councils, the business sector and the Citizens' Panel) that had demonstrated a clear endorsement of the Communities First Programme and the priority being given to it by the Authority and the Force; the difficult and turbulent national economic picture and its potential impact; the need to ensure the Force was properly resourced to face the challenges ahead; the impact on local tax payers; and the Government's capping mechanism.

After taking account of the national financial settlement and other income, the balance of £63,793,986 was required to be raised by way of precept, requiring a Council Tax Bill at Band D for £177.61, being frozen at the 2010/11 level. This was in line with the agreed Medium Term Financial Strategy 2011/16. A key financial pressure that the Police Authority has to incorporate into its budget was the 2.6% pay award for September 2010 that was to extend through to August 2011.

In agreeing the Budget the Authority has had to identify budget reductions of an estimated £10.9m, mainly due to the Government's financial settlement resulting in a grant reduction of 5.1% for 2011/12. The key areas of savings have come from a freeze in police officer recruitment, the restructuring of the Force under the Communities First Programme, a reduction of 155 FTE police staff posts and a review of all non-pay expenditure.

This settlement will allow for the Force's excellent performance to be consolidated into 2011/12 and beyond, supporting the Communities First Programme that is transforming the delivery of policing to best meet the communities' needs. The Government has indicated its grant funding will be reduced again in 2012/13 by a further 6.7%. Therefore it was very important that the Authority identifies further areas of savings and efficiency to ensure that the public receives the same levels of service and that satisfaction rates are maintained.

Provisional Capital Outturn 2010/11 Capital Programme 2011/12

2. **Report** – The Authority has noted progress on the Capital Programme 2010/11, together with implications for 2011/12 and beyond, and has agreed changes to the Programme. The Authority has also considered proposals for the Capital Programme 2011/12 and beyond, having regard to the recommendations of the Finance Panel, and made decisions on the allocations to the Programme.

Communities First Programme - Update

3. **Report** – The Authority has received an update from the Chief Constable on the Communities First Programme that provides a blue-print for the Authority and the Force to keep the communities of Staffordshire and Stoke-on-Trent safe and reassured by the achievement of three strategic priorities: delivering a quality service; delivering professional excellence and delivering value for money.

The re-shaping of the Force, creating nine Local Policing Teams co-terminus with local authority boundaries, will provide a new local policing structure from April 2011, streamlining the organisation to respond to the challenges of performance targets for 2011/12 onwards. This approach protects neighbourhood policing numbers and preserves frontline services at a time of diminishing finances and strengthens existing partnership arrangements throughout the county.

The Programme's work streams have highlighted opportunities to share buildings with local partners and reduce costs and identified buildings that are old and inaccessible to the general public. The Authority has agreed to consider alternative proposals for these, whilst reinforcing its commitment to maintain the number of officers in neighbourhood roles during 2011/12 and accessible public enquiry offices at the heart of local communities.

The Authority continues to strive to deliver visible and accessible local policing in a more affordable way by enhancing the use of local partnerships; and driving the strategic direction of the Force and the scrutiny and challenge of its performance.

Policing Staffordshire – Strategy and Plan 2011/14

4. **Report** – The Authority has considered and approved its 'Policing Staffordshire – Strategy and Plan 2011/14, setting out the Authority's key priorities and targets for the three-year period.

The Plan focuses clearly on targets and outcomes to deliver on the Communities First Programme. The Plan confirms the Authority's commitment to securing an effective and efficient police force for the communities of Staffordshire and Stoke-on-Trent, seeking continuous improvement and the best use of resources across the range of police services provided, reducing bureaucracy and safeguarding front line policing within the resources available.

'Policing Staffordshire – Strategy and Plan 2011/14' will be published to meet statutory requirements and will be made available on both the Authority and Force websites from 1 April 2011. The Authority and the Force will also producing a four-page summary of the Strategy and Plan for 2010/13, for both public and internal use.

Authority Business Plan 2010/11

5. **Report** – The Authority has considered its Business Plan 2011/12, being a separate document from the three year Strategy and Plan.

The Plan sets out the key functions of the Authority; the developing and monitoring of the Plan; key issues for 2011/12, including the transitional arrangements necessary up to the introduction of the Police and Crime Commissioner (PCC) in May 2012; and details of the Authority's governance structure.

The Plan was to be updated during the year as appropriate to reflect any fundamental issues facing the Authority and an Action Plan established to ensure commitments are being met.

Force Performance

Performance Review – 1 April to 31 December 2010

6. Report – Staffordshire Police has a clear focus on performance targets that matter to its communities, with targets being meaningful and based upon stated public priorities.

The Authority has reviewed the performance of the Force for the period 1 April to 31 December 2010 against the key Communities First Targets for 2010/11 that showed almost 5,000 fewer crimes were recorded between April and December 2010, as compared to the same period in 2009/10.

Figures for serious acquisitive crime - which includes burglary, robbery and vehicle crime - fell to 6,793 from 8,185, a drop of 17% during the period April – December 2010. Business-related crime has also fallen to 6,383 from 7,153, a drop of 11% when compared with the same period last year. The figures for current year ending 31 December 2010 also show a 10% reduction in the number of violence with injury crimes across the Force-area. A total of 6,655 being recorded, as compared to 7,384 in the same period in 2009.

Dealing with anti-social behaviour (ASB) remains a priority for both the Authority and the Force. Staffordshire Police continues to work closely with local authorities and other partners to tackle ASB. Between April and December 2010, 87.1% of people who called the Force to report instances of ASB were satisfied with the overall service they received, as compared to 82.9% during the same period in 2009.

The Authority has congratulated the Chief Constable on the Force performance figures for April to December 2010, showing a drop in crime and a continued increase in public satisfaction, all achieved at a time when the organisation had decreasing resources.

Review of governance arrangements

7. Report – The Authority has agreed a number of revisions to the way in which it undertakes its governance role against the backdrop of a reduced staffing profile; and a national change in direction for the delivery of policing. These include the opportunity for all members to attend all meetings of committees to broaden their knowledge base and contribution to Authority business; and the re-designation of some of the Authority's committees.

A19 Regulation

8. Report – The Authority has agreed to implement A19 Regulation, being the compulsory retirement of police officers with 30 years pensionable service on the grounds of the efficiency of the Force. This was a difficult decision for the Authority and the initial group of officers identified will be required to retire from 30 November 2011. This has been invoked out of necessity to realise the cost savings needed over the coming financial years.

The Chair of the Authority and the Chief Constable are committed to supporting those officers, as well as police staff leaving the organisation, during the coming months.

Police Authorities – The Future

Police Reform and Social Responsibility Bill

9. **Report** – The Authority has noted the developments in relation to the Police Reform and Social Responsibility Bill, currently being reviewed during its parliamentary stages, its key details and reiterated its serious concerns around transitional issues to the establishment of the PCC in May 2012.

This is a vitally important year for the Authority and it is committed to ensuring that a lasting legacy is created for the new incumbent and ensure that the transition is smooth and seamless, seeing the people of Staffordshire and Stoke-on-Trent being unaffected by the new working arrangements for the delivery of policing services.

MRS. C.G. HEATH
Nominated Police Authority
Staffordshire County Council

MR. H.C. BRIAN AND MR. B. WARD
Nominated Police Authority Member
Stoke-on-Trent City Council

Stoke-on-Trent and Staffordshire Fire and Rescue Authority Periodic Report of the Chairman on Authority Matters

2011/12 Budget and Council Tax Setting

1. The Authority has set a net Revenue Budget requirement for 2011/12 of £42.948m, an increase of £0.157m over 2010/11. This Budget will enable the delivery of the Authority's Corporate Safety Plan which reflects the key aims of continuous improvement of the Service and making Staffordshire Safer.

The budget also recognises the commitment by the service to fully support the Business Transformation Project. To support this commitment the Authority proposes an annual target of £1.0m of new savings each year for the next four years in order to meet an estimated funding reduction of £4.0m by 2014-15.

A zero Council Tax increase has been agreed by the Authority. For 2011/12 a Band D taxpayer will pay £67.64 as they did in 2010/11. There are no increases in any of the other bandings in relation to this Authority's precept.

The Authority hold two reserves, a Specific Reserve which is built up through any surplus within the Income and Expenditure account and is currently utilised to fund any non recurring revenue spend, and a General Reserve which is held to protect against any spate or emergency conditions which may arise. The General Reserve is £1.9m, which is in line with the risk assessment. In addition the Authority holds £3.2m in Specific Reserves which was forecast to reduce to £2.8m by 31 March 2011.

The Assistant Chief Fire Officer/Assistant Chief Executive (Service Support) has assured the Authority in respect of the adequacy of reserves and the robustness of the budget.

The Authority unanimously approved the budget at its meeting on 15 February 2011.

Regional Control Centre Limited Company

2. The FiReControl Project was terminated by the Department of Communities and Local Government (DCLG) on 20 December 2010. DCLG has subsequently issued a consultation document concerning the future of fire and rescue control services in England, which also looks at funding implications and potential uses for the Regional Control Centre (RCC) buildings by the Fire and Rescue Services. The consultation period is due to end on 8 April.

The Authority has been advised of the impact of the termination of the FiReControl Project on the future of the West Midlands Fire and Rescue Services Regional Control Centre Limited Company and has endorsed the decision of the Board of Directors on 28 January 2011 that the Company should close down all of its activities and become dormant for a short period of time. The Board made a number of resolutions which related to the vacation of the RCC building, the redundancy processes of the affected staff, and the steps that would be taken to achieve a financial closedown of the Company's activities.

The Chairman, in consultation with the Chief Fire Officer/Chief Executive, has been given delegated authority to determine whether to support the dissolution of the Company once satisfactory agreement has been reached with the Government and the other Fire and Rescue Authorities in the region on the use of uncommitted regional Fire Control grant and other assets. In the event that mutual agreement cannot be reached between the five FRAs on the future of the Company and its assets then further reports will be brought to the Authority for consideration.

The Authority is actively seeking alternative options for the future provision of fire control in Staffordshire. All options are being considered and nothing is being ruled out.

Fees and Charges

3. The Authorities fees and charges for goods and services have been reviewed. The estimated income for 2010/11 was anticipated to be £9000 from special service calls; £7000 from catering and conferencing; £50,000 for training fees and £14,000 for other charges. Within that review the Chief Fire Officer has been given discretion to alter these charges in the light of commercial and /or economic considerations.

L W Bloomer
Chairman