

# Public Document Pack

**Date of meeting**      **Wednesday, 14th January, 2015**

**Time**                      **7.00 pm**

**Venue**                    **Committee Room 1, Civic Offices, Merrial Street,  
Newcastle-under-Lyme, Staffordshire, ST5 2AG**

**Contact**                 **Julia Cleary**

## **Cabinet**

### **AGENDA**

#### **PART 1 – OPEN AGENDA**

- 1      MINUTES** **(Pages 5 - 10)**  
To consider the minutes of the previous meeting held on 10 December, 2014.
- 2      DECLARATIONS OF INTEREST**  
To receive declarations of interest from Members on items included in the agenda.
- 3      REVIEW OF CONCURRENT FUNDING AND FUNDING FOR** **(Pages 11 - 24)**  
**TOWN AND PARISH COUNCILS**
- 4      MIDWAY MULTI-STOREY CAR PARK** **(Pages 25 - 30)**
- 5      CAPITAL STRATEGY** **(Pages 31 - 70)**
- 6      ASSET MANAGEMENT STRATEGY** **(Pages 71 - 124)**
- 7      CALCULATION OF COUNCIL TAX BASE** **(Pages 125 - 130)**
- 8      SCALE OF FEES AND CHARGES** **(Pages 131 - 164)**
- 9      REVENUE AND CAPITAL BUDGETS** **(Pages 165 - 188)**
- 10     CONTRACT AWARD FOR THE SUPPLY AND MANAGEMENT** **(Pages 189 - 192)**  
**OF VEHICLE TYRES**
- 11     POLICY FOR UNSUPERVISED CHILDREN'S PLAYGROUNDS** **(Pages 193 - 200)**
- 12     ICT STRATEGY** **(Pages 201 - 218)**
- 13     MEMBERS' ICT AND OUTCOMES OF THE MEMBERS DIGITAL** **(Pages 219 - 242)**  
**TECHNOLOGY (TABLET) TRIAL**
- 14     NEWCASTLES OF THE WORLD ALLIANCE** **(Pages 243 - 246)**
- 15     URGENT BUSINESS**  
To consider any business which is urgent within the meaning of Section 100B(4) of the  
Local Government Act 1972.
- 16     EXCLUSION RESOLUTION**

To resolve that the public be excluded from the meeting during consideration of the following report and appendices because it is likely that there will be a disclosure of exempt information as defined in Paragraph 3 in Part 1 of Schedule 12A of the Local Government Act 1972.

- 17 SCALE OF FEES AND CHARGES (Pages 247 - 248)**
- 18 CONTRACT AWARD FOR THE SUPPLY AND MANAGEMENT OF VEHICLE TYRES (Pages 249 - 250)**
- 19 ATTENDANCE AT CABINET MEETINGS**

**Councillor attendance at Cabinet meetings:**

Any Newcastle under Lyme Borough Councillor is entitled to attend Cabinet meetings and any Members of the Council may also speak with the permission of the Chair of the Cabinet. There are no limits on the time Councillors will be allowed to speak for. In addition, the respective Chairs of each of the Council's Scrutiny Committees will be permitted to attend and speak at Cabinet meetings, as will the mover(s) of motion(s) referred to the Cabinet

**Public attendance at Cabinet meetings:**

Any member of the public is entitled to attend meetings of the Cabinet (including press). If a member of the public wishes to speak, they may do so in the form of a question which should be submitted in writing to the Chief Executive of the Council at least two days prior to the meeting taking place. The Chief Executive will share questions with the Chair of Cabinet, who will assess whether the question(s) is/are permissible. The Chair's decision is final on this matter. A maximum of three such questions can be asked at any one Cabinet meeting and no right of reply from the questioner or any other member of the public is permitted, nor any follow up questions. Each questioner can ask one question at any one meeting. A maximum of three minutes will be allowed for the questioner to ask their question or make any other statement, and questions deemed to be repetitious or vexatious will not be admitted.

**Members:** Councillors Mrs Beech, Kearon, Turner, Stubbs (Chair), Williams, Mrs Shenton (Vice-Chair) and Hambleton

**PLEASE NOTE: The Council Chamber and Committee Room 1 are fitted with a loop system. In addition, there is a volume button on the base of the microphones. A portable loop system is available for all other rooms. Should you require this service, please contact Member Services during the afternoon prior to the meeting.**

**Members of the Council: If you identify any personal training/development requirements from any of the items included in this agenda or through issues raised during the meeting, please bring them to the attention of the Democratic Services Officer at the close of the meeting.**

**Meeting Quorums :- 16+= 5 Members; 10-15=4 Members; 5-9=3 Members; 5 or less = 2 Members.**

Officers will be in attendance prior to the meeting for informal discussions on agenda items.

**CABINET**

Wednesday, 10th December, 2014

**Present:-** Councillor Mrs Elizabeth Shenton – in the Chair

Councillors Mrs Beech, Kearon, Turner, Williams and Hambleton

1. **APOLOGIES**

Apologies were received from Councillor Stubbs.

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest stated.

3. **MINUTES**

**Resolved:-** That the minutes of the meetings held on 15<sup>th</sup> October and 12<sup>th</sup> November, 2014 be agreed as correct records.

4. **IMPLEMENTATION OF THE COMMUNITY CENTRE REVIEW**

Consideration was given to a report updating Members on the progress made in implementing the Community Centre Review.

A number of outcomes had emerged from the Review and a programme of works had been prepared. Draft Heads of Terms had been sent to six community centre committees for consideration and a model lease was being prepared.

The Community Centre Working Party had already been operating along similar lines to a Cabinet Panel and it was felt that now as the appropriate time to formally establish a Cabinet Panel.

A comprehensive action plan had been approved and the report gave an update on the current position and the stages of the Community Centres in terms of repair, leases and governance.

**Resolved:-** (i) That a Cabinet Panel be established with delegated decision making powers to progress the review and specifically the options identified within the report.

(ii) That a further report, on the implementation of the review, be received within six months.

5. **URBAN NORTH STAFFORDSHIRE GREEN SPACE STRATEGY REVIEW**

The Cabinet considered a report on the current situation regarding the Urban North Staffordshire Green Space Strategy (UNSGSS) and the plan to review and update it.

The Portfolio Holder stated that a review of the Strategy was required to ensure that the green space asset base in Newcastle fulfils its potential to deliver a wide range of

environmental, economic and social benefits through a strategic approach to planning and management and that the Strategy remains fit for purpose and a robust evidence base for the emerging joint Local Plan.

Councillor Mrs Naylor had three questions about this item:

- (i) In the interests of 'joined up government', could the Cabinet give assurance that the UNSGSS review would recognise and use the work in the Right of Way Improvement Plan (ROWIP) to result in a 'multi-user approach' to the provision of access to green spaces. The UNSGSS made such use of terms 'Footpaths and Cycleways'. In 2014 there had been an increasing use of networks by mobility scooter users, tricycles and yes, horse and pony riders in our urban areas. Could the Cabinet insist that the change in the demographic of 'user groups' is taken into account in the review."

The Portfolio Holder explained that the Right of Way Improvement Plan set out the provisions but not necessarily the details of individual projects. However, the Strategy would be looked at to see how it could best meet local needs.

- (ii) "Could Cabinet ask that the UNSGSS review please use the excellent ROWIP of 2014...there were 28 priority areas proposed; these need reviewing and moving forward.

In the public consultation exercise for ROWIP, Newcastle was recognised as the area which responded most vigorously to requests for information and suggestions for improvement, most of which were about increasing the availability of access (off road routes) and connectivity. Could the Cabinet ask the UNSGSS review team go back to the ROWIP and look for ways of overcoming barriers/dead ends and lack of connection across City, Borough and Parish boundaries".

The Portfolio Holder's response was that the County Council was the lead authority for the ROWIP and they would take forward most of the proposals contained in the policy. Where it related to the Borough Council, this would be taken into account when details of the project plans were approved.

The UNSGSS sets out the framework for green space strategy provision and management but not necessarily details of all individual projects

- (iii) What was the timetable for the production of the UNSGSS and SALS and how could members be involved in the process of the two policy proposals?

The Portfolio Holder stated that the shortlisting and tender process would lead up to March, 2015. Work could then commence on the review through 2015/16 and would take about a year to complete.

- (a) Resolved:-** That approval be granted to review the Green

Space Strategy in line with the National Planning Policy Framework and that cost of the review be met from the provision made in the general fund revenue programme for the preparation of the joint Local Plan.

**6. SPORT AND ACTIVE LIFESTYLES STRATEGY**

Consideration was given to a report requesting Cabinet's approval on the Sport and Active Lifestyles Strategy (SALS) Development.

The development of a SALS was required to lead towards healthy and active lifestyles for residents of the Borough.

Councillor Mrs Naylor asked 'What was the timetable for the production of the SALS and how could members be involved in the process of the policy proposal?'

The Portfolio Holder advised that the final draft for the strategy would be completed by November 2015 and would go to Cabinet in December, 2015. Mrs Naylor was advised that Members and stakeholders would be involved in the process – especially in the Community Review Assessment.

- Resolved:-**
- (i) That it be acknowledged that physical inactivity is a high risk factor in many of the Borough's communities, as identified in the Borough Health and Wellbeing Strategy.
  - (ii) That the many benefits for health and wellbeing of physical activity be recognised and increased levels of physical activity be promoted.
  - (iii) That the establishment of an officer project group to develop the Sport and Active Lifestyles Strategy (SALS) for the Borough, which will provide regular progress reports to the Portfolio Holder for Leisure, Culture and Localism be agreed.

**7. KIDSGROVE SPORTS CENTRE**

Members were updated on the work of the Active and Cohesive Scrutiny Committee in their development of a feasibility report into the delivery of a Sports Centre for Kidsgrove and surrounding area.

The Feasibility Report of the Active and Cohesive Scrutiny Committee was appended to the report. The Chair of the Scrutiny Committee also presented the Cabinet with figures relating to the requirement for a pool in Kidsgrove with respect to population growth in the next few years.

The Portfolio Holder stated that the Scrutiny Committee had looked at the demand in the area, a suitable facility mix, undertaken a site options appraisal, investigated the likely costs and considered potential sources of funding.

It was stated that the Council owned neither the land or the buildings and therefore there was no financial benefit to be gained in demolishing Kidsgrove Sports Centre.

Further, Sport England had given a grant to spend on the sports centre therefore there would be a potential claim back requirement.

The Cabinet welcomed the report, adding that the people of Kidsgrove deserved a good quality sports facility. Thanks were expressed to the Chair and Members of the Active and Cohesive Scrutiny Committee for their hard work.

- Resolved:-**
- (i) That the Feasibility Report from the Chairman of the Active and Cohesive Scrutiny Committee be received.
  - (ii) That the Active and Cohesive Scrutiny Committee's recommendations be endorsed and their support for replacement sports facilities for the Kidsgrove area be confirmed.
  - (iii) That the funding implications be noted and consideration be given to adding the scheme to a future capital programme through the process of prioritisation be agreed as part of the Newcastle Capital Investment Programme.
  - (iv) That discussions take place with potential funding partners to identify sources of external match funding that would contribute towards the cost of the project.

## **8. LIVING WAGE ACCREDITATION**

Consideration was given to a report presented linked to the final stages of the Living Wage implementation process.

Effective from 1 April 2013, the Living Wage is paid as a supplement to a group of employees across five identified posts within the authority, those employees receiving increases announced by the Living Wage Foundation annually, the most recent being November, 2014.

The impacts linked to four contracts were identified within the report, with proposals to address each being included within the milestones section of the license agreement, which are currently being finalised between the Portfolio Holder for Finance and Resources and the Chief Executive.

Gaining accreditation remains an objective for the authority.

- Resolved:-**
- (i) That the contents of the report be noted.
  - (ii) That completion of the final stages, by the Council, to become a Living Wage Employer be agreed.
  - (ii) That the requirements linked to the milestones included as part of the accreditation process (schedule 3, page 9 of the Accreditation Licence Agreement) following finalisation of the Licence

Agreement between the Portfolio Holder for Finance and Resources and the Chief Executive, be agreed.

**9. RYECROFT DEVELOPER NOMINATION**

Consideration was given to a report looking at the bids received from Developers shortlisted to take forward the redevelopment of the Ryecroft site in the town centre.

This report was considered in light of the confidential report and appendices contained in the second part of this agenda. It was noted that the latter documents contained commercially sensitive information submitted by the three bidders along with confidential advice from the Council's specialist development advisor.

- Resolved:-**
- (i) That, taking account of the commercially sensitive and confidential information contained in the Part 2 report, the selection of Developer A as preferred development partner for the Ryecroft scheme be agreed and the other two shortlisted bidders be formally notified of this decision and thanked for their interest and proposals.
  - (ii) That officers be instructed to enter into a Co-operation agreement' with Developer A, as described more fully in the body of the reports during which detailed scheme proposals can be progressed in conjunction with the negotiation of a development agreement.
  - (iii) That the relevant Portfolio Holder be authorised to sign the formal and full version of the Co-operation Agreement at the earliest opportunity.
  - (iv) That officers be authorised to continue working with County Council colleagues regarding preparation of the full business case for the re-provision of Civic Offices on the basis set out in the report.

**10. EXCLUSION RESOLUTION**

- Resolved:-** That the public and press be excluded from the meeting during consideration of the Appendices to item 9 – Ryecroft Developer Notification by reason of the likely disclosure of exempt information as defined in paragraphs 1 and 3 in part 1 of Schedule 12A of the Local Government Act, 1972.

**11. RYECROFT DEVELOPER NOMINATION - RESTRICTED REPORTS AND APPENDICES**

Members considered the information contained within this report along with the appendices in coming to a decision on item 9 on the agenda.

- Resolved:-** That the information be received.

**12. URGENT BUSINESS**

There was no urgent business

**COUNCILLOR MRS ELIZABETH SHENTON**  
**Chair**



## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

### REPORT TO CABINET

**Date: 14<sup>th</sup> January 2015**

**Title:** Update on the Scrutiny Review of Concurrent Functions and Funding for Town/Parish Councils

**Submitted by:** Head of Business Improvement, Central Services & Partnerships

**Portfolio:** Communications, Policy and Partnerships

**Ward(s) affected:** All

#### **Purpose of the Report**

Members will recall that a report was presented to Cabinet in February 2014 requesting agreement to a review of the existing funding arrangements to parish/town council concurrent functions. Members will further recall that such funding arrangements cover so-called 'concurrent functions' - services which can be carried out by the Borough Council but are also within the statutory remit of a parish or town council.

The review was proposed to examine the existing process of funding by the Borough Council to parish/town councils to avoid the prospect of 'double taxation' (where a service which could be provided by either the Borough Council or a parish/town council is financed from the parish precept in a parished area and by the Borough Council in non-parished areas with no corresponding reduction in Council Tax for the parished areas) and also to examine the levels of funding in light of the financial pressures faced by the Borough Council.

Following presentation of the report outlined above to Cabinet in February 2014, it was agreed this review would be carried out by the then Transformation & Resources Overview and Scrutiny Committee (now the Finance, Resources and Partnerships Scrutiny Committee (FRAPS)), with a request from Cabinet for the Committee to report back to Cabinet in time for implementation of a revised scheme for 2015/16.

FRAPS agreed to establish a Member Working/Task and Finish Group to examine this issue in more detail, in particular to understand concurrent funding of Town/Parish Councils in the Borough and to develop proposals around future arrangements.

A report was duly presented from the Parish/Town Councils – Review of Concurrent Funding Task and Finish Group to FRAPS on 5<sup>th</sup> November 2014 setting out their findings. This report presents the Task and Finish Group's findings to Cabinet in detail and requests that Cabinet takes a decision as to whether to implement these recommendations either in part or in full.

#### **Recommendations**

- a) **That Cabinet notes the contents of this report and, in particular, the findings and recommendations from the Town/Parish Councils – Review of Concurrent Funding Task and Finish Group (see Appendix A) established by the Finance, Resources and Partnerships Scrutiny Committee (FRAPS) in June 2014 to review concurrent funding of parish and town councils in the Borough by NULBC**
- b) **That Cabinet decides whether it wishes to support the all or some of the recommendations of the Task and Finish Group (as endorsed by FRAPS in November 2014) namely:**

- To reject all options for future funding arrangements including doing nothing; reducing the amount funded by NULBC (currently £62,500) by 50%; and abolish such funding entirely in favour of closer monitoring of the existing funding system
- To establish a cross-party monitoring group by NULBC
- To require all parish and town councils to provide proof to the above monitoring group of use and purpose of their grant from 2014/15 before receiving any further grant for 2015/16
- Further to the above recommendation from the Task and Finish Group, that any town/parish council not spending their NULBC grant in full will have any identified underspend from 2014/15 removed from their grant for 2015/16
- That, by April 2016, the level of the general reserve for any town/parish council in the Borough is set at the level of six months' gross expenditure of the town/parish council in question

- c) That Cabinet identifies which of the above recommendations from the Task and Finish Group it wishes to support and, in the case of those recommendations not supported by Cabinet, that Cabinet puts forward any alternative proposals before taking a decision on this matter

**Reason**

As per previous Cabinet reports on this subject, Newcastle-under-Lyme Borough Council currently operates a grant system whereby it provides funds under s.136 of the 1972 Local Government Act for each of the parish/town councils in the Borough to support their activities. Given the financial pressures on the Borough Council and the need to ensure that the existing system continues to operate effectively, a comprehensive review of the existing grant system (which has an annual budget of £62,500) has been carried out in time for implementation as part of the budget process for 2015/16.

**1. Background**

- 1.1 A number of the services provided by the ten town/parish councils in the Borough of Newcastle under Lyme are defined as 'concurrent functions'. This means they can also be provided by Newcastle under Lyme B.C.
- 1.2 These concurrent functions are discretionary in nature and can include the following: -
- Open space and recreation grounds/facilities;
  - Burial grounds;
  - Bus shelters;
  - Public conveniences;
  - Litter collection;
  - Non statutory street lighting
- 1.3 No definitive list of 'concurrent functions/services have ever been formally produced (although the National Association of Local Councils (NALC) has developed a list).
- 1.4 When considering concurrent functions, the issue of 'double taxation' is one which needs to be addressed. 'Double taxation' arises when a function could be provided by either the Borough Council or a parish/town council and so is effectively funded via the parish precept in parished areas and by the Borough Council in non-parished areas (with no corresponding reduction in council tax for the non-parished areas).

- 1.5 In order to avoid double taxation, a number of schemes are in place in different areas of the country to effectively reimburse parished areas. At present, Newcastle under Lyme B.C. operates a grant system, whereby each parish/town council is provided with an annual sum of money (each parish/town council allocation is based on a calculation against each council's tax base) with which to fund concurrent functions (section 136 of the Local Government Act 1972 allows principal local authorities to pay grants to parish/town councils in respect of concurrent functions).
- 1.6 At present, the Borough Council allocates around £62,500 per annum to parish/town councils in the Borough under the existing grant system.
- 1.7 Given the ongoing financial pressures on the Borough Council, however, it was agreed by Cabinet in February 2014 that a review would be undertaken into this matter and that this review would be carried out by the then Transformation & Resources Overview and Scrutiny Committee (now the Finance, Resources and Partnerships Scrutiny Committee (FRAPS)), with a request from Cabinet for the Committee to report back to Cabinet in time for implementation of a revised scheme for 2015/16.
- 1.8 Following this decision, a paper was presented to the June 2014 meeting of FRAPS setting out the background to this matter and the issues involved. FRAPS agreed to establish a Member Working/Task and Finish Group to examine the issue in more detail, in particular to understand the up to date picture with regard to concurrent funding of Town/Parish Councils in the Borough and develop proposals around the future arrangements for concurrent funding of Town/Parish Councils in the Borough. It was further agreed that the Working/Task and Finish Group would be chaired by Councillor David Stringer. Finally, it was agreed that the Working/Task and Finish Group would report back to FRAPS by December 2014 (at the latest) in order for findings to be presented to Cabinet in time for inclusion in the Council's budget for 2015/16.
- 1.9 In fact, a report was duly presented from the Parish/Town Councils – Review of Concurrent Funding Task and Finish Group to the FRAPS meeting of 5<sup>th</sup> November 2014 setting out their findings from the review.

## **2. Establishment and Findings of the Member Task and Finish Group**

- 2.1 As said, the June 2014 meeting of FRAPS agreed to establish a Member Task and Finish Group to examine in detail the matter of the funding of concurrent functions as set out in this report.
- 2.2 Membership of the Task and Finish Group consisted of Councillors D Stringer (Chair), S Sweeney, N Jones, D Huckfield and J Taylor
- 2.3 It was further agreed that the Task and Finish Group's remit would consist of two main areas of focus:
  - To understand the up to date picture with regard to concurrent funding of Town/Parish Councils; and
  - To develop proposals around the future arrangements for concurrent funding of Town/Parish Councils in the Borough
- 2.4 The Task and Finish Group met on a number of occasions and met face to face with nine of the ten town/parish councils in Newcastle under Lyme, as well as using information from the Borough Council and elsewhere.
- 2.5 In collecting this information/evidence, the Task and Finish Group focused on a number of areas of study, including:

- Which concurrent functions are delivered by both NULBC and town/parish councils;
  - How these services are currently funded;
  - An analysis of existing parish/town council spend under the heading of concurrent functions;
  - A review of the size of the existing NULBC budget for concurrent functions;
- 2.6 The Group agreed that it would report to the Town and Parish Council Partnership Forum in October 2014; to FRAPS in November and to Cabinet thereafter. The Group also agreed to focus on a number of key questions as part of the areas of study outlined above:
- How is the money received from NULBC spent by town/parish councils?
  - Where is other income derived from?
  - What would the impact of reducing the grant from NULBC?
  - What are the town/parish councils' priority areas for expenditure?
  - What is being kept in reserve?
- 2.7 Overall, the Task and Finish Group found that considerable good practice existed amongst the town and parish councils in the Borough and, overall, the Borough Council is getting good value for money in terms of the grant it provides.
- 2.8 The detailed findings from the Task and Finish Group can be summarised as follows:
- The Group found that town and parish councils receive around £62,500 from NULBC annually and that this is calculated for each council at a rate four times the Council Tax base – meaning that grants can range in terms of size depending on the size of the parish/town council
  - The Group also found that the grant has not varied significantly over the past few years
  - Parish/town councils gain income from a number of sources, as well as the funding they receive from NULBC including from the local precept
  - The Group found that the NULBC grant was being spent in a number of different ways depending on the council in question and the funding is also not ring-fenced
  - It was also found that the vast majority of councils are overspent on concurrent functions and that a reduction in the NULBC grant would therefore have a further impact on this position
  - It was argued by town/parish councils in their submissions to the Group that a cut in the NULBC would result in a rise in the local precept
  - Priority areas for spend varied across the Borough, but included playgrounds and arboricultural work
  - The Group found that parish/town councils have “in excess of £400,000 in cash assets”, which the Group felt were “excessive” (although acknowledged some extenuating circumstances)
- 2.9 The Task and Finish Group made a number of recommendations (see Appendix A) based on these findings. In relation to future NULBC funding, the Group's recommendation was presented as a series of options:
- Option 1 - to do nothing – the Group felt that this was not a viable option, as it gives the Borough Council no control over the grant
  - Option 2 - to reduce the level of the grant by 50% - this was felt to be a logical option by the Group as central government funding has been cut by a similar amount to NULBC since 2010. The view was also put forward, however, that effectively tying the level of grant to central government funding would result in

further reductions in the grant and some parish/town councils receiving hardly any funding in future years

- Option 3 - abolish the grant altogether – the Group noted that there is no legal obligation for NULBC to provide the grant and therefore the Borough Council could remove it altogether. The Group also offered the opinion, however, that this could cause tensions in NULBC-town/parish relationships and could also lead to rises in the local precept
- Option 4 - establish a system whereby use of the grant is more closely monitored – this was the option favoured by the Task and Finish Group. The Group felt that town/parish councils generally provide good value for money and therefore recommended, as part of this option, that the overall level of NULBC grant for 2015/16 should remain unchanged

2.10 In relation to the final option (Option 4) which is, as said, the option favoured by the Task and Finish Group, the Group also felt, however, that the NULBC grant should be provided in future with a number of conditions attached. These conditions include the recommendation to establish a cross-party monitoring group to monitor parish/town council use of monies received via the NULBC grant. In addition, the Group recommended that, prior to any grant money being issued for 2015/16 by the Borough Council, individual town and parish councils would need to provide the cross-party monitoring group with proof that the grant received for 2014/15 had been used in full and for its intended purpose. The Task and Finish Group went on to state as part of its recommendations that a failure to provide this information or information which showed that the grant had not been spent in full or for its intended purpose could result in an amount equivalent to any shortfall in 2014/15 being deducted from the grant for 2015/16. This recommendation was approved by the Town and Parish Council Partnership Forum in October 2014.

2.11 Finally, the Task and Finish Group re-stated its concerns regarding the level of cash assets held by town and parish councils in the Borough. It therefore recommended that general reserves held by town and parish councils should be set at a level of six months' general expenditure (in line with NALC recommendations) calculated by averaging the previous three "normal" years of expenditure. The Task and Finish Group also recommended that any remaining cash assets should be earmarked for specific projects and/or maintenance with specific timescales agreed in conjunction with the Borough Council.

2.12 The Task and Finish Group concluded that NULBC needs to be sure that the grant it is used by the town and parish councils in a prudent way and for its intended purpose.

### **3. Issues for Cabinet**

3.1 Based on the recommendations set out in the previous section from the Task and Finish Group, Cabinet needs to establish its own position with regard to this matter.

3.2 Although it should be noted that FRAPS, at its meeting in November 2014, agreed to endorse the above recommendations and to endorse Option 4 (to maintain the NULBC grant at its current level and to establish a cross-party monitoring group), it is left to Cabinet to make the final decision on this matter.

3.3 Cabinet may therefore choose to agree to all of the Task and Finish Group's recommendations as set out in this report or may agree to some or none of them. Cabinet may also decide to select one of the other options put forward by the Task and Finish Group around the future of the grant or may wish to propose further options.

### **4. Outcomes Linked to Corporate Priorities**

- 4.1 The recommendations set out in this report support all of the Borough Council's corporate priorities.

## **5. Legal and Statutory Implications**

- 5.1 The matters set out in this report are covered, in the main, by s.136 of the 1972 Local Government Act which allows grants to be made to town and parish councils in any one area by the principal local authorities covering that area. It should be noted, however, that there is no legal obligation for any principal local authority to provide grants under this legislation and, in fact, over 400 councils make no grant at all in this way.
- 5.2 Further to the previous point, NULBC has made grants to town and parish councils since it was formed in 1974, but this is on an effectively voluntary basis.

## **6. Equality Impact Assessment**

- 6.1 An Equality Impact Assessment is being developed for this area of work.

## **7. Financial and Resource Implications**

- 7.1 Currently the Borough Council provides a grant of around £62,500 per annum to town and parish councils in the Borough. This grant is calculated on the basis of a rate which is four times the Council Tax base. The figure itself has varied slightly year on year as numbers living in each area change.
- 7.2 Any review of the amount allocated to this grant must take into account the general financial position of NULBC, in that – as per the Medium Term Financial Strategy – savings have to be identified across all aspects of Borough Council activity in order to bridge budget 'gaps'. Any decision not to reduce the amount of this grant, therefore, means that other areas of the Council will have to locate reductions in their funding levels as part of the budget process for 2015/16. It should also be noted that the draft budget proposals for 2015/16 – to be found elsewhere on this Cabinet agenda – assume a reduction of 25% in this area of funding.
- 7.3 From a general resource perspective, Members should note that the establishment of a cross-party monitoring group - as outlined in the recommendations from the Task and Finish Group on concurrent functions and set out in this report – would require officer support and would need to allocate time for meetings and analysis.

## **8. Major Risks**

- 8.1 These are largely as outlined in this report, but include the following:
- To leave the existing system unchanged would mean that minimal scrutiny of the use of the NULBC grant to parish and town councils could continue with the result that there is a risk of the grant not being used for its intended purpose and/or not being used in full
  - To reduce the level of the NULBC grant may lead to damage to the Borough Council's reputation and also to relations with parish/town council, as well as increases in local precepts for parish/town councils – these risks would also apply, to a greater extent, if the grant was abolished completely
  - Leaving the level of the grant unchanged may mean that other areas of NULBC activity will have to be reviewed and potentially have funding reduced as part of the overall budget process for 2015/16
  - The establishment of a cross-party monitoring group may lead to issues in terms of resourcing meetings and analytical work by NULBC, including tracking the spend activity of town/parish councils

- Adopting the recommendation to require town/parish councils to reduce the levels of their reserves may also lead to reputational damage for NULBC and damage to relationships between NULBC and town/parish councils

**9. Key Decision Information**

9.1 This report can be considered a key decision in the following ways: -

- It requires the Borough Council to commit existing and additional resources for the function to which the decision relates and;
- It impacts on communities living or working in an area comprising two or more electoral wards in the Borough.

**10. Earlier Cabinet/Committee Resolutions**

10.1 Parish/Town Councils – Review of Concurrent Functions and Funding (February 2014)

**11. List of Appendices**

11.1 Appendix A – Report of the Task and Finish Group on Concurrent Funding (as presented to FRAPS) November 2014

**12. Background Papers**

12.1 *Managing Double Taxation: A guide for local (parish and town) councils and principal local authorities* – National Association of Local Councils January 2011

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**Task and Finish Group Review of Concurrent Funding**  
**Report To The Finance, Resources and Partnerships Scrutiny Committee**  
**Wednesday 5<sup>th</sup> November 2014**

**Background**

A Task and Finish Group was set up in order to investigate the stream of funding given to our ten Town and Parish Councils through Section 136 of the Local Government Act 1972.

Following the Royal Consent given to the above Act, Local Government was re-organised in 1974 with some of the newly-formed Parish and Town Councils choosing to retain control over assets and services that would henceforth have been the responsibility of the County Council and the District Council of Newcastle-under-Lyme.

The reason for the retention of control over these assets (war memorials, common land, allotments, playgrounds and civic buildings for example) could be seen at the time as a source of civic pride and a desire that local people should retain local responsibilities. However, as time has progressed, the maintenance of these assets has become more and more of a financial burden.

Section 136 of the 1972 Act allows grants to be made to the Town and Parish Councils in order to assist with the aforementioned duties but there is no legal obligation to do so. In fact nationally there are more than 400 Councils who make no grant whatsoever whereas a small minority had budgets in 2010 in excess of £1 million.

Newcastle makes a grant to its Town and Parish Councils of approximately £62,500 in total. This is calculated at a rate of four times the base Council Tax rate. Grants range from a few hundred pounds to more than £20,000 depending on the size of the Parish. Keele has a minimum grant of £2,000 due to many of its residents living on the University campus and not paying local taxes.

In essence this grant remains roughly the same year on year with slight increases to the budget for individual Parishes if the number of Band D properties has increased.

It should be stated – as a matter of fact and not as a loaded statement -that Silverdale Parish receives S136 money even though it was not existence in 1972. A poll of parishioners led to its creation from April 2002.

The NALC document “Managing Double Taxation” of January 2011 gives a non-exhaustive list of concurrent functions that S136 money can be used for. Until recent times there was no requirement for the Parishes to report on how the grant had been spent and any money not spent could be retained by the Parish or Town Council

Parish and Town Councils are able to fund their activities through three principal funding streams.

- *Precept*

This is a local tax levied by the Council. Unlike Council Tax this can be raised by whatever percentage the Parish Council wishes without the need for a local referendum. In practice it accounts for an average 62% of income for the parishes as a whole. The lowest rate was 38% and the highest 75%.

- *S136 money*

This is the amount given by NULBC and provides 15% of income for the Parishes on average with a lowest rate of 6% and a highest of 25%.

- *Other income*

This could be in the form of grants for Concurrent Services from Staffordshire County Council, income from the leasing of land and property and grants from other sources such as the Police and Crime Commissioner. These averaged 25% of the income with a highest rate of 61% and a lowest of 11%.

There is also the possibility of Parish Councils being able to use reserves and this will be dealt with later in the report.

One final set of figures to be considered is that since 2010/11 the income for NULBC from central government has decreased by 44.6% in real terms and by 51.2% once inflation is taken into account.

### The Task Group

The group was set up with representation from all parties except the Green Party. No one political group commanded a majority. It was agreed that the findings should be reported to the Parish Forum in October, to FRAP in November and to Cabinet in December so that a final decision on funding could be made in time for budgets to be drawn up for 2015-16.

After considering the NALC document and taking advice from the Finance Department it was decided that we would request face-to-face meetings with the Clerk and one elected representative from each Town and Parish Council. We also requested audited accounts for 2013/14 and statements on concurrent expenditure for 2013/14. This process was explained to representatives of Parish Councils at a Forum and the process was met with general approval.

The Town and Parish Councils were also informed that they would be asked

1. How is S136 money spent?
2. From where is other income derived?
3. What effect would a cut in S136 money have?
4. What are the priority areas for expenditure?
5. What is kept in reserve?

It was agreed that whatever decision was made regarding the future of S136 funding should apply equally to all Town and Parish Councils. It was also promised to the Town and Parish Councils that the results and recommendations of the Task Group would be based on the facts and figures that became evident.

### *The face-to-face-meetings*

On behalf of the Committee I would like to thank the representatives of the majority of Councils who attended for the open and amicable discussions with one exception.

The general results were as follows.

#### *How is the grant spent?*

There is clearly confusion in some parishes as to what functions can be paid for with NULBC S136 grants. There was evidence that some money was being spent on highways (a County Council function) and to support local churches. It was also acknowledged that S136 money is not necessarily being ring-fenced. Rather, it goes into the general "pot" and the grant money is allocated to projects retrospectively. See Appendix 'C' attached.

However -and most importantly- it was generally felt that NULBC is getting value for its money. Grant money is used to provide services such as grass-cutting, play areas, recreation areas, public seating and bus shelters at a more economical rate than could be provided by principal Councils.

With just one exception, Parish Councils overspend on concurrent functions to an average 17% and it was agreed by Committee members that a drastic and immediate reduction in S136 grant money would have a negative impact on parishioners who are ultimately Newcastle's residents.

#### *What other sources of income are there?*

This has mostly been explained by the comments above. Parishes argued that the precept has been held down in most cases in line with Council Tax. Some Parishes have raised their precept to pay for particular projects. Consultation exercises lessened the negativity from parishioners but increases in Precept are always unpopular. Some grants from other sources such as the PCC are for specific projects and can distort the balance sheet. See Appendix 'D' attached.

#### *The effect of a cut in S136 money*

In almost all cases an unwanted rise in precept would have to be considered. One Parish commented that assets retained in 1974 would be returned to the Borough Council. Consultation with a Borough Legal Officer confirmed that such a move would be very difficult for the Parish to force through and would be resisted by the Borough.

There would also be a reduction of money spent on services that could impact on the more rural communities. They spend a significant proportion of their total income on ensuring that untreated roads remain passable in extreme weather and on village halls that are a social lifeline.

#### *Priority Areas*

In many cases the desire is to continue providing services at their current levels. There was a wish from some Parishes to take responsibility for more bus shelters but the main concern is the maintenance of assets.

Playgrounds have become subject to increasingly stringent Health and Safety legislation and their maintenance and replacement have become a drain on financial resources. Areas of woodland that need a significant amount of arboricultural work are also cited as a priority over the next 1-2 years.

### *Reserves and Assets*

This was an area that concerned the Committee members the most. At the end of Financial Year 2013/14 the Parishes had in excess of £400,000 in cash assets with the amount of assets increasing from the previous year in seven cases. If these cash assets are taken as a percentage of income from precept only three parishes have less than one year's precept equivalent in reserve. The remainder have significantly more than one year's equivalent with the highest being 3.11 years.

It was felt by the Group that these amounts are excessive although it is acknowledged that there are extenuating circumstances in some cases. One Parish admitted that a previous Clerk had advised the Parish Councillors not to spend money. Another Parish admitted that previous Parish administrations had neglected regular maintenance leaving some assets as serious safety liabilities and these had to be addressed in the immediate future.

There was significant debate at the Parish Forum on October 15<sup>th</sup> regarding the amount of cash assets held in reserve by Parish and Town Councils and its relation to S136 monies. One Parish Council stated that comparing the amount of cash assets to the annual precept was wrong and believed that the amount of assets kept by a PC should be equivalent to at least two years of revenue produced by annual precept, another stated that the "Bible" for Parish Clerks indicates that reserves should be calculated as a proportion of gross expenditure and there was general opposition to the idea of Reserves being taken into account.

However, one Clerk who acts as Parish Clerk and/or Responsible Financial Officer to three Parish Councils admitted in the face-to-face interview that money from NULBC is not ring-fenced and it could be reasonably assumed that this would be the case in other Parish Councils. If that assumption is correct then it is felt that it would not be unreasonable to argue that S136 money has helped seven of our Parish Councils to increase their cash assets in the financial year ending in April 2014. The argument put forward by one Clerk that the figure given on the Return in April was merely a snapshot of a financial position is surely an erroneous one. This date is commonly taken as the end of a financial year when stock is taken of the assets held before new income from precept and annual grants is received.

The case against the possession of large amounts of cash in reserve becomes even stronger when the NALC document "Governance and Accountability for Local Councils" is studied. Paragraphs 2.25 and 2.26 of this publication are quoted in full below:

As Councils have no legal powers to hold revenue reserves other than those for reasonable working capital needs or for specifically earmarked purposes, whenever a council's year-end general reserve is significantly higher than the annual precept an explanation should be provided to the auditor.

Earmarked reserves, which are set aside for specific purposes and for savings for future projects, should be realistic and approved by the Council. It is generally accepted that general (i. e. un-earmarked) revenue reserves usually lie within the range of three to twelve

months of gross expenditure. However, the amount of general reserve should be risk-assessed and approved by the Council.

It would be interesting to discover if any auditor has actually raised concerns regarding reserves and if not then why not. Nevertheless, despite protests to the contrary, it is felt that the above paragraphs do give Newcastle-under-Lyme Borough Council the authority to take the level of general reserve held by a Parish Council into consideration when determining the future level of any s136 grant. How this could be implemented is explained in the list of recommendations. See Appendix 'E' attached.

Many Parishes also have significant fixed assets. However it was felt that the value placed on assets is largely for insurance purposes and is not a realistic resale valuation. These have therefore not been used in any recommendations.

### Recommendations

NULBC has a number of options available to it with regard to the future of S136 grants

#### 1. Do Nothing

It is felt that this is not an option. The current system gives the Borough no control over the grant and allows for the possibility of funding being wasted. There is also little or no accountability on the part of Parish Councils.

#### 2. Reduce by 50%

There would be a logical reason for this as money from Central Government has been cut by a similar amount in the lifetime of the current Parliament. However if the policy of matching s136 money to the rise and fall of income from Central Government were to be adopted then the amount available for distribution would be likely to fall for the foreseeable future. This would result in some Parish Councils receiving very negligible amounts in s136 money.

#### 3. Abolish S136 grants

As there is no legal reason for the grant to exist then the Borough Council would be within its rights to withdraw all S136 money. However it is felt that this would cause unnecessary friction and would probably result in rises in precept. The Borough Council could be accused of bringing in taxation by the back door.

#### 4. Establish a more closely monitored system

This is the Task and Finish Group's favoured option.

As previously stated it is felt that the Parish and Town Councils generally give value for money not only in managing assets and functions devolved under S136 but as a service to their residents. It is therefore recommended that the calculation of grant should remain unchanged for 2015/16.

However there are concerns from the Group regarding evidence of underspend and/or use for non-S136 functions. At a time when the Borough Council is facing restrictions on its own spending it would be wrong for S136 grant money to be issued with no strings attached.

The Task and Finish Group is therefore recommending that a cross-party monitoring group should be established. Prior to any grant money being issued in April 2015 individual Towns and Parishes would need to provide this group with proof that the grant for 2014/15 has been used in full and for its intended purpose. Failure to do so could result in an amount equivalent to any shortfall in 2013/14 being deducted from the grant for 2015/16. This could be used as a model for the issue of S136 monies in future years.

The above recommendation was generally approved at the Parish Forum.

The Group also remains concerned at the level of cash assets held by Town and Parish Councils. It is recognised that reserves need to be held for emergencies and money has to be set aside for large-scale maintenance. However it is felt that Town and Parish Councils should be encouraged to be more open and transparent with cash assets if they wish to continue to receive S136 money.

It is therefore recommended that by April 2016

- General reserves should be set at a level of six months of gross expenditure – in line with NALC recommendations. This would be calculated by averaging the previous three “normal” years of expenditure i.e. discounting any year of abnormally high or low expenditure.
- Any remaining cash assets should be earmarked for specific projects or maintenance with practicable and realisable end dates agreed by the Borough Council.

It is recommended that failure to provide a clarification of the purpose of any reserves held could lead to the withholding of all or a percentage of future grant money. There was opposition to the principle of this level of accountability with some saying that they would recommend to their Councillors that they should opt out of applying for S136 money should the above recommendation be implemented.

However the members of the Task and Finish group are convinced that the Borough Council needs to be absolutely sure that if it is to continue to provide a significant proportion of income to the Town and Parish Councils then that money has to be used prudently and for its intended purpose. That is the duty that it has toward every council tax payer in the Borough.

#### Other observations

Although probably outside the remit of this group it has to be brought to general attention that the cost of salaries and administration was found to be high with two Councils spending more than half their income on these items.

Also with the Borough Council currently considering the outcome of the Planning Peer Review it should be noted that a number of Parish Councils stated that finances are increasingly being used to put forward their views on proposed planning applications.

Dave Stringer  
Chair Task and Finish Group

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## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

### CABINET REPORT

**Date: DECEMBER 2014**

**Title:** Midway multi storey car park

**Submitted by:** Sarah Moore – Partnerships Manager  
Graham Williams – Engineering Manager

**Portfolios:** Safer Communities / Planning and Assets

**Ward(s) affected:** All

#### **Purpose of the Report**

This report provides an overview of suicide attempts at the Council owned/managed Midway multi storey car park over the last four years.

The report seeks Cabinet approval for actions identified to implement further suicide prevention measures at this location.

#### **Recommendations**

- a) That officers be authorised to take all necessary actions to proceed with proposals for the installation of physical control measures on the building at the earliest opportunity.
- b) That officers be authorised to identify key non-health agency partners with a view to jointly procuring appropriate training, the details of which shall be approved by the relevant officer and Portfolio Holder.

#### **Reason**

The recommendations are made to seek to prevent further suicide attempts at the Midway multi storey car park and to encourage appropriate support to be offered to vulnerable people.

#### **1. Background**

- 1.1 This report follows two recent suicides (March/May 2014) and a marked increase in the number of attempted suicides at the Council-owned Midway multi storey car park.
- 1.2 The Council's Partnerships Team has responsibility for co-ordinating and delivering community safety and other related partnership activity for the Borough within the governance of the Newcastle Partnership and administers the role of the Community Safety Partnership (CSP) to discharge statutory obligations.
- 1.3 The team has been co-ordinating activity following recent events at this location and working closely with relevant technically qualified officers within the Council (given our ownership of the building) as well as colleagues from Staffordshire Police.

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MIDWAY MULTI STOREY CAR PARK – DECEMBER 2014

**2. Issues to consider**

- 2.1 Over the last four years there have been a total of 34 incidents at this location (of these in the last two years there have been 28 incidents) where a total of 24 individuals (some were repeat incidents) have attempted to jump from one of the upper floors (Level 9, 7 or 5) or have actually jumped with the intention of committing suicide.
- 2.2 In total, there have been four deaths in the last four years at the location and two of these deaths have been in 2014.
- 2.3 Of those four deaths, all individuals were male and their ages ranged from 19-58 years. Three of the individuals concerned were from the local area but one was from Essex with no apparent local connection to the area. Two of the individuals had a history of mental health issues and two had reportedly experienced a recent relationship breakdown.
- 2.4 It would appear that, because of the recent increase in incidents (28 in the past two years including two fatalities in the current calendar year), Midway would now be regarded by the National Institute for Mental Health in England (NIMHE) as a 'suicide hotspot'. The recent suicides and suicide attempts have attracted considerable local media and social media attention that pose a risk of attracting additional copycat incidents at the location which have, as the statistics suggest, already significantly increased in recent months.
- 2.5 In view of the above it has been important for the Council to engage with key partners with a view to identifying practical measures that could be considered to minimise the future risk of such incidents occurring. Clearly there are a range of health-related agencies which have a direct interest in this matter along with the Police, as well as the Council as the owner of the building.

**3. Options Considered**

- 3.1 In terms of the prevention of suicide through jumping from a height, Officers have given consideration to different options when co-ordinating activity at the location and preparing this report.
- 3.2 There is good evidence to suggest that lives can be saved by either impeding or deterring suicide attempts at high-risk locations. Options for consideration and or action by the Borough Council and its partners have included:
  - 3.2.1 Signs – to encourage distressed or suicidal individuals to seek help and support as well as displaying a contact number for the Samaritans. These have been put in place at a number of locations in the UK that have been identified as hotspots (e.g. Beachy Head cliffs and the Clifton Suspension Bridge). Such signage has now been installed at this location (funded by the Joint Operations Group at a cost of £750).
  - 3.2.2 Telephone hotlines – telephone hotlines have been installed in a number of locations across the country and are linked directly to the Samaritans and this has been evidenced to encourage individuals in crisis to ring and help to diffuse the situation. In order to provide a dedicated phone line on the upper floors of the Midway, the cost would be in the region of £2,000 (plus line rental etc.). On further investigation a suitable location for the telephone hotline



could not be found because of the busy nature of the location and the equipment options available did not give officers or partners confidence that it would be used because it is not practically possible to provide a sufficient level of privacy. Advice received from a number of partners suggests that the nature and design of the location does not lend itself to pursuing this option further.

- 3.2.3 Training for staff of non-health agencies working at or near hotspots - if a dedicated suicide patrol is not a realistic option, there may be other staff working at or in the vicinity of a high-risk location who can play a role in identifying individuals in distress, alerting emergency services and intervening if necessary. Samaritans provide packages of suicide awareness training tailored to the needs of individual organisations. The cost of this is in the region of £2,000 but the Combined Healthcare Trust have offered to provide the training to Council Officers and partners at no cost.
- 3.2.4 Physical barriers - the most effective form of prevention at potential 'jumping sites' is a physical barrier, which restricts access to the drop. Safety nets serve a similar purpose but rescue from a net may be difficult should a jump occur and there are physical constraints with this building that would make installation very difficult, if not impossible. In order to secure the relevant floors of Midway with barrier fencing, it is estimated that the cost would be in the region of £60,000. This estimate is based on using standard fencing 'weldmesh' type fencing panels supported at 3m centres on posts spanning vertically between the floors or free standing in the case of levels 9 & 10 (probably with a cranked top). Whilst this will prevent incidents happening on the car park alternative systems are being investigated to ensure that the appearance of the car park is not compromised. Installation of fencing panels will require planning permission, so the acceptability of the proposal from an aesthetic viewpoint will be judged by the Council in its capacity as the local planning authority.

#### **4. Proposals and Reasons for Preferred Solutions**

- 4.1 For the last six months Officers from the Borough Council have been working with a range of partners to explore solutions to the issues encountered at the Midway and also to contribute to the wider suicide prevention work being undertaken elsewhere in North Staffordshire. This partnership work has included; co-operation and more efficient partnership working, research into options for consideration to prevent further incidents at the location, research into suicide prevention activity to assist deterring future attempts or possible dispersal of the issues locally, liaison with neighbouring authorities and mental health specialists, liaison with specialist support services, training options and packages.
- 4.2 The following proposals / recommendations are made in order to seek to prevent the Midway multi storey car park being used for the purposes of further suicide attempts and to encourage partnership working to enable appropriate support to be offered to vulnerable residents;
- 4.2.1 Physical barriers – which restricts access to the drop and is the most effective form of prevention at potential 'jumping sites'. The costs of these works is estimated to be £60,000 and the planning application fee will be £195. Subject to Cabinet approval a competitive procurement process will be undertaken

which will secure the most cost effective solution. Officer time to prepare the planning application and tender for the works will also need to be prioritised within existing resources.

Contributions to the overall cost of these works have been sought from a variety of partners in order to share the costs of the proposal. It has been confirmed that Staffordshire County Council, Staffordshire Police and the Combined Healthcare NHS Trust each commit to contribute £15,000 to the overall project. A simple funding agreement may be required to satisfy financial expenditure processes of the respective partners.

4.2.2 Training for staff of non-health agencies working at or near hotspots – Combined Healthcare suicide awareness training tailored to the needs of Council and Police staff at no cost, delivered under the existing partnership arrangements.

4.2.3 Continued partnership working with health partners to initiate suicide prevention activity particularly targeting individuals already engaged with mental health services. There will also be involvement and membership of the suicide prevention group established in Stoke-on-Trent, which will be extended to cover the broader North Staffordshire area and incorporate Newcastle-under-Lyme and possibly Staffordshire Moorlands.

## **5. Outcomes Linked to Corporate Priorities**

5.1 Delivery of the recommendations in Section 4 (above) contribute to meeting the Council's Corporate Priorities of Creating Healthy and Active Communities, Creating a Cleaner, Safer and Sustainable Borough and Delivering a Co-operative Council.

## **6. Legal and Statutory Implications**

6.1 A planning application will need to be made in order to progress the proposed project. There may be a need to prepare a simple funding agreement in order to properly capture and account for the expenditure of all partners and to authorise the Council to manage delivery of the project.

## **7. Equality Impact Assessment**

7.1 There are no adverse equality issues identified as arising from this report.

## **8. Financial and Resource Implications**

8.1 The anticipated cost for the Council is £15,000 for both the physical works and training activities. Contributions have been confirmed from a number of partners to the total of £45,000 as match funding. There is no budgetary provision for these works within currently approved capital or revenue budget. It will be necessary for Members to consider the options for providing the capital funding and this will necessitate prioritisation of this investment over other planned projects or schemes. This has been incorporated within the draft 2015/16 capital programme which is included in the Cabinet agenda for consideration.

8.2 There are resource implications for Council officers who are involved in and will coordinate delivery of the recommendations, but this will be undertaken as part of their substantive duties.

8.3 There are resource implications for a range of partners in particular Staffordshire Police and relevant support agencies.

8.4 The economic impacts of suicide are profound, although comparatively few studies have sought to quantify these costs, it is estimated that the average cost per completed suicide for those of working age only in England is £1.67m (at 2009 prices). This includes intangible costs (loss of life to the individual and the pain and suffering of relatives), as well as lost output (both waged and unwaged), police time and funerals.

**9. Major Risks**

9.1 On the basis of the evidence gathered failure to deliver the proposed recommendations is likely to result in further suicide attempts and possibly deaths at the location. These attempts not only impact on individuals but also professionals and the wider community who may witness or intervene in such incidents.

**10. Key Decision Information**

10.1 This report can be considered key in the following ways: -

- It requires the Borough Council to commit existing and additional resources for the function to which the decision relates and;
- It impacts on communities living or working in an area comprising two or more electoral wards in the Borough.

<b>Implications included</b>	<b>Head of Service agreed report, signed &amp; dated</b>	<b>Financial Implications signed &amp; dated</b>	<b>Legal &amp; risk implications signed &amp; dated</b>
<b>Financial</b>			
<b>Legal</b>			
<b>Risk</b>			
<b>Corporate format used</b>			

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Classification: NULBC UNCLASSIFIED

## **CAPITAL STRATEGY**

**Submitted by:** Head of Finance

**Portfolio:** Finance and Resources

**Wards Affected:** All

### **Purpose of the Report**

To consider the Capital Strategy 2015 to 2019.

### **Recommendation**

- a) That the Capital Strategy be agreed and forwarded to Council with a recommendation for approval.

### **Reason**

The Capital Strategy sets out how the Council proposes to deploy its capital resources in order to assist it to achieve its corporate and service objectives.

## **1. Background**

- 1.1 The previous Capital Strategy was approved by the Cabinet on 15 January 2014 and Full Council on 26 February 2014. It covered the period 2014 to 2018. When Full Council considered revised Financial Regulations on 25 February 2009 it resolved that following discussion by the Cabinet the Capital Strategy be approved by Full Council.
- 1.2 The purpose of the Capital Strategy is to set out how the Council proposes to deploy its capital resources in order to assist it to achieve its corporate and service objectives. It takes into account other relevant Council strategies, policies and plans and the views of partners and stakeholders with whom the Council is involved. It also takes account of the resources which are likely to be available to the Council to fund capital investment and the effect of that investment on the Council's revenue budget. It covers the period 2015 to 2019. It will serve as a useful point of reference when determining or reviewing the Council's Capital Programme.

## **2. Issues**

- 2.1 The 2015 to 2019 Capital Strategy is appended to this report at Appendix 1. It has already been considered by a joint meeting of the Finance, Resources and Partnerships and Economic Development and Enterprise Scrutiny Committees on 16 December 2014.
- 2.2 Following consideration by Cabinet the Strategy will be submitted to Council on 25 February 2015 for approval, incorporating any amendments which you may wish to make.
- 2.3 Two key reports to Cabinet concerning the Newcastle Capital Investment Programme (Cabinet 5 February 2014) and Funding the Council's Capital Investment Programme (Cabinet 15 October 2014) are included as annexes to the Strategy because they provide extensive background in relation to the Council's current and medium term position with regard to the need to make essential capital investment and to fund that

investment. The Cabinet meeting on 12 November considered reports in relation to proposed asset sales as a follow up to the above funding report it approved on 15 October.

2.4 The Newcastle Capital Investment Programme report set out the investment needed over the period spanning 2015/16 to 2018/19 in order to replace or maintain operational assets so that services can continue to be provided in accordance with corporate priorities and to ensure the safety and comfort of customers and staff and to comply with statutory provisions. There is also a need to maintain the stock of investment assets, such as shops and industrial units in order to comply with landlord responsibilities and safeguard future income from these assets. Over the four year period total investment required, grouped into six themed categories, is estimated at £18.859m, as shown in the table below:

<b>Investment Type</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Totals</b>
	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>
Improving Housing in the Borough	425	425	425	425	1,700
Investing in community facilities	1,168	835	276	275	2,554
Community centres	314	326	101	208	949
Safeguarding the Borough's heritage	180	578	98	200	1,056
Investing for the future	1,594	1,763	2,342	2,826	8,525
Vehicles and Plant	948	2,302	419	406	4,075
<b>TOTAL</b>	<b>4,629</b>	<b>6,229</b>	<b>3,661</b>	<b>4,340</b>	<b>18,859</b>

The report shows the composition of the totals categorised above by itemising, in separate tables, the individual investment projects needed. It noted that a number of major projected schemes were not included in this estimate, for example the cost of setting up a new waste recycling service through the purchase of vehicles and equipment and alterations to facilities. The addition of some or all of these projects would significantly increase the amount of the investment needed.

2.5 The report highlighted the very significant shortfall in funding available to fund this investment and set out strategies for dealing with this, summarised as follows:

- a) A critical review of all the projected capital expenditure categorising it as essential, desirable, long term etc. and developing a prioritised rating;
- b) Rescheduling of projects being aware of dangers inherent in this such as possibly costing more in the long run, greater likelihood of unexpected breakdown/repairs; perpetuation of inefficiencies, health and safety implications, etc;
- c) Prioritisation of projects;
- d) Looking at opportunities in respect of "invest to save";
- e) Exploring opportunities for alternative service delivery linked in with the revenue budget and the work being undertaken as part of the Newcastle 2020 project;
- f) working with others in line with the co-operative council agenda;
- g) Assessing any requirement for the use of temporary borrowing to cover shortfalls;
- h) Assessing the use of Reserves to cover shortfalls with Reserves being "repaid" when resources become available (limited by available amounts held in reserves)
- i) Creation of rotating or sinking funds to provide for cyclical replacements;

- j) Evaluating options for leasing of items such as vehicles instead of purchase.

Work is currently in progress to develop and implement these strategies, co-ordinated by the Assets Review Group chaired by the Chief Executive.

- 2.6 The Funding the Council's Capital Programme report set out options for funding the capital investment identified in the preceding report. It concluded that the only realistic option to meet investment needs is a systematic programme of surplus land disposal, which will also enable the Council to deliver its policy objective of bringing forward more affordable and social housing by the release of some of its land holdings. The alternative of borrowing to part fund the programme is seen to be a more expensive option owing to the cost of servicing the debt. Accordingly Cabinet resolved:

***“That Cabinet agrees with the principle that the Council, as a first resort, will seek to fund its future known capital programme needs through the annual asset management planning process by the identification of land or property in its ownership that is capable of, and appropriate for, disposal”.***

### **3. Financial and Resource Implications**

- 3.1 There are none deriving directly from the Strategy.

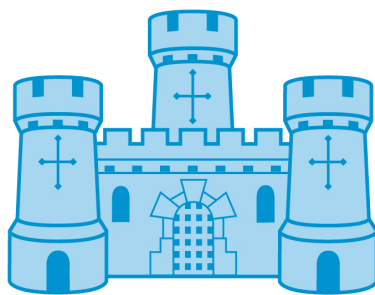
### **4. Appendices**

Appendix 1: Capital Strategy 2015 to 2019.

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# **CAPITAL STRATEGY 2015 to 2019**



**NEWCASTLE  
UNDER LYME  
BOROUGH COUNCIL**

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## 1. INTRODUCTION

- 1.1 The purpose of the Capital Strategy is to set out how the Council proposes to deploy its capital resources in order to assist it to achieve its corporate and service objectives. It takes into account other relevant Council strategies, policies and plans and the views of partners and interested parties with whom the Council is involved. It also takes account of the resources which are likely to be available to the Council to fund capital investment and the effect of that investment on the Council's revenue budget. It will serve as a useful point of reference when determining or reviewing the Council's Capital Programme.
- 1.2 The Council's current detailed capital investment plan is contained in its Approved Capital Programme. A two year programme was approved by Full Council on 26 February 2014. This programme provides for £7.242m of investment over the two-year period in projects across all of the Council's priority areas, of which £2.238m was programmed to be spent in 2014/15. Since then, programmed expenditure for 2014/15 has been reviewed, resulting in a revised 2014/15 programme of £4.067m being agreed. This takes account of slippage coming forward from 2013/14. and is summarised below, showing the constituent categories of projects:

Project Categories	Planned Expenditure £m
Regeneration, Planning and Town Centres Development	0.805
Housing Related Projects	1.441
Safer Communities	0.040
Culture and Leisure	0.720
Environment and Recycling	0.129
Operational Equipment	0.680
Investment in Technology	0.157
General Projects	0.095
Total	4.067

- 1.3 Full Council will consider a capital programme to continue investment beyond 2014/15 on 25 February 2015.
- 1.4 The Strategy has been prepared against a background of continuing reductions in funding provided to local authorities by central government and its agencies, arising from the need to restrain public expenditure owing to the ongoing economic conditions and to rebalance public finances. At the same time, the Council's own resources available to finance capital projects have reduced to a low level and will need replenishing before any substantial further capital investments can be made. As a result the Council is considering and consulting upon a programme of asset disposals to address this situation. In the interim period, before asset sales can provide these additional resources, the current approved Capital Programme was restricted to cover a two year period, 2013/14 to 2014/15. In 2014/15 this included only £1.039m of new projects funded from the Council's own resources, together with £0.515m additional housing related projects, all funded from the New Homes Bonus. All of these new projects are essential to maintain operational continuity.

## **2. KEY OBJECTIVES AND PRIORITIES**

2.1 The Council's Priorities contained in the Council Plan are:

A Clean, Safe and Sustainable Borough
A Borough of Opportunity
A Healthy and Active Community
A Co-operative Council delivering high quality, community driven services

2.2 Capital investment projects will be included in the Council's Capital Programme on the basis that they address issues arising from one or more of these Priority Areas. An indication is shown against each project in the Programme of the area or areas it addresses.

2.3 New proposals for capital investment will be assessed against the corporate priorities to ensure that they will contribute towards achieving the aims expressed. This assessment will be carried out as part of the appraisal process for new projects.

2.4 The Council will also endeavour, through its programme of capital investment, to maintain its assets to a standard such that they remain fit for purpose, enabling continuity of service delivery. In particular, it will carry out regular surveys of its stock of buildings and structures to ascertain their state of repair and any remedial works which may be necessary. Repair or improvement works arising from such surveys will be carried out subject to the availability of resources and consideration of the role the building plays in service delivery and the need to continue the relevant service in order to contribute to meeting corporate priorities. If a building is no longer required for service delivery, it will either be considered for alternative use by the Council or its partners or disposed of and the proceeds made available for future capital investment in priority areas. All property assets are held to either (i) provide Council services, (ii) provide an investment return or (iii) to further regeneration projects.

2.5 An Assets Review Group has been established, chaired by the Chief Executive. This Group keeps the Council's capital investment strategy under continuous review, including the prioritisation of projects for inclusion in future capital investment programmes over the medium term. Regular reviews of the property portfolio will be carried out by the Group to identify properties or land which could potentially be disposed of, following a consultation process in the case of significant proposals, and a capital receipt obtained from the sale. Mindful of the currently poor market conditions arising from the economic downturn whereby it is possible that significant sales will be slow to arise in the short term, both because of lack of demand and the need to obtain the best sale price, the Group will monitor progress in relation to assets approved for sale.

2.6 Where suitable "Invest to Save" projects can be identified the Council will actively pursue such projects as it recognises the benefits, in the form of reduced costs falling on the General Fund Revenue Account, that can result from such investment.

2.7 The Council will seek, where practicable and economically justifiable, to develop its investment projects having regard to principles of sustainability, for example in relation to materials used and environmentally friendly modes of operation once in use, following construction or purchase.

### 3. **FACTORS INFLUENCING THE CAPITAL PROGRAMME**

3.1 Projects for inclusion in the capital programme arise from a variety of sources, some of them internally generated and some arising from external factors. The more significant of these can be summarised diagrammatically as follows:

<u>INTERNAL</u>	<u>EXTERNAL</u>
Corporate Priorities, as set out in the Council Plan	Government sponsored programmes, e.g. Disabled Facilities Grants
Investment identified in Strategies, Policies and Plans	Unforeseen Emergency Works
Work needed to maintain Property Assets	Works required to comply with legislation, e.g. re disabled access, health and safety
Vehicles, Plant and Equipment replacement needs	Projects resulting from Partnership Activity
ICT Investment and Replacement	Availability of External Funding
Invest to Save Projects	Public expectation that works should be carried out

These are discussed in greater detail in Sections 4 and 5 below

### 4. **LINKS WITH OTHER STRATEGIES, POLICIES AND PLANS**

4.1 As well as the Council Plan and the Capital Programme the Capital Strategy has clear links to many other strategies, policies and plans, the most significant of which are shown in the following table:

Key Strategies
Economic Development Strategy
Health and Wellbeing Strategy
Stronger and Safer Communities Strategy
Other Strategies
Asset Management Strategy
Medium Term Financial Strategy
Service and Financial Plans
Procurement Strategy
North Staffs Green Spaces Strategy
Co-Operative Strategy
Private Sector Housing Renewal Strategy
Housing Strategy
Arts and Cultural Strategy
Customer Access Strategy
Energy Efficiency and Climate Change Strategy and Carbon Reduction Plan
Treasury Management Strategy
Sustainable Community Strategy
North Staffs Core Spatial Strategy

- 4.2 An important link is to the Asset Management Strategy (AMS) in that many capital investment projects are related to the Council's fixed assets, such as its stock of buildings. Needs and priorities identified in the AMS will require consideration for inclusion in the Council's Capital Programme and have wider financial consequences. Equally important is the opportunity to generate capital receipts from the disposal of land/property where there is no current or likely future operational need.
- 4.3 The Medium Term Financial Strategy will take account of the revenue effect of capital investment.
- 4.4 Appraisal, procurement and management of capital projects needs to be carried out with regard to the objectives and methodologies and the principles and practices set out in the Procurement Strategy.
- 4.5 The various service based strategies will inform the Council's capital investment process through their identification of areas for action and of priorities within individual service areas.
- 4.6 The Treasury Management Strategy needs to reflect planned capital spend, particularly with regard to setting limits for tying up money over the longer term and the limits relating to the amount of permitted borrowing.
- 4.7 In addition the Capital Strategy will be influenced by the results of any Service Reviews which have been carried out by the Council, either as part of the budget preparation process or as one-off exercises. Where these reviews identify areas of service which are to be discontinued, this may give rise to assets which will be available for disposal and possibly generate a capital receipt which will be available for funding further capital investment. Alternatively reviews may identify areas for investment, including potential "invest to save" projects, some of which may be capital investment.

## **5. EXTERNAL INFLUENCES, PARTNERS AND CONSULTATION WITH OTHER INTERESTED PARTIES**

- 5.1 The Council's capital investment plans are influenced by a number of external parties and factors: central government and its agencies, legislation requiring capital works, partner organisations, businesses, developers and by the needs and views of other interested parties, particularly those of Borough residents.
- 5.2 Government sponsored initiatives and programmes will influence the projects which the Council will include in its capital investment plans. In particular, its Housing Investment Programme in which the Council participates with regard to Disabled Facilities Grants is a major area of investment where funding is provided by Government to meet a proportion of the costs of some of these activities. This funding currently consists mainly of grant payments to partially meet the cost of disabled facilities grants payable to eligible applicants. From 2015/16 grant funding for disabled facilities grants will no longer be provided by the government but will come from the new Staffordshire Bettercare Fund. Whilst the 2015/16 grant is set at similar levels to previously, there is no guarantee that these historic levels will be maintained in later years now that the Council is competing with other health related needs and organisations for funding from the whole Bettercare funding pot within Staffordshire.
- 5.3 Where it may be required by legislation to carry out works of a capital nature, such as to comply with the Disablement Disability Act or Health and Safety requirements, or anti-pollution regulations, the Council will consider the most effective way to discharge its

obligations and appropriate provision will be made in its Capital Programme once it has determined that it shall carry out the necessary work and that this should be capitalised.

- 5.4 The Council works with a wide range of partners from the public, private, voluntary and community sectors, all of which have an influence over its spending priorities. Relationships with partners, including those concerning capital matters, will be governed by the Council's Partnerships Code of Practice. Wherever possible the Council will seek to work in partnership with others to deliver its capital investment programme in order to provide facilities which meet its own and partners needs. When working with the private sector, the objective will be to maximise the benefits to the Council and the community from any projects, both in terms of outputs and in relation to obtaining funding for the project.
- 5.5 The Council is a participant in the Local Strategic Partnership (LSP) and will have regard to the content of its Sustainable Community Strategy together with any other elements of the partnership which relate to capital investment and may be able to use the capital programme as a means of fulfilling some of its obligations to the LSP.
- 5.6 Projects for consideration for inclusion in the Capital Programme may arise from the Council's participation in the Staffordshire and Stoke on Trent Local Enterprise Partnership (LEP) or similar sub-regional partnerships which seek to stimulate economic growth.
- 5.7 The Council has established a Town Centre Partnership, together with relevant parties such as representatives of retailers and businesses in the town centres of Newcastle and Kidsgrove. The partnership may identify proposals for town centre improvements which could place demands upon future capital programmes where such works align with the Council's economic development objectives. It may also present an opportunity for costs to be shared between the parties likely to benefit from their implementation.
- 5.8 The availability of external funding will also influence the projects which the Council will include in its capital investment plans. This is referred to in the following section of the Strategy.
- 5.9 Regard will be had to the Council's obligations under Disabled Access requirements in putting forward proposals for capital investment and in the design of any facilities which are proposed.
- 5.10 Wherever possible the principles of financial and environmental sustainability will be incorporated into any capital projects.

## **6. RESOURCES AVAILABLE TO FINANCE CAPITAL INVESTMENT**

- 6.1 The following diagram shows the main sources of funding which are available to the Council to finance its capital investment. Individual projects may be financed solely by one of these or by a combination of a number of them.

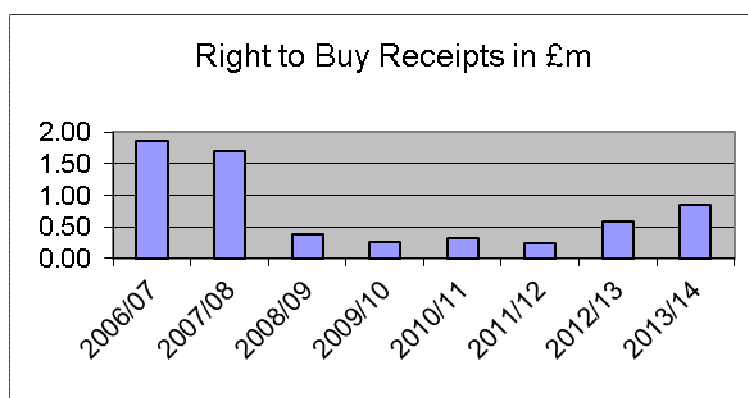
INTERNAL	EXTERNAL
Capital Receipts in Hand	Government Grants
Reserves	Other Grants, e.g. Heritage Lottery Fund
Contribution from Revenue Account	New Capital Receipts from Asset Sales
	Contributions from Partners
	Other Contributions
	Borrowing
	Private Finance Initiative or Similar

Lighter shades indicate sources which are not currently used

More details of these funding sources are given in the following paragraphs.

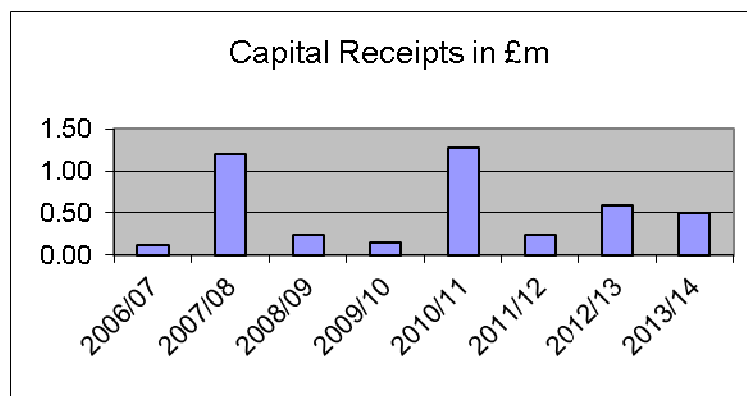
6.2 Capital Receipts have been the major source of funding for the Capital Programme in recent years. The amount of useable capital receipts in hand at 1 April 2014 was £3.4m. The majority of capital receipts are committed to finance the currently approved Capital Programme. Additional capital projects may be financed from capital receipts obtained by asset sales or other new capital streams.

6.3 A previously significant source of capital receipts has been the Council's continuing right to a share of receipts arising from tenants of Aspire Housing under the Right to Buy legislation. However, Right to Buy sales have diminished from historically high levels, as shown in the chart below, both because of the present depressed property market and there being fewer potential purchasers as time goes by. There was a small increase in sales in 2012/13, which trend continued in 2013/14, probably arising from government changes to the rules governing sales and the improving property market.



6.4 In addition there are usually some small receipts from the sale of minor pieces of land or property but these are unlikely to be significant in amount over the next few years. Indeed, as may be seen from the chart below, capital receipts from sales of land and property (including covenant release payments) have been relatively modest in recent times.





6.5 The ICT Development Fund is specifically earmarked for meeting the costs of ICT development, both capital and revenue. The balance on the Fund at 1 April 2014 was £0.3m. This balance is fully committed to financing projects included in the current ICT Development Programme plus certain ongoing revenue costs. Accordingly, the revenue budget provides for an annual contribution of £0.05m to be made to the Fund in order to replenish it. There are no other reserves currently available to finance capital investment.

6.6 The use of capital receipts and reserves to finance new capital projects has an effect upon investment income receipts and hence the General Fund Revenue Account. At current investment interest rates of around 0.5%, every £100,000 of such capital receipts or reserve balances used will cost £500 to the revenue account on an ongoing basis. The use of capital receipts and reserves to finance the Capital Programme 2013/14 to 2014/15 was taken account of in the Medium Term Financial Strategy and in the 2014/15 Revenue Budget. Any receipts generated from the sale of assets will be invested until they are required to finance capital expenditure.

6.7 Wherever Government grants are available to meet all or part of the cost of capital projects the Council will ensure that these are applied for and used to maximise the amount of investment which can be made and the benefit which will result from that investment. Currently Council policy is to apply New Homes Bonus grant partly in support of the revenue budget and partly to finance housing capital projects included in the housing investment element of the capital programme, the respective proportions depending on the relative needs of the capital programme and revenue budget.

6.8 Wherever possible and appropriate, funding will be sought towards the cost of capital projects from external parties. These will include property developers, government agencies, funding from the European Union (normally channelled via a UK Government Department), funding bodies such as the National Lottery or the Football Foundation, and partner organisations that may join with the Council to bring forward particular projects of mutual benefit. In the current climate, however, the Council may find such sources of funding to be limited compared with previous years.

6.9 There remains the potential for the Council to introduce a Community Infrastructure Levy. This may provide funding for capital investment required as a result of a development taking place, for example new roads or footpaths. It will partially replace "Section 106" contributions payable by developers as a condition of being granted planning permission.

6.10 As a result of changes to the treatment of business rates collected by councils (as implemented by the Local Government Finance Act 2012), which allow part of the amount collected to be retained by them, a Stoke on Trent and Staffordshire Business Rates Pool has been established to pool retained rates relating to a number of Staffordshire authorities, including Newcastle Borough Council. This has benefits with regard to maximising the total amount retained, with the additional amount gained by pooling being available to participating authorities in a number of ways. One of the

features of the pooling arrangement is the establishment of an investment fund to finance projects which will contribute to economic regeneration within the areas of the participating authorities.

- 6.11 The Council is presently debt free, having no long term loans outstanding. Its current policy, expressed in its Treasury Management Strategy for 2014/15, approved by Council on 26 February 2014, is that it is not intended to utilise borrowing to fund the capital programme in view of the Council currently possessing sufficient reserves and useable capital receipts to finance capital expenditure from those sources. It is stated that borrowing may become an option in future years if these resources become sufficiently depleted that they are insufficient to finance proposed capital expenditure and, if the costs of borrowing compare favourably with those of alternatives such as using unapplied capital receipts, i.e. if in fact there is a sufficient business case to do so. It is possible that for a period of time during the span of the Capital Strategy capital resources will be depleted to the extent that they are insufficient to finance further significant capital investment, including projects necessary to ensure operational continuity. In considering the "Funding the Council's Capital Programme" report (see Annex C) on 15 October 2014, the Cabinet resolved that known capital programme needs will in the first resort be met through the proceeds of land disposal.
- 6.12 There is no intention to charge any capital investment directly to the General Fund Revenue Account.
- 6.13 The Council does not presently intend to consider the use of Private Finance Initiative type arrangements or tax increment financing to meet the cost of capital investment.
- 6.14 The Executive Director (Resources and Support Services) will prepare estimates of the resources which are presently in hand plus those likely to be available in future to finance capital investment. He will keep these estimates up to date and periodically report upon them to Cabinet and Council, particularly when the Capital Programme is being considered. The Council will decide on the appropriate form of financing for projects included in the Capital Programme based on advice from the Executive Director as to availability and the consequences and costs of use of the various options.
- 6.15 The need to have available liquid funds to be used to pay for capital projects will be borne in mind when drawing up the Council's Treasury Management Strategy. An appropriate limit will be placed on long term investments based on predictions of the capital spending profile over the period covered by the Strategy so that there are likely to be enough readily available easily cashable investments to meet requirements.

## **7. REVENUE IMPLICATIONS**

- 7.1 The impact, if any, upon the General Fund Revenue Account, which will arise from capital investment proposals will be calculated and considered at the time projects are placed before Cabinet or Full Council for inclusion in the Approved Capital Programme or for specific approval. Such impact may be in the form of reduced interest receipts, where projects are to be financed from capital receipts or reserves, borrowing costs, if loan finance is to be employed, or additional running costs arising from the provision of a new or altered facility. Offset against these costs will be any savings which might accrue, for example from "invest to save" projects.
- 7.2 In accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital, which the Council has adopted, the incremental impact of the Capital Programme will be calculated and considered when that programme is placed before Full Council for approval, in February each year.

7.3 The Council will always have regard to the affordability of its proposed capital investments, in terms of the revenue implications arising.

7.4 The revenue implications of the capital programme will be taken account of in the Council's Medium Term Financial Strategy.

## **8. APPRAISAL OF INVESTMENT PROPOSALS**

8.1 In accordance with the Council's Financial Regulations proposals for new capital investment estimated to cost more than £20,000 will be subject to an appraisal process, whereby a business case will be made out for the proposal, considering its contribution towards meeting corporate objectives and service priorities, its outputs and milestones, its cost and sources of and its effect, if any, upon the revenue budget in future years. Less significant projects costing below £20,000 will be subject to a simplified process. All new capital investment proposals must be appraised by the Capital Programme Review Group prior to specific Cabinet approval being requested. Before any project may be commenced Specific Cabinet approval must be obtained and the project must be included in the Approved Capital Programme, after considering its priority relative to other proposed projects and the overall level of resources available to fund the Capital Programme as a whole.

8.2 A Risk Assessment, in the approved corporate format, will be completed for all capital projects subject to the Benefits Management Model process.

## **9. MONITORING ARRANGEMENTS AND PROJECT MANAGEMENT**

9.1 Progress in relation to individual projects will be monitored through the Council's arrangements for the monitoring of capital projects, which entail quarterly monitoring reports to be received by the Cabinet. The Capital Programme Review Group will also review project progress and corrective action will be initiated where projects fall behind schedule, appear likely to overspend or otherwise give cause for concern. Individual Project Forms will be maintained in respect of each project by the Executive Director (Resources and Support Services) which will track the progress of projects and be available to officers and members with an interest in reviewing progress of those projects.

9.2 All projects will be assigned to a named officer who will be responsible for overseeing the project, including project monitoring and control and implementing exception reports and, where appropriate, corrective action if the project deviates from its planned progress or cost.

9.3 Where complex major projects are to be carried out, consideration will be given to employing the Prince2 project management methodology.

9.4 All capital projects will be subject to Internal Audit review to ensure correct procedures have been followed and sums have been paid out in accordance with Financial Regulations and Standing Orders as they relate to contracts. Where projects have received funding from government or quasi-governmental sources, the expenditure will also be subject in many cases to external audit. European Union funded projects may also be subject to audit by auditors on behalf of that body. Where monitoring returns or claims for reimbursement of expenditure are required to be sent to funding bodies, these will be completed and forwarded promptly to the relevant body in compliance with any deadlines laid down by them.

9.5 All capital investment proposals and project progress and management are subject to the Council's scrutiny arrangements.

## **10. STATUTORY FRAMEWORK**

10.1 The Council's capital investment is carried out within the statutory framework laid down by the Local Government Act 2003 and regulations under that Act. Accordingly, only expenditure which fits the definition of capital expenditure contained in the Act or Regulations pursuant to it will be capitalised.

10.2 Capital expenditure is defined by the 2003 Act as that which falls to be capitalised in accordance with proper practices, which means in accordance with the Code of Practice on Local Authority Accounting, published by the Chartered Institute of Public Finance and Accountancy (CIPFA), applicable to all local authorities. Annex A sets out a summarised version of the definition provided by the Code. In addition there are a number of other types of expenditure that have been defined by Regulations as being treatable as capital in nature. Generally these do not apply to this Council.

10.3 It should be noted that the Act and Regulations are framed in a permissive way, allowing local authorities to capitalise expenditure which fits the definition but not forcing them to capitalise such expenditure. The Council will decide, therefore, whether to include a project meeting the capital definition in its capital programme or to meet its cost from a revenue account.

10.4 The Council does not set a minimum amount for the capitalisation of expenditure (de minimis level). Accordingly, any expenditure complying with the above definition may be capitalised.

10.5 Capital Finance Regulations stipulate that amounts of less than £10,000 may not be treated as capital receipts. Accordingly, any such sums received, although otherwise capital in nature, will be credited to a revenue account.

## **11. PROCUREMENT**

11.1 Regard will be had to the contents of the Council's Procurement Strategy when considering the delivery of capital projects.

11.2 Where estimated project contract costs exceed the relevant European Union threshold, the appropriate EU tendering procedures will be followed.

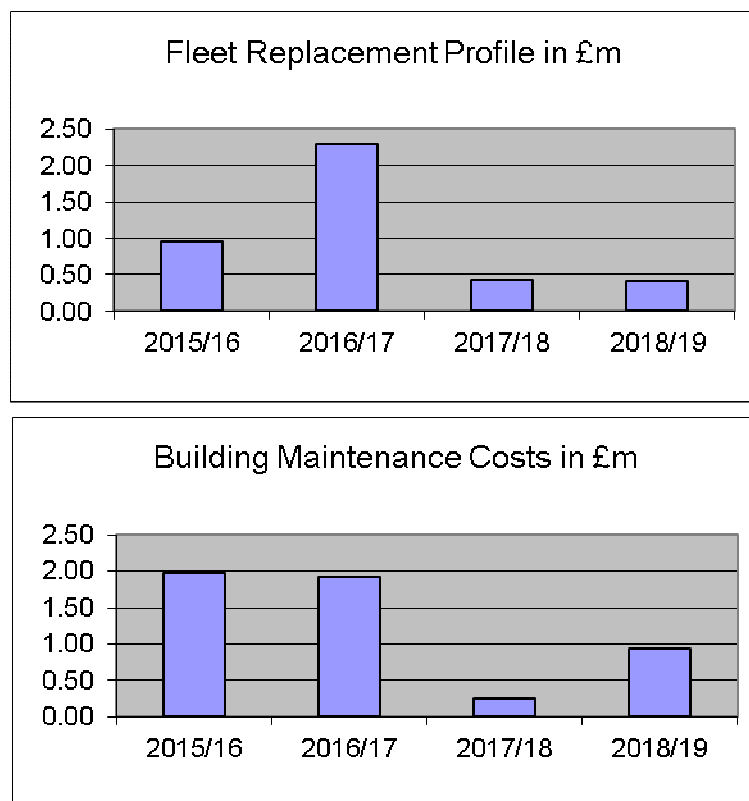
11.3 Standing Orders relating to contracts will apply to all contracts proposed to be let in relation to capital projects, together with Financial Regulations and the provisions of the Council's scheme of Delegation.

11.4 The achievement of Value for Money will be a guiding principle in the procurement of capital works and services and in managing contracts.

## **12. FUTURE CAPITAL PROGRAMME**

12.1 During the period covered by this Strategy, there will be a need for some items of capital investment to be made in order to ensure continued service delivery or to comply with statutory requirements or to ensure health and safety of staff and public. Examples of these include: operational building repairs and maintenance; replacement of vehicles, plant and equipment required to deliver services; disabled facilities grants.

12.2 The following charts illustrate the scale of expenditure which the Council will need to fund over the next few years, in respect of fleet replacement, where existing items reach the end of their allotted life and in respect of operational building maintenance works, based on stock condition surveys carried out.



It may be possible to extend the lives of some of the vehicles, if they are in a fit condition when their replacement date is reached. Similarly some of the maintenance/improvement works to the Council's operational properties may be capable of being deferred; periodic stock condition surveys will inform any decisions in this regard. Additionally, some properties may be deemed surplus to operational requirements and eligible for disposal in their current condition.

12.3 In addition to the essential works outlined in paragraph 12.2, there are significant amounts of expenditure which need to be incurred:

- in respect of the commercial portfolio in order to keep properties in a state of repair such as to continue to obtain a reasonable rental income.
- to maintain various engineering structures such as walls, bridges, drains, and reservoirs to ensure safety to the public

Over the period 2015/16 to 2018/19 it is estimated that £3.47m (commercial properties) and £2.10m (engineering structures) need to be spent.

12.4 Funding for additional projects not essential to operational continuity will depend on capital receipts from asset sales. Reports concerning proposed asset sales were considered and recommendations approved by the Cabinet on 12 November 2014.

12.5 Work is ongoing to compile a basic programme containing those projects which it can be foreseen will be necessary to ensure service delivery or to comply with statutory requirements or ensure health and safety. The programme will also contain projects

which are fully funded by external parties and which meet corporate priorities. The overall size of the programme will be determined by the resources estimated to be available to fund it.

12.6 It will be essential to apply a robust prioritisation process to determine which projects are included in the capital programme and are subsequently proceeded with. No projects should be considered in isolation. They must be required to be measured against all other competing projects to determine which should go forward. This process should also apply to any projects which are proposed subsequent to the approval of the programme, to ensure that only those projects with a high priority are proceeded with and funds are not diverted to projects of a lesser priority.

12.7 Funding for this basic programme is likely to be available to some extent from the following sources:

- Further capital receipts from asset sales
- Right to Buy capital receipts
- Government grants
- Other external contributions

All of the above funding sources are likely to be limited so the programme can only include affordable basic projects.

12.8 Current estimates of the amount required to be invested in projects to ensure continued service delivery compared with forecasts of likely receipts from asset sales and other available resources indicate that there may be insufficient resources available to fund all of these requirements in the short term. If significant sales of assets cannot be achieved within this timeframe, the Council may have to review its stance with regard to borrowing, if this proves to be the only practical means of funding necessary investment, particularly if a major unforeseen item of capital expenditure were to materialise, for example major repairs to enable an operational building to continue to be used or new legislation requiring capital spending.

12.9 The Cabinet considered two reports concerning the Council's capital investment needs over the period 2015/16 to 2018/19 and how the consequent expenditure could be funded. Owing to the significance of these reports and as an aid in understanding the detailed issues they have been included as annexes to the Capital Strategy, as follows:

- Annex B: The Newcastle Capital Investment Programme (Cabinet 5 February 2014);
- Annex C: Funding the Council's Capital Programme (Cabinet 15 October 2014)

In summary, the first report set out the investment needed over the four year period 2015/16 to 2018/19, totalling an estimated £18.859m, in order to maintain service continuity and for health and safety reasons and to safeguard income from the commercial portfolio. It highlights the very significant shortfall in resources available to finance this investment and sets out a number of strategies for dealing with this. The second report set out options for funding the capital investment identified in the first report. It concluded that the only realistic option to meet investment needs is a systematic programme of surplus land disposal, which will also enable the Council to deliver its policy objective of bringing forward more affordable and social housing by the release of some of its land holdings. The alternative of borrowing to part fund the programme is seen to be a more expensive option owing to the cost of servicing the debt. Accordingly Cabinet resolved: "That Cabinet agrees with the principle that the Council, as a first resort, will seek to fund its future known capital programme needs through the annual asset management planning process by the identification of land or property in its ownership that is capable of and appropriate for disposal".



**DEFINITION OF CAPITAL EXPENDITURE INCLUDED IN THE CODE OF PRACTICE ON  
LOCAL AUTHORITY ACCOUNTING IN THE UNITED KINGDOM**

All expenditure that can be directly attributed to the acquisition, creation or enhancement of items of property, plant and equipment or the acquisition of rights over certain longer-term intangible benefits is accounted for on an accruals basis and capitalised as a non-current asset. It must be probable that the future economic benefits or service potential associated with the item will flow to the Council - the Council does not have to own the item but it must be more than likely that it has gained the right to use the item in the provision of services or to generate cash from it. In addition it must be possible to measure the cost of the item reliably.

Expenditure that should be capitalised will include expenditure on the:

- Acquisition, reclamation or laying out of land
- Acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures
- Acquisition, installation or replacement of movable or immovable plant, machinery, apparatus, vehicles and vessels

In this context, the definition of enhancement contained in the previous Code of Practice (SORP) is still applicable and means the carrying out of works which are intended to:

- Lengthen substantially the useful life of the asset, or
- Increase substantially the market value of the asset, or
- Increase substantially the extent to which the asset can or will be used for the purpose or in conjunction with the functions of the local authority concerned.

Under this definition, improvement works and structural repairs should be capitalised, whereas expenditure to ensure that the fixed asset maintains its previously assessed standard of performance should be recognised in the revenue account as it is incurred. Expenditure on existing fixed assets should be capitalised in three circumstances:

- Enhancement - see above
- Where a component of the fixed asset that has been treated separately for depreciation purposes and depreciated over its individual useful life is replaced or restored
- Where the subsequent expenditure relates to a major inspection or overhaul of a fixed asset that restores the benefits of the asset that have been consumed by the authority and have already been reflected in depreciation

Assets acquired on terms meeting the definition of a finance lease should be capitalised and included together with a liability to pay future rentals.

Where an asset is acquired for other than cash consideration or where payment is deferred the asset should be recognised and included in the balance sheet at fair value.

**CABINET REPORT 5 FEBRUARY 2014 “THE NEWCASTLE CAPITAL INVESTMENT PROGRAMME”**

**THE NEWCASTLE CAPITAL INVESTMENT PROGRAMME**

**Submitted by:** Executive Management Team

**Portfolio:** Finance and Resources; Economic Development and Town Centres

**Ward(s) affected:** All

**Purpose of the Report**

To review the projected capital expenditure requirements over the four year period 2015/16 to 2018/19 and the resources likely to be available to finance this expenditure. To develop a number of different strategies to deal with these financial challenges.

**Recommendations**

**(a) That the contents of the report and appendix be noted.**

**(b) That strategies are developed to find solutions to meet the financial challenges in respect of the medium term capital expenditure requirements.**

**(c) That consideration is given to the formulation of a cabinet panel to develop and oversee the process required.**

**Reasons**

The Council needs to be aware of future capital commitments over the medium term and whether it will have the resources available to finance them and to consider all available options in respect of its assets and future liabilities associated with them.

**1. Background**

- 1.1 At its meeting on 15 January 2014 the Cabinet approved the Asset Management Strategy and recommended the Capital Strategy for approval at the full Council meeting on 26 February. This report seeks to bring together the two documents in developing the detailed strategies in delivering the Council's objectives in the medium term. The Council has an ongoing need to incur capital expenditure in order to replace or maintain its operational assets so that services can continue to be provided in accordance with corporate priorities and to ensure the safety and comfort of customers and staff and to comply with statutory provisions. It also needs to maintain its stock of investment assets, such as shops and industrial units in order to comply with its landlord responsibilities and safeguard future income from these assets.
- 1.2 There are currently very limited resources available to finance capital expenditure. A part of the annual New Homes Bonus grant (£0.515m in 2014/15) is presently used to finance housing capital activities, principally disabled facilities grants, in excess of other grant funding. With the exception of the ICT Development Fund, which is fully committed to financing ICT development and replacement of essential ICT systems, all of the Council's capital reserves have been used. Capital receipts will, therefore, be the main source of funding for future capital requirements. Following the use of £0.954m of receipts to fund new projects included in the 2014/15 capital programme,



there will remain only £0.700m of receipts available for future use and it is prudent to keep this as a contingent sum for emergency situations. Continued capital investment, therefore, is largely dependent upon generating further capital receipts in the quantities, and at the time, required.

## 2. **Issues**

2.1 Based on current information eg service demands, recent stock condition surveys etc. the attached Appendix sets out projected capital expenditure requirements of £18.859m over the period 2015/16 to 2018/19. The expenditure is that which is considered necessary to:

- enable the Council to continue to provide its services in accordance with corporate priorities and/or approved strategies eg. vehicles and plant, repairs to operational buildings;
- fulfil its environmental and heritage responsibilities;
- comply with legislation, e.g. health and safety, disabled facilities grants;
- maintain its income from its investment properties, eg. shops, offices, industrial units

2.2 All of this expenditure will have to be financed by the Council itself from its own resources, since it is not anticipated that it will be funded by external bodies, or it is expenditure required over and above any likely external contribution, for example in respect of disabled facilities grants. It should be borne in mind that these estimates represent the minimum amounts that the Council is required to spend – or is likely to have to spend.

2.3 With the exception of some of the projects included in the “Investing in Community Facilities” section it does not include the provision of new facilities or other development expenditure, for example, in respect of economic development activities or a modern leisure facility in Kidsgrove (to replace the out-dated facility provided at Clough Hall School). The facility is currently managed by the Borough Council on behalf of Staffordshire County Council and Clough Hall School. An ambitious plan for a comprehensive replacement of the facility has been discussed by both councils which would see the investment of new capital monies to replace the leisure centre. An outline business case has indicated that both councils can reduce their revenue cost liability by investing in a new facility although this will require the necessary capital funding package to be assembled. The current estimates are £4.75m for a refurbishment and £7.75m for a replacement. It is hoped that both the County Council and Sport England will contribute to these costs but any amount that the Borough Council has to fund will be in addition to the £19m of expenditure identified in the attached appendix.

2.4 Similarly, if the Council wished to invest in the Museum with a view to it being in a condition where it would be feasible to transfer it to a Trust in 5 years’ time, this could require an investment of around £3.5m. Funding towards this would be sought from the Lottery Fund but any Borough Council funding would again add to the figures already outlined.

## 3. **Funding**

3.1 As highlighted in paragraph 1.2, capital resources are currently very limited. Councils fund capital expenditure in a number of ways. As significant owners and users of land and buildings, councils carry out regular reviews of their assets and make decisions about which are surplus to their needs. The Audit Commission has produced a number of studies on councils’ stewardship of assets and recommends that councils

keep their assets under review. In Newcastle a comprehensive asset management system is operated and through the annual Asset Management Strategy land and property is identified for disposal. The majority of councils fund their capital development requirements through the disposal of surplus assets. Where there is a shortfall of available assets to dispose of, councils will use borrowing as the alternative mechanism for funding capital development. Councils may also use grant funding from a range of sources to supplement their own capital funding for particular schemes.

- 3.2 Cabinet approved the marketing for sale of a number of sites at its meeting on 15 January 2014, which could realise receipts of up to £8.000m. Between now and 31 March 2019 other sites or assets will have to be approved for sale and opportunities may arise to realise receipts from one-off sales. It may take some time for this activity to result in actual receipts being received and in the meantime there may be urgent works which need to be carried out. However, these receipts are essential to fund the items in the Appendix to the benefit of the Borough.
- 3.3 Contributions towards the cost of capital projects may be obtained from partner organisations or from other bodies or via Section 106 Planning payments or, in future, the Community Infrastructure Levy. These are, however, unlikely to be towards the cost of projects concerned with maintaining the operational capability of the Council and any such projects are likely to be additional to those included in the tables contained in the Appendix and funded entirely, or almost so, from such external contributions. It is not anticipated that there will be any significant amount of external funding forthcoming in respect of any of the projects included in the Appendix.

#### **4 Development of Strategies and Actions**

- 4.1 Strategies and actions are required for dealing with the possible shortfall of resources to meet the cost of the projected capital expenditure contained within the Appendix. These should encompass the following:
- A critical review of all the projected capital expenditure detailed in the Appendix categorising expenditure as essential, desirable, long term etc. and developing a prioritised rating;
  - Rescheduling of projects being aware of dangers inherent in this such as possibly costing more in the long run, greater likelihood of unexpected breakdown/repairs; perpetuation of inefficiencies, health and safety implications, etc;
  - Prioritisation of projects;
  - Looking at opportunities in respect of “invest to save”;
  - Exploring opportunities for alternative service delivery linked in with the revenue budget and the work being undertaken as part of the Newcastle 2020 project;
  - Seeking opportunities of working with others embracing one of the Council’s priorities of a co-operative council;
  - Assessing any requirement for the use of temporary borrowing to cover shortfalls;
  - Assessing any requirement for the use of Reserves to cover shortfalls with Reserves being “repaid” when resources become available (limited by availability of and amounts held in reserves)
  - Creation of rotating or sinking funds to provide for cyclical replacements eg vehicles;
  - Evaluating options for the leasing of items such as vehicles as an alternative to capital purchase.

- 4.2 It is proposed that the Assets Review Group, comprising officers from a variety of asset related disciplines, which is attended by the Cabinet Portfolio Holder for Economic Development, Regeneration and Town Centres, should develop these strategies and that Cabinet gives consideration to the formulation of a Cabinet Panel to develop and oversee the process required.

## **5 Financial and Resource Implications**

- 5.1 These are set out throughout this report and in the attached Appendix.

## **6 Major Risks**

- 6.1 The overall risk is that insufficient resources will be available to finance the capital expenditure needed over the period, with a secondary risk that resources, particularly capital receipts, may not match the timing of the expenditure.

- 6.2 If projects set out in the Appendix are not carried out a number of risks may arise, depending upon which projects are concerned:

- Service continuity suffers or service may not be able to be provided at all;
- Customers, staff and the general public are exposed to unacceptable health and safety risks, e.g from unsafe buildings and structures;
- Council fails to fulfil its statutory responsibilities;
- Council fails to meet its legal obligations, e.g. with regard to property leases;
- Income is lost because commercial properties become unlettable or cannot obtain acceptable rentals.

## **7 List of Appendices**

Appendix - . Newcastle Capital Investment Programme 2015/16 to 2018/19.

# The Newcastle Capital Investment Programme



The Council's capital expenditure requirements can be split over a number of different headings, namely:

Improving Housing in the Borough  
Investing in Community Facilities  
Community Centres  
Safeguarding the Borough's Heritage  
Investing for the Future  
Vehicles and Plant

### Improving Housing in the Borough

The Council has statutory duties relating to housing provision and management. It has historically allocated significant sums in its capital programme to undertake a range of activities to support these objectives. Over the next five years the council wishes to deliver a range of programmes to continue to deliver affordable housing for people in the Borough, to ensure that private rented stock is maintained in a good condition and that support is provided to the most vulnerable households in the community. This will continue to require support through capital investment to enable the Council to allocate resources to the following areas.

<b>Scheme</b>	<b>Timescale</b>	<b>£'000s</b>
Disabled facilities grants - expenditure in excess of grant from government	£300k each year 2015/16 - 2018/19	1,200
Warm zone affordable warmth	£30k each year 2015/16 - 2018/19	120
Emergency Repair Assistance	£50k each year 2015/16 - 2018/19	200
Empty Homes	£20k each year 2015/16 - 2018/19	80
Home Improvement Agency	£20k each year 2015/16 - 2018/19	80
Landlord Accreditation	£5k each year 2015/16 - 2018/19	20
<b>Total</b>		<b>1,700</b>

### Investing in Community Facilities

The Borough Council manages a large number of parks and open spaces. These facilities are valued greatly by the community and are significant resources for formal and informal recreation. Continuing to invest in the parks and open spaces and the facilities within them makes a considerable demand upon the council's capital programme. Officers have formulated a programme of works – should resources be available - relating to each of the major parks and open spaces which will maintain a good standard of recreational amenity of these facilities.

<b>Parks and Open Spaces</b>	<b>Timescale</b>	<b>£'000s</b>
Footpath Repairs	£75k each year 2015/16 - 2018/19	300
Play Area Refurbishment	£75k each year 2015/16 - 2018/19	300
Railing/Structures Repairs	£50k each year 2015/16 - 2018/19	200
Queen Elizabeth Park/Castle Motte	2015/16	100
Tree Preservation Order	£50k 2015/16, £25k p.a thereafter	125
The Wammy Neighbourhood Park	2015/16	25
Chesterton Park	2015/16	50
Pool Dam LNR	2015/16	25
Lyme Brook Greenway	2015/16	300
Kingsbridge Avenue	2015/16	50
Bradwell Lodge	2015/16	50
Bradwell Woods	2015/16	25
Thistleberry Parkway	2015/16	10
Bateswood LNR	2015/16	10
Westomley Wood	2015/16	50
Westlands Sports Ground	2015/16 - 2016/17	100
Silverdale Park	2015/16	50
Bathpool Park	2015/16	25
Wye Road District Park	2016/17	500
Clough Hall Park	2015/16	50
Memorial Survey	£10k each year 2015/16 - 2018/19	40
Alexandra Road Changing Rooms Wolstanton	2015/16	22
Silverdale Park Pavilion	2016/17	17
Ski Slope car park and path replacements	2015/16	14
Birchenwood Sports Complex - pavilion shower replacement and tiling	2016/17	21
Queen Elizabeth park - door and frame replacements	2016/17	12
Westlands Sports Ground - treatment of bowls pavilion	2015/16	3
Clough Hall Park – Pavilion roof repairs, repointing and path repairs	2017/18 - 2018/19	23
Chesterton Park Pavilion - minor refurb	2018/19	14
Bradwell Park - toilets repairs and minor refurb pavilion	2018/19	12
Westlands Sports Ground - footpath and external works	2017/18	5
Roe lane Pavilion - shower refurb	2018/19	5
Wolstanton Marsh pavilion and changing rooms	2017/18	21
<b>Total</b>		<b>2,554</b>

## Community Centres

The Council's recently completed review of Community Centres has confirmed the significant financial liabilities which exist for these facilities. The council's stock condition survey has identified that these facilities collectively require investment in maintenance and repair works totalling in the region of £870,000 over the next five years. Whilst the condition of individual facilities varies, nonetheless this is a significant maintenance liability.

The review itself has suggested that it is desirable for management committees to take greater responsibility for the running and operation of community centres, recommending Management Committees take on full repairing leases. However, in practical terms where facilities have a significant maintenance backlog it is understandable that Management Committees will be cautious about taking on such liabilities. However, if capital investment could be made in these facilities to bring these up to a good condition, then the option to encourage Management Committees to take full repairing leases could more realistically be pursued.

Community Centre	Timescale	£'000s
Crackley - Major alterations to roof & parapet walls	2015/16 and 2017/18	67
Chesterton	2015/16	168
Wye Road Clayton - Window replacement and major roof replacement	2016/17	35
Clayton - Re-roofing	2016/17	43
Knutton - Roof and Windows	2015/16 and 2017/18	98
Poolfields - Car Park fencing & internal decs	2016/17	26
Silverdale Social	2016/17	153
Silverdale	2017/18 - 2018/19	132
Butt Lane - Brickwork & Roof repairs/repainting	2016/17 - 2017/18	31
Audley - Kitchen & Toilet refurbs	2016/17 and 2018/19	20
Westlands	2016/17	14
Marsh Hall	2016/17 - 2017/18	15
Apedale Rd Wood Lane	2016/17 - 2017/18	17
Ramsey Road Community Centre - internal and external redecoration, boiler replacement and electrical refurb	2016/17 - 2017/18	30
Bradwell Lodge - window replacement and electrical refurb	2018/19	100
<b>Total</b>		<b>949</b>

## Safeguarding the Borough's Heritage

The Borough Council is responsible for a number of key heritage features. Whilst these provide a significant community resource and enrich the area's cultural heritage, by definition these facilities are costly to maintain. It is considered that a prudent level of capital funding spent on these facilities over the coming four years could safeguard these facilities for the future. Further, such capital funding could help reduce the level of revenue budget demand which these facilities make.

Detail	Timescale	£'000s
Museum	2016/17	83
Audley Churchyard - boundary wall	2016/17	40
St. Giles Churchyard	2015/16	15
Mucklestone Churchyard	2015/16	15
Brampton Aviary	2016/17	15
Newcastle Cemetery - Retaining Wall	2016/17 - 2017/18	60
Newcastle Cemetery - Path & Ground Works	2016/17 - 2017/18	15
Newcastle Cemetery - Chapel - Stonework Repairs	2016/17	75
Cemetery Loomer Road	2016/17	12
Cemetery Knutton	2016/17	12
Guildhall - Re-roofing	2016/17	120
Guildhall - Repairs to brickwork	2016/17	50
Guildhall - Damp treatment	2015/16	30
Victoria Hall/Kidsgrove Town Hall - window replacement and electrical refurb	2015/16 - 2018/19	185
Chesterton Cemetery	2018/19	4
Closed Churchyards: All Saints, Madeley; Attwood St Cemetery; Holy Trinity Chesterton; St Andrews Porthill; St Georges, Brampton; St Lukes, Silverdale; Loomer Rd Cemetery; St Thomas, Mow Cop	2016/17 and 2018/19	75
Public Railings - painting	2015/16 - 2018/19	250
<b>Total</b>		<b>1,056</b>

### Investing for the Future

The Borough Council owns a significant number of buildings. Many of these are let out commercially. A significant part of the council's commercial property estate is managed to support economic regeneration objectives. The council also delivers a significant number of its services through buildings. These, like all properties, need continuous investment to ensure that they remain fit for purpose. A number of the council's primary properties are now reaching a stage in their operational life where they need significant capital investment. The council's property stock condition survey indicates the level of investment required in these buildings. A comprehensive review has been undertaken to assess the options for these premises. In some cases there will be a business case to make capital investment in these buildings in order to give them a longer operational life, for others the analysis will indicate that a particular building should be disposed of as it is no longer economic for it to be retained. As part of this strategy there may be a business case for the council to acquire some additional properties or to build or rebuild certain facilities. Additionally there may be cases where investment in energy efficiency measures in some buildings would be advisable to not only reduce carbon emissions but help to keep energy costs down (see the Carbon Management Plan).



<b>Property</b>	<b>Timescale</b>	<b>£'000s</b>
Commercial Portfolio	2015/16 - 2018/19	3,476
Civic Offices - window replacement	2016/17	270
Civic Offices - refurbishment	2017/18 - 2018/19	662
Knutton Depot - reroofing, window replacement, baling shed/garage, refencing compound	2015/16 - 2017/18	400
Jubilee Baths/Knutton Recreation Centre Site Clearance	2015/16 - 2016/17 (Knutton) 2018/19 (Jubilee)	286
Engineering Structures	2015/16 - 2018/19	2,100
Carbon Management Plan	£100k each year 2015/16 – 2018/19	400
Other	2015/16 - 2018/19	931
<b>Total</b>		<b>8,525</b>

### **Vehicles and Plant**

There will be a need for some items of capital investment to be made in order to ensure continued service delivery. Current indications are that the following investment will be required.

<b>Type of Expenditure</b>	<b>Timescale</b>	<b>£'000s</b>
Streetscene Vehicles	2015/16 - 2018/19	1,436
Waste Vehicles	2015/16 - 2018/19	2,166
Other Vehicles and Plant	2015/16 - 2018/19	73
Waste Bins	2015/16 - 2018/19, £100k p.a.	400
<b>Total</b>		<b>4,075</b>

### **Funding**

Councils fund capital expenditure in a number of ways. As significant owners and users of land and buildings, councils carry out regular reviews of their assets and make decisions about which are surplus to their needs. The Audit Commission has produced a number of studies on council's stewardship of assets and recommends that councils keep their assets under review. In Newcastle a comprehensive asset management system is operated and through the annual Asset Management Strategy, land and property is identified for disposal. The majority of councils fund their capital development requirements through the disposal of assets. Where there is a shortfall of available assets to dispose of, councils will use borrowing as the alternative mechanism for funding capital development. Councils may also use grant funding from a range of sources to supplement their own capital funding for particular schemes. Receipt of funding from Section 106 agreements and other schemes such as the New Homes Bonus may also provide sources of funding for capital expenditure.

The Council's most recent asset management strategy has identified a schedule of surplus land assets which can be disposed of over the medium term and which can be used to fund the capital requirements set out above.

## Timescales

The capital funding requirements set out above indicate the following capital requirements over the next four years:

<b>Investment Type</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Totals</b>
	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>
Improving Housing in the Borough	425	425	425	425	1,700
Investing in community facilities	1,168	835	276	275	2,554
Community centres	314	326	101	208	949
Safeguarding the Borough's heritage	180	578	98	200	1,056
Investing for the future	1,594	1,763	2,342	2,826	8,525
Vehicles and Plant	948	2,302	419	406	4,075
<b>TOTAL</b>	<b>4,629</b>	<b>6,229</b>	<b>3,661</b>	<b>4,340</b>	<b>18,859</b>

**CABINET REPORT 15 OCTOBER 2014 “FUNDING THE COUNCIL’S CAPITAL PROGRAMME”**

**FUNDING THE COUNCIL’S CAPITAL PROGRAMME**

**Submitted by:** Executive Management Team

**Portfolio:** Finance and Resources; Economic Development and Town Centres

**Ward(s) affected:** All

**Purpose of the Report**

To review the options for funding the capital investment required over the next four years (2015/16 to 2018/19) and means of providing a continuing sustainable funding flow into the future.

**Recommendations**

**(a) That the contents of the report be noted;**

**(b) That Cabinet agrees with the principle that the Council, as a first resort, will seek to fund its future known capital programme needs through the annual asset management planning process by the identification of land or property in its ownership that is capable of, and appropriate for, disposal;**

**(c) That officers report back to the next Cabinet meeting with a list of potential development sites to be used as the basis for a formal response by the Council as a land owner to the local planning authority’s “call for sites” (as part of the Local Plan process) and used as a basis for programming future land/property disposals through annual Asset Management planning, beginning with the Asset Management Strategy 2015/16;**

**(d) That the principle of engaging a development partner to bring forward the larger sites be agreed.**

**Reasons**

The Council has significant investment needs over the next four years (and beyond) whilst the resources available to fund this investment fall considerably short of what is required. It is necessary, therefore, to consider options for meeting this shortfall and propose the most effective means to achieve this to a future Cabinet meeting for approval. Because of the size of the shortfall and the early need to fund investment, this needs to be done as soon as practicable.

**1. Background**

1.1 The Cabinet considered a report at its meeting on 5 February 2014 ‘Newcastle Capital Investment Programme’. This report set out a comprehensive list of the known or likely capital expenditure requirements which the Council will be required to fund over the next 4 years. It provided comprehensive data down to individual scheme level and also indicated the timescale within which such expenditure would be required to be committed (acknowledging that in some instances the Council is not obligated to proceed with the schemes).

- 1.2 This report highlighted that currently the council's capital resources are very limited. It recorded that at its meeting on 15 January 2014 the Cabinet had approved the marketing for sale of a number of sites which could realise capital receipts of up to £8m in the foreseeable future. It also noted other sources of potential capital income but as these sources are at this stage undefined, since they relate to Section 106 or partner contributions, these cannot be quantified or considered to be confirmed.
- 1.3 In relation to the current capital programme the February report set out a set of strategies and actions required to deal with the possible shortfall of resources to meet the programme of capital works set out in the report. This work is in hand and an Assets Review Group chaired by the Chief Executive has been established to bring forward this programme.
- 1.4 However, whilst work to review capital demands will assist the Council to prioritise future capital expenditure, it will not address the widening gap between the potential capital expenditure demands and the sources of funding which the Council has to meet these commitments.

## **2. The Council's Capital Programme and other capital requirements**

- 2.1 Whilst the programme of asset disposals approved by the Cabinet in January 2014 has the potential to realise receipts of up to £8m over the next three or four years this is still at a level considerably below that of the overall potential capital expenditure demands which the council will face in the immediate and medium term future (notwithstanding the potential scope for the Council to realise significant receipts from two or three opportunistic disposals referred to elsewhere in your agenda).
- 2.2 The Cabinet has identified further high priority projects over and above those schemes set out in the Newcastle Capital Investment Programme which will require significant capital expenditure. In short this may mean a capital programme expenditure requirement of around £30m over the next four years or so. In some cases these capital expenditure requirements are needed to invest in measures which will give the Council longer term revenue cost savings, the main example being the proposed new waste collection service (to operate from July 2016) which has the potential to provide an ongoing revenue saving of £500k p.a. but which will require capital investment of over £4m over the next two financial years to implement.
- 2.3 There are other potential "invest to save" opportunities such as the re-provision of the leisure facilities at Kidsgrove which similarly will require considerable capital investment to realise revenue cost savings. Additionally, at the Cabinet meeting held on 23 July, a report on the future of the former Keele Golf Centre was considered at which it was noted that in the absence of any short or long term continuing use of the facility, it was agreed that the area would be the subject of a master plan to consider the longer term use for the site and the surrounding area. The report noted that the cost involved in the preparation of a master plan would be in the order of at least £100k, funding for which is not yet allocated in the council's budget or future expenditure plans.
- 2.4 The Capital Investment Programme 2015/19 summarised that the capital requirements over the next 4 years was nearly £19m. These requirements are summarised in the table below.

Investment Type	2015/16	2016/17	2017/18	2018/19	Totals
	£'000s	£'000s	£'000s	£'000s	£'000s
Improving Housing in the Borough (mainly DFGs)	425	425	425	425	1,700
Investing in community facilities	1,168	835	276	275	2,554
Community centres	314	326	101	208	949
Safeguarding the Borough's heritage	180	578	98	200	1,056
Vehicles and Plant	948	2,302	419	406	4,075
<b>TOTAL</b>	<b>4,629</b>	<b>6,229</b>	<b>3,661</b>	<b>4,340</b>	<b>18,859</b>

2.5 In addition to these identified demands upon the Council's capital resources, the Council faces the need to find significant savings to contain its revenue budgets within available resources as identified in the Medium Term Financial Strategy for the period. Over the next five years around £5m of savings or additional income will need to be found. This has two significant implications for capital resources. Firstly, one option or source for capital expenditure is to borrow. Whilst this council has been able to avoid borrowing because other sources of funding have been available, the situation of the Council's capital resources makes borrowing in the short and potentially the longer term an inevitability (unless substantial receipts can be generated from land/property disposals into at least the medium term). Whilst at present borrowing can be undertaken at relatively low cost, this debt does require to be serviced from the revenue budget thereby placing additional demands upon these resources. Secondly, in order to make the necessary reductions in the revenue budgets as central government grant is reduced the council may need to incur capital expenditure in order to deliver efficiency improvements in order to balance the revenue budget. Good examples are investment in ICT, equipment and facilities which can improve revenue spending efficiency, however, these require capital expenditure which is often required up front. The Council currently has limited provision for a capital investment programme which it could use to deliver revenue budget efficiency savings.

### **3. Funding capital expenditure**

3.1 As has been indicated above, the Council can derive capital monies from a number of sources. Most councils will routinely review their asset portfolio and sell land and property assets which are no longer required to fund the capital programme. This council has a well developed process for doing this through the annual Asset Management Strategy review process which is linked to the Council's budget setting process.

3.2 Councils will also routinely borrow money to fund capital works and this can be done either through the Public Works Loan Board (PWLB) or commercial financial institutions. As councils generally have a good credit score they are able to secure very good loan rates and the PWLB also acts as a moderating influence in respect of all public sector borrowing. Whilst at present borrowing can be undertaken at relatively low cost it is expected that rates of interest will rise in the medium term from the current historically low levels.

3.3 Historically Councils have also been able to derive capital funding for specific projects or infrastructure improvements through Section 106 planning payments. Funding under

Section 106 is derived in the main from developers and in simple terms it has to relate to their development proposals in scale, nature and location although members will be aware of the decreasing levels of funding available from this source (for a number of reasons); such funding will diminish significantly from April next year because of legislative changes. There is the potential in the future to secure such infrastructure investment from the emerging Community Infrastructure Levy, although this is unlikely to be in place until around 2018. District councils may also be in receipt of capital programme funding from their respective county council and on occasions from other public sector partners such as health. Whilst these sources do add significantly to the capital programme of this Council they are always granted for specific purposes and therefore cannot be vired to other capital projects that are this Council's responsibility. These resources are therefore considered to be ringfenced and, whilst representing an element of the council's capital programme, do not provide support for the council's wider capital expenditure requirements.

- 3.4 The New Homes Bonus has been developed by central government as an incentivisation programme to encourage councils to bring forward housing development. Through this programme the government makes a grant payment to councils for every completed residential unit. New Homes Bonus is unringfenced grant and can be spent by councils as they consider most appropriate to local circumstances. Nevertheless the original objective of Government was to use at least some of the funds derived on additional improvements to community infrastructure, promoting it as a reward to communities for accepting new development. In any event it is considered unlikely that this funding mechanism will continue into the long term.

#### **4. Prudent use of assets and the Asset Management Strategy**

- 4.1 Councils are under a statutory duty to maintain good stewardship of their assets. It is good practice, actively encouraged by successive Governments, for councils to keep their assets under review and to release assets which are no longer required for service or other uses and to recycle the receipts from these into priority spend areas. This Council has a process of assets review which is undertaken annually through the Asset Management Strategy.
- 4.2 When councils dispose of assets they are under a duty to achieve "best consideration" for that asset. This enables councils to balance financial receipt with broader social, economic and environmental considerations, but the council will always need to ensure that it has achieved an optimum financial return in the public interest.

#### **5. Housing land supply in the Borough**

- 5.1 As the Local Planning Authority for this area, the Borough Council has a responsibility to prepare and maintain an up-to-date Development Plan for its area to meet forecast demands for growth and to facilitate economic growth, including a 5-year housing land supply.
- 5.2 Due to the demand for new housing and as a consequence of Government policies which require that sufficient land is brought forward for new housing development, the Council's Planning Committee has faced a series of very difficult decisions regarding a number of major housing land applications in recent months. The prevailing national planning policy framework means that the Council's Planning Committee has come under considerable pressure to grant consent for developments on sites and in locations which may be sub-optimal when assessed against key policy considerations.
- 5.3 An option which the council has not considered thusfar is whether it has sites within its own land ownership which could be brought forward for development and which provide better alternative sites for housing development than those which are being generated by market demand. The scale and widespread nature of the Council's own land holding may mean that it could offer sites in locations where there is market demand for housing but on sites which are preferable in broad planning policy terms to those being provided by the market.

5.4 Given that the Council as local planning authority is under a requirement to provide a five year housing land supply and if the market is finding this difficult to deliver, or is delivering housing sites which are very controversial in communities, then the council could assist this situation by offering alternative sites in more sustainable and appropriate locations. The Council could reduce the undersupply of housing sites by bringing forward sites in its own ownership as a means of meeting the housing land supply target. The recent Peer Review of the Council's Planning function highlights the importance of achieving greater alignment between resource planning and town planning functions.

**6. Provision of affordable and social housing**

6.1 The Council has a stated policy objective to bring forward more affordable and social housing within the Borough. As the Local Planning Authority, the Council has a policy requirement for the provision of 25% affordable homes on development sites of 15 dwellings or more.

6.2 The Council has committed to the preparation of a new Local Plan, which includes the assessment of housing need with a Strategic Housing Market Assessment being commissioned as one of the key parts of the evidence base upon which the Plan will be developed. Through reviewing the housing register there is still a need for affordable housing and it is believed that the 2015 Housing Strategy will continue to support the current strategy approach to enable the delivery of affordable housing. A snapshot of the Housing register shows that there is continuing need for affordable homes particularly smaller units with 4.5 households wanting each 1-bed vacancy.

Bedroom	Applicants on Hou	Lettings	Ratio of Applicant Lettings
Bedroom 1	1,464	325	4.5 : 1
Bedroom 2	598	270	2.2 : 1
Bedroom 3	211	132	1.6 : 1
Bedroom 4	39	15	2.6 : 1

(Data as at 1/4/14)

Whilst the applicants in housing need for larger properties are fewer in number there remains evidence of significant unmet demand for affordable housing.

6.3 The Council has an established approach for the identification of assets for disposal and annually updates the Asset Management Strategy. This approach enables the Council to regularly review and maximise the use of assets for service delivery and importantly financial consideration.

6.4 Amongst other things the current Asset Management Strategy provides supports for the delivery of affordable housing. Firstly, through sale of land, this can include sale to a Registered Provider for the development of affordable housing or sale of land to developers where affordable housing needs to be provided to meet planning requirements. This occurs on sites of more than 15 properties in the urban area and sites of 5 or more in the rural area, triggering the delivery of up to 25% affordable homes (at the developer's expense, subject to commercial viability; and it should be understood that this will normally reduce the value of the capital receipts). Secondly the Asset Management Strategy has identified that disposal of three sites will be specifically used to bring forward the development of affordable housing as the primary objective and contributing to the regeneration of key areas. The table below



outlines how the current sites approved for disposal are used to deliver the twin key objectives of housing and capital receipts.

<b>Sites within the Asset Management Strategy 2014/17</b>		
	<b>Disposal sites targeted for Affordable Housing</b>	<b>Disposal Sites for primarily general housing and income receipt</b>
<b>Less 15 units in the urban area or 5 in the rural area</b>	Kinnersley Street, Kidsgrove	Gloucester Road, Kidsgrove *
	Cotswold Avenue, Knutton	Hillport Avenue, Porthill *
		St. Edmunds Avenue, Porthill
		Sandy Lane / Brampton Road, May Bank
		Church Lane, Knutton
		Wedgwood Avenue, Westlands
		Gallowstree Lane, Thistleberry *
		Stafford Avenue, Clayton
<b>More than 15 properties in the urban area and sites of 5 or more in the rural area, triggering the delivery of 25% affordable homes</b>	Heathcote Street, Kidsgrove	Bower End Lane, Madeley
		Market Drayton Road, Loggerheads
		Eccleshall Road, Loggerheads

\*These sites are adjacent to land suitable for redevelopment owned by others, whereby consideration will be given to joint disposal to achieve best consideration.

6.5 During the past year the Council has worked closely with its largest registered provider of social housing, Aspire Housing, to review land in the ownership of the two organisations with the objective of bringing forward additional affordable housing in the Borough. The initial partnership work with Aspire did consider the potential for the two organisations to bring forward housing on adjacent sites which were owned by the respective parties. Due to the legislation governing public sector procurement joint development of land could not be undertaken without having gone through a procurement process. A report was endorsed by the Cabinet at its meeting in June 2014 which explained the most appropriate approaches for Aspire to bring forward affordable housing over the next few years (taking account of the National Affordable Housing Programme provisions and process). This piece of work with Aspire did help to clarify the potential nature and extent of the Council's role in supporting Registered Providers in such circumstances. The Council continues to engage with other registered providers with a view to bringing forward similar programmes on land within their ownership.

6.6 In summary the Council has, for many years, used its own land holding to lever further social and affordable housing development in the Borough. Whilst release of land assets for this purpose has been beneficial to achieve such outcomes, in the main the Council has had to



forgo most or all of the potential capital receipt from such sites in order to realise the housing development policy priority. Looking forward there may be a need to introduce a slightly more refined process that seeks to achieve an appropriate balance between the competing policy objectives.

## **7. Potential housing and employment land sites**

- 7.1 The Borough Council has a number of sites which have current or future housing / employment development potential. As part of the new local plan preparation process, the Council as local planning authority has made a public call for potential development sites (for housing, employment and other purposes). As a major landowner and for reasons cited above it is considered that the Council should respond to this request. Officers have begun the preparation of a list of potential sites which are considered appropriate for inclusion in a formal response to this call for sites. At this stage this would not commit the Council to a disposal but it would enable the local planning authority to consider the suitability and planning merits of our land in the context of other options put forward by private and other public land owners.
- 7.2 On a related note, it is intended to use this exercise to identify the Council-owned land that should feed into the proposed master-planning exercise on land to the west of Newcastle's urban area (centred around the former Keele Golf Centre). It is considered that this would enable a comprehensive treatment of these parcels of land that would best achieve delivery of any infrastructure improvements.

## **8. Lessons from former land disposal programmes**

- 8.1 In 2009 the Council developed a programme to dispose of seven sites under the Newcastle Development Programme. The Council received a high degree of criticism for this programme from those residents who lived in the vicinity of those sites due to the approach adopted to publicity and consultation which had surrounded the proposed disposals. The Newcastle Development Programme was the subject of a major scrutiny review and a full report setting out recommendations on the handling of future programmes was made. In turn subsequent versions of the Asset Management Strategy have taken account of the key findings.
- 8.2 The most recent Asset Management Strategy process has enabled a first tranche of sites to come forward for disposal. These sites have been subjected to public consultation and the results of this have recently been considered by the Cabinet (along with desk-top technical research). Whilst there will always be concern from local residents and Ward Councillors about development on particular sites, the most recent process has demonstrated that consultation can provide a valuable means of drawing out specific limitations of particular sites such as ground conditions, amenity considerations and access. This allows the Council as a land owner to consider whether it is appropriate to proceed with a disposal.
- 8.3 It was perhaps an unfortunate consequence of the manner in which the Newcastle Development Programme proposals became public that the Council was not able to explain how the various sites were intended to be developed. In particular it was always the intention to include an element of public amenity within the larger sites and to lay these out in a manner which retained areas of open space and landscaping. Unfortunately the debate about these sites became overly polarised between the development of the land for housing over their retention as publicly accessible areas of open space. In progressing any future land disposal programme it is important that the Council is clear about the form of development which is proposed and the intended provision of public amenity which will be provided as part of the development.

## **9. Methods to bring forward sites for development**

9.1 The council has a range of options to bring forward land for development:

*(a) Sell land with planning permission*

Under this approach the Council seeks planning approval for development on land within its ownership prior to selling it. This route will normally net a premium capital receipt.

*(b) Sell land subject to planning permission*

The Council can sell land without planning permission but on that basis that a relevant planning permission will be secured by the purchaser/developer. This may net a high capital receipt but will normally leave risk with the Council since a prospective purchaser will normally have reversion rights in the event that the planning permission is not secured.

*(c) Sale of land through a procurement process*

Where a council wishes to sell larger or a number of plots it may use a procurement process to secure a development partner or partners who will implement development of the site or group of sites. In such circumstances a council would normally have secured the relevant planning permissions on the land prior to engaging in the procurement process. Often the capital receipts are derived over the course of the development linked to phasing. There may be scope to derive a regular revenue income on a ground lease mechanism on such large sites.

*(d) Sale of land without specific end use or planning permission*

The Council may sell land without planning permission for a particular end use but this will normally net a significantly lower receipt than land sold with a specific planning permission, given that the risk shifts to the prospective purchaser / developer. In some instances a public auction will be used as the most efficient disposal method.

## **10. Borrowing to fund capital expenditure**

10.1 In an earlier part of the report brief consideration was given to the option to borrow to fund in whole or part the Council's capital expenditure requirements. Whilst this remains an option and indeed in the current prevailing period of low interest rates may be an attractive option, nonetheless, any borrowing would create a corresponding call upon revenue funds to repay the debt. It is considered that whilst the Council has surplus assets which can be disposed of to generate capital receipts that this should be considered as a matter of principle to be the preferred option over borrowing to fund the Council's capital requirements.

## **11. A programme of capital receipts**

11.1 In order to fund the capital expenditure set out in the Newcastle Capital Investment Programme, to fund identified policy priorities and to provide a level of capital funding to enable the Council to realise its medium term planned efficiency savings, it will require capital funding of about £30m. At present there is approximately £1m of uncommitted money within the Council's current capital resources (although a proportion of this should be retained as a contingency). As indicated above there is a reasonable prospect of generating about £10m worth of receipts from "agreed" disposals (including the disposals referred to in reports elsewhere on this agenda). The Council therefore needs to approve an assets disposal programme of at least £20m to deliver the necessary capital receipts between now and late 2017/18 to early 2018/19 (profiled to match the expenditure requirements).

11.2 Of course it should be noted that there are risks associated with the realisation of capital receipts from land disposals. Most importantly there can be no guarantees of planning permissions being forthcoming and market values are liable to fluctuate due to a number of external factors. Additionally unknown technical constraints, such as abnormal ground conditions, would impact negatively upon the value of receipts. Consequently it would be prudent to establish a realistic disposals programme taking account of such factors. In

practice this would mean over-programming to optimise the prospects of adequate capital funding being available at the times it is required.

## **12. Timescales and processes**

- 12.1 The table at para. 2.4 indicates the timescales within which capital resources are required to be committed. It is anticipated that the available capital receipts will not be sufficient to meet the known/likely capital programme demands for 2015/16 (see table under paragraph 6.4). So it would be necessary for the next iteration of the Council's Asset Management Strategy to identify some 'early win' sites to meet the forecast gap. In addition the said Strategy must identify other sites which are required to be released in order to meet the level of expenditure that is known or likely over the following three financial years, plus a contingency figure of say 20%. The sites should be ranked in priority order on the basis of their ability to be bought forward (taking account of salient/current planning policies). The sites will be derived from the list of sites to be brought to your next meeting in response to the local planning authority's call for sites (some of which it is understood are very long term in nature due to relevant Planning Policy constraints and/or service-based policy considerations).
- 12.2 It is intended that in future years the Council's Capital Programme proposals will be supported by clear and deliverable plans showing how they can be funded through a realistic programme of land/property disposals (where that is possible and appropriate).
- 12.3 It is proposed that as a matter of principle, in order to bring forward the larger sites, the Council engages a development partner to be selected through a competitive procurement process. At this stage there are no such sites available given the prevailing Development Plan policy context. Nevertheless the principle of the approach can be endorsed at this stage.

## **13. Consultation**

- 13.1 There will be full consultation in relation to each site to be disposed of. The process followed will be that used by the Council for the sites which are currently being disposed of. Typically this will involve letters being sent to local Councillors, local residents and, where relevant, Town/Parish Councils and any known Residents' Associations, providing information about the proposals and giving them a period of up to six weeks to submit representations. In addition site notices will be placed in prominent publicly accessible locations providing similar information. Any information derived from such consultation is taken into account, along with a desk-top technical site evaluation, before any final disposal decision is made.

## **14. Conclusion**

- 14.1 This report has demonstrated that there is now a priority for the Council to identify the means by which it can fund its medium term financial capital commitments. The report has also explained that as a result of other policy considerations the Council needs to embark upon a systematic programme of surplus land disposals in order to meet the known future capital expenditure requirements. The option for the Council to borrow money to fund future capital requirements has been considered but it has been noted that the cost of servicing the debt which this would produce makes this a far less favoured or justifiable option whilst the Council has surplus assets which it can dispose of. As the report has shown a systematic programme of surplus land disposals would not only provide funding to meet the Council's known future capital expenditure requirements but would also enable it to deliver its policy objective to bring forward more affordable and social housing. Further, by bringing forward land within its own ownership for housing development the Council can directly address the current pressure which it faces as the local planning authority to meet the housing supply requirement. It is also considered that by bringing forward certain of its own surplus land holdings the Council can ensure that a greater share of new housing is delivered into the most appropriate (sustainable) locations.

14.2 The report seeks the approval of Members to bring forward a programme of surplus land disposals which match the Council's stated medium term capital financial needs. In so doing the Council can also help address the known housing land shortage and also accelerate the provision of additional social and affordable housing in the Borough.

## **15 Financial and Resource Implications**

15.1 Implications have been set out under the relevant sections of this report. In particular, the suggested programme of surplus land disposals will provide capital receipts to enable implementation of the Council's capital investment programme. With regard to staff capacity / resources it is intended to assimilate the tasks identified into the relevant service's work programmes (as a high priority task). Any need to supplement existing resources because of shortages in either capacity or specialist skills will be reported if and when such situations arise.

## **16 Major Risks**

16.1 The major risk is that, for one reason or another, land approved for disposal is not sold or there is a significant delay in so-doing. In particular there has to be sufficient market demand at the time of marketing and there may be a shortfall against the Council's valuation. There may be some situations where the grant of planning permission is either not secured or that there are significant costs arising from the imposition of conditions. Additionally the necessary legal and administrative processes must be completed by both parties and this can sometimes cause delays.

16.2 In the event that insufficient capital receipts are generated as they are needed or there is a delay in this happening, this will mean that it would be necessary to either abandon, or postpone investment or to find an alternative source of funding, most likely to be borrowing. The availability of a long list of sites will help to mitigate this.

16.3 If projects included in the capital investment programme are not carried out a number of other risks may arise, depending on which projects are concerned

- Service continuity suffers or service may not be able to be provided at all;
- Customers, staff and the general public are exposed to unacceptable health and safety risks, e.g. from unsafe buildings and structures;
- The Council fails to fulfil its statutory responsibilities;
- The Council fails to meet its legal obligations, e.g. with regard to property leases;
- Income is lost because commercial properties become unlettable or cannot obtain acceptable rentals.

## **REPORT TO CABINET - 14 JANUARY 2014**

### **ASSET MANAGEMENT STRATEGY 2015/16 to 2017/2018**

**Submitted by: Executive Director (Regeneration and Development)**

**Portfolios: Planning and Assets; Economic Development, Business, Town Centres and Customer Services and; Finance and Resources**

**Ward(s) affected: All wards within the Borough**

#### **Purpose of the Report**

To seek Cabinet approval for the Asset Management Strategy (2015/16 to 2017/2018).

#### **Recommendation**

- (a) That Members approve the Asset Management Strategy (2015/16 – 2017/ 2018).**
- (b) That Officers take the necessary steps to explore the development potential of the sites listed in Appendices 2 and 3 at the earliest opportunity.**
- (c) That Officers report back the outcome of recommendation (b) to Cabinet at the earliest appropriate time.**

#### **Decision required**

**Do Members wish to respond to the issue raised at the joint Economic Development and Enterprise and Finance, Resources and Partnerships Scrutiny Committee to consider inclusion of the seven former Newcastle Development Partnership sites in the Asset Management Strategy review of sites?**

#### **Reasons**

The Strategy is a key document, which along with the Council's Capital Strategy and Medium Term Financial Strategy, forms the basis of the Council's Use of Resources. More particularly this Strategy seeks to deliver the Cabinet's expectation that the Capital Programme will be funded as a first resort from the realisation of capital receipts derived from the disposal of land for which the Council has no demonstrable need.

#### **1. Background**

- 1.1** The Council's Capital Strategy and Asset Management Strategy are key documents evidencing the Council's approach to its Use of Resources. This Strategy provides a clear framework for understanding the value and condition of property owned by the Council so that, in turn, investment decisions can be taken to optimise the use of the said land/property to meet the needs of the Borough's residents, businesses and visitors. This Strategy along with the Council's Capital Strategy seeks to demonstrate alignment with, and delivery of, the Council's ambitions as set out in the Council Plan.
- 1.2** As an important evolution in the overall process of reviewing capital expenditure the Cabinet agreed at a meeting in October 2014 the principle that the Council, as a first resort, would seek to fund its future known capital programme needs through the annual asset management planning process by the identification of land or property in its ownership that is capable of, and appropriate for disposal.

1.3 In November 2014 Cabinet approved a list of Council owned sites (see Appendix 4 of the Strategy) to be submitted to the Local Planning Authority following its request for sites through the “Call for Sites” which has the potential to satisfy demand for future housing, employment and other needs such as recreation and leisure.

1.4 A joint Finance Resources and Partnerships Scrutiny Committee and Economic Development and Enterprise Overview and Scrutiny Committee reviewed the Strategy on 16<sup>th</sup> December 2014.

## 2. **Issues**

2.1 This Asset Management Strategy seeks to provide a robust and formal approach to the management and use of the Council’s land and property assets. The Strategy explains the types of property we own and the rationale for so doing. It also summarises the potential ways in which investment can be funded highlighting the manner in which the Council invests in both its operational and commercial portfolios to meet the Council Plan’s objectives. The Strategy also explains the structures/systems relating to management and decision-making.

2.2 Furthermore, it identifies the importance of maintaining and repairing the Council’s property portfolio and it contains a summary of the cost of works required as a result of a stock condition survey.

2.3 As indicated above in October 2014 the Cabinet established an important overarching principle linking the function and purpose of this Strategy with the Council’s Capital Programme and that it should be funded as a first resort from the receipts derived from disposal of land that is no longer required to meet strategic and/or operational needs.

2.4 The strategy sets out in Appendix 1 a list of sites, which Cabinet has approved for disposal previously, (with an update on the current position) in order to assist the planning of capital programme expenditure. Appendix 2 sets out further sites for which approval is being sought to explore alternative uses or development and Appendix 3 lists sites which the draft Playing Pitch Strategy has identified as being surplus to operational requirements and approval is being sought to explore options for alternative use or development of these sites too.

2.5 It is estimated (subject to the granting of planning permission, there being no significant abnormal costs and to the sites selling at open market value) that the capital receipts likely to be generated in respect of the sites identified in Appendices 1-3 is approximately £16m. For the sake of clarity approval is being sought at this meeting for Officers to explore the potential for alternative use or development of the sites in Appendices 2 and 3 only (the sites in Appendix 1 having been approved previously).

2.5 At Appendix 4 a list of sites is included for information purposes that Cabinet has agreed to submit in response to the local planning authority’s Call for Sites. In due course the local planning authority will consider the appropriateness of the Council’s land alongside third party land, for alternative use or development. This assessment will be criterion-based and seek to identify a wide range of land uses such as housing, employment, open space and so on. No new decision is required in this regard but it is highlighted for the reason of clarifying the point that the Town Planning processes are considered to be best placed to determine the merits or otherwise of future land uses (taking account of relevant strategies, evidence, etc.).

2.6 At the joint Scrutiny Committee meeting of Finance, Resources and Partnerships and Economic Development and Enterprise (on 16<sup>th</sup> December 2014), Members reviewed draft copies of both the Asset Management Strategy document and this draft Cabinet report. In addition a separate scrutiny report was provided to Members setting out some key lines of enquiry in order to facilitate a comprehensive review of the Strategy and these questions are reproduced below:

- (i) *Are Members satisfied with the broad thrust of the Strategy (section 2)?*
- (ii) *Are Members satisfied with the site selection criterion used to identify potential sites for disposal (see para. 5.8)?*
- (iii) *Are Members satisfied that the proposed disposal programme will be adequate to meet future known capital programme needs – i.e. for the next three financial years – (see Appendices 2 and 3)?*
- (iv) *Do Members wish to identify any further sites for disposal?*
- (v) *Do Members agree with the principle of disposing of council-owned land where there is no strategic or operational reason for retaining it (para. 2.25 and 5.7)*
- (vi) *Do Members consider that the consultation process is adequate (and with the related principle that amenity considerations should be addressed through Town Planning processes) (paras. 5.19 to 5.21)?*
- (vii) *Are Members in agreement with the principle that the Local Plan process should determine the most appropriate use of the sites identified in the response to the Local Plan “Call for Sites” (paras. 5.15 to 5.17)?*
- (viii) *Are Members satisfied that adequate consideration is being given to maintaining the Council’s property assets and minimising risks from a health and safety perspective (see paras. 3.20 to 3.25)?*

2.7 In addition Members were recommended to resolve as follows:

*That, taking account all of the matters addressed in response to the above questions, Members recommend to Cabinet approval of the Asset Management Strategy 2015/15 to 2017/18.*

2.8 The Scrutiny Committee resolved to approve the above recommendation. In addition, in response to question 4, a motion was put to a vote asking that:

“The 7 former Newcastle Development Partnership sites should be brought into the Asset Management Strategy process for review in accordance with the Scrutiny review process previously undertaken in that regard.”

Whilst the motion was not supported by a majority of members, the Chair confirmed that this issue would be referred to Cabinet.

2.9 At this stage it is the policy of the Council that the said sites should not be disposed of (Cabinet resolution July 2012). Officers can confirm that it does not appear necessary to bring these sites forward at this time in order to fund the requirements of the capital programme for the next three financial years. However Cabinet may wish to address the issue which was raised by some members of the joint Scrutiny Committee.

2.10 Two other issues raised by the Scrutiny Committee that merit reporting are set out below:

(a) the status of the two potential brownfield employment sites (referred to at Appendix 2) was questioned and should be clarified in view of the prioritisation afforded to such sites in this and previous Asset Management Strategies.

2.11 In the case of the land off Brick Kiln Lane (Chesterton) officers can confirm that this site has been identified in response to known developer interest in recent months regarding a

significant employment development scheme. Whilst the site is identified as semi-natural open space in the current Green Spaces Strategy officers consider there may be scope to re-provide much of this at a nearby location (funded from any development of this site). Of course this would have to be addressed in any such development proposal.

2.12 With regard to the site at Apedale Road this forms part of a wider employment site that was established some years ago following a Government-funded land reclamation scheme, although this particular parcel of land was never identified as a specific plot. There are accessibility issues and there may be ground condition issues which will constrain the site's developability. However your officers consider that there is merit in exploring at least the partial development of the site to expand employment land provision in such an established location.

2.13 In both cases the reason for promoting the sites is to provide much-needed employment land in advance of any sites that may be identified in the forthcoming Local Plan.

(b) the basic principle of local authority land disposal was questioned and in particular the community or public interest/rights was raised. This point is addressed at section 7.

2.14 For the sake of clarity it should be noted that minor textual changes have been made to the draft Strategy since it was considered by the joint Scrutiny Committee held on 16 December 2014 (no substantive revisions).

### 3. **Options Considered**

#### 3.1 **Option 1 – Do nothing**

3.2 If the Council did not prepare an Asset Management Strategy and Plan it would not be possible to either manage assets dynamically or demonstrate the rationale for investment; thereby exposing the Council to criticism that it had a weak approach to the management and use of its physical resources.

3.3 If capital receipts are not generated through the disposal of assets or there is a delay in this happening, this will mean that it will be necessary to either abandon, or postpone investment in the capital programme or to find an alternative source of funding, most likely to be borrowing (the revenue consequences of which would need to be addressed as part of the General Fund budget setting process).

#### 3.4 **Option 2 – Prepare Asset Management Strategy / Plan**

3.5 The preparation of a Strategy enables the Council to establish some key principles about managing assets both strategically and dynamically in the context of Council Plan priorities. Having an Asset Management Plan provides a clear programme to optimise property investment in the context of the Strategy.

3.6 The capital receipts generated from the disposal of the assets set out in Appendices 1, 2 and 3 in the Strategy (subject to the granting of planning permission, there being no significant abnormal costs and to the sites selling at open market value) will fund the future Capital Programme.

### 4. **Proposal**

4.1 Option 2 is proposed.

4.2 That Members approve the Asset Management Strategy 2015/16 to 2017/2018 and that officers be authorised to explore the potential for alternative use or development of the sites listed at Appendices 2 and 3, reporting back to Cabinet at the earliest opportunity.



## 5. **Reasons for Preferred Solution**

- 5.1 This strategy embodies current Government thinking in respect of asset management and enables the Council to demonstrate the prudent use of its physical resources.
- 5.2 The capital receipts generated from the disposal of the assets set out in the Strategy (subject to the granting of planning permission, there being no significant abnormal costs and to the sites selling at open market value) will fund the Capital Programme for the next three financial years.

## 6. **Outcomes Linked to Corporate Priorities**

- 6.1 The Asset Management Strategy enables achievement of priority outcomes in all four of the Council's corporate priorities.

## 7. **Legal and Statutory Implications**

- 7.1 The Council has a duty, both fiduciary and operationally to utilise its Assets for the benefit of the Community.
- 7.2 Local Government Act 1972 (as amended) – Section 123 - the Council may dispose of land held by it in any manner it wishes but has a duty to achieve “best consideration” for its assets.
- 7.3 Local Government Act 2000 - powers to promote the economic, social and environmental wellbeing of the Borough.
- 7.4 Localism Act 2011 – this Act includes provisions in relation to the “Community Right to Bid” but these do not override the S.123 requirement to achieve “best consideration” in any disposal of local authority land.

## 8. **Equality Impact Assessment**

- 8.1 Planned investment in the Council's operational portfolio will achieve compliance with the Disability Discrimination Act 2005.

## 9. **Financial and Resource Implications**

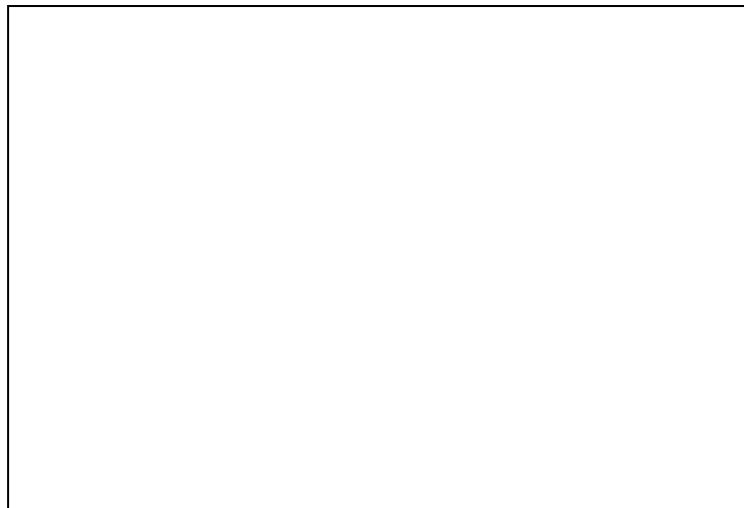
- 9.1 These are set out in the document in terms of planned investment in the operational portfolio and possible capital receipts through the disposal of land and property.
- 9.2 The capital receipts generated from the disposal of the assets set out in Appendices 1, 2 and 3 in the Strategy (subject to planning permission, there being no significant abnormal costs and to the sites selling at open market value) is estimated to exceed £16m and will therefore fund the Capital Programme requirement for the next 3 financial years.
- 9.3 Provision has been made within the draft capital programme contained elsewhere on your agenda for fees associated with the submission of planning applications in relation to three of the larger or more complex sites listed at Appendix 1. It is intended that the in-house team of Property officers will prepare and submit planning applications in relation to other disposal sites. The capacity to do this will be prioritised in their work programme and any associated fees (both for the planning applications and any necessary supporting technical assessments) will be funded from income derived from land disposals.

## 10. **Major Risks**

- 10.1 That failure to prepare an Asset Management Strategy and Plan will adversely affect the Council's ability to demonstrate optimum use of its physical resources (assets).

- 10.2 A major risk is if land is not approved for disposal or if land approved for disposal is not sold or there is a significant delay in so-doing. In particular there has to be sufficient market demand at the time of marketing and there may be a shortfall against the Council's valuation. There may be some situations where the grant of planning permission is either not secured or that there are significant costs arising from the imposition of conditions. Additionally the necessary legal and administrative processes must be completed by both parties and this can sometimes cause delays.
- 10.3 In the event that insufficient capital receipts are generated as they are needed or there is a delay in this happening, this will mean that it would be necessary to either abandon, or postpone investment or to find an alternative source of funding, most likely to be borrowing (the revenue consequences of which would need to be addressed as part of the General Fund budget setting process).
- 10.4 If projects included in the capital investment programme are not carried out a number of other risks may arise, depending on which projects are concerned
- Service continuity suffers or service may not be able to be provided at all
  - Customers, staff and the general public are exposed to unacceptable health and safety risks, e.g. from unsafe buildings and structures;
  - The Council fails to fulfil its statutory responsibilities;
  - The Council fails to meet its legal obligations, e.g. with regard to property leases;
  - Income is lost because commercial properties become unlettable or cannot obtain acceptable rentals.
11. **Key Decision Information**
- 11.1 The report is referred to in the Forward Plan.
12. **List of Appendices**
- 12.1 Asset Management Strategy 2015/15 to 2017/18
13. **Background Papers**
- 13.1 Various reports and guidance documents from Government and the Audit Commission relating to Asset Management.
14. **Previous relevant Cabinet or Committee resolutions**
- 14.1 Joint Economic Development and Enterprise and Finance, Resources and Partnerships Scrutiny Committee meeting on 16 December 2014.
- 14.2 Cabinet 12 November 2014 – items regarding both land disposals and Call for Sites response.
- 14.3 Cabinet 15 October 2014 – item regarding “Funding the Council’s Capital Programme”.

**NEWCASTLE-UNDER-LYME  
BOROUGH COUNCIL  
ASSET MANAGEMENT  
STRATEGY  
2015/16 -2017/18**



Version – 09/12/14

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### **5.0 PROGRAMMES**

- 5.1 Asset Reviews
- 5.2-5.3 Future Disposal of Surplus Land
- 5.4-5.6 Local Plan
- 5.7 Disposal Programme for under-utilised Assets – Operational service Requirements
- 5.8-5.14 Identification and potential sites for dispersal
- 5.15-5.17 Call for Sites – Response to the Local Planning Authority
- 5.18 Masterplan to the west and south of urban Newcastle
- 5.19-5.21 Consultation arrangements for future disposal
- 5.22-5.23 Car Parks
- 5.24-5.26 Commercial Portfolio
- 5.27-5.28 Community Centre Review

**PARTNERSHIP ANDE COLLABORATIVE WORKING**

- 5.29 Public sector GIS based database
- 5.30 Regeneration
- 5.31-5.34 Newcastle Town Centre Redevelopment
- 5.35 Newcastle Town Centre Public Realm
- 5.36-5.37 Shared Accommodation/Public Sector Hub
- 5.38 Facilitating Community Assets
- 5.39 Funding and Investment Strategy

**6.0 ARRANGEMENTS FOR ASSET MANAGEMENT PLANNING**

- 6.1 Corporate Management Structure regarding Asset Management
- 6.2 Portfolio Holder Responsibility
- 6.3 Corporate Property Office
- 6.4 Assets Review Group
- 6.5 – 6.10 Capital Programme Review Group
- 6.11 Day to Day Asset Management Planning
- 6.12-6.14 Asset Management Data and Information systems
- 6.15 Health and Safety

**APPENDICES**

- Appendix 1 – Land and Property Disposals – approved and ongoing
- Appendix 2 – Land and Property Disposals – under investigation and subject to approval
- Appendix 3 - Draft playing Pitch Strategy – under investigation and subject to approval
- Appendix 4 – Call for sites list
- Appendix 5 – Consultation Process
- Appendix 6 – Asset management planning reporting structure

## **1.0 INTRODUCTION**

- 1.1** Property is a technically difficult asset to provide and maintain, slow to change and can be expensive to run. If the Authority is to get the best out of its use of land and buildings, it is important that it has a clear vision of what it expects from its properties, and that it resources them appropriately.
- 1.2** The property estate must be regularly reviewed and actively managed to ensure that it supports changing needs and offers continuing value for money. This management process depends on full engagement from Senior Officers, Councillors and from the operational service units that occupy the properties. Additionally it is vitally important that users of Council-owned land or premises, along with other stakeholders (including local residents), are afforded the opportunity to comment upon Council decisions affecting property. This may be particularly important in cases where the Council is seeking to dispose of, or disinvest in, land or property. In such cases consultation will be proportionate to the scale and nature of any such decisions.
- 1.3** In order to demonstrate that the Council is managing its resources effectively, in the context of an overall aim of delivering efficient public services, the Council must produce a suite of key documents on an annual basis; the Asset Management Strategy/Plan is one of these documents (others include the Council Plan, the annual budget, the Capital Strategy and the Medium Term Financial Strategy). Up to date Government guidance and acknowledged best practice has informed the structure and context of this Strategy.

## **2.0 ASSET MANAGEMENT – A STRATEGIC APPROACH**

### **CONTEXT**

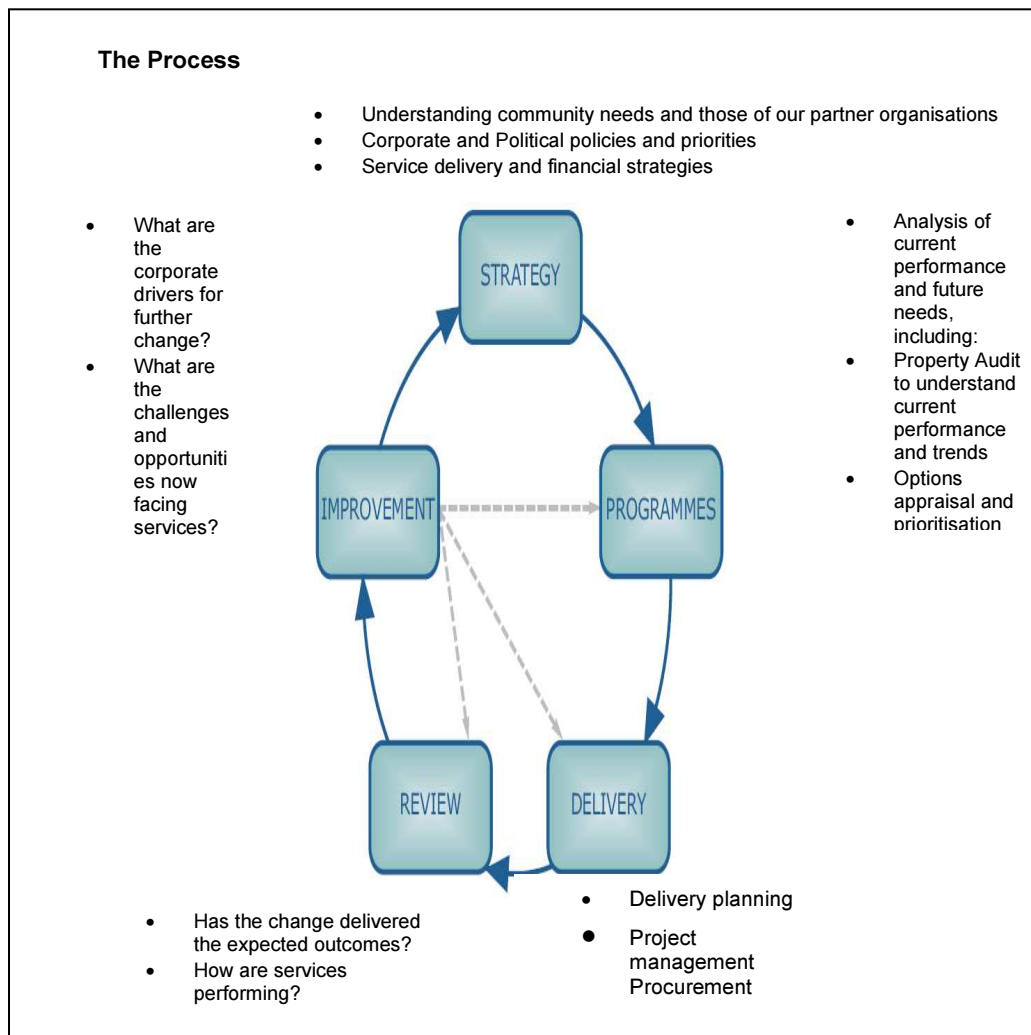
- 2.1** The Borough of Newcastle-under-Lyme is part of the conurbation of North Staffordshire. It is the most populated district in Staffordshire with a population of around 125,000 and has an area of 81 square miles. The two main towns within the Borough are Newcastle-under-Lyme and Kidsgrove and there is an extensive rural area to the west/south-west of the urban area.
- 2.2** The industrial base of the Borough has changed significantly in the last century, with the closure of local coal mines and the development of the distribution sector. Service industries are the largest employers in the area, with the number of people employed in water, energy and construction industries being higher than average. The presence of Keele University with the development of its innovation centres for small businesses, new medical school and the growth in hi-tech, research and medical technology businesses demonstrates the potential for added value growth of the area. Newcastle town centre is recognised as being one of two strategically important centres in the North Staffordshire conurbation, with further growth predicated upon its good connections to major transport routes.
- 2.3** There have been big reductions in funding provided to local authorities, central government and its agencies, arising from the need to restrain public expenditure to rebalance public finances following the global economic recession beginning with the banking crisis in 2008. Services remain under pressure to reduce costs and to keep fixed outgoings such as property related costs under review. At the same time, the Council's own resources available to finance capital projects have diminished and need replenishing before any substantial further capital investments can be made. Several years ago, in response to this requirement, the Council initiated an Assets Disposal Programme demonstrating a more concerted effort to dispose of land/property which it no longer required. In the past twelve months this position has been refined in a corporate context whereby the Cabinet has resolved that future capital programmes should be funded as a first resort from asset disposals.

### **MAIN ELEMENTS OF GOOD ESTATE MANAGEMENT**

- 2.4** The main elements of good asset management for public authorities are listed below:
- Leadership – political, corporate and technical.
  - Culture – establishing an environment that sets high standards and measures performance.
  - Strong customer focus – consultation and feedback undertaken in the context of wider public interest.

- Clarity of Structure, Roles and Responsibilities.
- Resources and Capacity – adequate staff, time and funding.
- Clear Governance – support of senior management and political leadership.
- Data – decisions should be properly informed.
- Sustainability – outcomes are sustainable organisationally, environmentally and financially.

**2.5** In order to facilitate good asset management it is also necessary to design a process that can be readily understood by all interested parties and, most importantly, be clear to those involved with administering it. It is proposed to continue with a five stage process for asset management in this Council as described in the annotated diagram below:





1. Strategy

This document is the strategy at the head of the diagram which seeks to clarify the Council's approach to asset management, particularly balancing the corporate context with service delivery requirements.

2. Programmes

The programmes of work should be derived from the strategy and these will typically relate to investment in retained stock and disposal of property where there is no evidence of strategic or operational service need to keep it.

3. Delivery

Delivery of agreed programmes is the vital ingredient that translates the strategy into action and recent experiences of property disposals demonstrate the importance of good project management.

4. Review

Continual review is a key element of the process too in order to ensure that the property estate continues to support efficient service delivery.

5. Improvement

The latter should lead into improvement planning in order to ensure that any change in direction in corporate priorities can be responded to.

## **2.6 BENEFITS OF GOOD ASSET MANAGEMENT**

- Improved services through better buildings and co-location of services
- Improvements in efficiency, which generate financial savings
- Reduced maintenance backlog
- Better utilisation of property
- Release of capital through sale of surplus assets
- Potential to drive regeneration outcomes both economic and housing growth

## **ASSET MANAGEMENT IN PRACTICE**

### **Office rationalisation programme**

**2.7** At the time of writing this Strategy the Council has agreed, in principle, to relocate from its main office headquarters (in Merrial Street) to facilitate a comprehensive retail-led regeneration scheme. During the next 12 months the necessity, deliverability and affordability of this project will be further assessed. In the meantime the Council continues to review its office accommodation in Newcastle town centre and has, as a result, consolidated the Borough Council staff in a more space efficient manner within the Civic Offices to free up space which has been let to other public sector partner organisations which include the Staffordshire and Stoke-on-Trent NHS Partnership Trust, Staffordshire County Council and Staffordshire Police. This has produced:

- a significant annual revenue income;
- a reduction in running costs to the Borough Council;
- a reduction of carbon emissions from the Council;
- improved partnership working and;
- potential to deliver more seamless public services.

### **Depot review**

**2.8** The Council continues to review its depot facility following the rationalisation of the overall site which enabled the Staffordshire Fire and Rescue Service to build a new Community Fire Station on surplus land. Office staff have recently moved to the Depot from the Civic Offices to free up space which is being let to Staffordshire and Stoke-on-Trent NHS Partnership Trust. More importantly over the next 12 months is the need to undertake a more fundamental review of the depot premises in order to accommodate the delivery of an enhanced Waste and Recycling Service from mid-2016. It is intended that the necessary premises alterations will have been completed by January 2016. Council owned land opposite the depot on Silverdale Road (see Appendix 1) has been identified as a possible requirement for operational purposes to support the planned reconfiguration at the depot.

### **Green Space Strategy**

**2.9** In 2005 the Council (in partnership with Stoke-on-Trent City Council) adopted a Green Space Strategy which covers the urban areas of the Borough and the City. This assesses the needs of the community to ensure that it is adopting the right approach to green space provision, management and maintenance. There is also a Rural Green Space Strategy which relates to the rural areas of the Borough

**2.10** The Council has agreed to review and update these strategies over the next year or so in line with changes to national policy, local government finance and projected resources; this will be used to inform the forthcoming review of the Local Plan (see later).

### **Playing Pitch Strategy**

**2.11** A Playing Pitch Strategy (PPS) has been commissioned and will be completed soon after approval of this Strategy. At the time of preparing this Asset Management Strategy the draft PPS has identified some sites where there is no local demand thereby rendering them suitable and appropriate for alternative use or development.

**2.12** The above strategies will seek to prioritise and direct resources into the areas which provide the greatest benefit to the community and to identify areas where disinvestment, change of use or disposal may be appropriate.

## **DEVELOPING A CLEAR PROPERTY STRATEGY FOR NEWCASTLE**

### **Scale of Activities**

**2.13** The Borough Council is a significant property owner within its administrative boundaries with substantial legacies around the two main town centres of Newcastle and Kidsgrove as well as in the urban villages/rural hinterland.

**2.14** As at March 2014 the Council's property assets were recorded in the Asset Register at a value of just under £72.4m. The properties are valued in accordance with RICS Appraisal and Valuation Standards ("Red Book"). This involves a variety of valuation methods dependent upon the particular asset and its use. This estate comprises a mix of property, some 220 buildings and various land holdings which form two distinct portfolios, the Commercial/Regeneration Portfolio and the Operational Portfolio (see section 4).

#### (a) Operational Portfolio

**2.15** This consists of land and buildings from which the Council carries out its own business activities/service delivery. This comprises a mix of 100 buildings that are typical of a local authority estate and result from the history of diverse activities in which local authorities have been involved in the past.

**2.16** Examples of the existing operational properties include Jubilee 2 Health and Wellbeing Centre, the Civic Offices (the main office headquarters) and the works depot (which provides workshops, stores and garaging for the Council's direct works departments).

**2.17** The primary objective of the operational stock is to ensure that it remains fit for purpose. So the condition of the properties is kept under review and essential maintenance is prioritised accordingly. From time to time it will become evident that properties have reached the end of their natural life – i.e. when the property is uneconomical to repair in order to fulfil the service needs. Members will recall that the Jubilee 2 development was predicated upon a business case that demonstrated, amongst other things, the necessity to replace two out-dated premises. A similar situation is developing at Kidsgrove where the current leisure centre is now in need of replacement. At the time of writing Cabinet had agreed to consider the inclusion of such a scheme in the preparation of a future capital programme.

**2.18** The Council no longer holds social housing stock but still owns and maintains significant land holdings within these neighbourhoods. This land is kept under review and presents opportunities for alternative use or development in liaison with the stock-transfer company, Aspire Housing.

**2.19** The Council owns and manages approximately 1800 acres of land for the purpose of providing parks, gardens, outdoor sports facilities, children's playgrounds, Local Nature Reserves, woodlands, allotments, cemeteries, footpaths and cycle ways for the benefit and

enjoyment of the public. The strategic context of the use of these spaces is provided in the Green Space Strategy or other key strategies.

(b) Commercial Portfolio

- 2.20** The Commercial Portfolio comprises land and buildings let to business tenants on the basis of open market rents, as well as the Council's fee paying car parks. Whilst the basic approach to the commercial portfolio lettings is market driven there may be occasions where the Council's economic regeneration objectives influence this position. Any such adjustment to purely market-led criteria has to be approached with caution to avoid distorting the market and creating a spiral of decline in investor confidence. A commonly used approach, particularly in difficult economic conditions (such as those prevailing over the past three years), is to incentivise prospective tenants with rent-free periods, where necessary, as opposed to reducing market rental levels. However particularly in the retail sector there have been some rent reductions in line with current market evidence; it is intended that this practice will continue for the foreseeable future in order to both promote economic growth and to optimise rental income.
- 2.21** This Portfolio comprises 120 freehold buildings and 13 leasehold units: town centre premises including retail, office and leisure uses along with a number of premises on industrial estates. There are also street markets and hybrid premises (operational properties which have an element of commercially let space within them), such as the lettings of part of the Civic Offices to public sector partners.
- 2.22** The Portfolio itself has arisen out of various regeneration initiatives that the Council has undertaken from the 1930s onwards when it undertook the development of the Lancaster Building shops and office complex at the time of an economic depression. In response to the recent weak global economic conditions, the Council invested significantly in this Listed Building through a comprehensive refurbishment to achieve a "very good" BREEAM standard. The offices are now fully let.
- 2.23** In recent years, additions to this portfolio have included the construction of a small block of industrial units for the small business/new enterprise market at Church Lane (Knutton) which are now fully let. Additionally the Council facilitated the development of a BREEAM "outstanding" commercial building at Chatterley Valley, known as Blue Planet, on land which we held as a result of an intervention in the market to deal with a heavily contaminated parcel of land. These premises have been successfully let to JCB who are operating their world logistics hub from the site. JCB also have an option to purchase adjacent Council owned land which would facilitate future expansion on this site.

## **ASSET MANAGEMENT POLICIES**

**2.24** Asset Management Policies will be influenced by various factors including current government policy; the needs of the community; the needs of the organisation in delivering services and economic conditions. Taking account of these the Council's key policies for asset management are as follows:

- a) The Authority will only hold sufficient property to meet a service need or strategic objective;
- b) Property is a corporate asset and will be managed as such;
- c) Service demands on the estate will be met in the most cost effective manner available to the Authority;
- d) Properties held for service needs will be suitable for their intended purpose and;
- e) The condition of the Authority's estate will be maintained at the best possible level to meet the needs of the operational activities (taking account of available resources) with best endeavours being used to optimise the environmental performance of all properties

### **PROPERTY-RELATED ASSET MANAGEMENT OBJECTIVES:**

**2.25** In the context provided above it is appropriate that the Council has clear objectives relating to the use of its property assets and these are summarised below:

- a) To facilitate and contribute to the achievement of corporate priorities and objectives;
- b) To support service delivery requirements;
- c) To optimise capital receipts from disposal of surplus land/property to provide funds for capital programme expenditure;
- d) To achieve optimum utilisation of property assets;
- e) To optimise income from the Commercial Portfolio;
- f) To invest available funding in areas of greatest need or opportunity (including essential maintenance and repair);
- g) To demonstrate the efficient use of resources on land and property owned by the Authority;
- h) To minimise the opportunity cost of holding land and property assets;
- i) To keep the property portfolio under review (at least annually) with the aim of disposing of land or property for which there is no strategic, financial, operational or other public interest reason for retention;
- j) To minimise the adverse environmental impacts of the portfolio and;

- k) To engage with local community and third sector organisations to optimise the effective and efficient use of community assets;

### **3.0 THE WIDER POLICY CONTEXT**

#### **A. THE NATIONAL CONTEXT:**

##### **Government Policy**

**3.1** Many Government initiatives, policy statements and/or guidance influence the Authority's asset policies, including:

- The Quirk review of ownership of public assets
- The Gershon Review, and the drive to improve efficiency
- The Prudential Code for the management of capital finance
- Leaner and Greener Report – Delivering effective estate management
- Leaner and Greener II – Putting Building to Work
- Penfold Review
- Laying the foundations of a Housing Strategy for England
- The Localism Act - Community Right to Bid
- Community Infrastructure Levy (CIF)
- The National Planning Policy Framework

##### **Statutory Responsibilities**

**3.2** The Authority as an employer, a landowner, a landlord and a provider of services, has a wide range of responsibilities with an implication for accommodation including:

- A range of health and safety legislation, EEC requirements. HSE best practice and guidance notes, Industry standards and Insurance requirements.
- Carbon reduction and energy efficiency legislation and requirements.
- Equality Act 2010. This does not simply encompass accessibility considerations and has to be taken in to account in virtually all development and maintenance work which is carried out to ensure that every possible aspect of disability has been considered when implementing work.
- Management of the risks associated with property assets including regular maintenance and servicing to address matters such as:
  - i) Legionella – A managed programme of water testing and preventative measures are carried out including weekly flushing regimes, monthly temperature tests, bi-annual bacteria testing and, as required, physical system cleansing. A robust legionella policy is in place for the council as required by law.
  - ii) Asbestos – An on-going programme of surveys and management together with the use of asbestos registers and regular monitoring to prevent the release of dangerous fibres and warn of the presence of asbestos across the portfolio. A robust asbestos policy is in place for the council as required by law.

- iii) Fire Safety – The Authority undertakes Fire Risk Assessments in respect of its properties and tests fire safety equipment e.g. alarms on an annual basis. Weekly, monthly and annual testing of fire monitoring and backup systems also take place as required by the legislation to ensure that fire systems are maintained.
- iv) Gas Safety – Inspections and services are carried out on an annual basis to ensure that all gas appliances are safe to use. The correct pre-planned maintenance approach has also ensured that gas appliance failures are now very rare which has delivered a considerable saving in respect of reactive maintenance costs.
- v) Electrics - An ongoing program of periodic tests is carried out to fixed wiring as required by both legislation and our insurers together with Portable Appliance Testing.
- vi) Lifts, pressure vessels, safety line, chimney maintenance - checks are carried in accordance with best practice.
- vii) Lightning Conductors – checked in accordance with best practice.
- viii) Routine inspection and repair/maintenance of assets including tree stock, playground stock, railings and structures, footpaths and roads etc.
- ix) Testing and maintenance of generators, air conditioning and mechanical services equipment.

NB: The above summary is not an exhaustive list of statutory inspections/maintenance arrangements.

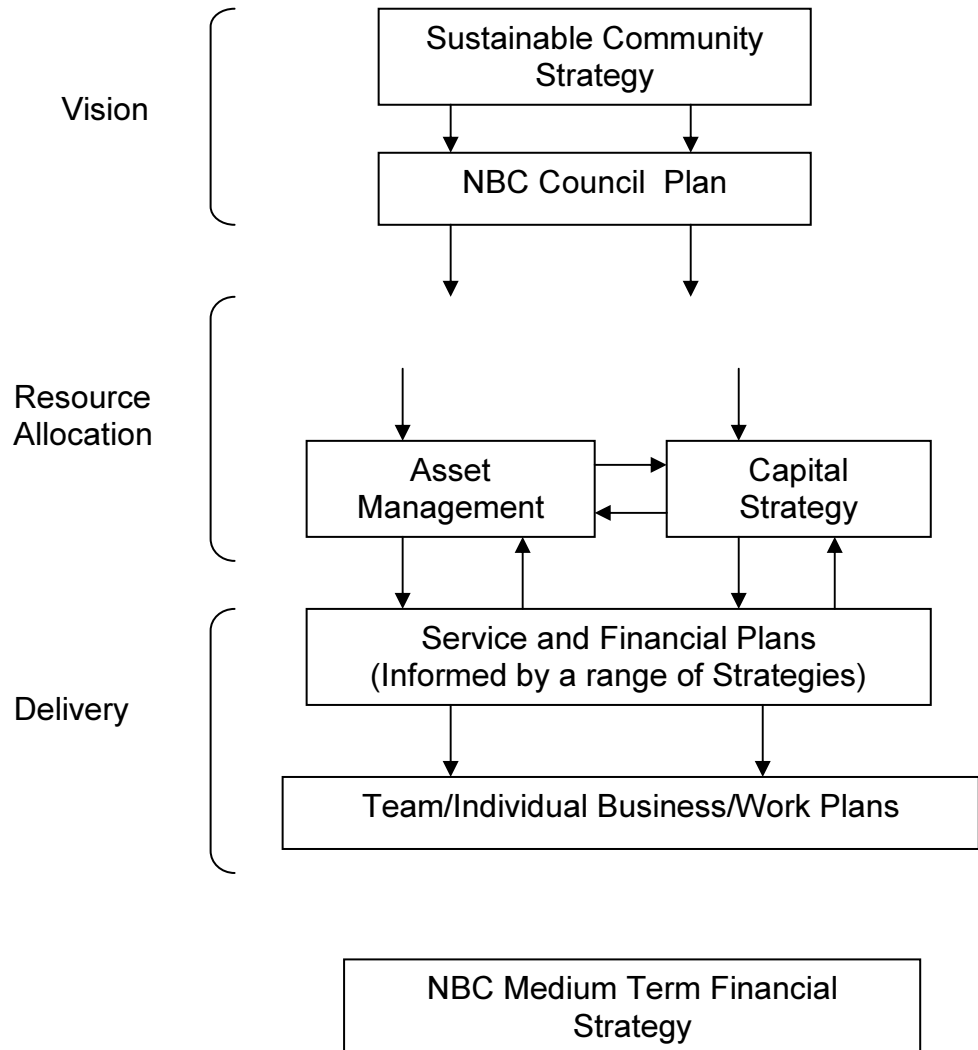
## **B. THE LOCAL CONTEXT**

### **3.3** The Asset Management Strategy draws from a number of strategic Council documents including:

A Sustainable Community Strategy 2014-2020  
Council Plan – 2013/14 to 2015/16  
Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy 2006-2026  
Medium Term Financial Strategy -2015/16 to 2019/20  
Capital Strategy 2015-2019  
Revenue and Capital Budget 2015-2016  
Urban North Staffordshire Green Space Strategy 2009  
Playing Pitch Strategy 2015  
Economic Development Strategy 2012-2017  
Housing Strategy 2011-2016  
Strategic Housing Land Availability Assessment 2013/14  
Carbon Management Plan 2011  
The Staffordshire and Stoke-on-Trent Compact and Third Sector Commissioning Standards 2014-2018  
Safe and Stronger Community Strategy 2012-2017  
Health and Wellbeing Strategy 2013-2018  
Contaminated Land Strategy 20014-19



The diagram below shows the relationship the Asset Management Strategy has with key Council/partner strategies/plans:



### **Links to Council Plan**

**3.4** The Council Plan (2015-2020) has four main priority areas which are:

- Becoming a Co-operative Council which Delivers High Quality Community Driven Services
- A Clean, Safe and Sustainable Borough
- A Borough of Opportunity
- A Healthy and Active Community

### **Funding the Council's Capital Programme**

**3.5** Importantly, as referred to at paragraph 2.3, the other important corporate context has been provided by a Cabinet decision in autumn 2014 that future Capital Programmes should be funded by the realisation of capital receipts as a first resort.

### **Performance Management Context**

**3.6** The performance of the Authority's estate is subject to scrutiny by the Economic Development and Enterprise Scrutiny Committee with oversight, in respect of the financial elements of the strategy, also being provided by the Finance, Resource and Partnerships.

**3.7** Ongoing review of assets is a key task for both managers of Operational Services and Property-related staff. Such reviews have become formalised through a corporate officer working group, the Assets Review Group.

**3.8** The action logs of the Assets Review Group are reported to the Executive Management Team. Significant decisions about potential disposals or acquisitions are reviewed there and if agreed in principle then reported for a Cabinet decision. This may require consideration at the Capital Programme Review Group when capital expenditure over £20,000 may be required on a property or parcel of land.

**3.9** The main performance indicators pertaining to the Council's operational and commercial property portfolios are listed below:

- Percentage of the investment portfolio which is vacant
- Percentage of investment portfolio in arrears
- Percentage of statutory inspections completed on time

**3.10** Other performance indicators (relating to the maintenance of buildings) have recently been introduced these being:

- Percentage reduction in energy consumed
- Time taken to respond a to repair

### **Partner Organisations**

**3.11** Community leadership is often delivered through partnership, and it is probably seen in the best light when it tackles “cross-cutting” issues. The Newcastle Partnership brings together key players from the public, private and voluntary sectors with the aim of enhance the quality of life of local communities. Two key priorities have been identified around enhancing economic growth and tackling vulnerability, based on the Council’s key strategies. The Partnership has developed a Work Programme focused on these key priorities and has in place a number of projects designed to deliver against this Work Programme. Our ability to lead and contribute to partnerships is increasingly important to help us secure improvements in service delivery through the physical estate for the residents, investors and visitors to the Borough.

### **Staffordshire and SOT Local Enterprise Partnership (LEP)**

**3.12** The Local Enterprise Partnership (LEP) is a private sector-led partnership with the public sector which aims to drive economic growth and create jobs. Formed in 2011, the LEP’s vision is to create 50,000 jobs and increase the size of the economy by 50% by 2021. The LEP creates opportunities for business by providing advice, support and skills development; creating the opportunity for businesses to access funding through funding streams such as the Growing Places Fund, driving forward strategic investment in infrastructure and major initiatives such as the City Deal – Powerhouse Central.

**3.13** The Council’s Land Disposal Strategy supports this growth initiative by creating the opportunity to dispose of surplus land to facilitate economic growth and add to the housing offer available within the Borough in line with both the LEP growth ambition and Government policy. Additionally, the master planning exercise which is to take place over the future use of the former Keele Golf site and the land to the west and south of urban Newcastle has the potential to support further development of Keele University & Science park as a major employment and growth hub within the Borough (subject to the outcome of the Local Plan process).

### **Newcastle Town Centre Partnership**

**3.14** Newcastle and Kidsgrove Town Centre Partnerships are private sector-led partnerships which have been established to bring together local businesses and the Council to improve the economic fortunes of the town centres.

### **Disposals to Third Sector**

**3.15** For a number of years, the Council has pursued a policy of disposal of Assets to the ‘Third sector’ through the engagement of active community groups. The Council’s disposal strategy in respect of these groups recognises the strengths of pro-active community organisations – independence, specialist knowledge of particular

activities, community focus and access to third sector funding streams.

**3.16** The Council seeks to support these organisations by adopting a number of different approaches to community engagement and management of assets. The approaches range from a totally devolved community management structure – where the asset is leased to an organisation who then assume complete control of it including repairs/maintenance, running costs etc. and who also receive and control income generated by the asset (e.g. letting to Newcastle Rugby Club) – through to a supported management structure where the Council retains responsibility for the costs associated with the asset and the income generated by it e.g. football pitches – and onto a “stewardship” role for the community where volunteers or Friends Groups provide an input and influence to the Council’s management decisions.

**3.17** In some cases this involves granting long leases of land and property to third sector organisations at nominal rentals. The grant of such leases, as opposed to outright disposal of the freehold, ensures that where such groups experience problems, (for example through loss of key members), the asset (land/property) returns to the Council (and the greater community) to be utilised again for a similar purpose or some other purpose outlined in the corporate priorities. Examples of successful leases (typically of 20/25 year duration) previously established by the Council include:

- Kidsgrove Ski Club
- Newcastle Town Football Club
- Newcastle and Hartshill Cricket Club
- Newcastle Rugby Club
- North Staffs Special Adventure Playground
- Kidsgrove Citizens’ Advice Bureau

**3.18** There are also a number of examples of community green spaces which are managed and/or leased by local community groups, including:

- Audley Millennium Green
- Lyme Valley Allotments

**3.19** In addition the Facilities team have assisted community groups/sporting organisations in relation to project managing improvement schemes recent examples include the rebuilding of the bowls pavilion at Westland Sports Ground and the planned/committed refurbishment of the Sports Centre in the Lyme Valley.

### **Capital Programme and Stock Condition**

**3.20** Another key area relates to the maintenance and repair of the significant operational land and buildings. Whilst key properties remain under review (e.g. Civic Offices) a modest investment

programme has been approved annually as part of the Council's Capital Programme. Provision is made in the Council's General Fund Revenue Programme annually to meet the ongoing costs relating to land and property maintenance.

- 3.21** This maintenance/repair work is driven by the review of the stock condition survey which is assessed annually in order that a clear record of the condition and repair of the assets is maintained. This enables the identification of major repairs requiring capital investment. In addition any assets which require urgent attention due to health and safety risks will be highlighted and prioritised to ensure that the Council complies with its statutory requirements.
- 3.22** A stock condition review has been carried out again in 2014 and moving forward the repairs identified have been categorised (“RAG-rated”) as Red (urgent repairs required to meet Health and Safety obligations or similar imperative); Amber (repairs which can be left in abeyance for a short time but will result in deterioration of the asset as time goes on) and Green (repairs which can be put in a planned maintenance programme spread over a number of years). This has enabled preparation of an indicative costed and planned schedule of capital works over a 5 year period to enable better planned maintenance and capital finance planning.
- 3.23** In assessing the future maintenance repair of the Council’s operational estate there will need to be a balance between providing the financial resources to undertake a pro-active maintenance programme and the risk that not doing so will impact on future capital costs (since the fabric of assets will deteriorate over time and maintenance work will become more costly due to this).

**Summary table of the likely stock condition survey cost requirements 2015/18**

<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
<b>£447,500*</b>	<b>£1,529,150**</b>	<b>£1,882,680**</b>

- \*Subject to Capital Programme approval 2015/16 and forms part of proposed £4.6m expenditure (See Annex B Capital Strategy 2015-2019)
- \*\*These are indicative amounts for future financial planning and modelling purposes

**Current planned maintenance / improvement 2014 - 2016 \***

**3.24** Whilst it might be desirable from an asset management viewpoint for the Council to move towards a planned maintenance programme in the next few years based on the Stock Condition Survey, given competing priorities for expenditure and limited available capital funds this Strategy has adopted a targeted approach to investment for 2014/15 and into 2015/16 (\*subject to approval of the Capital Programme budget for 2015/16) as follows:

- a) Former St. Giles and St. George's School - Maintain whilst clarifying end use (current preferred location for new Civic Offices).
- b) Clayton Sports Ground - Drawings and specifications for a new roof to the sports hall, a new heating system together with part refurbishment of the interior of the facilities in order to extend the life of the building and provide enhanced facilities have been prepared for a tender exercise to be carried out during the winter of 2014/15. It is planned to commence the work in the Spring of 2015 to take advantage of better weather conditions. The majority of the cost is to be financed by various external grant funds  
  
The council is also exploring other possible funding opportunities from badminton organisations which could potentially fund a new sports hall floor and full redecoration of the hall.
- c) Civic Offices - essential works to upgrade the electrical system will be undertaken in 2014/15 and this will continue in the following two years.
- d) Entire corporate portfolio – fixed wiring testing and associated remedial works to be carried out in 2015.
- e) Public Car Parks – Urgent resurfacing where necessary to mitigate risks.
- f) Museum – Exterior repairs and redecoration.
- g) High Carr Farm – New windows and porch.
- h) Industrial units at Brampton Sidings and Croft Road – major overhaul of leaking roofs with rubber solution to achieve a 20 year lifespan.
- i) Roe Lane and Birchenwood pavilion – installation of new self-flushing showers.

- j) Silverdale Community Centre – demolition of structurally unsound part of building.
- k) Guildhall – interior decoration.
- l) Accommodation Review - Undertake further work to establish the medium/long term accommodation needs of both the Borough Council and other public sector partners in order to secure more efficient occupation of operational buildings.
- m) Further high priority improvement works to other community centres and potential tenanted properties to preserve the assets and enhance potential rental income.

**3.25** As with the capital programme, due to limited availability of revenue funds, planned maintenance work has continued at minimum levels for 2014/15 and a more reactive approach has been adopted and this will continue into 2015/16. Consequently it is inevitable that the condition of property assets will deteriorate until a more proactive maintenance programme can be funded. With regard to maintenance of land this is restricted to urgent health and safety works and prioritised works to preserve reasonable levels of amenity.

**Structures - Bridges, Watercourses etc.**

**3.26** An asset register of all structures for which the Council are responsible has been prepared. A full inspection programme has been implemented to monitor the condition of the structures and identify any repairs during 2014/15 and 2015/16 so that the council is fully informed in relation to the liabilities and responsibilities. A risk-based and targeted approach for future inspection regimes will be undertaken in future years to identify any maintenance or repair needs. It is already known that there is a partial retaining wall collapse which will require substantial rebuilding for health and safety reasons during 2015 and this is reflected in the stock condition survey. Three churchyard retaining walls have required repair and part rebuilding as a result of this survey/inspection work but to date no work of a major concern has been identified.

**3.27** The inspections are ongoing and any immediate repair requirements will be carried out upon identification, however, until the full inspection regime is completed it is only possible to estimate the full extent of the Council's liabilities over the next 5 years.

**Carbon Reduction/Energy Efficiency**

**3.28** The Council monitors energy use in all operational properties. It has been seeking to reduce energy usage over the last 2 years and where it carries out repairs/improvements to the properties it seeks to reduce its carbon footprint/energy use further as a direct result of these works, thereby saving costs.

- 3.29** The Council published a Carbon Management Plan in 2011 (accredited by the Carbon Trust). This developed a Carbon Management Strategy which identified the drivers for carbon management, targets and objectives to be achieved and the strategic themes considered. In order to deliver the said objectives, the Plan sets out a number of projects; there are existing projects, planned/funded projects, short term projects and medium to long term projects.
- 3.30** In October 2011 the Council received a grant allocation of £35,000 from the West Midlands Low Carbon Fund to reduce the Council's carbon footprint which in turn will save money in respect of energy consumption. A number of energy saving proposals were implemented in the spring of 2012 using this grant money; a number of the notable examples are set out below:-
- a) Automated Meter Readers (AMRs) were fitted on Gas and Electricity supplies to the council's 5 highest energy-consuming buildings. Additionally the majority of operational buildings have had electricity AMRs fitted at no cost to the Council.
  - b) Cavity wall and/or loft insulation at several premises.
  - c) Low Energy Lighting, lighting controls and double glazing at several premises.
  - d) Installation of low energy hot water system in one location.
- 3.31** As a result of the installation of AMRs to a number of sites, the Borough Council have developed a robust web-based energy management database which has energy consumption automatically uploaded from the information supplied by AMRs and half Hourly meters which allows monitoring of energy consumption (on a half hourly, daily, weekly monthly and annual cycle), measuring consumption, Co2 emissions, peaks of consumption and comparisons with previous years. This has enabled officers to adopt a more proactive approach to energy management which helps in identifying peak and unusual usage and eliminating waste or unnecessary usage. Together with the installation of PIRs in a number of sites this has contributed to a reduction in the overall consumption of electricity by 31% during 2012/13 and 2013/14 as compared to 2011/12.
- 3.32** Particular examples from the projects undertaken are 23% reduction in electricity consumption at Bathpool Park (which is heated by electric convector heaters and where cavity wall installation has been installed). At Midway, Merrial St, Hassell St, Crematorium and Birchenwood Pavilion where a combination of PIRs and energy efficient water heaters were installed, the reduction in energy usage has been 13%, 83%, 8% and 179% respectively. In the case of



Midway alone the modifications carried out resulted in a saving in electricity of £4,000 for the year.

- 3.33** Further work is being carried out to source funding in order to implement more of the planned projects (set out in the Carbon Management Plan) which would help to further reduce the Council's carbon footprint and save both energy and costs.
- 3.34** Additionally other initiatives currently being explored include:-
- LED lighting at the Depot and Civic Offices.
  - BIO MASS projects (wood burners)
  - Heat recovery schemes

### **Strategic Property Review**

- 3.35** It is essential that the Council has an efficient property assets approach to ensure that all opportunities to maximise use, rental income, resources and management are taken.
- 3.36** The council has a property portfolio with a capital value of about £19m from which a rental income of about £1.23m per annum is derived. This represents an average gross return on investment of 6.5% per annum. It is noteworthy that should the council decide to sell all of these assets and invest the money in recognised investment schemes, the gross return on this investment would be approx. 1% per annum.
- 3.37** Therefore in general, the Council is obtaining a better return from holding the property portfolio and the strategy should concentrate on maximising the efficiency of the property portfolio so that each property achieves an optimum return or more and resources should be concentrated on those buildings which achieve this. As a matter of principle properties which do not comply with this strategy should be considered for disposal (where there is a market demand) in order that proceeds can be used in part or whole to re-invest in good performing buildings to protect and enhance their returns.
- 3.38** Where failing properties are disposed of, this will take pressure off capital budget requirements as the need for expenditure decreases. However, it should be recognised that there is a consequent loss of rental income in the short term. There have been examples of this approach during the past year.
- 3.39** Over the long term, by investing in more efficient properties to increase and enhance their value, not only should the loss of income be retrieved by the increase in rental value of the asset, the asset

itself will increase in value and the probability of a long term rental income will be enhanced considerably.

- 3.40** Each property asset from both portfolios will need to be scrutinised in detail in terms of operational use, maximisation of use, rental income, maintenance cost, capital requirements and general overheads in order that individual property needs or failings can be identified and this will deliver an overall strategic plan for all the property assets.
- 3.41** However, this exercise will also need to take in to account operational requirements and the need to hold some property for long term strategic and regeneration needs so there will be occasions when under-performing properties are retained.

## 4.0 THE CURRENT ESTATE

**4.1** The Council owns a broad variety of over 180 properties (buildings) ranging from crematoria to sports centres to industrial premises. As previously indicated (paragraphs 2.13 to 2.23) the Council's property assets are divided into two portfolios – the operational and commercial portfolio – see below:-

### **Operational assets**

**4.2** In broad terms this is property that is held, occupied, used or contracted to be used on behalf of the authority in the direct delivery of services for which it has a responsibility, whether statutory or discretionary or for the service of strategic objectives of the authority. For reasons of simplicity we also include 'Community Assets' in this category.

**4.3** This category includes (not exhaustive list):

- Civic Offices
- Guildhall Customer Service Centre
- Kidsgrove Town Hall Customer Service Centre
- Knutton Lane depot
- Jubilee 2 Health & Wellbeing Centre
- The Museum/Art Gallery
- Crematorium and Cemeteries
- Land associated with operational property
- Parks and Open Spaces
- Historic Buildings/Monuments
- Allotments
- Sports facilities and pitches
- Community Centres
- Off-street car parks
- Structures bridges, watercourses etc.
- CCTV infrastructure

### **Commercial Assets**

**4.4** These property assets are those held by the Council but not directly occupied, used or concerned in the delivery of services, although they are likely to align with the authority's strategic objectives. Examples in this category (list not exhaustive) mainly related to commercial land and property, leased/rented to other parties and generating income which include:

- Town Centre Retail Premises
- Industrial Units
- Offices
- Former Keele Golf Centre
- Ground Leases

- Market
- Town Centre Car Parks
- Former Sainsbury's supermarket (owned in conjunction with Staffordshire Council for regeneration purposes)

#### **Asset Transfers between Portfolios**

**4.5** There are occasions where assets can be transferred between portfolios as a result of changes to service delivery or corporate priorities; examples include the following:

- The Guildhall which transferred from the commercial portfolio to the operational portfolio.
- Pitfield House (Brampton Park) which was originally within the operational portfolio and is now let on a commercial basis as a Children's Nursery.
- Former Audley Council offices which is now let on a commercial basis to a local business.

## **5.0 PROGRAMMES**

### **ASSET REVIEWS**

- 5.1** There is an expectation that the public bodies, responsible for the use of resources will continuously challenge its use of resources, and this Council has instituted a programme of reviews of its operational property portfolio, which is used to deliver services. Property can be an expensive drain on both capital and revenue budgets, and is generally slow to change. It is essential that organisations like the Council have the right type of premises in the right locations, and, ideally, accommodation must be sufficiently flexible to be able to be adjusted to the changing needs of the service market. It must also be used as efficiently as possible; vacant or under-used space is an expensive waste of resources.

### **Funding the Council's Capital Programme**

- 5.2** As referred to earlier, in October 2014 the Cabinet established an important overarching principle linking the function and purpose of this Strategy with the Council's Capital Programme. In particular Cabinet resolved that as a first resort, the Council will seek to fund its future known capital programme needs through the annual asset management planning process by the identification of land or property in its ownership that is capable of, and appropriate for, disposal.
- 5.3** The capital receipts generated from any disposal of these assets will therefore fund the works/schemes identified in the Capital Programme which in turn assists the Council in achieving its corporate and service objectives.

### **Local Plan**

- 5.4** On the 5 March 2014 the council agreed a timetable for a Joint Local Plan to be prepared in partnership with Stoke-on-Trent City Council. The Joint Local Plan will identify how much new land is required to supply our community's development needs over the next 15 to 20 years, and in which locations, to help ensure the borough and City of Stoke-on-Trent achieve sustainable economic growth.
- 5.5** The evidence base for the Joint Local Plan is currently in the process of being prepared beginning with a Call for Sites exercise, which took place in autumn 2014. The Council as a landowner has participated in this process in order that the Local Plan will help to determine the most appropriate use of the land identified. Key documents which will start to assess, the sustainability, suitability and deliverability of potential sites, including those submitted as part of the Call for Sites, will include a new Employment Land Review (ELR,) and an update of the Strategic Housing Land Availability Assessment (SHLAA) 2013/14.

- 5.6** Once the housing and employment evidence is in place, and this is anticipated by the middle of next year, consideration will be given to whether there is enough land available to meet the borough's needs for new housing, employment land and jobs before final draft targets are identified. Different plan options to deliver these targets will then be developed and tested through further sustainability appraisal and full public consultation towards end of 2015. Draft site allocations will be subject to full public consultation in 2016 and the final Joint Local Plan is expected to be adopted in 2018.

### **Disposal Programme for Under-utilised Assets (to fund the Capital Programme)**

#### **Operational service requirements**

- 5.7** Each year operational managers are challenged to ensure that any underutilised/surplus space is identified and, where appropriate, allocated for potential alternative use or disposal. This approach is consistent with the objective of disposing of land or property for which there is no strategic, financial, operational or other public interest reason for retention. Notable disposals in 2014/15 included the sale of a former playground and retail/office premises where the upper floors required significant expenditure.

#### **Identification of potential sites for disposal**

- 5.8** An assessment of all Council owned land is ongoing in order to continue to identify land that is considered to have a better alternative use. These sites fall into one of the following categories:

- Brownfield sites not required for operational use;
- Greenfield sites that do not form part of the Green Space Strategy;
- Sites identified in the Green Space Strategy that are considered to have a better alternative use (i.e. not required to fulfil the objectives of the Strategy);
- Sites identified in the current Playing Pitch Strategy where there is no local demand or business case for retention;
- Sites identified in the Green Space Strategy which form a small part of a larger site and the removal of which would not adversely impact on the function or enjoyment of green space.

- 5.9** As referred to earlier the asset disposal process is required to fund the Council's Capital Programme. The current estimated funding requirement for the next three financial years is about £14.5M.

- 5.10** Appendix 1 sets out a list of sites, with an update on the current position, which Cabinet have approved for disposal. These sites were listed in Appendix 1 of the last the Asset Management Strategy 2014-

2017.

- 5.11** Appendix 2 (tranche 3) sets out further sites which have been identified as land which fulfils one of the above criteria. They are potential residential and industrial development sites. More particularly at this stage, approval is being sought to explore alternative use or development of these sites.
- 5.12** As set out in paragraph 2.11 the Playing Pitch Strategy should be completed in early 2015 and the Green Space Strategy is to be reviewed (as approved by Cabinet in December 2014). Once these strategies have been completed, there may be sites for which alternative use or development may be sought.
- 5.13** At the time of writing, a final draft Playing Pitch Strategy was being prepared. It is known that at least three sites will be found to be surplus to operational service requirements (because the use was abandoned at least 10 years ago. Approval is being sought, through the Asset Management Strategy, to explore options for the alternative use or development of those sites as identified in Appendix 3.
- 5.14** It is estimated (subject to planning permission being granted, there being no significant abnormal costs and to the sites selling at open market value) that the capital receipts likely to be generated in respect of the sites listed in Appendices 1,2 and 3 is in the region of £16m.

**Call for Sites – response to the local planning authority**

- 5.15** At Cabinet in November 2014, members approved a list of Council owned sites (see Appendix 4) to be submitted to the Local Planning Authority following its request for sites through the “Call for Sites” which have the potential to satisfy demand for future housing, employment and other needs (including recreation and leisure). The Call for Sites seeks to identify a wide range of sites in order that a criterion-based assessment can be used to determine the most appropriate and sustainable land uses for such sites
- 5.16** It is important to distinguish the Council’s role as a landowner from its function as the local planning authority. This Strategy deals with land / property matters on behalf of the Council as a land owner. By responding to the Call for Sites it is inviting the local planning authority (lpa) to consider the suitability of the Council sites alongside those promoted by third party land owners, with the aim of the process determining the most appropriate use for the land. Cabinet has not approved the disposal or redevelopment of these sites it has merely submitted a list of sites for consideration by the lpa.
- 5.17** Equally important is the need to acknowledge at this stage of the Local Plan process that consideration of sites as part of the Call for

Sites process does not mean they will be allocated for the desired use.

**Master Plan of land to the west and south of urban Newcastle (including the former Keele Golf Course)**

- 5.18** As part of the Council's response to the Call for Sites it has been agreed that a number of sites around the urban fringe of Newcastle should be the subject of a comprehensive master-planning process in order that the most appropriate future uses can be identified for the wider area including any infrastructure requirements. In view of the Green Belt nature of these sites it is envisaged that the Master Plan will assist the local planning authority in considering the most sustainable form of development and land use.

**Consultation Arrangements on Future Land Disposals**

- 5.19** The primary purpose of the consultation on potential land disposals is to identify any physical, technical or other constraints that might affect the scope/opportunity for alternative use or development being pursued. The outcome of such consultation exercises, taken together with desktop technical assessments, allows the Council as a landowner to consider the latter approach. Importantly it is considered that the Town Planning processes (Local Plan and Planning Applications) should consider the appropriateness of land or property being developed or used for alternative purposes rather than the Council as landowner making potentially subjective judgements.

- 5.20** A consultation process was been carried out over a 6 week period in respect of the Tranche 1 and 2 sites. This involved Ward councillors being notified prior to the start of the process; notices being placed on site and; the adjacent property owners being notified along with the Parish/Town Council, where relevant .(see Appendix5). This arrangement is considered to be generally proportionate and appropriate to the majority of land sales and it is proposed that this approach will continue for the foreseeable future.

- 5.21** There will however be some circumstances in respect of certain disposals, such as the disposal of disused public toilets, where a public consultation process will not be necessary or may be scaled to a more proportionate level. Other examples could include land or property where the future use is consistent with the present use (e.g. a shop premises in a shopping parade) where there is unlikely to be any public interest at stake. The approach to consultation in each case will seek to ensure that any public/stakeholder consultation is proportionate to the particular disposal.

**Car Parks**

- 5.22** In view of the Council's aspirations for strengthening the Town Centre economy it will be important to keep the town centre car parks under



review with a view to either optimising their use or to facilitate regeneration.

- 5.23** There are approximately 35 non-fee paying car parks; some are attached to operational/recreational facilities whilst others are used as neighbourhood car parks. A review should be undertaken within three years to assess the usage, maintenance cost and general overheads of these assets.

#### **Commercial Portfolio**

- 5.24** The commercial portfolio (including the Market) in 2013/14 generated a gross income circa £1.2 million and provides business accommodation for over 200 small to medium sized businesses. It is important that the condition of these units is kept under review in order to both protect the Council's income and to ensure that the units are fit for purpose. In addition it is proposed to undertake, within the next two years, a comprehensive review of the commercial portfolio to optimise value for money considerations (as referred to earlier).

- 5.25** Terms have been agreed to dispose of The Square, High Street, Newcastle. This will allow the Council to realise a capital receipt that will contribute to known demands within the Council's Capital Programme whilst enabling the prospective purchaser to pursue investment in the property. The loss of annual rental income will however need to be mitigated.

- 5.26** The first and second floor offices of Council-owned properties in Hassell Street and Brunswick Street Newcastle have been unoccupied for a number of years. Both premises require substantial refurbishment prior to reoccupation. These assets along with the ground floor retail premises are in the process of being disposed of (see 3.2 Strategic Property). As with The Square the capital receipt will contribute to the Council's Capital Programme whilst the loss of annual rental income will require mitigation on the revenue budget.

#### **Community Centres Review**

- 5.27** Cabinet at its meeting in December 2014 agreed to the establishment of a Cabinet Panel which will have delegated decision making powers to review and modernise community centre provision; there are currently 15 such centres with the Borough.

- 5.28** The aim of the review is to develop options for the long term sustainability and management of the Community Centres in partnership with the community and voluntary sector and to review the management arrangements linked to these options and implement the proposals. To date six of the community centres have expressed an interest in entering into a lease arrangement thus reducing the Council's ongoing maintenance liability, whilst allowing

the management committees greater freedoms to pursue external funding.

## **PARTNERSHIP AND COLLABORATIVE WORKING**

### **Public Sector GIS based database**

**5.29** Staffordshire County Council, working in conjunction with Newcastle Borough Council and the other District Authorities, has developed an intranet database which holds the land ownership details of all the Councils and other public bodies such as Police and Fire Authority etc. In addition the County Council is in the process of formalising a strategic partnering arrangement with a private sector organisation with the aim of providing greater focus on the strategic management of its property portfolio. Both of these actions should provide opportunities for the Borough Council to manage its own property assets more effectively and it is expected that further information will emerge over the next twelve months in this regard.

### **Regeneration**

**5.30** The Authority continues to work with various partners to bring about the regeneration of various sites throughout the Borough. From time to time such projects involve land in which the Council has an interest; in such cases the primary aim is to facilitate delivery of the scheme whilst ensuring that the Council achieves “best consideration” for disposal of its interest.

### **Newcastle Town Centre Redevelopment**

**5.31** In 2011 the Borough Council in partnership with Staffordshire County Council purchased the former Sainsbury’s supermarket premises in order to assemble a site for a comprehensive retail-led regeneration scheme in the Ryecroft area of the Town Centre, which will contribute towards broader regeneration objectives within the town.

**5.32** During 2014 formal marketing of the Ryecroft site has been undertaken by the Council’s retained specialist retail consultants, on the basis of a disposal by way of a long term ground lease. The selection process is nearing completion following in depth analysis of three shortlisted bids. At the time of writing, the outcome of the marketing process was due to be reported to Members (December 2014) and approval sought to the nomination of a preferred bidder.

**5.33** The potential ‘core’ development site includes the current Merrial Street Civic Offices and work on a full business case, modelling and costing of options for the re-provision of this accommodation is on-going. The target for finalising this work and negotiation of a development agreement for Ryecroft is mid 2015 at which time both will be reported for members’ consideration and approval to proceed

**5.34** Demolition and site clearance of the former Sainsbury store was completed in the summer of 2014 in preparation of its redevelopment.

A short-term licence was granted to enable a Christmas-related activity to make use of the former store part of the site during November and December 2014. The remainder of the site is being used for car parking purposes during this interim period.

### **Newcastle Town Centre Public Realm**

**5.35** The Borough Council worked in partnership with Staffordshire County Council to complete a long standing major project in the Town Centre in 2014. The final elements of work were to close Hassell Street to through traffic in the daytime and re-pave the High Street intersection to enhance pedestrian flow in this area. Additionally, new market stalls (with attractive permanent canopies) have been placed on site in a new alignment to follow the pedestrian flow and create safer access for market traders to load their vans. The overall impact has been that the market is now a more attractive destination in the town centre and the Borough Council has seen an increase in interest from traders wishing to trade on the market.

### **Shared Accommodation/Public Sector Hub**

**5.36** The Authority currently shares accommodation with its public sector partners examples of which are listed below:

- Civic Offices is shared with Staffordshire County Council, Staffs Police and the Staffordshire and Stoke-on-Trent Partnership Trust.
- Kidsgrove Town Hall is shared with Staffordshire County Council, Staffs Police and Kidsgrove Town Council
- Part of the Guildhall is being used by Staffs Police as their Enquiry Office

**5.37** As referred to earlier officers are in the process of working with key partners to prepare a full business case for the relocation of the Civic Offices in order to facilitate the comprehensive retail-led redevelopment of the Ryecroft area (see Newcastle Town Centre Redevelopment page 26). The preferred location for the new Civic hub is the former St. Giles and St. Georges School

### **Facilitating Development of Community Assets**

**5.38** Listed below are two examples where the Council has facilitated enhancement of important community facilities:-

- Disposing of part of the former Knutton Depot to Staffordshire Fire and Rescue Service (SFRS) to enable the construction of a Community Fire Station at Knutton Lane, Newcastle
- Disposing of land at Loggerheads to the SFRS to facilitate the construction of a community fire station

### **Funding and Investment Strategy**

**5.39** In the current economic climate and following the Strategic Spending Review, government funding for Council projects (e.g. RENEW Housing project) has been severely restricted and in some cases stopped. Consequently this Council along with others is having to generate funding from other sources one of which is through the disposal of assets which no longer support service delivery. The capital receipts from these disposals will allow the Council to develop an investment strategy to deliver its capital programme needs (which is aligned with communities' needs and requirements).

## 6.0 ARRANGEMENTS FOR ASSET MANAGEMENT PLANNING

### CORPORATE MANAGEMENT STRUCTURE REGARDING ASSET MANAGEMENT

6.1 The diagram at Appendix 6 shows the Council's structure in terms of Asset Management. Since January 2008 the Assets Section has been consolidated into the Regeneration and Development Directorate.

#### Portfolio Holder Responsibility

6.2 Asset Management predominately falls within two Cabinet portfolios:

- Planning and Assets
- Economic, Development, Town Centres, Business and Customer Services.

#### Corporate Property Officer

6.3 The Corporate Property Officer (CPO) is the Executive Director of Regeneration and Development (a member of the Executive Management Team).

#### Assets Review Group

6.4 The Assets Review Group is chaired by the Chief Executive and meets on a quarterly basis. The overall objective of the Group is to be responsible for the formulation of strategies and actions for dealing with capital income and expenditure.

#### Capital Programme Review Group

6.5 The Capital Programme Review Group (CPRG) meets bi-monthly and is chaired by the Executive Director (Resources and Support Services). This group considers and monitors capital expenditure.

6.6 The ARG and CPRG monitor the use of both Assets and Capital, and approve the release of Assets for specific purposes, having reviewed the business case for the use. Similarly they make recommendations to the Council's Executive Management Team (EMT) about Capital expenditure, having examined the business case, and subsequently monitor the capital expenditure programme.

6.7 The recommendations and decisions of these two groups directly inform the Council's Medium Term Financial Strategy and Capital Programme. In terms of broader governance arrangements the decisions of both groups have to be ratified by EMT (as is the case with all Corporate Working Groups).

6.8 Membership of the Assets Review Group ensures that the CPO receives direct and pertinent user information about the Council's Operational Portfolio. The ARG effectively provides feedback as to any asset management proposals/plans being considered either corporately or from a service perspective. Any plans or proposals

requiring new capital expenditure require endorsement by the CPRG before proceeding through the formal decision-making processes of Cabinet or Council.

- 6.9 The output from both the ARG and the CPRG will form the basis of the Council's Capital programme (which is reviewed annually along with the Council Plan and the Medium Term Financial Strategy).
- 6.10 As well as ensuring the efficient and effective use of the Council's property assets, the role of the CPO, ARG and the CPRG is to ensure a consistency between the Council's asset portfolio and the Council's Council Plan, as well as the service-specific Service and Financial Plans.

#### **Day to Day Asset Management Planning**

- 6.11 The Executive Director of Regeneration & Development is responsible for Assets, Facilities Management, Engineering and Car Parks. All the day-to-day work connected with this asset management planning is undertaken within this service area. Significant expenditure is allocated through the capital planning process whilst small scale works and reactive maintenance is funded from a Repairs and Renewals Fund.

#### **ASSET MANAGEMENT DATA AND INFORMATION SYSTEMS**

- 6.12 The Council's land ownership mapping system (terrier), property data, Asset Register and property management and maintenance records are held on one computerised system. Paper filing systems are used for other property management functions.
- 6.13 The Council subscribes to the IDOX Uniform suite of applications which includes the asset register and property management modules, which contains key property information. This system links with other modules throughout the authority, which means that departments such as Planning, Land Charges Operations and Building Control, which use plan-based systems, will be able to access shared information.
- 6.14 The system also allows for each property to be given a unique property reference and will allow this reference to be linked to the National Land and Property Gazetteer.

#### **HEALTH AND SAFETY**

- 6.15 In 2010 the Council purchased a computerised health and safety system (BS Target 100). This system along with the IDOX Uniform system are used to manage, record and monitor all aspects of health and safety across the Council including the inspection and servicing of the building utilities and any other statutory inspections. These systems are supplemented by a database of statutory inspections.

## Appendix 1

2014/15 Land and Property Disposals - Approved and ongoing				
Address	Site Area acres	Site Area (Ha)	Position Statement	Site to Market
Plot D Apedale Road Chesterton	4.50	1.82	Brownfield - former (reclaimed) marl hole. Land is being marketed for industrial development purposes. No interest at the time of writing this document..	
Silverdale Road Newcastle	1.38	0.56	Brownfield – former plant nursery. Following a review by Operational Services it has been identified that this land may be required for future operational purposes. If this is not the case then the site will be looked at again for disposal.	
Former St Giles and St Georges School Newcastle			The site is the preferred location for a potential new civic offices hub subject to the outcome of the redevelopment of the current Civic Offices and the former Sainsbury's site (see item below).	
Former Sainsbury's Supermarket Site, Liverpool Road and Civic Offices Merrial Street, Newcastle	6.4	2.59	Brownfield – former supermarket site. Site has been marketed and a preferred developer has been nominated. Co-operation Agreement being prepared to enable progress to be made during 2015 with a view to a Development Agreement being prepared by mid-2015 and a start on site by 2016.	
High Street Knutton, (Recreation Centre site)	5.31	2.15	The disposal of this site has been approved in principle. Site-specific constraints to be overcome prior to formal marketing and awaiting outcome of Playing Pitch Strategy in order that the implications of the 3G pitch can be considered.	
The Square, High Street, Newcastle			The disposal of this site has been approved and terms agreed with the current tenant. Legal documentation is being finalised with the aim of completing the transaction by late 2014 / early 2015.	
2-10 Hassell Street & 15-21 Brunswick Street, Newcastle			The disposal of these premises has been approved and terms agreed with a prospective purchaser. Legal documentation is being finalised with the aim of completing the transaction by the end of the 2014/15 financial year.	

<b>2015/16</b>				
<b>Address</b>	<b>Site Area acres</b>	<b>Site Area (Ha)</b>	<b>Current Situation/Position</b>	<b>Site to Market</b>
Lyme Valley Road, Newcastle	0.26	0.1	Brownfield - disused site which is under offer subject to planning permission for residential development.	2015/16
Gloucester Road, Kidsgrove	0.41	0.17	Brownfield - disused garage site not in Green Space Strategy. Cabinet resolution to dispose for development, subject to planning permission. A planning application is to be submitted for residential development.	2014/15
Hillport Ave, Porthill	0.67	0.27	Grassed area within urban area. Although in Green Space Strategy it is only a very small part of Bradwell Recreation ground. Cabinet resolution to dispose for development, subject to planning permission. A planning application is to be submitted for residential development	2015/16
Stafford Ave, Clayton	0.50	0.20	Grassed area within the urban area. Although in Green Space Strategy area identified is only very small part of total area. Cabinet resolution to dispose for development, subject to planning permission. Plans and associated reports to be prepared prior to a planning application being submitted for residential development	2015/16
St Edmunds Ave, Porthill	0.59	0.24	Hardstanding area not in the Green Space strategy. Cabinet resolution to dispose for development, subject to planning permission. Plans and associated reports to be prepared prior to a planning application being submitted for residential development	2015/16
Wedgwood Ave Westlands (adj Community Centre)	0.27	0.11	Former tennis courts currently used as an overflow car park for the Community Centre. Identified in Green Space Strategy as part of the Westlands tennis ground but this area is not currently utilised for sport. Cabinet resolution to dispose for development, subject to planning permission. Plans and associated reports to be prepared prior to a planning application being submitted for residential development and addressing the car parking needs of the Community Centre.	2015/16
Sandy Lane/Brampton Road, May Bank	2.22	0.90	Grassed area within Conservation area and urban area. The Green Space Strategy identifies this land as a site where its use / maintenance regime should be considered i.e. site is considered to have a better alternative use. Cabinet resolution to dispose for	2015/16



			development, subject to planning permission. Consultants to be appointed to prepare plans and associated reports and to submit a planning application for residential development	
Bower End Lane, Madeley	0.94	0.38	Former depot site adjacent to village envelope. Although in Green Space Strategy its disposal could be supported if a contribution was secured towards an alternative site for a park/garden in the settlement. Cabinet resolution to dispose for development, subject to planning permission.	2015/16
Kinnersley Street Kidsgrove	1.61	0.65	Grassed area within urban area and not in Green Space Strategy. Approval given in principle to a disposal for affordable housing. Registered Provider expressed interest in the site for an extra care facility and feasibility work underway.	
Cotswold Ave, Knutton	0.44	0.18	Grassed area within urban area. The Green Space Strategy identifies this land as a site where its use / maintenance regime should be considered i.e. site considered to have a better alternative use. Approval given in principle to a disposal for affordable housing. Registered Providers not interested in the land. Site to be marketed	
Heathcote Street Kidsgrove	0.73	0.30	Currently used for informal car parking within urban area and not in Green Space Strategy. grassed area within urban area and not in Green Space Strategy. Approval given in principle to a disposal for affordable housing. Registered Provider expressed interested in the site for an extra care facility and feasibility work underway.	
<b>2016/17</b>				
<b>Address</b>				<b>Site Area acres</b>
Market Drayton Road, Loggerheads	11.50	4.65	Grassed area adjacent to the village envelope and not in Green Space Strategy. Currently let on farm business tenancy. Cabinet resolution to dispose for development, subject to planning permission. Consultants to be appointed to prepare plans and associated reports and to submit a planning application for residential development	2015/16

Eccleshall Road, Loggerheads	5.56	2.25	Grassed area close to the village envelope and not in Green Space Strategy. Currently let on grazing licence. Cabinet resolution to dispose for development, subject to planning permission. Consultants to be appointed to prepare plans and associated reports and to submit a planning application for residential development.	2015/16
Former Jubilee Baths			Cabinet resolution to dispose for development, subject to planning permission. Terms agreed for disposal for commercial/residential purposes subject to planning permission.	

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**Appendix 2**

**Land and Property Disposals - Under investigation and subject to approval**

**2016/2017 - Anticipated Disposal Date**

**Residential Sites**

<b>Address</b>	<b>Site Area acres</b>	<b>Site Area (Ha)</b>	<b>Current Situation/Position</b>	<b>Site to Market</b>
Deans Lane, Red Street	3.36	1.36	Grassed area in urban area not in Green Space Strategy. Currently let on a grazing licence	2015/16
Shrewsbury Drive, Chesterton 3– 5 individual plots	0.41	0.17	Small grassed areas within urban area, not in Green Space Strategy	2015/16
St Edmunds Avenue (Single Plot), Wolstanton	0.06	0.02	Grassed area in urban area not in Green Space Strategy.	2015/16

**Employment Sites**

Brick Kiln Lane, Chesterton	4.76	11.76	Brownfield – reclaimed land	2015/16
Plot E, Apedale Road, Chesterton	10.92	4.42	Brownfield – reclaimed land	2015/16

<b>Appendix 3</b>				
<b>Sites recommended in draft Playing Pitch Strategy as having no local demand - Under investigation and subject to approval</b>				
<b>2016/2017 - Anticipated Disposal Date</b>				
<b>Residential Sites</b>				
Address	Site Area acres	Site Area (Ha)	Current Situation/Position	Site to Market
Sheldon Grove, Chesterton	5.92	2.40	Site not used as playing pitch for in excess of 8 years therefore recommendation in draft PPS to consider disposal	2015/16
Knype Way (Talke Road), Bradwell	6.35	2.57	Site not used as playing pitch in excess of 10 years therefore recommendation in draft PPS to consider disposal	2015/16
<b>Employment Sites</b>				
Crackley Bank	9.9	4.0	No current playing pitches on site therefore recommendation in draft PPS to consider disposal	2015/16

Call for Sites List

Sites to be included in Master Plan South/South West Newcastle (including former Keele Golf Course)

Address	Site Area Ha	Site Area Acres	In Green Belt Y, N or P (part)	In Green Space Strategy Y, N or P (part)
Park Road, Silverdale	3.10	7.66	Y	Y
Jobs Wood, Keele	3.10	7.66	Y	Y
Home Farm Keele Road, Keele	9.05	22.36	Y	Y
Former Keele Golf Course	60.06	148.40	Y	Y
The Butts Gallowstree Lane, Thistleberry	10.49	25.92	Y	Y
Guernsey Drive, Seabridge	18.48	45.67	Y	N
Seabridge Lane	6.17	15.25	Y	Y
Whitmore Road	1.86	4.60	Y	Y
Whitmore Road	1.87	4.62	Y	P

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Westcliffe Avenue (inc Rowley Wood), Westbury Park	25.33	62.59	Y	Y
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<b>Sites included in Birchenwood Master Plan</b>				
<b>Address</b>	<b>Site Area Ha</b>	<b>Site Area Acres</b>	<b>In Green Belt Y, N or P (part)</b>	<b>In Green Space Strategy Y, N or P (part)</b>
Birchenwood Way West, Kidsgrove	2.42	5.98	N	Y
Land at Kidsgrove Bank and Chatterley Drive, Kidsgrove	6.54	16.16	Y	P
<b>Other Potential Housing Sites</b>				
High Street, Rookery	2.99	7.39	Y	N
High Street, Rookery	1.56	3.85	Y	Y
Gloucester Road, Whitehill	2.38	5.88	Y	N
<b>Potential Employment Sites</b>				
High Carr, Chesterton	15.28	37.76	Y	Y
Land adj A34, Parkhouse, Chesterton	14.27	35.26	P	Y

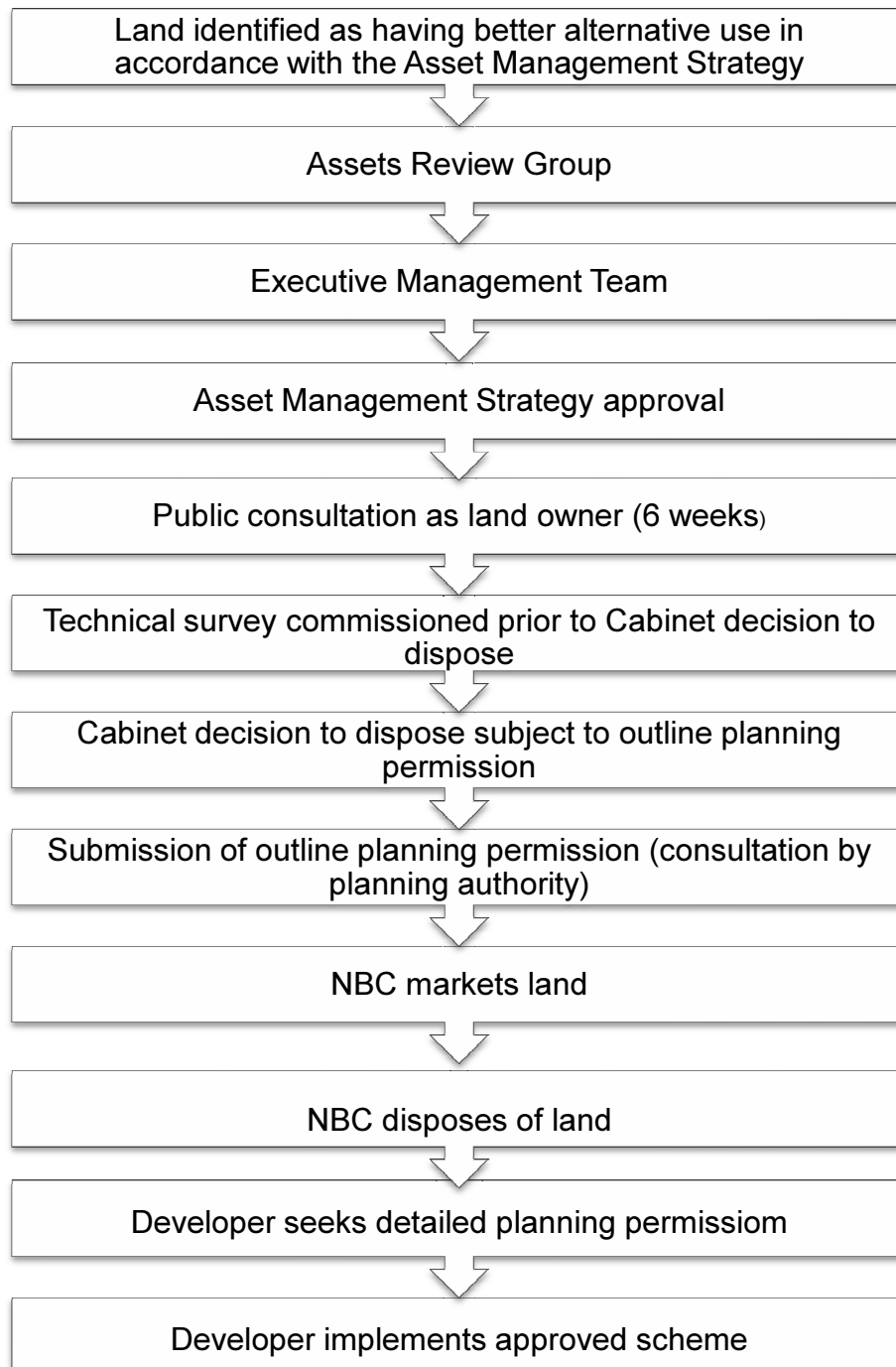
Classification: NULBC UNCLASSIFIED Organisational

Parkhouse Road West - behind Bank, Chesterton	14.88	36.77	N	Y
Land off Lowlands Road, Kidsgrove	3.25	8.03	Y	Y

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**APPENDIX 5**

**Typical consultation approach in cases where unclear planning policy and NBC seeking planning permission prior to disposal.**



**NB. Attention is drawn to the council's proposed approach to consultation as both land owner and as local planning authority.**



APPENDIX 5

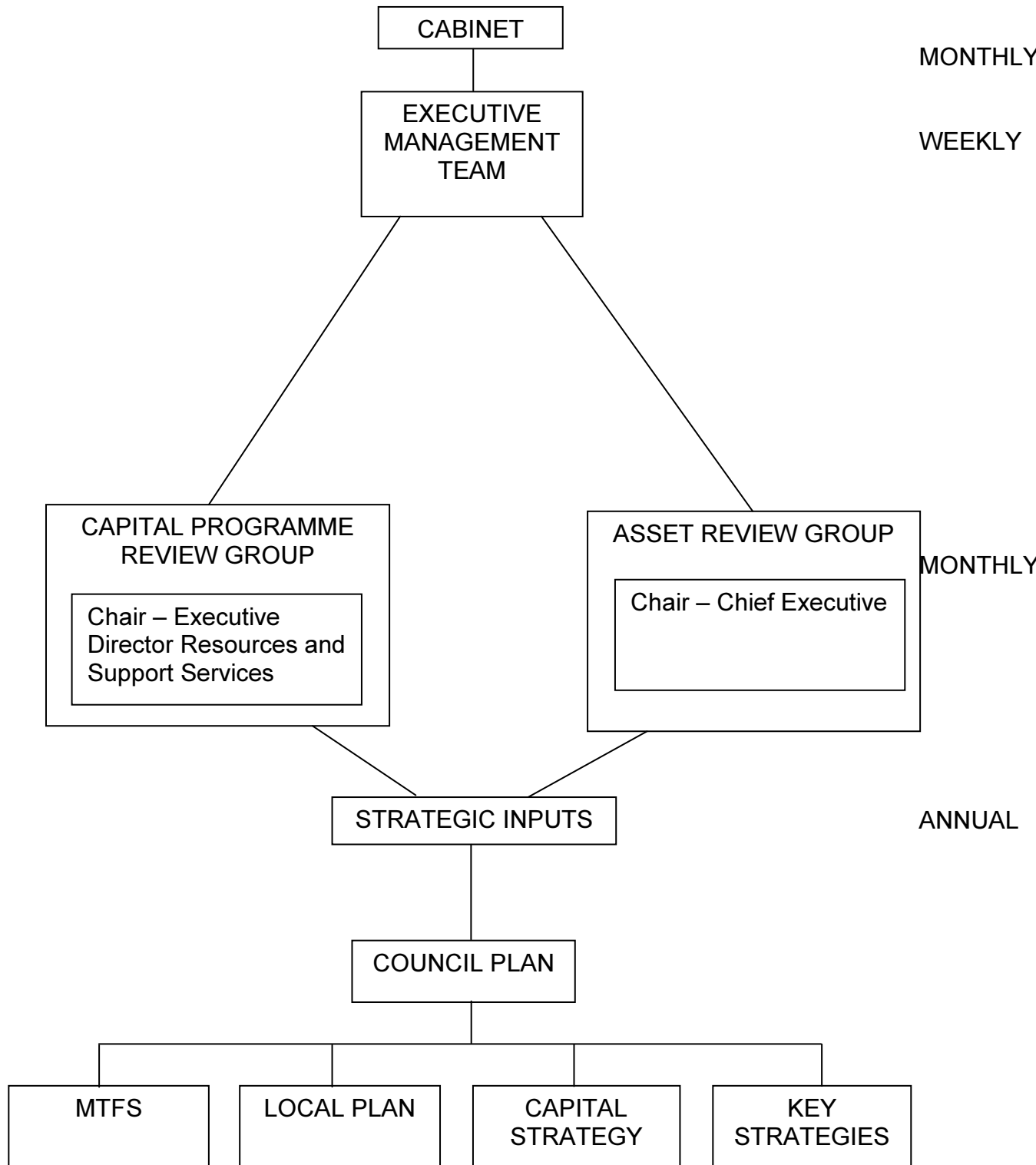
**Typical consultation approach in cases where clear planning policy and Newcastle Borough Council NOT seeking Planning Permission prior to disposal of significant asset**



**NB. Attention is drawn to the council's proposed approach to consultation as both land owner and as local planning authority.**

APPENDIX 6

### Newcastle-under-Lyme Council's Asset Management Plan Reporting Structure





Town and Parish Councils. These regulations were replaced for the financial years 2013/14 onwards by The Local Authorities (Calculation of Tax Base) (England) Regulations 2012.

The “Council Tax Base” represents the number of properties in the area concerned, expressed as if all properties were valued at Band “D” and now takes account of discounts under section 11 and 11A, certain increases due to the application of the empty homes premium under section 11B and in other reduced amounts payable under section 13 and 13A.

For 2015/16 the “Council Tax Base” continues to be calculated with a reduced discount rate of 0% in respect of Class A, B and C dwellings (second homes, furnished unoccupied dwellings and long term empty dwellings), locally determined discount rates of 0% in respect of properties formally entitled to Class A exemptions (properties undergoing or having recently completed major structural repair) and a locally determined discount rate of 100% for 56 days, followed by a locally determined discount rate of 0% thereafter in respect of properties formally entitled to Class C exemptions (properties that are unoccupied and unfurnished for up to six months), and an empty home premium of 50% in respect of Class C properties that have been empty for two years or longer.

For 2015/16 the “Council Tax Base” should be calculated by multiplying the total of the “relevant amounts” for each tax band by the estimated collection rate.

Calculations have been made for the Borough Council and for each Town and Parish Council and attached at Appendix A to this report is a schedule which shows the effect of applying the Estimated Collection Rate of 98%.

The Council’s approved budget requirement will be divided by the Council Tax Base to produce a Council Tax Rate for the Borough to which the various proportions (i.e.  $\frac{6}{9}$ ths to  $\frac{18}{9}$ ths) will be applied to produce the tax applicable for each Council Tax Band. A similar exercise will be carried out in relation to Staffordshire County Council, the Office of the Police and Crime Commissioner, Stoke-on-Trent and Staffordshire Fire and Rescue Authority and Town and Parish Council’s precept requirements.

3. **Options Considered**

Not applicable

4. **Proposal**

That the Council Tax Base calculations set out in the attached appendices be approved.

5. **Reasons for Preferred Solution**

Legislation directs the method of calculation of the Council Tax Base.

6. **Outcomes Linked to Corporate Priorities**

The Council’s approved budget covers all corporate priorities. Calculating the Council Tax Base enables the level of Council Tax to be determined to meet these budgetary requirements.

7. **Legal and Statutory Implications**

The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 requires the Council to calculate the "Council Tax Base" for the Authority and for each of the areas covered by Town and Parish Councils.

8. **Equality Impact Assessment**

Not applicable

9. **Financial and Resource Implications**

Calculating the Council Tax Base enables the level of Council Tax to be determined to meet the Council's budgetary requirements.

10. **Major Risks**

Failure to set the Council Tax Base will leave the Council in breach of its statutory duty and unable to determine the appropriate level of Council Tax.

11. **Key Decision Information**

Not applicable

12. **Earlier Cabinet/Committee Resolutions**

Not applicable

13. **Recommendations**

That, in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amounts calculated as the Council Tax Base for 2014/15 shall be as follows:-

	<u>Band D equivalent properties</u>
Newcastle Borough Council	35,242
Kidsgrove Town Council	6,387
Audley	2,450
Loggerheads	1,849
Balterley, Betley and Wrinehill	564
Chapel and Hill Chorlton	194
Keele	331
Madeley	1,413
Maer	253
Silverdale	1,410
Whitmore	803

14. **List of Appendices**

Appendix A - Council Tax Base calculation

15. **Background Papers**

Not applicable

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**Council Tax Base Calculation 2015/16**

Council Tax Base = Relevant Amount x Estimated Rate of Collection of 98%

	Relevant Amounts	Council Tax Base
Newcastle Borough Council	35,961	35,242
Kidsgrove	6,518	6,387
Audley	2,500	2,450
Loggerheads	1,897	1,859
Balterley, Betley and Wrinehill	575	564
Chapel and Hill Chorlton	197	194
Keele	338	331
Madeley	1,442	1,413
Maer	258	253
Silverdale	1,439	1,410
Whitmore	819	803

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## 1. SCALE OF FEES AND CHARGES

**Submitted by:** Executive Director – Resources and Support Services

**Portfolio:** Finance and Resources

**Ward(s) affected:** All

### **Purpose of the Report**

To obtain approval for the proposed scale of fees and charges to apply from 1 April 2015.

### **Recommendation**

- (a) That the fees and charges proposed to apply from 1 April 2015, as set out in Appendix 1 be approved and be submitted to the Finance, Resources and Partnerships Scrutiny Committee for comment.

### **Reasons**

It is necessary to review the fees and charges which the Council makes in order to keep them in line with the cost of service provision, ensure compliance with the Charging Policy and to establish the amounts to be included in the 2015/16 budget.

## 1. Background

- 1.1 The Cabinet is asked annually to consider proposals for the fees and charges to be applied during the following financial year. It is proposed that the new fees and charges set out at Appendix 1 should take effect from 1 April 2015 and remain in force until 31 March 2016.
- 1.2 The Council has an approved Charging Policy (the most recent version of which was approved by Cabinet on 10<sup>th</sup> September 2014), which is followed when fees and charges are proposed and agreed. This sets out the criteria that should be taken into consideration when establishing the amounts to be charged.

## 2. Issues

- 2.1 The preparation of the 2015/16 budget assumes an overall 2% increase in the amount of income raised from fees and charges in 2015/16 in line with assumptions about the rate of inflation over the period that these charges will be in force, reflecting the real increases in costs being incurred by services.
- 2.2 The proposals made by Heads of Service vary between a freeze in fees and charges, to significant increases. When these increases are applied to the appropriate income budgets it is evident that a shortfall of approximately £27,000 exists in comparison to the assumed overall 2% increase. This shortfall, incurred as a result of below inflation increases and freezes in fees and charges (i.e. car parks and markets), will be addressed as an additional pressure in the 2015/16 preparation process.
- 2.3 Most of the fees and charges are inclusive of VAT but in some cases no VAT is chargeable or VAT is added to the fee or charge. The VAT status of individual fees and charges is shown in Appendix 1.

- 2.4 When considering the level of fees and charges the principles contained in the Charging Policy, as approved by Cabinet on 10<sup>th</sup> September 2014, should be followed.
- 2.5 In drawing up the proposed fees and charges for 2015/16 these have been considered by Heads of Service who were provided with a copy of the Charging Policy and were requested to ensure that their charges were set in accordance with the Charging Policy, taking into account:
- The cost of providing the service
  - How much income it is desired to generate and why
  - Comparison of charges made by other Councils or providers of similar services
  - Whose use of services it is desired to subsidise and by how much
  - Whose behaviour it is desired to influence and in what ways
  - How will charges help to improve value for money, equity and access to services
  - Will the cost of collecting the income outweigh the income likely to be collected
  - Any other relevant factors
- 2.6 It is acceptable for charges to be set at a level where costs are not fully recovered. There may be particular reasons for doing so, such as a desire to encourage take up of a service by specified groups, for example the unemployed, benefits recipients, the elderly, disabled persons or children, or to influence particular forms or patterns of behaviour.
- 2.7 The decision to charge less than cost ought to be a conscious one, taken by members and justified by reference to the reasons for setting charges at less than cost as set out in the charging principles contained in section 5 of the Charging Policy. These principles are shown in Appendix 2.
- 2.8 The Scale of Fees and Charges (Appendix 1) shows the current and proposed fees and charges for 2015/16 and indicates those which have been frozen at current levels.
- 2.9 There are a number of new charges proposed for 2015/16. The table below shows these:

<b>New Charges - Description of Charge</b>	<b>Fee/Charge 2015/16 £.p</b>
<b>CEMETERIES</b>	
<b>Columbarium</b>	
10 year lease including 1 <sup>st</sup> internment	500.00
2 <sup>nd</sup> internment	70.00
Renewal of 10 year lease	250.00
Additional 5 year lease	250.00
<b>DOG WARDEN SERVICE</b>	
Event equipment hire	10% of cost
<b>ENVIRONMENTAL HEALTH</b>	
<b>Commercial Hire of Monitoring Equipment (Excluding Carriage)</b>	
Salamander Gasclam & user software (per 7 days)	220.00
Phocheck PID (per 7 days)	130.00
GA2000 portable landfill gas analyser (per 7 days)	130.00
Bruel & Kjaer Matron 2250 sound level meter, with sound recording & 1/1 & 1/3 octave frequency analysis module & calibration certificate	200.00
Outdoor gear for use with matron 2250 (per 7 days)	45.00
Bruel & Kjaer Matron Type 4231 Calibrator with calibration certificate (per 7 days)	10.00

<b>GARDEN WASTE RECYCLING (ADDITIONAL SERVICE)</b> Delivery of new additional garden waste bin in addition to sticker	24.00
<b>LEISURE CHARGES</b> <b>KIDSGROVE SPORTS CENTRE</b> <b>Swimming lessons</b> Adult swimming lesson (per 30 minutes) – minimum 6 week course	8.00
<b>JUBILEE 2</b> <b>Climbing</b> Pre-school climb (3-5 year olds)	1.25
Parent & child climb	6.35
Instructed party session – up to 18 people – 90 minutes	180.00
<b>Gym</b> Student membership – off peak – no contract – per month	21.00
Student membership – peak – no contract – per month	28.00
Replacement technogym key (new key)	10.00
Replacement technogym key (used key)	5.00
Technogym key (corporate members)	10.00
<b>Swimming lessons</b> Adult swimming lesson (per 30 minutes) – minimum 6 week course	8.00
<b>Bowls</b> Chesterton Bowling Club – per season	730.00
Wolstanton Marsh Bowling Club – per season	1,140.00
Queen Elizabeth Bowling Club – per season	790.00
Westlands Bowling Club – per season	3,140.00
Knutton Bowling Club – per season	645.00
Wolstanton Park Bowling Club – per season	1,555.00
<b>MUSEUM &amp; ART GALLERY</b> Hire of meeting room – half day – community/charity rate	16.00
Hire of meeting room – full day	45.00
Hire of meeting room – full day – community/charity rate	30.00
Open art registration – per item under 16	1.00
Winter wonders – adult sessions (for a maximum of 12 persons)	35.00
Visit to Father Christmas	4.00
<b>PEST CONTROL</b> Squirrel control – prepayment (per 4 visits)	100.00

2.10 A number of the new fees and charges are to be made where no charge was previously made for the service concerned (e.g. Cemetery columbarium, Dog Wardens event equipment hire, Environmental Health commercial hire of monitoring equipment and Green Waste Recycling additional bins). In the instance of the Museum and Art Gallery a number of new fees and charges are put forward as a means of targeting particular types of customers by offering a more flexible pricing structure, thereby seeking to increase use of the service and therefore income.

2.11 A number of bowling clubs have taken on the management of the Councils bowling greens, rather than charge each individual member of the bowling clubs for season tickets a charge is now recommended to be made to the bowling club.

2.12 In respect of Jubilee 2 and Kidsgrove Sports Centre a number of new fees and charges are recommended (a number of existing fees and charges have been deleted). This is predominantly to encourage greater take up of certain activities following an evaluation of current user numbers and to simplify the pricing structures that are currently in place.

2.13 A number of fees and charges approved for 2014/15 have been deleted from the proposed fees and charges for 2015/16. The table below shows these:

<b>Deleted Charges - Description of Charge</b>	<b>Fee/Charge 2014/15 £.p</b>
<b>ALLOTMENTS</b> Rent (per annum) Lyme Valley Organic Site	60.00
<b>CAR PARKS</b> <b>Charges for infringements</b> Wheel clamping release fee	50.00
<b>ENVIRONMENTAL HEALTH</b> <b>Environmental Offences – Fixed Penalty Notices</b> Street Litter Control & Litter Clearing Notices - Section 94A(2) - paid in 10 days Street Litter Control & Litter Clearing Notices - Section 94A(2) - paid in 14 days Graffiti & Fly Posting - S43 Anti-Social Behaviour Act 2003 - paid in 10 days Graffiti & Fly Posting - S43 Anti-Social Behaviour Act 2003 - paid in 14 days Nuisance Vehicles - Section 6(1) Clean Neighbourhoods & Environment Act 2005 Abandoning a vehicle - Section 2A Refuse Disposal (Amenity Act 1978)	75.00 100.00 75.00 100.00 100.00 200.00
<b>Register of Food Premises</b> Whole register Per entry Single classification Per entry Hard copy per entry	235.00 1.25 65.00 1.25 15.00
<b>LEISURE CHARGES</b> <b>Coaching Charges</b> One day coaching family (maximum 2 siblings) Two day coaching family (maximum 2 siblings) Three day coaching family (maximum 2 siblings) Football fun weeks family (maximum 2 siblings) Football fun weeks family (maximum 2 siblings) plus trip	13.00 26.00 39.00 65.00 80.00
<b>KIDSGROVE SPORTS CENTRE</b> <b>Classes</b> Trampoline classes per hour	4.70
<b>Family Swimming</b> Family swim 1 adult & 1 child Family swim 1 adult & 2 children Family swim 1 adult & 3 children	6.10 8.30 10.50
<b>Swimming Lessons</b> Adult swimming lesson (per 45 minutes) – lyme card	9.00

<b>Fitness Classes Pool</b>	
Aqua fit – standard	5.20
Aqua fit – lyme card	4.70
Aqua fit - concession	3.70
<b>JUBILEE 2</b>	
<b>Climbing</b>	
Group adult (minimum 4 people) – lyme card	4.20
Group junior (minimum 4 people) – lyme card	2.80
Student club climbing per session	2.50
Taster session adult – 30 minutes	7.00
Taster session junior – 30 minutes	3.50
One to one private instruction – 60 minute session	20.40
Per additional person (maximum 8) – 60 minute session	8.20
<b>Gym</b>	
Young person's membership – 16-23 years in full time education or on a nationally recognised training programme – off peak – payable monthly	15.00
Technogym key deposit	10.00
Technogym key refund (fully refundable on return of key)	-10.00
Technogym key buy back (old jubilee pool member)	-3.00
<b>Classes</b>	
Anti natal – teaching pool	4.70
Post natal – teaching pool	4.70
<b>Pre-Payment Classes</b>	
Adult – lyme card (buy 10 get 1 free)	47.00
Junior/concession – lyme card (buy 10 get 1 free)	37.00
Junior – lyme card (by 10 get 1 free)	26.00
<b>Family Swimming</b>	
Family swim 1 adult & 1 child	6.10
Family swim 1 adult & 2 children	8.30
Family swim 1 adult & 3 children	10.50
<b>Swimming Lessons</b>	
Adult swimming lesson (per 45 minutes) – lyme card	9.00
<b>Fitness Classes Pool</b>	
Aqua gym – standard	5.20
Aqua gym – lyme card	4.70
Aqua gym - concession	3.70
Aqua fit – standard	5.20
Aqua fit – lyme card	4.70
Aqua fit - concession	3.70
<b>Bowls</b>	
Reissues of season ticket	25% of price
<b>MARKETS</b>	
Open market – extension to stall (per day)	3.45

<b>PEST CONTROL</b> Squirrel control – first hour – payment by invoice Squirrel control – per additional ¼ hour	83.00 20.00
<b>PLANNING SERVICES</b> Weekly lists – posted Weekly lists – collected	100.00 75.00
<b>STREET TRADING</b> Northbound layby A34 (per annum)	8,745.00
<b>WAIVER PERMITS</b> Parking waiver permit (day 1) Parking waiver permit (additional days exc. Sunday up to 7 days)	15.00 5.00

- 2.14 A number of non-enforceable fees and charges have been deleted. These include wheel clamping for car park infringements, waiver permits and environmental offences which have been repealed by the Anti-social Behaviour, Crime and Policing Act 2014.
- 2.15 Fees and charges previously made for Planning Services weekly lists and for the Environmental Health Register of Food Premises have been deleted. These are available to the public via freedom of information requests free of charge.
- 2.16 The Council recognises the need to promote and maintain economic activity within its town centres. The provision of car parking facilities, the level of charges made for parking, and the town centre market are factors which may influence the number of visitors, particularly to Newcastle town centre. Accordingly, fees charged at all of the Council operated car parks and stall fees for the town centre market are recommended to be frozen.
- 2.17 Due to the commercial sensitivity of the proposed charges for the trade waste service, these are not included on part 1 of the agenda and are exempt from publication by reasons of paragraph 3 of part 1 of schedule 12a of the Local Government Act 1972. The proposed charges can be found in part 2 of the agenda.

### 3. **Proposal**

- 3.1 That the fees and charges proposed to apply from 1 April 2015, as set out in Appendix 1 be approved and be submitted to the Finance, Resources and Partnerships Scrutiny Committee for comment.

### 4. **Reason for Preferred Solution**

- 4.1 Applying selective increases to fees and charges will enable economic activity to be promoted within the Borough. It will also contribute to the delivery of a sustainable budget for 2015/16 and later years and will help to keep fees and charges in line with the cost of service provision.

### 5. **Legal and Statutory Implications**

- 5.1 Statutory charges are included in the scale of fees and charges, and are noted as such. These are set by the government rather than by this Council. Land Charges and Licensing fees are set in accordance with a statutory requirement to balance income with expenditure. All other charges may be set by the Council in accordance with its Charging Policy.

6. **Financial and Resource Implications**

- 6.1 The approved levels of fees and charges will be incorporated in the General Fund Budget for 2015/16.
- 6.2 The Medium Term Financial Strategy (MTFS) assumes increased income of £113,000 from an average increase of 2% across the existing range of fees and charges.
- 6.3 The proposals made vary between a freeze in fees and charges, to significant increases. When these increases are applied to the appropriate income budgets it is evident that a shortfall of approximately £27,000 exists in comparison to the assumed overall 2% increase. This shortfall, incurred as a result of below inflation increases and freezes in fees and charges (i.e. car parks and markets), will be addressed as an additional pressure in the 2015/16 preparation process.

7. **Major Risks**

- 7.1 A major risk is that the current depressed economic situation leads to less demand from users of Council services, resulting in significant loss of income. The level of charges will in some cases influence this demand.

8. **Key Decision Information**

- 8.1 This is a key decision; it has been included in the Forward Plan.

9. **Earlier Cabinet/Committee Resolutions**

- 9.1 Last reviewed at Cabinet meeting on 15 January 2014.

10. **List of Appendices**

Appendix 1 - Proposed charges from 1 April 2015

Appendix 2 - Charging principles included in Charging Policy

Appendix 3 is Restricted

**Scale of Fees and Charges 2015/16****INDEX**

<b>TYPE OF FEE/CHARGE</b>	<b>PAGE(S)</b>
Allotments	1
Bulky Recycling Service	1
Bus Departure Charges	1
Car Parks	1-2
Cemeteries	3-4
Crematorium	4
Circuses and Fairs	5
Copy Charges	5
Copyright Mapping	5
Covenant Consents	5
Data Protection	5
Dog Warden Service	5
Elections	5
Environmental Health	6-8
Garden Waste Recycling	8
Hire of Rooms	8-9
Land Charges	10
Leisure Charges	10-16
Licences	16-18
Markets	18
M.O.T	18
Museum and Art Gallery	18-19
Naming/Numbering of Streets/Properties	19-20
Pest Control	20
Planning Services	21-22
Private Sector Housing	22
Removal of Domestic Animal Carcasses	22
Sale of Sandbags	23
Street Trading	23
Town Centre Displays	23
Tree Preservation Orders	23



Classification: NULBC UNCLASSIFIED Organisational

Page 1	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>ALLOTMENTS</b>				Cabinet	No VAT
Rent (per annum) full plot	59.00	70.80	11.80	£77.88 2016/17	
Rent (per annum) half plot	29.50	35.40	5.90	£38.94 2016/17	
<b>Note: 20% reduction for concessions</b>					
<b>BULKY RECYCLING SERVICE (Furniture Mine)</b>				Cabinet	No VAT
1-3 Items non reusable/waste items	35.00	35.00	Freeze		
4-6 Items non reusable/waste items	55.00	55.00	Freeze		
7-9 Items non reusable/waste items	70.00	70.00	Freeze		
Additional items non reusable/waste items	10.00	10.00	Freeze		
Reusable items	Free	Free	Freeze		
<b>BUS DEPARTURE CHARGES</b>				Cabinet	Plus VAT
Fee per departure	0.16	0.18	0.02		
<b>CAR PARKS</b>					
<b>Charges for Infringements</b>				Parking Board	No VAT
Civic parking enforcement - higher charge	70.00	70.00	Freeze		
Civic parking enforcement - lower charge	50.00	50.00	Freeze		
<b>Bankside</b>				Cabinet	VAT Incl.
Season ticket - per quarter	150.00	150.00	Freeze		
<b>Blackfriars (Zone C)</b>				Cabinet	VAT Incl.
Up to 1 hour	0.80	0.80	Freeze		
Up to 2 hours	1.50	1.50	Freeze		
Up to 3 hours	2.00	2.00	Freeze		
Up to 4 hours	2.50	2.50	Freeze		
Up to 6 hours	3.00	3.00	Freeze		
6 hours to 24 hours	3.50	3.50	Freeze		
Season ticket - per quarter	150.00	150.00	Freeze		
<b>Cherry Orchard (Zone B)</b>				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.90	1.90	Freeze		
Up to 3 hours	2.80	2.80	Freeze		
Up to 4 hours	4.00	4.00	Freeze		
4 hours to 24 hours	5.20	5.20	Freeze		
Season ticket - per quarter	230.00	230.00	Freeze		
<b>Civic Offices - Saturdays Only (Zone A)</b>				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.90	1.90	Freeze		
Up to 3 hours	2.80	2.80	Freeze		
Up to 4 hours	4.00	4.00	Freeze		
<b>Corporation Street/Merrial Street (Zone A)</b>				Cabinet	VAT Incl.
Up to 1/2 hour	0.80	0.80	Freeze		
Up to 1 hour	1.50	1.50	Freeze		
<b>Goose Street (Zone B)</b>				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.90	1.90	Freeze		
Up to 3 hours	2.80	2.80	Freeze		
Up to 4 hours	4.00	4.00	Freeze		
4 hours to 24 hours	5.20	5.20	Freeze		

Page 2	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Hassell Street (Zone B)</b>				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.90	1.90	Freeze		
Up to 3 hours	2.80	2.80	Freeze		
Up to 4 hours	4.00	4.00	Freeze		
4 hours to 24 hours	5.20	5.20	Freeze		
Season ticket - per quarter	230.00	230.00	Freeze		
Resident permit - per quarter	50.00	50.00	Freeze		
<b>High Street (Rear of)</b>				Cabinet	VAT Incl.
Season ticket - per quarter	150.00	150.00	Freeze		
<b>King Street (Zone C)</b>				Cabinet	VAT Incl.
Up to 1 hour	0.80	0.80	Freeze		
Up to 2 hours	1.50	1.50	Freeze		
Up to 3 hours	2.00	2.00	Freeze		
Up to 6 hours	3.00	3.00	Freeze		
6 hours to 24 hours	3.50	3.50	Freeze		
Season Ticket - per quarter	150.00	150.00	Freeze		
<b>Midway (Zone A)</b>				Cabinet	VAT Incl.
Up to 1/2 hour	0.70	0.70	Freeze		
Up to 1 hour	1.10	1.10	Freeze		
Up to 2 hours	2.10	2.10	Freeze		
Up to 3 hours	3.20	3.20	Freeze		
Up to 4 hours	4.25	4.25	Freeze		
Up to 24 hours	6.00	6.00	Freeze		
Season ticket - per quarter	230.00	230.00	Freeze		
<b>Ryecroft (Zone B)</b>				Cabinet	VAT Incl.
Up to 1/2 hour	0.70	0.70	Freeze		
Up to 1 hour	1.10	1.10	Freeze		
Up to 2 hours	2.10	2.10	Freeze		
Up to 3 hours	3.20	3.20	Freeze		
Up to 4 hours	4.25	4.25	Freeze		
Up to 24 hours	6.00	6.00	Freeze		
<b>School Street (Zone B)</b>				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.90	1.90	Freeze		
Up to 3 hours	2.80	2.80	Freeze		
Up to 4 hours	4.00	4.00	Freeze		
4 hours to 24 hours	5.20	5.20	Freeze		
Season ticket - per quarter	230.00	230.00	Freeze		
<b>Silverdale Road (Zone C)</b>				Cabinet	VAT Incl.
Up to 1 hour	0.80	0.80	Freeze		
Up to 2 hours	1.50	1.50	Freeze		
Up to 3 hours	2.00	2.00	Freeze		
6 hours to 24 hours	3.50	3.50	Freeze		
Season ticket - per quarter	150.00	150.00	Freeze		
Resident permit - per quarter	50.00	50.00	Freeze		
<b>Windsor Street (Zone B)</b>				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	2.00	2.00	Freeze		
Season ticket - half hour after school	3.00	3.00	Freeze		

Page 3	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>CEMETERIES</b>					
<b>Interment Fees</b>					
Under 16 years of age	Free	Free	Freeze	Cabinet	No VAT
16 years & over	750.00	784.00	34.00		
Woodland burial - Keele Cemetery (1 full interment only per grave)	400.00	418.00	18.00		
Cremated remains at 2 feet	328.00	343.00	15.00		
Woodland burial cremated remains at 2 feet - Keele Cemetery (4 interments only per grave)	322.00	343.00	21.00		
Additional depth over 2 feet	117.00	122.00	5.00		
Additional depth over 6 feet per foot	126.00	132.00	6.00		
<b>Purchase of Graves (Inclusive of right to erect a memorial for a single grave)</b>					
Lawn graves/reservation	1,011.00	1,056.00	45.00	Cabinet	No VAT
Woodland grave/reservation - Keele Cemetery (1 full interment only per grave plus memorial tree)	745.00	778.00	33.00		
Cremated remains graves/reservation	500.00	522.00	22.00		
Woodland grave cremated remains at 2 feet/reservation - Keele Cemetery (4 interments only per grave plus memorial shrub)	500.00	522.00	22.00		
Reservation of shrubbery cremated remains grave/reservation - Keele Cemetery (1 full interment only per grave plus shrub)	500.00	522.00	22.00		
Renewal of exclusive right of burial & memorialisation (full grave)	500.00	500.00	Freeze		
Renewal of exclusive right of burial & memorialisation (cremated remains grave)	250.00	250.00	Freeze		
Transfer of ownership of exclusive rights of burial & memorialisation	83.00	83.00	Freeze		
Duplicate deed of exclusive rights of burial & memorialisation	41.00	43.00	2.00		
<b>Erection of Memorials Where no Prior Right Was Given</b>					
Memorial not exceeding 3 feet in height	123.00	128.00	5.00	Cabinet	No VAT
Replacement memorial	42.00	44.00	2.00		
<b>Columbarium</b>					
10 year lease including 1st interment	New	500.00	n/a	Cabinet	No VAT
2nd interment	New	70.00	n/a		
Renewal of 10 year lease	New	250.00	n/a		
Additional 5 year lease	New	250.00	n/a		
<b>Use of Chapel &amp; Community Room</b>					
Newcastle cemetery chapel	70.00	73.00	3.00	Cabinet	No VAT
Keele community room - service	70.00	73.00	3.00		
Keele community room - full day hire	100.00	75.00	-25.00		
Keele community room - half day hire	50.00	40.00	-10.00		
Keele community room - per hour hire	15.00	15.00	Freeze		
Keele community room - evening per hour	20.00	20.00	Freeze		
<b>Private Maintenance of Grave Non-Lawn Types Only</b>					
Turfing	41.00	43.00	2.00	Cabinet	No VAT
Spring/summer planting & maintenance	86.00	90.00	4.00		

Page 4	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Sundry Items</b>				Cabinet	VAT Incl.
Single abstract information from registrar	58.00	62.00	4.00		
Family history research	19.00	20.00	1.00		
Caskets	70.00	73.00	3.00		
Wooden cross	40.00	42.00	2.00		
Memorial benches	612.00	627.00	15.00		
Memorial benches - maintenance by request (cleaning & staining)	150.00	150.00	Freeze		
Memorial trees	306.00	320.00	14.00		
Barrier fob replacements	10.00	10.00	Freeze		
<b>CREMATORIUM</b>					
<b>Cremation Fees</b>				Cabinet	No VAT
Under 16 years of age	Free	Free	Freeze		
16 years & over 9.20am service time only	400.00	400.00	Freeze		
16 years & over from 10am	564.00	589.00	25.00		
Cremation environmental charge	59.00	62.00	3.00		
Use of TV for DVD photographs (3-5 minutes)	20.00	20.00	Freeze		
Burial of remains cremated elsewhere	173.00	181.00	8.00		
Chapel hire - additional use	70.00	73.00	3.00		
<b>Urns &amp; Containers</b>				Cabinet	VAT Incl.
Oak casket	70.00	73.00	3.00		
Postage & packaging	Cost	Cost	Freeze		
<b>Memorialisation</b>				Cabinet	VAT Incl.
Book of remembrance per line (up to 3 lines)	26.00	27.00	1.00		
Book of remembrance for 4 lines	90.00	94.00	4.00		
Book of remembrance for 5 lines	116.00	121.00	5.00		
Book of remembrance for 6 lines	142.00	148.00	6.00		
Book of remembrance for 7 lines	168.00	175.00	7.00		
Book of remembrance for 8 lines	194.00	202.00	8.00		
Simple floral emblem	77.00	80.00	3.00		
Coat of arms, badges, ornate floral emblem	108.00	113.00	5.00		
Additional lines of inscription for cards/books	26.00	27.00	1.00		
<b>Plaques</b>				Cabinet	VAT Incl.
12" x 4" new plaque & 10 year hire	299.00	306.00	7.00		
Each succeeding 10 year hire	119.00	122.00	3.00		
12" x 8" new plaque & 10 year hire	599.00	614.00	15.00		
Each succeeding 10 year hire	240.00	246.00	6.00		
24" x 8" each succeeding 10 year hire	469.00	490.00	21.00		
Adding to existing plaque per letter or figure	6.00	6.00	Freeze		
Regilding existing letters	4.00	4.00	Freeze		
<b>Additional Memorials</b>				Cabinet	VAT Incl.
Memorial benches	612.00	627.00	15.00		
Memorial benches maintenance by request (cleaning & staining)	150.00	150.00	Freeze		
Memorial vases	300.00	300.00	Freeze		
Each succeeding 5 year hire	180.00	180.00	Freeze		
Vases various - small	Various	Various	Freeze		
Planters	644.00	673.00	29.00		
Each succeeding 5 year hire	267.00	279.00	12.00		
Trees	550.00	575.00	25.00		
Each succeeding 10 year hire	286.00	299.00	13.00		
Additional plaques	70.00	73.00	3.00		
Shrubs (inclusive of aluminium vase)	306.00	319.00	13.00		
Each succeeding 5 year hire	131.00	137.00	6.00		

Page 5	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>CIRCUSES &amp; FAIRS</b>				Cabinet	No VAT
Hire rate per day (8 hours) of site presence (1 day set up & 1 day dismantling free of charge)	500.00	510.00	10.00		
Returnable deposit - cleaning	800.00	820.00	20.00		
Returnable deposit - damage	800.00	820.00	20.00		
<b>COPY CHARGES</b>				Cabinet	VAT Incl.
A4 - copies in multiples of 5 (black & white)	2.50	2.50	Freeze		
A3 - copies in multiples of 5 (black & white)	3.50	3.50	Freeze		
Difficult documents to copy (per copy)	12.50	12.50	Freeze		
<b>COPYRIGHT MAPPING</b>				Cabinet	No VAT
Up to 4 - A4/A3 1:1250 mapping	25.00	25.00	Freeze		
Up to 4 - A4/A3 1:500 mapping	25.00	25.00	Freeze		
Up to 4 - A4/A3 1:1250 aerial photo	45.00	45.00	0.00		
<b>DATA PROTECTION</b>				Statutory	No VAT
Subject access request	10.00	10.00	Freeze		
<b>DOG WARDEN SERVICE</b>				Cabinet	VAT Incl.
Dog training equipment loan	20.00	20.00	Freeze		
Micro chipping service	10.00	10.00	Freeze		
Event equipment hire	New	10% cost	n/a		
<b>Recovery of Stray Dogs</b>				Cabinet	No VAT
During normal working hours - reclaim fee	70.00	70.00	Freeze		
Daily kennelling fees	Cost	Cost	Freeze		
<b>ELECTIONS</b>					
<b>Rule 9(1) Parliamentary &amp; European Parliamentary Election Regulations</b>				Statutory	No VAT
Parliamentary election candidate	500.00	500.00	Freeze		
European election candidate/party	5,000.00	5,000.00	Freeze		
<b>Regulations 48 &amp; 49 Representation of the People Regulations 2001</b>				Statutory	No VAT
Sale of register & lists (printed)	20.00	20.00	Freeze		
Plus per 1,000 names or part 1,000	5.00	5.00	Freeze		
Sale of register & lists (data)	10.00	10.00	Freeze		
Plus per 1,000 names or part 1,000	1.50	1.50	Freeze		
Supply of list of overseas electors (printed)	20.00	20.00	Freeze		
Plus per 100 names or part 100	1.50	1.50	Freeze		
Supply of list of overseas electors (data)	10.00	10.00	Freeze		
Plus per 100 names or part 100	1.50	1.50	Freeze		
Supply of marked registers (printed)	20.00	20.00	Freeze		
Plus per 1,000 entries or part 1,000	1.50	1.50	Freeze		
Supply of marked registers (data)	10.00	10.00	Freeze		
Plus per 1,000 entries or part 1,000	1.50	1.50	Freeze		
<b>Inspection &amp; Copies of Documents</b>				Statutory	No VAT
Regulation 10 representation of the people regulations 2001 - inspection of candidates election expenses	5.00	5.00	Freeze		
A4 - copies (black & white)	0.45	0.50	0.05		

Page 6	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status		
<b>ENVIRONMENTAL HEALTH</b>							
<b>Works in Default of Statutory Notice</b> Calculated in accordance with the following: a) Contractor costs b) Officer costs (per hour at actual rate) c) Car mileage & subsistence d) On costs (b+c) + 25% e) Disbursements (e.g. warrant application, postage, printing, cost of invoice etc.) Total=a+d+e+ interest on outstanding balance	Formula	Formula	Freeze	Cabinet	No VAT		
<b>Commercial Hire of Monitoring Equipment</b> Salamander Gasclam & user software (per 7 days exc. carriage)	New	220.00	n/a	Head of Service	Plus VAT		
Phocheck PID (per 7 days exc. carriage)	New	130.00	n/a				
GA2000 portable landfill gas analyser (per 7 days exc. carriage)	New	130.00	n/a				
Bruel & Kjaer Matron 2250 sound level meter, with sound recording & 1/1 & 1/3 octave frequency analysis module & calibration certificate (memory card supplied by client)	New	200.00	n/a				
Outdoor gear for use with matron 2250 (per 7 days exc. carriage)	New	45.00	n/a				
Bruel & Kjaer Matron Type 4231 Calibrator with calibration certificate (per 7 days exc. carriage)	New	10.00	n/a				
<b>Environmental Offences - Fixed Penalty Notices</b>				Statutory	No VAT		
Waste receptacles - Section 47ZA (2) - if paid within 10 days	75.00	75.00	Freeze				
Waste receptacles - Section 47ZA (2) - if paid within 14 days	100.00	100.00	Freeze				
Failure to produce authority (waste transfer notes) - section 5B2	300.00	300.00	Freeze				
Failure to furnish documentation (waste carrier licence) - Section 34(2)	300.00	300.00	Freeze				
Litter - Section 88(1) - if paid within 10 days	50.00	50.00	Freeze				
Litter - Section 88(1) - if paid within 14 days	75.00	75.00	Freeze				
Unauthorised distribution of literature on designated land - Schedule 3A (7)2 - if paid within 10 days	50.00	50.00	Freeze				
Unauthorised distribution of literature on designated land - Schedule 3A (7)2 - if paid within 14 days	75.00	75.00	Freeze				
Failure to comply with a dog control order in respect of dog fouling, dogs on leads, dogs on leads by direction, dog exclusion - if paid within 10 days	50.00	50.00	Freeze			Public Protection	No VAT
Failure to comply with a dog control order in respect of dog fouling, dogs on leads, dogs on leads by direction, dog exclusion - if paid within 14 days	75.00	75.00	Freeze			Public Protection	No VAT
Failure to comply with a Community Protection Notice or Public Spaces Protection Order - if paid within 10 days	New	75.00	n/a			Council	No VAT
Failure to comply with a Community Protection Notice or Public Spaces Protection Order - if paid within 14 days	New	100.00	n/a			Council	No VAT

Page 7	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Pollution Prevention &amp; Control Act 1999 Register of Permits</b>				Cabinet	Plus VAT
Copy of list of applications received	15.00	15.00	Freeze		
Copy of a register entry	70.00	70.00	Freeze		
Copy of tape/CD recorded interviews	13.00	13.00	Freeze		
Environmental Information Regulations 1992 (requests for information)	110.00	200.00	90.00		
Noise monitoring service for Registered Social Landlords & Private Landlords for 1 period of up to 7 days & subsequent report & copy of recording	200.00	250.00	50.00		
Noise monitoring service for Aspire Housing for 1 period of up to 7 days & subsequent report & copy of recording	200.00	200.00	Freeze		
<b>Environmental Health Licences</b>				Cabinet	No VAT
Pet shop - first licence	275.00	275.00	Freeze		
Pet shop - renewal	115.00	115.00	Freeze		
Dog breeding establishment - first licence	275.00	275.00	Freeze		
Dog breeding establishment - renewal	115.00	115.00	Freeze		
Animal boarding establishment - first licence	275.00	275.00	Freeze		
Animal boarding establishment - renewal	115.00	115.00	Freeze		
Riding establishment - first licence	500.00	500.00	Freeze		
Riding establishment - renewal	275.00	275.00	Freeze		
Dangerous wild animals - first licence	450.00	450.00	Freeze		
Dangerous wild animals - renewal	250.00	250.00	Freeze		
Zoo - first licence	550.00	Request	n/a		
Zoo - renewal	550.00	Request	n/a		
Registration of premises for acupuncture, tattooing, cosmetic piercing, electrolysis & semi-permanent skin colouring	130.00	130.00	Freeze		
Registration of each operative	80.00	80.00	Freeze		
Additional treatment registration	65.00	65.00	Freeze		
Export health certificates	140.00	140.00	Freeze		
<b>Charges for Authorised Process - Local Authority Pollution Prevention Control Act</b> Under the 'polluter pays principle' operators of industrial plant are levied a fee for their permits to operate. The scale of charges is set by DEFRA annually after consultation with Local Authorities, representatives of industry and other stakeholders. The scale of charges is designed to cover the regulatory and administrative costs (including visits, administration, advice and time) to the regulator arising from each process. Full details of the 2014/15 PPC fees and charges can be found on DEFRA's website via the link below. The 2015/16 charges are to be advised by DEFRA in February 2015 <a href="http://www.defra.gov.uk/industrial-emissions/files/List-of-Charges-2014.pdf">http://www.defra.gov.uk/industrial-emissions/files/List-of-Charges-2014.pdf</a>				Statutory	No VAT
<b>Factual Statements (Food Safety Act, Health &amp; Safety at Work Act, Environmental Protection Act)</b>				Cabinet	No VAT
Charge for factual statements - additional time	120.00	120.00	Freeze		
Charge for factual statements - disclosure of documents	62.50	62.50	Freeze		

Page 8	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Private Water Supplies</b>				Statutory	No VAT
Risk assessment (per hour, plus mileage)	14.50	14.50	Freeze		
Sampling	100.00	100.00	Freeze		
Investigation	100.00	100.00	Freeze		
Authorisation	100.00	100.00	Freeze		
Analysis - during Regulation 10	25.00	25.00	Freeze		
Analysis - during check monitoring	100.00	100.00	Freeze		
Analysis - during audit monitoring	500.00	500.00	Freeze		
<b>Swimming Pools</b>				Cabinet	No VAT
Sampling of pool water per annum	500.00	500.00	Freeze		
Sampling of pool water one sample	50.00	50.00	Freeze		
<b>Training Courses</b>				Cabinet	No VAT
CIEH Level 2 food safety in catering	70.00	70.00	Freeze		
CIEH Level 2 health & safety in workplace	70.00	70.00	Freeze		
CIEH Level 4 food safety in catering	210.00	210.00	Freeze		
CIEH Level 2 food safety in catering 5 employees	280.00	280.00	Freeze		
<b>GARDEN WASTE (EXTRA SERVICE)</b>				Cabinet	No VAT
Delivery of new additional garden waste bin	New	24.00	n/a		
Sticker for 240 litre bin with 6 week winter shut down:					
If purchased March to June	36.00	36.00	Freeze		
If purchased July to September	26.00	26.00	Freeze		
If purchased October to March	16.00	16.00	Freeze		
<b>HIRE OF ROOMS</b>					
<b>Hire of Civic Suite Rooms</b>				Cabinet	No VAT
Hire of council chamber - per day	95.00	95.00	Freeze		
Hire of council chamber - per half day	50.00	50.00	Freeze		
Hire of committee room 1 or 2 - per day	45.00	45.00	Freeze		
Hire of committee room 1 or 2 - per half day	25.00	25.00	Freeze		
<b>Hire of Civic Offices Rooms</b>				Cabinet	No VAT
Standard rates:					
Room 1 or 3 - per day	15.50	15.50	Freeze		
Room 1 or 3 - per half day	8.00	8.00	Freeze		
Room 4 or 6 - per day	25.50	25.50	Freeze		
Room 4 or 6 - per half day	13.00	13.00	Freeze		
Local statutory bodies rates:					
Room 1 - per day	13.50	13.50	Freeze		
Room 1 - per half day	7.00	7.00	Freeze		
Room 3 - per day	12.50	12.50	Freeze		
Room 3 - per half day	6.50	6.50	Freeze		
Room 4 - per day	18.50	18.50	Freeze		
Room 4 - per half day	9.50	9.50	Freeze		
Room 6 - per day	21.50	21.50	Freeze		
Room 6 - per half day	11.00	11.00	Freeze		
Voluntary & community sector rates:					
Room 1 - per day	7.50	7.50	Freeze		
Room 3 - per day	6.50	6.50	Freeze		
Room 4 - per day	9.50	9.50	Freeze		
Room 6 - per day	11.50	11.50	Freeze		
Room 1, 3, 4 or 6 - per half day	5.50	5.50	Freeze		



Classification: NULBC UNCLASSIFIED Organisational

Page 9	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Hire of Training Rooms</b>				Cabinet	No VAT
Standard rates:					
Hire of training room 1 - per day	45.00	45.00	Freeze		
Hire of training room 1 - per half day	25.00	25.00	Freeze		
Training room 2 - per day	25.50	25.50	Freeze		
Training room 2 - per half day	13.00	13.00	Freeze		
Hire of training rooms 1 & 2 - per day	70.50	70.50	Freeze		
Hire of training rooms 1 & 2 - per half day	38.00	38.00	Freeze		
Local statutory bodies rates:					
Hire of training room 1 - per day	38.00	38.00	Freeze		
Hire of training room 1 - per half day	21.00	21.00	Freeze		
Training room 2 - per day	21.50	21.50	Freeze		
Training room 2 - per half day	11.00	11.00	Freeze		
Hire of training rooms 1 & 2 - per day	60.00	60.00	Freeze		
Hire of training rooms 1 & 2 - per half day	32.00	32.00	Freeze		
Voluntary & community sector rates:					
Hire of training room 1 - per day	20.00	20.00	Freeze		
Hire of training room 1 - per half day	11.00	11.00	Freeze		
Training room 2 - per day	11.50	11.50	Freeze		
Training room 2 - per half day	5.50	5.50	Freeze		
Hire of training rooms 1 & 2 - per day	31.50	31.50	Freeze		
Hire of training rooms 1 & 2 - per half day	17.00	17.00	Freeze		
<b>Hire of Guildhall Rooms</b>				Cabinet	No VAT
Standard rates:					
Room 14 - per day	15.50	15.50	Freeze		
Room 14 - per half day	8.00	8.00	Freeze		
Local statutory bodies rates:					
Room 14 - per day	11.50	11.50	Freeze		
Room 14 - per half day	6.00	6.00	Freeze		
Voluntary & community sector rates:					
Room 14 - per day	7.50	7.50	Freeze		
Room 14 - per half day	5.50	5.50	Freeze		
<b>Hire of Kidsgrove Rooms</b>				Cabinet	No VAT
Standard rates:					
Room 1 or 5 - per day	15.50	15.50	Freeze		
Room 1 or 5 - per half day	8.00	8.00	Freeze		
Room 2 per day	25.50	25.50	Freeze		
Room 2 per half day	13.00	13.00	Freeze		
Local statutory bodies:					
Room 1 per day	13.50	13.50	Freeze		
Room 1 per half day	7.00	7.00	Freeze		
Room 2 per day	18.50	18.50	Freeze		
Room 2 per half day	9.50	9.50	Freeze		
Room 5 per day	10.50	10.50	Freeze		
Room 5 per half day	5.50	5.50	Freeze		
Voluntary & community sector:					
Room 1 per day	7.50	7.50	Freeze		
Room 2 per day	9.50	9.50	Freeze		
Room 5 per day	5.50	5.50	Freeze		
Room 1, 2 or 5 per half day	5.50	5.50	Freeze		
<i>All rooms can be booked by the hour subject to a minimum charge of £5.00</i>					

Classification: NULBC UNCLASSIFIED Organisational

Page 10	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>LAND CHARGES</b>				Cabinet	No VAT
Residential LLC1 - local land charges register	31.00	28.00	-3.00		
Commercial LLC1 - local land charges register	82.00	65.00	-17.00		
Residential - Con 29R	61.00	67.00	6.00		
Commercial - Con 29R	178.00	195.00	17.00		
Residential - full standard search (LLC1 & Con 29R)	92.00	95.00	3.00		
Commercial - full standard search (LLC1 & Con 29R)	260.00	260.00	Freeze		
Con 290 - (optional form) each enquiry	18.00	20.00	2.00		
Each additional enquiry	Cost	Cost	n/a		
Residential - additional parcel of land	37.00	40.00	3.00		
Commercial - additional parcel of land	37.00	85.00	48.00		
<b>LEISURE CHARGES</b>					
<b>Sport &amp; Football Development</b>				Cabinet	No VAT
Mini soccer per session	3.10	3.20	0.10		
Sports development courses	Market value	Market value	n/a	Portfolio holder	No VAT
<b>Coaching Charges</b>					
One day coaching	7.50	8.00	0.50		
Two day coaching	15.00	16.00	1.00		
Three day coaching	22.50	24.00	1.50		
Football fun weeks	37.50	40.00	2.50		
Football fun weeks plus trip	45.00	50.00	5.00		
Player development sessions	3.10	3.20	0.10		
Just play per session	2.10	2.20	0.10		
Girls coaching per session	2.10	2.20	0.10		
Mini kickers per block	21.00	22.00	1.00		
<b>Knutton Recreation Centre</b>				Cabinet	VAT Incl.
<b>Astroturf</b>					
Astroturf pitch - adult full pitch	42.00	44.00	2.00		
Astroturf pitch - junior full pitch	27.00	28.00	1.00		
Astroturf pitch - youth fee full pitch (under 16) (Mon-Friday 4-6pm, Sat-Sunday 3-5pm)	17.00	18.00	1.00		
Astroturf pitch - adult per court	21.50	23.00	1.50		
Astroturf pitch - junior per court	13.50	15.00	1.50		
Astroturf pitch - youth fee per court (under 16) (Mon-Friday 4-6pm, Sat-Sunday 3-5pm)	8.50	10.00	1.50		
<b>Kidsgrove Sports Centre</b>					
<b>Equipment Resale</b>					
Saleable items	Market value	Market value	n/a	Portfolio holder	VAT Incl.
<b>Lyme Card Concession Scheme</b>				Cabinet	VAT Incl.
Lyme card concession scheme membership	3.60	4.00	0.40		
<b>Astroturf</b>				Cabinet	VAT Incl.
Astroturf pitch - adult per court	25.50	27.00	1.50		
Astroturf pitch - junior per court	18.50	20.00	1.50		
<b>Classes</b>				Cabinet	No VAT
Adult - standard	5.20	5.50	0.30		
Adult - lyme card	4.70	5.00	0.30		
Adult - concession scheme	3.70	3.80	0.10		
Junior class - lyme card	2.60	2.50	-0.10		

Page 11	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Climbing Wall</b> Climbing Wall Hire (per hour)	11.00	12.00	1.00	Cabinet	VAT Incl.
<b>Health Suite</b> Sauna/steam - Adult (18+) – lyme card	6.10	6.20	0.10	Cabinet	VAT Incl.
Sauna/steam - Adult (18+) - concession	4.40	4.65	0.25		
<b>Gym</b> <b>Pay &amp; Play Entry Fees (must have lyme card &amp; have had an induction)</b> Adult - Lyme Card	4.70	6.00	1.30	Cabinet	VAT Incl.
Concession - Lyme Card	3.70	4.50	0.80		
Junior - Lyme Card	3.10	3.00	-0.10		
<b>Membership Charges (gym, classes, swim, sauna)</b> Direct debit monthly payments - new single member (3 month notice)	16.99	16.99	Freeze	Cabinet	VAT Incl.
Direct debit monthly payments - single member (no contract)	21.99	21.99	Freeze		
<b>Equipment Hire/Sale</b> Hire	1.50	1.50	Freeze	Cabinet	VAT Incl. No VAT
Deposit (fully refundable)	2.00	2.00	Freeze		
<b>Sports Halls</b> Sports hall hire (peak)	45.50	46.50	1.00	Cabinet	VAT Incl.
Sports hall hire (off peak)	34.00	34.50	0.50		
Sports hall hire (off peak) - educational use/socially excluded group use	25.00	26.00	1.00		
Badminton (per 55 minutes) peak per court	9.10	9.30	0.20		
Badminton (per 55 minutes) off peak per court	6.80	6.90	0.10		
Badminton court per person (concession minimum of 2 people - weekends only)	2.10	2.20	0.10		
Table tennis (per table, per hour)	5.20	5.30	0.10		
Spectators	1.00	1.00	Freeze		
<b>Studio Hire</b> Studio hire - weekdays (peak)	18.00	19.00	1.00		
Studio hire - weekends (off peak)	14.80	15.50	0.70	Portfolio Holder	VAT Incl.
Instructional courses	Market value	Market value	n/a		No VAT
<b>Swimming Fees</b> <b>Swimming Pay &amp; Play</b> Adult swim - standard	4.10	4.40	0.30	Cabinet	VAT Incl.
Adult swim - lyme card	3.70	4.00	0.30		
Adult swim - concession (including Keele University card)	2.40	3.00	0.60		
Junior swim - standard	2.30	2.20	-0.10		
Junior swim - lyme card	2.10	2.00	-0.10		
Children 3 years & under	Free	Free	Freeze		
Spectators - standard	1.00	1.00	Freeze		
Spectators - lyme card	Free	Free	Freeze		
<b>Swimming Instruction</b> <b>Swimming Lessons</b> Adult swimming lesson (per 30 minutes) - minimum 6 week course	New	8.00	n/a	Cabinet	No VAT
Junior swimming lesson (per 30 minutes) - lyme card	5.10	5.20	0.10		

Page 12	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Private Lessons</b>				Cabinet	No VAT
1:1 lesson (per 30 minutes) - lyme card	20.40	20.80	0.40		
Additional person - lyme card	8.15	8.35	0.20		
<b>Pool Courses</b>				Cabinet	No VAT
Rookie lifeguards (per 2 hour session) - lyme card	6.50	6.80	0.30		
Other courses	Market value	Market value	n/a	Portfolio Holder	No VAT
<b>Swimming Pool Hire</b>				Cabinet	VAT Incl.
Teaching pool hire	43.50	45.00	1.50		
Main pool lane hire - (6 lane) (per lane per hour)	14.30	15.00	0.70		
Additional staff for pool hire (per staff member)	21.00	22.00	1.00		
Sub aqua main pool hire per hour	Negotiable	Negotiable	n/a	Portfolio Holder	VAT Incl.
<b>Jubilee 2</b>					
<b>Equipment Resale</b>					
Saleable items	Market value	Market value	n/a	Portfolio Holder	VAT Incl.
<b>Lyme Card Concession Scheme</b>				Cabinet	VAT Incl.
Lyme card concession scheme yearly membership	3.60	4.00	0.40		
<b>Aqua Sauna (includes access to swimming pool)</b>				Cabinet	VAT Incl.
Adult - lyme card	9.50	10.00	0.50		
Concession (18+) - lyme card	6.50	7.50	1.00		
<b>Climbing</b>					
<b>Uninstructed Pay &amp; Play Entry Fees - (must have lyme card &amp; be registered &amp; have had a competency test)</b>				Cabinet	VAT Incl.
Adult - lyme card	4.70	5.50	0.80		
Concession - lyme card	3.70	4.10	0.40		
Junior - lyme card	3.10	2.25	-0.85		
Pre-school climb (3-5 year olds)	New	1.25	n/a		
Parent & child climb	New	6.35	n/a		
<b>Equipment Hire</b>				Cabinet	VAT Incl.
Belay - lyme card	1.00	1.00	Freeze		
Harness - lyme card	2.00	2.00	Freeze		
<b>Instructed Party Sessions - 90 minutes</b>				Cabinet	VAT Incl.
Up to 6 people	65.00	70.00	5.00		
Up to 12 people	120.00	130.00	10.00		
Up to 18 people	New	180.00	n/a		
<b>Instructed Courses</b>				Cabinet	No VAT
Junior - 6 x 45 minute sessions	30.00	35.00	5.00		
Adult - 3 x 45 minute sessions	24.00	30.00	6.00		
<b>Gym</b>					
<b>Pay &amp; Play Entry Fees (must have lyme card &amp; have had an induction)</b>				Cabinet	VAT Incl.
Adult - Lyme Card	4.80	6.00	1.20		
Concession - Lyme Card	3.80	4.50	0.70		
Junior - Lyme Card	3.10	3.00	-0.10		

Page 13	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Club Lyme Membership Charges Junior (4-11 years) (swim, climbing)</b>				Cabinet	VAT Incl.
Junior membership - joining fee (includes inductions, one off fee - free to existing JETS)	5.00	5.00	Freeze		
Junior membership - monthly direct debit (minimum initial payment of 2 months)	10.00	11.00	1.00		
Junior Membership - 6 month membership for price of 5 month	50.00	55.00	5.00		
<b>Club Lyme Membership Charges Junior 12-15 years (gym, swim, climbing)</b>				Cabinet	VAT Incl.
Junior membership - joining fee (includes inductions, one off fee - free to existing JETS)	10.00	12.00	2.00		
Junior membership - monthly direct debit (minimum initial payment of 2 months)	15.00	16.00	1.00		
Junior Membership - 6 month membership for price of 5 month	75.00	80.00	5.00		
<b>Club Lyme Membership Charges Adults (gym, classes, swim, climbing, aqua sauna)</b>				Cabinet	VAT Incl.
Joining fee (includes inductions) (one off fee - includes technogym key)	20.00	20.00	Freeze		
Off peak (Mon-Friday 6.30am-5pm & weekends) - 6 month minimum contract - payment monthly by direct debit	21.00	22.00	1.00		
Off peak (Mon-Friday 6.30am-5pm & weekends) - no contract - per month	26.00	27.00	1.00		
Off peak (Mon-Friday 6.30am-5pm & weekends) - 12 month membership for price of 11 months - payable in advance	231.00	242.00	11.00		
Peak (Mon-Friday 6.30am-11pm & weekends) - 6 month minimum contract - payment monthly by direct debit.	28.50	29.50	1.00		
Peak (Mon-Friday 6.30am-11pm & weekends) - no contract - per month	34.00	35.00	1.00		
Peak (Mon-Friday 6.30am-11pm & weekends) - 12 month membership for price of 11 month - payable in advance	313.50	324.50	11.00		
Corporate membership - peak (minimum of 5 members - per month per member)	27.00	28.00	1.00		
Corporate membership - off peak (minimum of 5 members - per month per member)	20.00	21.00	1.00		
3 day pass (to be used within 7 days)	9.00	10.00	1.00		
Joining fee if joining within a week of 3 day pass expiry	11.00	10.00	-1.00		
<b>Student Membership (on production of valid student card)</b>				Cabinet	VAT Incl.
Off Peak (Monday to Friday 6.30am-5pm & weekends) - no contract - per month	New	21.00	n/a		
Peak (Monday to Friday 6.30am-11pm & weekends) - no contract - per month	New	28.00	n/a		
Health Check (free to direct debit & annual members ) 4 per year, pay & play usage	10.00	12.00	2.00		
Replacement technogym key (new key)	New	10.00	n/a		
Replacement technogym key (used key)	New	5.00	n/a		
Technogym key (corporate members)	New	10.00	n/a		

Page 14	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Studio Hire</b>				Cabinet	VAT Incl.
Activity zone	17.00	19.00	2.00		
Studio 1	22.00	23.00	1.00		
Studio 2	22.00	23.00	1.00		
Multi activity space (both studios)	44.00	46.00	2.00		
Party set up/clean up	11.00	12.00	1.00		
<b>Classes</b>				Cabinet	No VAT
Adult - standard	5.20	5.50	0.30		
Adult - lyme card	4.70	5.00	0.30		
Adult - concession scheme	3.70	3.80	0.10		
Adult - off peak	3.70	3.80	0.10		
Junior class - lyme card	2.60	2.50	-0.10		
Osteo class - adult only	2.40	2.60	0.20		
<b>Swimming Fees</b>					
<b>Swimming Pay &amp; Play</b>				Cabinet	VAT Incl.
Adult swim - standard	4.10	4.40	0.30		
Adult swim - lyme card	3.70	4.00	0.30		
Adult swim - concession (including Keele University card)	2.40	3.00	0.60		
Junior swim - standard	2.30	2.20	-0.10		
Junior swim - lyme card	2.10	2.00	-0.10		
Children 3 years & under	Free	Free	Freeze		
Spectators - standard	1.00	1.00	Freeze		
Spectators - lyme card	Free	Free	Freeze		
<b>Swimming Instruction</b>					
<b>Swimming Lessons</b>				Cabinet	No VAT
Adult swimming lesson (per 30 minutes) - minimum 6 week course	New	8.00	n/a		
Junior swimming lesson (per 30 minutes) - lyme card	5.10	5.20	0.10		
<b>Private Lessons</b>				Cabinet	No VAT
1:1 lesson (per 30 minutes) - lyme card	20.40	20.80	0.40		
Additional person - lyme card	8.20	8.35	0.15		
<b>Pool Courses</b>				Cabinet	No VAT
Rookie lifeguards (per 2 hour session) - lyme card	6.50	6.80	0.30		
Other courses	Market value	Market value	n/a	Portfolio Holder	No VAT
<b>Swimming Pool Hire</b>				Cabinet	VAT Incl.
Teaching Pool Hire	43.50	45.00	1.50		
Main Pool Hire - (8 lane) (per lane per hour)	14.30	15.00	0.70		
Pool Party - teaching pool	63.90	65.00	1.10		
Additional staff for pool hire (per staff member)	21.00	22.00	1.00		
Newcastle Amateur Swimming Club - per lane - coaching	Negotiable	Negotiable	n/a	Portfolio Holder	No VAT
Shelton Therapy Club - 60 minute session - teaching pool	54.10	55.00	0.90		No VAT
Octopush - 90 minute session	Negotiable	Negotiable	n/a	Portfolio Holder	No VAT
Set up fee - galas	21.00	22.00	1.00		
Time equipment hire - galas	21.00	22.00	1.00		

Page 15	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Bowls</b>				Cabinet	VAT Incl.
Adult	3.90	4.00	0.10		
Junior/60+	2.00	2.00	Freeze		
Summer season ticket - adult	53.00	54.00	1.00		
Summer season ticket - concession	35.00	36.00	1.00		
Joint with Stoke-on-Trent City Council	68.00	70.00	2.00		
Winter season ticket	12.00	13.00	1.00		
Summer & winter season ticket - adult	62.00	64.00	2.00		
Summer & winter season ticket - concession	44.00	45.00	1.00		
Merit competition per player - per hour	6.25	7.00	0.75		
Greenage fees for pre-booking (plus playing fee per person)	8.50	9.00	0.50		
Chesterton Bowling Club - per season	New	730.00	n/a		
Wolstanton Marsh Bowling Club - per season	New	1,140.00	n/a		
Queen Elizabeth Bowling Club - per season	New	790.00	n/a		
Westlands Bowling Club - per season	New	3,140.00	n/a		
Knutton Bowling Club - per season	New	645.00	n/a		
Wolstanton Park Bowling Club - per season	New	1,555.00	n/a		
<b>Tennis Class A (Westlands, Wolstanton)</b>				Cabinet	VAT Incl.
Adult 30 minutes (per person)	2.00	2.00	Freeze		
Adult 1 hour (per person)	4.00	4.00	Freeze		
Adult 1 hour (group ticket 4 persons)	12.00	12.00	Freeze		
Family ticket 1 hour (up to 4 adults & or 4 children with 2 adults)	8.00	8.00	Freeze		
Family ticket 1 hour (1/2 adults & 2/3 children)	5.00	5.00	Freeze		
Junior/60+/unemployed 30 minutes (per person)	1.00	1.00	Freeze		
Junior/60+/unemployed 1 hour (per person)	2.00	2.00	Freeze		
Junior/60+/unemployed 1 hour (group ticket 4 persons)	6.00	6.00	Freeze		
Annual tickets - adult (per person)	92.00	94.00	2.00		
Annual tickets - junior/60+/unemployed (per person)	66.50	68.00	1.50		
Monthly ticket - adult (per person)	25.00	25.00	Freeze		
Monthly ticket - junior/60+/unemployed (per person)	20.00	20.00	Freeze		
Summer ticket (August only) - junior (per person)	15.00	15.00	Freeze		
<b>Tennis Class B (Chesterton, Silverdale, Birchenwood, Bradwell, Clough Hall)</b>	Free	Free	Freeze		
<b>Football (alternate weekly use per season)</b>				Cabinet	No VAT
Birchenwood	715.00	733.00	18.00		
Roe Lane	715.00	733.00	18.00		VAT Incl.
Wye Road/Black Bank/Clough Hall	633.00	649.00	16.00		
Wolstanton Marsh Pavilion	496.00	508.00	12.00		
All other pitches	342.00	351.00	9.00		
Junior pitch	60% of fee	60% of fee	Freeze		
Mini soccer pitch (unmarked)	200.00	205.00	5.00		
Mini soccer pitch (marked)	280.00	287.00	7.00		
<b>Football (casual use per match)</b>				Cabinet	VAT Incl.
Roe Lane/Birchenwood	80.00	82.00	2.00		
<b>Rugby (alternate weekly use per season)</b>				Cabinet	No VAT
Bathpool	694.00	711.00	17.00		
Lyme Valley	375.00	384.00	9.00		

Page 16	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Rugby (casual use per match)</b> Roe Lane/Bathpool	80.00	82.00	2.00	Cabinet	VAT Incl.
<b>Concessionary Licences</b>				Cabinet	No VAT
Brampton Park - ice cream	700.00	717.50	17.50		
Brampton Park use of bouncy castle	700.00	717.50	17.50		
4 Large Parks North of Borough - ice cream	600.00	615.00	15.00		
4 Large Parks South of Borough - ice cream	600.00	615.00	15.00		
<b>Community Events</b>				Cabinet	Plus VAT
Wedding Photos within a park setting	25.00	36.00	11.00		
Advertising within parks	<5000.00	<5125.00	n/a		
Hire of display boards (delivery/set-up/ collection)	25.00	26.00	1.00		
Hire of gazebos (delivery/set-up/collection)	75.00	77.00	2.00		
Hire of trailer stage (delivery/set-up/collection)	150.00	154.00	4.00		
Hire of tables & chairs (2 tables & 2 chairs) (delivery/set-up/collection)	20.00	20.50	0.50		
Booking large events which take more than 6 months planning (Midsummer Mayhem)	150.00	154.00	4.00		
Booking medium events - more than 6 months planning (firework displays, carnivals etc.)	75.00	77.00	2.00		
Booking small events - more than 6 months planning (competitions, fun days, picnics etc.)	25.00	26.00	1.00		
<b>LICENCES</b>					
<b>General</b>				Statutory	No VAT
Sex establishments - application fee	3,000.00	3,000.00	Freeze		
Sex establishments - annual fee	2,000.00	3,000.00	1,000.00		
Sex establishments - variation	0.00	1,000.00	New		
Sex establishments - transfer	0.00	1,000.00	New		
Scrap metal dealer site licence	200.00	250.00	50.00		
Scrap metal dealer collectors licence	150.00	200.00	50.00		
<b>Gambling Act 2005</b>				Statutory	No VAT
Lotteries - application fee	40.00	40.00	Freeze		
Lotteries - annual fee	20.00	20.00	Freeze		
Bingo - application fee	3,500.00	3,500.00	Freeze		
Bingo - annual fee	1,000.00	1,000.00	Freeze		
Bingo - variation	1,750.00	1,750.00	Freeze		
Track betting - application fee	2,500.00	2,500.00	Freeze		
Track betting - annual fee	1,000.00	1,000.00	Freeze		
Track betting - variation	1,250.00	1,250.00	Freeze		
Track betting - transfer	950.00	950.00	Freeze		
Club machine permit - application fee	200.00	200.00	Freeze		
Club machine permit - renewal fee	200.00	200.00	Freeze		
Club machine permit - annual fee	50.00	50.00	Freeze		
Betting premises - application fee	3,000.00	3,000.00	Freeze		
Betting premises - annual fee	600.00	600.00	Freeze		
Betting premises - variation	1,500.00	1,500.00	Freeze		
Betting premises - transfer	1,200.00	1,200.00	Freeze		
Family entertainment centre - application fee	2,000.00	2,000.00	Freeze		
Family entertainment centre - annual fee	750.00	750.00	Freeze		
Family entertainment centre - variation	1,000.00	1,000.00	Freeze		
Family entertainment centre - transfer	950.00	950.00	Freeze		
Adult gaming centre - application fee	2,000.00	2,000.00	Freeze		
Adult gaming centre - annual fee	1,000.00	1,000.00	Freeze		
Adult gaming centre - variation	1,000.00	1,000.00	Freeze		
Adult gaming centre - transfer	1,200.00	1,200.00	Freeze		



Page 17	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Private Hire/Hackney Carriage (subject to consultation)</b>				Public Protection	No VAT
Private hire operators (£100 per additional vehicle - maximum of 50)	82.00	85.00	3.00		
Hackney carriage - drivers badge (3 years)	210.00	214.00	4.00		
Private hire - drivers badge (3 years)	210.00	214.00	4.00		
Replacement badge	13.00	13.00	Freeze		
DBS (CRB check)	44.00	44.00	Freeze		
Hackney carriage - vehicles	275.00	280.00	5.00		
Private hire - vehicles	270.00	275.00	5.00		
Private hire - vehicles 8+ seats	275.00	280.00	5.00		
Transfer of vehicle	36.00	37.00	1.00		
Failure to attend for vehicle test	97.00	100.00	3.00		
Retest	33.00	35.00	2.00		
Replacement plate & carrier - front	0.00	5.00	New		
Replacement plate & carrier - rear	0.00	5.00	New		
<b>Licensing Act 2003 - New Application</b>				Statutory	No VAT
Premise licence, band A (RV up to £4,300)	100.00	100.00	Freeze		
Premise licence, band B (RV of £4,301 to £33,000)	190.00	190.00	Freeze		
Premise licence, band C (RV of £33,001 to £87,000)	315.00	315.00	Freeze		
Premise licence, band D (RV of £87,001 to £125,000)	450.00	450.00	Freeze		
Premise licence, band E (RV of £125,001 & above)	635.00	635.00	Freeze		
Additional fee (5,000 to 9,999 patrons)	1,000.00	1,000.00	Freeze		
Additional fee (10,000 to 14,999 patrons)	2,000.00	2,000.00	Freeze		
Additional fee (15,000 to 19,999 patrons)	4,000.00	4,000.00	Freeze		
Additional fee (20,000 to 29,999 patrons)	8,000.00	8,000.00	Freeze		
Additional fee (30,000 to 39,999 patrons)	16,000.00	16,000.00	Freeze		
Additional fee (40,000 to 49,999 patrons)	24,000.00	24,000.00	Freeze		
Additional fee (50,000 to 59,999 patrons)	32,000.00	32,000.00	Freeze		
Additional fee (60,000 to 69,999 patrons)	40,000.00	40,000.00	Freeze		
Additional fee (70,000 to 79,999 patrons)	48,000.00	48,000.00	Freeze		
Additional fee (80,000 to 89,999 patrons)	56,000.00	56,000.00	Freeze		
Additional fee (90,000 patrons & above)	64,000.00	64,000.00	Freeze		
<b>Licensing Act 2003 - Annual Fee</b>				Statutory	No VAT
Premise licence, band A (RV up to £4,300)	70.00	70.00	Freeze		
Premise licence, band B (RV of £4,301 to £33,000)	180.00	180.00	Freeze		
Premise licence, band C (RV of £33,001 to £87,000)	295.00	295.00	Freeze		
Premise licence, band D (RV of £87,001 to £125,000)	320.00	320.00	Freeze		
Premise licence, band E (RV of £125,001 & above)	350.00	350.00	Freeze		
Additional fee (5,000 to 9,999 patrons)	500.00	500.00	Freeze		
Additional fee (10,000 to 14,999 patrons)	1,000.00	1,000.00	Freeze		
Additional fee (15,000 to 19,999 patrons)	2,000.00	2,000.00	Freeze		
Additional fee (20,000 to 29,999 patrons)	4,000.00	4,000.00	Freeze		
Additional fee (30,000 to 39,999 patrons)	8,000.00	8,000.00	Freeze		
Additional fee (40,000 to 49,999 patrons)	12,000.00	12,000.00	Freeze		
Additional fee (50,000 to 59,999 patrons)	16,000.00	16,000.00	Freeze		
Additional fee (60,000 to 69,999 patrons)	20,000.00	20,000.00	Freeze		
Additional fee (70,000 to 79,999 patrons)	24,000.00	24,000.00	Freeze		
Additional fee (80,000 to 89,999 patrons)	28,000.00	28,000.00	Freeze		
Additional fee (90,000 patrons & above)	32,000.00	32,000.00	Freeze		

Page 18	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Licensing Act 2003 - Miscellaneous Fees (Application or Notice)</b>				Statutory	No VAT
Section 25 (theft/loss of licence/ summary)	10.50	10.50	Freeze		
Section 29 (application for a provisional statement)	315.00	315.00	Freeze		
Section 33 (notification of change of name or address)	10.50	10.50	Freeze		
Section 37 (application to vary licence to specify individual as premises supervisor)	23.00	23.00	Freeze		
Section 42 (application for transfer of premises licence)	23.00	23.00	Freeze		
Section 47 (interim authority notice following death of licence holder)	23.00	23.00	Freeze		
Section 79 (theft/loss of certificate/summary)	10.50	10.50	Freeze		
Section 82 (notification of change of name or alteration of rules of club)	10.50	10.50	Freeze		
<b>Licensing Act 2003 - Miscellaneous Fees (Application or Notice)</b>				Statutory	No VAT
Section 83 (1) or (2) (change of relevant registered address of club)	10.50	10.50	Freeze		
Section 100 (temporary event notice)	21.00	21.00	Freeze		
Section 110 (theft/loss of temporary event notice)	10.50	10.50	Freeze		
Section 117 (application for a grant or renewal of personal licence)	37.00	37.00	Freeze		
Section 126 (theft/loss of personal licence)	10.50	10.50	Freeze		
Section 127 (duty to notify change of name or address)	10.50	10.50	Freeze		
Section 178 (right of freeholder etc. to be notified of licensing matters)	21.00	21.00	Freeze		
<b>MARKETS</b>				Cabinet	No VAT
Open market - stall (per day) Monday, Friday, Saturday	20.00	20.00	Freeze		
Open market - second stall (per day) Monday, Friday, Saturday	10.00	10.00	Freeze		
Open market - stall (per day) Wednesday	10.00	10.00	Freeze		
Open market - additional space (per day) Wednesday	10.00	10.00	Freeze		
Farmers market - stall (per day)	20.00	20.00	Freeze		
Antique market - stall (per day)	7.50	7.50	Freeze		
Craft fair (bric-a-brac) - stall (per day)	5.00	5.00	Freeze		
Catering Pitches - minimum charge (per day)	25.00	25.00	Freeze		
<b>MOT</b>				Cabinet	No VAT
MOT - car	40.00	40.00	Freeze		
MOT - car (for discounted partner)	35.00	35.00	Freeze	Inc. Lyme cards	
MOT - class 7 (up to 3.5 tonnes)	49.00	49.00	Freeze		
Retest	12.00	12.00	Freeze		
<b>MUSEUM &amp; ART GALLERY</b>				Cabinet	VAT Incl.
Reproduction prints of items in collection	n/a	n/a	Freeze	Staffordshire Prints	
Other prints not on www.staffordshire.org.uk	Cost +100%	Cost +100%	Freeze		
A4 - copies (black & white)	0.50	0.50	Freeze		
A3 - copies (black & white)	0.70	0.70	Freeze		

Classification: NULBC UNCLASSIFIED Organisational

Page 19	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
A3 - copies (black & white)	0.70	0.70	Freeze		
A4 - copies (colour)	1.50	1.50	Freeze		
A3 - copies (colour)	2.00	2.00	Freeze		
A4 - scanned images	5.00	5.00	Freeze		
CD Rom - image/emailed image (per image)	12.50	14.00	1.50		
Subsequent images each	3.50	4.00	0.50		
Community publication	13.00	13.00	Freeze		
Additional	5.00	5.00	Freeze		
Commercial publication	40.00	45.00	5.00		
Additional	10.00	12.50	2.50		
Regional TV, film & video - per item	70.00	75.00	5.00		
UK network TV - per item	95.00	95.00	Freeze		
Overseas TV - per item	185.00	190.00	5.00		
Commission of picture sales from exhibitions	30%	30%	Freeze		Plus VAT
Education session per pupil - half day	2.75	2.75	Freeze		No VAT
Education session per pupil - full day	4.75	4.75	Freeze		No VAT
Education sessions - minimum charge half day (20 pupils or fewer)	50.00	50.00	Freeze		No VAT
Education sessions - minimum charge full day (20 pupils or fewer)	95.00	95.00	Freeze		No VAT
Holiday activities per child	1.50	4.00	2.50	Max. charge	No VAT
Adult history courses - 10 weeks	75.00	75.00	Freeze		No VAT
Adult history courses - 10 weeks concession	70.00	70.00	Freeze		No VAT
Adult object handling/reminiscence per hour	25.00	25.00	Freeze		
Outreach fee	25.00	25.00	Freeze		No VAT
Outreach education – schools per session	50.00	50.00	Freeze		No VAT
Hire of meeting room - half day	22.50	23.00	0.50		No VAT
Hire of meeting room - half day - community/charity rate	New	16.00	n/a		No VAT
Hire of meeting room - full day	New	45.00	n/a		No VAT
Hire of meeting room - full day - community/charity rate	New	30.00	n/a		No VAT
Refreshments- tea/coffee & biscuits per head	1.00	1.00	Freeze		
Education item loan	10.00	10.00	Freeze		No VAT
Saleable items	Market value	Market value	Freeze		
Open art registration - per item	4.00	4.00	Freeze		
Open art registration - three items	10.50	10.50	Freeze		
Open art registration - per item concession	3.50	3.50	Freeze		
Open art registration - three items concession	9.00	9.00	Freeze		
Open art registration - per item under 16	New	1.00	n/a		
<b>Event Fees</b>				Cabinet	VAT Incl.
Craft fairs per table - per day	15.00	15.00	Freeze		
Hall gallery weekly charge	10.00	10.00	Freeze		
Winter wonders - adult sessions (for a maximum of 12 persons)	New	35.00	n/a		
Visit to Father Christmas	New	4.00	n/a		
<b>NAMING/NUMBERING OF STREETS/PROPERTIES</b>					
<b>New or Redevelopment</b>				Cabinet	No VAT
Charge for naming of a street	157.50	166.00	8.50		
Charge for naming of a commercial building	79.00	83.00	4.00		
Single residential property on existing street	105.00	110.00	5.00		
Number/name 2-5 properties (includes first property)	157.50	166.00	8.50		
Plus - per plot	52.50	55.00	2.50		
Number/name 6-25 properties per phase (includes first property)	157.50	166.00	8.50		

Page 20	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
Plus - per plot	42.00	44.00	2.00	Cabinet	No VAT
Number/name >25 properties per phase (included first property)	157.50	166.00	8.50		
Plus - per plot	31.50	33.00	1.50		
Change to layout after notification	210.00	220.00	10.00		
Plus - per plot	26.00	27.00	1.00		
<b>Existing Properties/Streets</b>					
Adding or alteration of a house/building name	52.50	55.00	2.50		
Renaming of a street	On request	On request	Freeze		
House or building renumbering (including sub division to flats)	210.00	220.00	10.00		
Confirmation of postal address	31.50	33.00	1.50		
Requests not included in above fees - per hour	31.50	33.00	1.50		
<b>PEST CONTROL</b>				Cabinet	VAT Incl.
Treatment of rats (domestic) - residents in receipt of qualifying benefits	Free	Free	Freeze		
Treatment of rats (domestic) - prepayment (per 4 visits)	30.00	35.00	5.00		
Treatment of rats (domestic) - payment by invoice (per 4 visits)	48.00	53.00	5.00		
Treatment of mice (domestic) - prepayment (per 3 visits)	30.00	35.00	5.00		
Treatment of mice (domestic) - payment by invoice (per 3 visits)	48.00	53.00	5.00		
Treatment of pests of public health significance (domestic) e.g. bed bugs & cockroaches - prepayment	50.00	65.00	15.00		
Treatment of pests of public health significance (domestic) e.g. bed bugs & cockroaches - payment by invoice	68.00	83.00	15.00		
Insect control treatments (domestic) including wasps, ants & fleas - prepayment	65.00	65.00	Freeze		
Insect control treatments (domestic) including wasps, ants & fleas - payment by invoice	83.00	83.00	Freeze		
3 treatment scheme (3 for 2 offer) - prepayment	130.00	130.00	Freeze		
3 treatment scheme (3 for 2 offer) - payment by invoice	148.00	148.00	Freeze		
Pest control commercial (other) - first hour	83.00	83.00	Freeze		
Pest control commercial (other) - per 1/4 additional hour	20.00	20.00	Freeze		
Mole & Rabbit control (per treatment course, max 3 visits) - prepayment	160.00	170.00	10.00		
Mole & Rabbit control (per treatment course, max 3 visits) - payment by invoice	178.00	178.00	Freeze		
Squirrel control - prepayment (per 4 visits)	New	100.00	n/a		
Advice Visit (no treatment) - prepayment	30.00	35.00	5.00		
Advice Visit (no treatment) - payment by invoice	48.00	53.00	5.00		
Fixed term pest control treatment agreements (commercial premises)	On request	On request	Freeze		
Works in default (Prevention of Damage by Pests Act 1949) first hour (invoiced)	83.00	83.00	Freeze		
Works in default (Prevention of Damage by Pests Act 1949) per additional 1/4 hour (invoiced)	20.00	20.00	Freeze		

Page 21	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>PLANNING SERVICES</b>				Cabinet	No VAT
Postage & packaging	0.65	0.70	0.05		
<b>Copies up to £1 are free of charge</b>					
Paper copies of planning/building control decisions & documents - per sheet (A4 black & white)	0.10	0.15	0.05		
Paper copies of planning/building control decisions & documents - per sheet (A3 black & white)	0.20	0.25	0.05		
Paper copies of plans - planning files - per sheet (A4 black & white)	0.10	0.15	0.05		
Paper copies of plans - planning files - per sheet (A3 black & white)	0.20	0.25	0.05		
Paper colour copies of an A4 sheet of planning/building control decision, planning documents or plan from a planning file	0.25	0.30	0.05		
Paper colour copies of an A3 sheet of planning/building control decision, planning documents or plan from a planning file	0.50	0.55	0.05		
Scanned copies of documents - charge per hour of scanning (where legal to charge)	30.00	31.00	1.00		
Paper copies of plans - planning files - each plan (A2)	1.75	1.80	0.05		
Paper copies of plans - planning files - each plan (A1)	2.75	2.80	0.05		
Paper copies of plans - planning files - each plan (A0)	3.85	3.90	0.05		
Weekly lists - statutory consultees	Free	Free	Freeze		
Requests for information/site history - commercial organisations (per hour)	65.00	67.50	2.50		
Requests for information/site history - private individuals	Cost	Cost	Freeze		
<b>Pre Planning Application Advice</b>					
<b>Large Scale Major Developments</b> (residential developments over 200 dwellings or where number not known, a site area of 4ha or more. Non-residential developments over 10,000m2 of floorspace or where not known, a site area of 2ha or more)	400.00	440.00	40.00	Cabinet	VAT Incl.
<b>Small Scale Major Developments</b> (residential developments of between 10 & 200 dwellings or where number not known, a site area of between 0.5ha & 4ha. Non-residential developments of between 1000m2 & 10,000m2 of floorspace or where not known, a site area of between 1ha & 2ha)	200.00	220.00	20.00		
<b>Minor Developments</b> (residential developments of 1 dwelling or where number not known, a site area of less than 0.5ha. Non-residential developments of under 1000m2 of floorspace or where not known, a site area of less than 1ha)	60.00	65.00	5.00		
<b>Minor Developments</b> (residential developments of between 2 & 9 dwellings or where number not known, a site area of less than 0.5ha. Non-residential developments of under 1000m2 of floorspace or where not known, a site area of less than 1ha)	60.00	100.00	40.00		

Page 22	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>Householder Development.</b> (30 minutes free advice can be given. For time spent in excess of 30 minutes there will be a charge)	20.00	25.00	5.00		
<b>Other Development</b> (excluding householder development but including changes of use, advertisements, prior approval proposals & listed building proposals)	30.00	35.00	5.00		
<b>Planning Application Fees</b> Owing to the complexity of the fee structure, it is not shown here. Details of Fees payable may be obtained from the Council's Planning Section. Alternatively the fee calculator available at the Planning Portal website can be used to determine the fees payable in respect of individual applications. Please see the link below. <a href="http://www.planningportal.gov.uk/pins/FeeCalculatorStandalone">http://www.planningportal.gov.uk/pins/FeeCalculatorStandalone</a>	Statutory	Statutory	n/a	Statutory	No VAT
Building Control fees (North Staffs Building Control Partnership)	Per Board	Per Board	n/a	Partnership Board Cabinet	No VAT
George Riley walking guides	2.00	2.00	Freeze		No VAT
Business directory - Newcastle-under-Lyme	Free	Free	n/a		
Planning & development briefs (as & when prepared)	Free	Free	n/a		
Core spatial strategy	30.00	30.00	Freeze		
Local development framework proposals map - north or south	5.00	5.00	Freeze		
Local development framework proposals map - north & south	10.00	10.00	Freeze		
Strategic housing land availability assessment (SHLAA)	27.50	30.00	2.50		
<b>PRIVATE SECTOR HOUSING</b>				Cabinet	No VAT
Houses in multiple occupation licence fee	540.00	540.00	Freeze		
Each additional bedroom	0.00	7.00	New		
Re-submission of returned applications	85.00	85.00	Freeze		
Renewal of houses in multiple occupation licence	405.00	405.00	Freeze		
Immigration Inspections	108.00	110.00	2.00		
Provision of accommodation for homeless households	Cost	Cost	Freeze		
<b>Charges for work in default notices to remedy Housing Health &amp; Safety issues</b>				Cabinet	No VAT
Officer time (per hour)	24.00	30.79	6.79		
Travelling costs (per mile)	0.65	0.65	Freeze		
Management costs (per hour)	35.00	45.17	10.17		
Land registry fee	4.00	4.00	Freeze	Set externally	
Inspection by electrician/gas engineers	Cost	Cost	Freeze		
Recorded delivery	1.06	1.06	Freeze	Royal Mail cost	
Other costs (stated as per individual case)	Cost	Cost	Freeze		
Administration fee (corporate recharges)	12%	12%	Freeze		
<b>REMOVAL OF DOMESTIC ANIMAL CARCASSES</b>				Cabinet	VAT Incl.
Removal of domestic animal carcasses	29.70	31.50	1.80		

Page 23	Fee/Charge 2014/15 £.p	Fee/Charge 2015/16 £.p	Change £.p	Committee Approval/ Comments	VAT Status
<b>SALE OF SANDBAGS</b>				Cabinet	VAT Incl.
5 sand bags	28.60	30.00	1.40		
10 sand bags	34.10	35.50	1.40		
15 sand bags	39.60	41.00	1.40		
20 sand bags	45.41	47.00	1.59		
<b>STREET TRADING (OFFICER APPROVAL)</b>				Cabinet	No VAT
Newcastle Town Centre (daily)	20.00	20.00	Freeze		
Consent trading (daily, electricity)	3.60	3.60	Freeze		
Eastbound layby A500 (per annum)	8,745.00	8,745.00	Freeze		
Northbound layby A500 (per annum)	8,745.00	8,745.00	Freeze		
<b>TOWN CENTRE DISPLAYS (OFFICER APPROVAL)</b>				Cabinet	No VAT
Market traders & local promotions (per metre)	7.00	7.00	Freeze		
Charity & local community groups	Free	Free	Freeze		
National promotions (minimum charge)	60.00	60.00	Freeze		
<b>COVENANT CONSENTS (OFFICER APPROVAL)</b>				Cabinet	No VAT
Covenant consents	105.00	110.00	5.00		
<b>TREE PRESERVATION ORDERS</b>				Cabinet	No VAT
Single copy of a tree preservation order	30.00	31.00	1.00		

**Charging Principles Included in the Charging Policy**

5. **CHARGING PRINCIPLES**

- 5.1 Charges should be made for services whenever the Council has a power or duty to do so.
- 5.2 There will be a presumption that charges to be made for the provision of a service will be set at a level intended to recover the cost of providing the service.
- 5.3 However, this presumption may be modified by the application of the charging principles set out at 5.5 below, which may result in no charge being made or a lesser charge being made or in some cases a charge being made which is greater than that required for cost recovery.
- 5.4 No charge will be made in cases where the Council is not permitted to charge by law. Where charges are set by external bodies, those charges will be applied. Where maximum or minimum charges are specified externally, charges will be set in compliance with those requirements.
- 5.5 The following matters will be considered when deciding whether to set a charge, which is not to be based on cost recovery. The headings in bold indicate general areas for consideration and the bullet points below them are particular factors which should be taken into account where relevant.

***The cost of providing the service***

- All direct costs are to be included.
- All overheads related to the provision of the service, which may be attributed to the cost of the service, are to be included.
- Best estimates may be made of costs where it is not practical to obtain precise data or identify precisely those overheads attributable to the service.
- Unit costs are to be calculated by reference to realistic user numbers based on actual experience, either in relation to this Council or, if appropriate comparable services elsewhere.

***How much income is it desired to generate and why?***

- Is the service required to make a surplus or break-even?
- Does income from the service make a significant contribution to reducing the net amount of the Council's revenue budget?
- Have any targets been set for the income or class of income of which it is a component?
- Is income needed to fund future investment?

***Comparison of charges made by neighbouring or similar councils or other providers of similar services***

- In making this comparison it will be necessary to establish whether the services being provided by these other bodies are comparable to those provided by the Council and to make adjustments where this is not so.
- Is there a logical reason for significant differences between this Council's charges and those of others?
- Will customers be lost to other service providers if charges are set too high?

***Whose use of services is it desired to subsidise and by how much?***

- Can all potential users afford to pay the full cost of the service or the same charges as other users?
- Is it desirable to subsidise all users of the service, for example because there is likely to be a desirable outcome for the community as a result.
- Are there particular classes of users that should be subsidised, such as the unemployed, benefits recipients, the elderly, disabled persons or children?
- Should subsidies be given by reducing the charges payable or by offering concessions to offset the charge?



***Whose behaviour is it desired to influence and in what ways?***

- Is it desirable to influence users to use particular facilities, for example where they are under-used, by charging less for their use than for other similar ones?
- Is it desirable to persuade users to behave in a way which is more acceptable to the community in preference to any other or others less acceptable and can this be promoted by setting charges at a level which might achieve this?
- Is it desired to promote a particular pattern of use, for example short stay parking as opposed to another, such as long stay parking or to discourage peak time use of facilities?
- Should some behaviour or activities be discouraged by setting high charges or penalties?
- Can anti-social behaviour be reduced by charging for services which discourage people from behaving irresponsibly at a level which they will find attractive, for example charges for the collection of bulky waste to discourage fly-tipping?
- Are there desirable outcomes which the Council wishes to see realised, in line with its corporate objectives, which could be assisted through the charging regime, for example maintaining the economic vitality of the town centres through the provision of reasonably priced facilities such as car parking?

***How will charges help to improve value for money, equity and access to services?***

- What are users' perceptions with regard to what constitutes a fair and reasonable charge?
- Are there any issues relating to social inclusion or equalities?

***Will the cost (including staff time) of collecting the income due outweigh the amount of income likely to be collected?***

- Is it worth making a charge?
- Should a charge be made anyway as a matter of principle?

***Any other relevant factors***

- It will be a matter for the Council to determine what the charge will be, based on its consideration of the above factors.

- 5.6 Where, without prior agreement by the Council, individuals or organisations engage in activities that result in a cost to the Council, the Council will seek to recover this cost, wherever possible.
- 5.7 Consideration may be given to offering a discount or other reduction, in appropriate cases, where it is felt that this may improve take up of the service or to encourage prompt payment, following consultation with the Executive Director (Resources and Support Services) who must approve all such initiatives.
- 5.8 Penalties, in the form of fines, may also be imposed in order to deter inappropriate or antisocial behaviour, for example littering. The amount of the fine will be set at a level designed to deter such behaviour.
- 5.9 Activities carried out by the Council will be continually reviewed in order to identify any new areas where it would be appropriate to make a charge to persons or organisations benefiting (actually or potentially) from those activities. The level of the charge will be determined in accordance with these charging principles.

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## **REVENUE AND CAPITAL BUDGETS 2015/16**

**Submitted by:** Executive Director (Resources and Support Services)

**Portfolio:** Finance and Resources

**Wards(s) affected:** All

### **Purpose of the Report**

To review progress on the completion of the revenue and capital budgets for 2015/16 following agreement of the 5 year Medium Term Financial Strategy.

### **Recommendations**

- (a) That the assumptions set out in the report be approved.
- (b) That the Cabinet determine whether any change in the Council Tax levy is proposed in 2015/16.
- (c) That the Finance, Resources and Partnerships Scrutiny Committee be asked to consider what comments it wishes to make on the draft Budget and Council Tax proposals before the final proposals are considered at Cabinet in February 2015.

### **Reasons**

To enable the Cabinet to recommend a robust and affordable budget for 2015/16 to the Council meeting on 25 February 2015.

## 1. **Background**

- 1.1 The Council is committed to the delivery of high quality services. Integral to this ambition is the need to effectively target its financial resources in line with its stated aims and objectives, as set out in the Council Plan.
- 1.2 The work of the council in 2015/16 is focused on its vision of “creating a borough that is prosperous, clean, healthy and safe”, an aspiration reflected in the Council’s four corporate priorities of:
  - A Co-operative Council delivering High-Value, Community-Driven Services
  - A Clean, Safe and Sustainable Borough
  - A Borough of Opportunity
  - A Healthy and Active Community

These four priorities developed alongside the vision within the Council’s outcome-driven Council Plan, form the basis for the work the council is currently doing and what it is planning to do.

- 1.3 There has been good progress in the current year, with high standards of service delivery. Notable achievements so far in 2014/15 are set out in Appendix 1.
- 1.4 The Council has a Medium Term Financial Strategy (MTFS) to look at its financial position over the next 5 years. This is aligned to the Council Plan and will be the main vehicle in ensuring

efficiency in service delivery and targeting resources to its priority areas.

- 1.5 It should be noted that the MTFs and the draft 2015/16 Budget have been compiled against a continuing national picture of reduced funding from central government for local authorities, particularly district councils.
- 1.6 The draft 2015/16 budget is based upon the assumptions made in the MTFs which was approved by the Cabinet at its meeting on 15 October 2014 and scrutinised by the Finance, Resources and Partnerships Scrutiny Committee at their meeting on 5 November 2014.
- 1.7 The Budget Review Group has considered all of the proposals contained in this report, which are recommended to the Cabinet as a means to produce a balanced and sustainable budget for the Council. The Group is chaired by the Cabinet Portfolio Holder for Finance and Resources; in addition it comprises the Council Leader plus the Executive Management Team. Its remit is to oversee all aspects of the budget process, including service review and challenge, longer term planning, development of budget options, agreeing consultation arrangements and consideration of feedback and seeking to deliver service models that drive improvement to front-line services whilst offering value for money.

## 2. **Revised Budget 2014/15**

- 2.1 Monthly reports monitoring actual spending against budget have shown overall relatively small variances throughout the first eight months of the year.
- 2.2 Whilst some sources of income (e.g. Kingsgrove Sports Centre and car parking fees) continue to yield less compared to what was received prior to the recently experienced recession and ongoing low level of economic activity, income budgets are set at realistic levels reflecting current circumstances. The amount required in future budgets will be kept under review as the economy improves and, hopefully, income levels rise.
- 2.3 The majority of the savings of £2.100m incorporated in the 2014/15 budget are on target to be achieved. The only area where there will be a significant shortfall is in respect of the overtime review. The latest estimate is that there will be a shortfall of £56,000 in 2014/15. It is envisaged that the full £100,000 will be delivered in 2015/16 but this will be kept under review. This means that altogether over the seven years from 2008/09 to 2014/15 £15.370m of "gaps" will have been met via a combination of savings, efficiencies and additional income, as shown in the table below:

Year	£m
2008/09	1.250
2009/10	2.572
2010/11	2.389
2011/12	2.655
2012/13	2.621
2013/14	1.783
2014/15	2.100

## 3. **Draft Budget 2015/16**

- 3.1 In 2015/16, whilst continuing to deliver high performing, quality services and ensuring efficiencies in Council operations, there are many activities planned towards achieving Council Plan outcomes. Examples of these are set out in Appendix 2.
- 3.2 The MTFs was approved by the Cabinet on 15 October 2014. This illustrated that the Council would have a shortfall of £1.850m in 2015/16 which could be addressed by a combination of

actions, such as efficiency measures, reductions in expenditure, increases in income, a council tax increase or funding from the Council Tax Freeze Grant. Additional more radical solutions could be formulated, such as shared services, alternative service delivery models and service reductions.

- 3.3 The Government notified illustrative funding amounts for 2015/16 at the same time that the allocations for 2014/15 were announced. Analysis of the data supplied by the government indicated that there will be a reduction in funding compared to that for 2014/15 of £1.111m. This is a 15.6 per cent reduction compared with the 2014/15 amount and has been included in the MTFs. The provisional funding allocation for 2015/16 was announced on 18 December and was in line with this indicative reduction. The final funding allocation for 2015/16 should be announced in late January/early February 2015, and is not expected to differ to any significant extent from the provisional amount. The government has given limited information about the amounts of funding for subsequent years. Indications are that there are likely to be further substantial reductions. The MTFs has assumed a 10 per cent reduction each year from 2016/17 onwards.
- 3.4 There have been a small number of changes made to the MTFs since its approval in October, resulting in an increase in the funding “gap” of £298,000. This means that it now stands at £2.148m for next year. These are set out in the table below:

<b>Change</b>	<b>Amount £'000</b>
Reduction in Housing Benefits and Local Council Tax Support Administration Subsidy payable in 2015/16 as notified by the Department of Work and Pensions and Department for Communities and Local Government (DCLG)	80
Reduction in rental income in respect of asset disposals agreed at October's Cabinet meeting	175
Adjustment to Revenue Support Grant following a change to the Business Rates Multiplier for 2015/16 announced by DCLG	16
Reduction in fees and charges income projections	27
<b>Total</b>	<b>298</b>

The table below shows the factors which give rise to the £2.148m “gap” for 2015/16:-

<b>CHANGES TO BASE BUDGET</b>	
<b><u>ADDITIONAL INCOME</u></b>	<b>£'000</b>
Fees and Charges	86
Additional New homes Bonus	152
<b>TOTAL ADDITIONAL INCOME (A)</b>	<b>238</b>
<b>ADDITIONAL EXPENDITURE &amp; LOSS OF INCOME</b>	
Reduction in Government Funding	1,111
Reduction in Revenue Support Grant re Business Rates Multiplier	16
Provision for Pay Awards	122
Incremental Pay Rises for Staff	29
Superannuation increase in employers contribution	190
Additional National Insurance re increases in Pay	10
Reduced Vacancy Factor allowance	77
Price Increases e.g. energy, fuel, rates, insurances, supplies & services	95

Loss of Investment Interest due to fewer capital receipts and investment rates	17
Adjustments re One-Off items in 2014/15, e.g. Council Tax Surplus	179
Reduction in Housing Benefit & Council Tax Support Admin Subsidy	80
Reduction in rental income re Asset Disposals	175
<b>TOTAL ADDITIONAL EXPENDITURE AND LOSS OF INCOME (B)</b>	<b>2,101</b>
<b><u>OTHER ITEMS</u></b>	
<b>NEW PRESSURES</b>	
Bad Debts Provision	30
Insurance costs previously funded from insurance fund	165
New Legislation re Waste Income	90
<b>TOTAL NEW PRESSURES (C)</b>	<b>285</b>
<b>NET INCREASE IN BASE BUDGET (B + C - A)</b>	<b>2,148</b>

3.5 In view of the MTFs forecasts a project called Newcastle 2020 was started at the end of 2013. This is looking at how the Council's ever decreasing resource base can be best used to meet the needs of the Borough's residents and businesses. In particular it aims to identify means of closing the gaps revealed by the MTFs in the years leading up to 2020 and to define the likely service and budgetary characteristics of the Borough Council by that date. The project consists of a number of different work streams, including those outlined below, all of which will provide a perspective on the future role and funding of the Council.

- Heads of Services have been asked to model what their services would look like at a number of levels of resource reduction, from twenty up to a sixty per cent reduction. This work has already identified various savings opportunities which can be incorporated in next year's and future budgets in order to reduce the funding gaps.
- Predictive modelling of future tax base levels in relation to council tax, business rates and new homes bonus.
- Reducing the Burden - this aims to stop or reduce low value tasks across the Council which do not enhance outcomes for or experiences of customers or prevent staff from focussing on more important work.
- Looking at alternative service delivery models, such as demand management, sharing costs with other organisations, self-service for customers.
- Maximising income from fees and charges and exploring new means of income generation.
- Procurement savings - ensuring the Council commissions and procures quality services and supplies as cost-effectively as possible.
- Staffing efficiencies - review of all vacant posts, restructures, flexible early retirements.
- Good housekeeping - reviewing all service expenditure.

3.6 The Budget Review Group and your officers have been identifying and considering ways of eliminating the 2015/16 gap, building upon the work which has already been done to identify savings opportunities as part of the 2020 project. As a result, a number of savings and funding strategies have been identified and agreed with managers as being feasible and sustainable. The proposed savings, totalling £2.148m, are outlined in the table below and set out in detail in Appendix 3.

<b>Category</b>	<b>Amount</b>	<b>Comments</b>
	<b>£'000</b>	
Procurement	96	Smarter procurement and reductions in the amount of supplies procured
Additional Income	141	Includes new sources of income and additional income arising from increased activity. This amount is additional to the amount included in the MTFs in respect of a general increase in fees and charges
Staffing Efficiencies	527	No redundancies are anticipated to arise from these proposals
Good Housekeeping Efficiencies Service Reductions, Changes in Base Budgets	265	Various savings arising from more efficient use of budgets
Alternative Sources of Finance / Other	1,119	Additional contribution to the revenue budget from New Homes Bonus funding. Additional Business Rates retained, savings from advanced payments of superannuation contributions, effect of forecast Council Tax Base increase.
<b>Total</b>	<b>2,148</b>	

- 3.7 As in the last two years, the savings plan set out at Appendix 3 was made available to the Finance, Resources and Partnerships Scrutiny Committee for scrutiny at its meeting on 16 December 2014. No additional information was requested by the Committee and no matters were referred to Cabinet for consideration. The Committee will scrutinise this Cabinet report at its meeting on 21 January.
- 3.8 A decision is required whether or not to continue to freeze council tax at the same level as in 2014/15. In recent years the government has offered a council tax freeze grant to compensate councils which did not increase their council tax above the previous year's level and the Borough Council has accepted this offer and held tax at the same level for the last four years. The government has announced a further grant offer for 2015/16. The grant offered will be an amount which is the equivalent of a 1.00 per cent increase in council tax (£70k). This is similar to the basis of the 2014/15 offer. It is not clear whether it will be paid in 2015/16 only or whether it will also be paid in 2016/17. The 2014/15 grant is payable for both 2014/15 and 2015/16 after which it ceases to be paid.

There has always been concern amongst local authorities that these grants have tended to be short term in nature and if they cease to be paid this means that the shortfall will constitute a pressure on their revenue budgets, the shortfall having to be found as part of the savings necessary to eliminate the gap between spending and resources as identified in their medium term financial strategies. In addition holding the tax at the same level for a prolonged period means that the underlying budget cannot grow to take account of inflationary and other pressures meaning that eventually significant savings need to be made or tax rises become an imperative, although this may be impossible because of the referendum provisions referred to below.

Councils have only limited freedom to increase council tax, the Secretary of State each year notifying a percentage increase in tax from the previous year, above which the increase is deemed to be "excessive" and not permissible without a council carrying out a costly referendum of taxpayers to determine whether they approve of the increase. If it is not

approved, it cannot be implemented and savings must be found to balance the budget. The Secretary of State has announced that the percentage above which a referendum is required will be 2.00 per cent in respect of 2015/16, which is similar to previous years. If the Council were to increase tax to a point below the referendum threshold, the amount of additional income would equate to £70k for a 1.00 per cent increase and a proportionate amount for a different percentage.

Currently the savings and funding strategy referred to in paragraph 3.6 and set out in Appendix 3 includes £70k in respect of acceptance of a freeze grant (assuming a similar amount to 2014/15 would be offered) and an additional £63k in respect of the additional income which would arise from implementing an alternative option of increasing tax by 1.9 per cent, just below the referendum threshold. On this basis, if the Council accepted the grant, deciding not to make any tax increase, an additional £63k of savings or additional income would have to be found. If a tax increase of 1.9 % was approved, there would be no need for further savings but if tax was increased by a lesser amount, there would be a need to find some savings to make good the shortfall. It should be noted that if there is any tax increase, however small, no grant will be payable.

The table below summarises the position in relation to the freeze grants payable to date over the years they will be received. Two of the freeze grants (2011/12 and 2013/14) have been consolidated within the overall financial settlement which means, in theory at least, that they will continue to be receivable indefinitely. The 2012/13 grant was only payable for that one year and the 2014/15 grant is payable for two years.

Grant	Years in which grant is receivable					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Re 2011/12 Freeze	173	173	173	173	173*	173*
Re 2012/13 Freeze	0	173	0	0	0	0
Re 2013/14 Freeze	0	0	70	70*	70*	70*
Re 2014/15 Freeze	0	0	0	70	70	0
Re 2015/16 Freeze	0	0	0	0	70	?
Total Receivable in Year	173	346	243	313	383	243

\* Receivable as part of overall financial settlement rather than as a separate grant

3.9 Bringing together all the above results in a balanced draft budget, as shown in the table below:

	£'000	Report Reference
Changes to Base Budget	2,148	3.4
Savings/Increased Income	(2,148)	3.6
<b>BUDGET SHORTFALL ('GAP')</b>	-	

#### 4. Medium Term Financial Strategy - 2016/17 to 2018/19

4.1 The MTFs is being continually reviewed for 2016/17 to 2019/20. The current shortfalls are estimated as:



- £1.160m in 2016/17
- £0.558m in 2017/18
- £0.692m in 2018/19
- £0.399m in 2019/20

If a council tax freeze grant of £70k was offered and accepted for 2015/16, a further £70,000 will have to be added to the shortfall, probably for 2017/18 or 2018/19, depending on when the grant ceased to be payable.

4.2 The current anticipated shortfalls need to be addressed by a combination of measures such as efficiency savings, reductions in expenditure or income increases and consideration of the need for Council Tax increases. The Budget Review Group will continue to develop a strategy for bridging the entire 2016/17 gap and for eliminating the shortfalls in respect of the remaining years up to 2019/20.

5. **Capital Programme 2014/15 - 2015/16**

5.1 The Newcastle Capital Investment Programme Report considered by Cabinet on 5 February 2014 (see 5.6 below) set out the essential capital investment needed over the four years 2015/16 to 2018/19. The capital expenditure proposed for 2015/16 reflects the needs identified in the report updated to take account of current priorities and resources expected to be available for funding purposes.

5.2 Attached at Appendix 4 is the updated capital programme 2014/15 to 2015/16 based on current commitments and agreed schemes plus a number of new schemes which are vital to ensure continued service delivery. New schemes total £5.227m. The remainder of items included in the Programme relate to continuing expenditure on current schemes, funding for which has already been approved. Particular points to note are:

a) Consideration has been given to requirements for essential plant and equipment replacements, buildings repairs and maintenance and other work which will be needed over the next few years to enable services to be continued at acceptable levels or to safeguard income from commercial properties. The most urgently required items have been included in the proposed capital programme.

b) The capital investment required to implement the new waste recycling service approved by Cabinet on 23 July 2014 has been included as follows:

	2015/16
	£m
New Vehicle Fleet	1.540
Sorting Equipment	0.275
Weighbridge and Bulking Shed Works	0.185
	2.000
Total	2.000

In addition new recycling boxes will also be required at a cost of £0.495m which will need to be included in the 2016/17 capital programme.

c) The Housing Programme provides for the continuation of a number of existing activities, including disabled facilities grants which have provisionally been allocated a contribution of £654,000 from the Staffordshire Better Care Fund, together with a new item in respect of

Loans to Vulnerable Households, i.e. small loans made available to households on low incomes to enable them to maintain their homes.

- d) A sum of £0.015m has been included to progress some of the actions identified in the Council's Carbon Management plan.
- e) A £0.015m provision has been made for the costs of dealing with problems arising from traveller encroachment on Council owned land.
- f) Cabinet approved a second tranche of site disposals on 12 November 2014. Various fees associated with the disposal, amounting to £0.432m, were approved to be added to the capital programme and funded from capital receipts. This sum has been included in the programme at Appendix 4, to be spent in 2015/16.
- g) A report elsewhere on your agenda proposes spending £0.060m on safety works to the Midway Car Park. £0.045m is to be met from external funding with £0.015m required from the Council. This scheme has been included in the proposed programme.
- h) One new scheme has been included in the proposed programme which is wholly funded from external contributions, i.e. Subway Improvement Programme funded from Section 106 Contributions.
- i) In summary, expenditure of £5.564m shown in the proposed programme for 2015/16 at Appendix 4 comprises:

	£m
(a) New Schemes funded by the Council from Capital Receipts	3.305
(b) New Schemes funded from New Homes Bonus	0.545
(c) New Schemes wholly funded from external contributions	0.091
(d) New Schemes partly funded from external sources	0.699
(e) Fees re land sales approved by Cabinet 12 November 2014	0.432
New Schemes shown in table below	5.072
(f) ICT Projects funded via the ICT Development Programme	0.155
Total New Schemes	5.227
(g) Schemes brought forward from the original 2014/15 Programme	0.337
Grand Total	5.564

- Items (a) and (e) totalling £3.737m and part of (g) (£0.090m) are to be funded by capital receipts
  - Funding for Item (g) has already been approved in February 2014 when the 2014/15 Capital programme was approved
  - Item (f) will be funded from the ICT Development Fund
- j) The proposed programme of new projects is dependent upon the sales, approved by Cabinet on 15 October 2014, of the freehold of The Square and properties in Hassell Street and Brunswick Street being successfully completed and resulting in the expected capital receipts. If either of these sales do not take place some of the proposed projects will have to be curtailed.

A summary of all of the new items included in the Programme and how they are proposed to be funded is set out in the table below:

Scheme	Cost	Funding		
		New Homes Bonus	Other External Funding	Capital Receipts
	£'000s	£'000s	£'000s	£'000s
<b>Housing Programme</b>				
Disabled Facilities Grants	894	240	654	
PSH/Emergency HHSRS Grants/Vulnerable Households	100	100		
Empty Homes	30	30		
Loans to Vulnerable Households	75	75		
Landlord Accreditation Scheme	40	40		
<b>Replacement Vehicles and Equipment</b>				
Vehicles Replacement	687	45		642
Waste Bins	100			100
<b>Stock Condition Works</b>				
Museum	15			15
Commercial Portfolio	117			117
Offices	23			23
Car Parks	70			70
Parks Pavilions	33			33
Knutton Lane Depot	20			20
Silverdale Community Centre	20			20
Public Railings Painting	50			50
Engineering Structures	100			100
<b>Parks and Open Spaces</b>				
Play Area Refurbishment	60			60
Railings/Structures Repairs	15			15
<b>Other Projects</b>				
New Waste Recycling Service	2,000			2,000
Cemetery Memorial Survey Works	10			10
Traveller Encroachment	15			15
Site Disposal Tranche 2 Fees	432			432
Midway Car Park Safety Works	60		45	15
Carbon Management Plan	15	15		
Subway Improvement Programme	91		91	
<b>TOTAL</b>	<b>5,072</b>	<b>545</b>	<b>790</b>	<b>3,737</b>

- 5.3 There is clearly a direct link with the revenue budget as there may be revenue implications arising from new capital projects and the requirement to spend capital funds will lessen the ability to earn interest on the cash that is invested. It is therefore vital that the revenue and capital budgets are integrated.
- 5.4 Continuation of the capital programme beyond 2015/16 is dependent upon the achievement of a programme of receipts from the disposal of assets. It is essential that sufficient capital receipts are generated from these asset sales to enable essential capital investment to take place.
- 5.5 The Council's overall capital strategy was most recently updated in February 2014. A further updated strategy, covering the period 2015 to 2019, together with an updated asset management strategy, is included elsewhere on your agenda.

- 5.6 Two key reports have been considered by Cabinet in relation to future capital investment needs. These are the Newcastle Capital Investment Programme (Cabinet 5 February 2014) and Funding the Council's Capital Investment Programme (Cabinet 15 October 2014). The first report set out the amount of capital investment required over the four year period 2015/16 to 2018/19 in order to maintain service continuity and to safeguard income from the commercial property portfolio. The second report set out options for funding the capital investment identified in the preceding report. It concluded that the only realistic option to meet investment needs is a systematic programme of surplus land disposal, which will also enable the Council to deliver its policy objective of bringing forward more affordable and social housing by the release of some of its land holdings. The alternative of borrowing to part fund the programme is seen to be a more expensive option owing to the cost of servicing the debt. Accordingly it was resolved: ***"That Cabinet agrees with the principle that the Council, as a first resort, will seek to fund its future known capital programme needs through the annual asset management planning process by the identification of land or property in its ownership that is capable of, and appropriate for, disposal"***.

## 6. **Balances and Reserves**

- 6.1 The Council's Balances and Reserves Strategy for 2014/15 is that there should be a minimum General Fund balance of £1.20m and a Contingency Reserve of £100,000. The Council currently holds these reserves.
- 6.2 A review of all the Council's Balances and Reserves together with a risk assessment is being undertaken for inclusion in the final report on the budget to the Cabinet on 4 February 2015 and the full Council on 25 February 2015.
- 6.3 It is not proposed to make any contribution from the Budget Support Fund to support the 2015/16 budget.

## 7. **Legal and Statutory Implications**

- 7.1 The Council is required to set its Council Tax for 2015/16 by 11 March 2015. However, it is planned to approve the final budget and council tax rates on the 25 February 2015.

## 8. **Risk Statement**

- 8.1 Section 25 of the Local Government Act 2003 places a duty on the Chief Finance Officer to report on the robustness of the budget. The main risks to the budget include:
- Spending in excess of the budget.
  - Income falling short of the budget.
  - Unforeseen elements e.g. changes to legislation or reductions in government grants.
- 8.2 Such risks require regular and careful monitoring and it is essential that the Council has sufficient reserves to call on if required (see Section 6 above), for example the Council has a General Fund balance sufficient to cover foreseen risks.

## 9. **Budget Timetable**

- 9.1 The current timetable for the setting of the 2015/16 budget and Council Tax levels is:-

<b>When</b>	<b>Who</b>	<b>What</b>
13 January	Scrutiny Café (all members)	Scrutiny of the first draft of the overall budget proposals enabling all members to obtain information about the 2015/16 budget proposals
14 January	Cabinet	Consideration of draft budget proposals
21 January	FRAPS	Scrutiny of the draft budget proposals
4 February	Cabinet	Final budget proposals to be recommended for approval by Full Council
25 February	Full Council	To approve the budget and set council tax levels

FRAPS - Finance, Resources and Partnerships Scrutiny Committee

10. **Earlier Cabinet Resolutions**

Newcastle Capital Investment Programme (Cabinet 5 February 2014);  
Medium Term Financial Strategy 2015/16 to 2019/20 (Cabinet 15 October 2014);  
Funding the Council's Capital Investment Programme (Cabinet 15 October 2014).

11. **List of Appendices**

Appendix 1: Notable achievements in 2014/15  
Appendix 2: Activities planned to achieve Council Plan outcomes in 2015/16  
Appendix 3: Savings and Funding Strategies  
Appendix 4: Capital Programme 2014/15 to 2015/16.

**Notable Achievements in 2014/15**

**A Co-operative Council which delivers high-quality, community driven services**

- a) The Council's new Customer Relationship Management system has improved the delivery of more than a hundred Council services.
- b) Work is underway to increase the number of services available from the Council's website – allowing customers to request services where ever and whenever they need them.
- c) The new financial management system has allowed services to review their financial management processes and take advantage of many new facilities not available from the old system.
- d) Implementation of the Newcastle Housing Advice contract with Midland Heart including the establishment of a new office and on-line housing register.
- e) Contract for cleaning services awarded delivering 'Living Wage' rate.
- f) The innovative Shared Apprenticeship scheme looked at new ways of working with partners and seeking government funding to increase the number of employment opportunities for young people. This has been very successful and to date there has been eleven apprentices with a 100% retention rate last year and a further six started in the autumn. The scheme enables the young people to gain valuable work experience and a meaningful qualification.
- g) Collaborative procurement opportunities identified with neighbouring authorities.
- h) Recent switch to the way the Council procures its energy to try and deliver further ongoing savings.
- i) Restructure of the Recycling and Waste Service as the first stage of the new service.
- j) The Operations Service gained the Gold Standard award in Britain in Bloom for 13<sup>th</sup> year running and also Green Flag Awards for eleven of its parks and green spaces.
- k) Bereavement Services gained the Gold standard in the ICCM Charter for the Bereaved for the 11<sup>th</sup> year running, and continue to progress with the Memorial Safety Inspections in the borough's cemeteries. Also a new, more efficient grounds maintenance contract for cemeteries and crematorium was let.
- l) Public Toilets in the town achieved platinum, gold and silver standard awards.
- m) Reviewed overtime working in Streetscene and implemented new 5 over 7 weekend working arrangements to save money.
- n) Progress with consolidation of ICT software and hardware has continued and this year resulted in longer term savings of over £80,000 with no detriment to services.
- o) A successful trial of new tablet technology was undertaken by Members which if agreed, could be rolled out as early as Spring 2015.
- p) The Council's continued compliance with the Public Service Network (PSN) code of connection was confirmed in August for a further year whilst many neighbouring authorities struggled to meet the more stringent requirements.
- q) The roll out of Windows 7 and Office 2010 was completed on time and has introduced many new benefits for users.
- r) A new ICT strategy is set to be approved by Cabinet in December which focuses on supporting the needs of the Council in delivering its Council Plan and a wider transformation of services.
- s) Customer Services has received the Customer Service Excellence award for the fourth consecutive year.
- t) Two major customer services policies have been reviewed and revised to include best practice and latest legal guidelines. These are the Customer Complaints, Compliments and Comments Policy and the Customer Case Management Policy. A new Case Management Policy for Councillors has been introduced which

provides guidance for councillors in dealing with unreasonable behaviour or actions by members of the public when undertaking Council work.

- u) Achievement of the Payment Card Industry standards for all Council owned financial devices – avoiding monetary penalties.
- v) Full relicensing of the Council's Microsoft software base within existing budgets.

### **A Clean, Safe and Sustainable Borough**

- a) Inspected 225 homes with major health and safety hazards and achieved remediation of the hazards making the homes safe to occupy.
- b) Residents have recycled 500 tonnages more of garden waste than at the same time last year.
- c) Local Environment Quality (litter, detritus, graffiti and flyposting) scores continue to be good and are ahead of target at present.
- d) Confirmation of Locality Deal Funding from the Office of the Police and Crime Commissioner (OPCC) of £110,635 for 2014/15. The Newcastle Partnership has used some of the funding to 'top up' existing Independent Domestic Violence Advisor (IDVA) services, create Early Intervention domestic abuse services and undertake Domestic Violence (DV) campaigning.
- e) Successful Partnership approach to ASB enforcement – using the hub and case conferencing model with an overall reduction of reported ASB year to date of 21%. The 'Community Trigger' is also in place in response to the new legislation with training co-ordinated and cascaded to partners.
- f) Range of innovative Partnership projects delivered via external funding opportunities to prevent ASB in the communities.
- g) A Child to Parent violence project has been launched as a pilot and also a project with partners in North Staffordshire using external funding.
- h) Continued Partnership working with Dependent Drinkers case conferencing to ensure appropriate support and enforcement activity is co-ordinated and the Responsible Bodies Group and Town Centre Action Group contributing to the delivery of alcohol harm reduction actions.
- i) Delivery of a range of alcohol awareness campaigns e.g. World Cup and preparation for Alcohol Awareness week, seeking to reduce incidents of alcohol related violent crime.
- j) Launch of Street Chaplains and First Aid Triage in Newcastle Town Centre.
- k) The Newcastle Partnership has achieved the Purple Flag award –officially launched in November.

### **A Borough of Opportunity**

- a) Newcastle Town Centre Partnership has delivered a wide range of activities in line with their business plan; this has included the Jazz and Blues Festival, Lymelight Musical Festival, Global Groove, The Homecoming new circus event which was supported by a successful Arts Council bid and a weekend of activities around the Christmas Lights switch on. Working in partnership, support has been given with parking free for major events, and after 3pm for the Christmas period. A new customer loyalty scheme has been launched with the Lymecard.
- b) Kidsgrove Town Centre Partnership has established a membership scheme and is launching a website. They have developed the GO Kidsgrove brand and delivered Christmas, Easter and Halloween events linking to local businesses.
- c) Another successful Business Boost competition and awards event was held at the Keele Sustainability Hub, expanded this year to include a town centre customer excellence award.
- d) In the first six months of the year a total of 29 affordable housing units were provided. Partnership working continues with registered providers and the Homes and Communities Agency to deliver new affordable housing.

- e) Ryecroft subway refurbishment completed with modern colourful artwork and completion of Bridge Street subway with heritage murals.
- f) Completion of the Town Centre Public Realm project with the successful pedestrianisation of Hassell Street and the delivery of new market stalls.
- g) Successful letting of the offices on the upper floor of Lancaster Building which has created new jobs and an additional revenue stream for the Council.
- h) In view of the current economic climate, maintaining the vacancy rates in respect of the commercial portfolio at 8.5%.
- i) Securing of purchasers in respect of the Square, High Street and premises in Hassell Street and Brunswick Street, Newcastle.
- j) Demolition of the former Sainsbury's store and multi storey car park completed within timescale and budget with no health and safety issues and few neighbour complaints.
- k) Facilitation of the provision of the Winter Wonderland on the former Sainsbury's supermarket site.
- l) Support provided for Arch North staffs to operate a shared housing scheme to help single homeless people affected by the welfare reform.
- m) Financial assistance provided to 90 disabled residents to assist with adaptations to their home.
- n) Developed a private landlord accreditation scheme to recognise good quality private sector accommodation.
- o) Worked with Staffordshire County Council and the district councils in Staffordshire to launch a County-wide Home Improvement Agency which assists vulnerable householders to continue to live independently at home.
- p) Carried out pro-active inspections of – private sector shared housing (HMO's) to ensure good quality housing standards are achieved and maintained.

#### **A Healthy and Active Community**

- a) A total of 2691 volunteer hours were given from volunteer groups and individuals in the first six months of the year to care for the local green spaces and neighbourhoods through the delivery of the Community Engagement Framework.
- b) Held the second annual "Communities Day" in June where 33 groups participated in a range of community events.
- c) Expanded the "Planting Pledge" and "Litter Pledge" initiatives where 24 schools and businesses signed up to improve their local environment.
- d) Received approximately £38,000 for funding from the Waste and Resources Action Programme (WRAP) for support with developing the Council's new Recycling and Waste Collection Service.
- e) The new Allotments Strategy for the Borough was developed in consultation with stakeholders.
- f) Park Road Allotments was successfully transferred into community management in partnership with Silverdale Parish Council.
- g) Playing Pitch Strategy and Kidsgrove Sports Centre Feasibility Study completed and significant progress of of the community centre review.
- h) National Indoor Climbing Award Scheme (NICAS) accreditation gained at Jubilee2.
- i) Investment of £75,000 in Red Street Community Centre to provide modern community centre facilities and redecoration of Ramsey Road Community Centre to facilitate the leasing to a third party.
- j) The museum has worked in partnership with Aspire Housing on a £22,000 project to create a First World War memorial sculpture on Brampton Park and was unveiled on Nov 11. Also a £9,200 grant was received to develop an exhibition entitled Newcastle Remembers which has been on show at the museum and elements of which will tour the borough over the next five years.
- k) Developed the museum volunteer programme and now have 14 volunteers with distinct roles to add value to the service's work.



- l) Grant received from the West Midlands Museum Development Officers for a rebranding project for the museum and park to assist with marketing and raising awareness of the Brampton.

**Activities planned to achieve Council Plan outcomes in 2015/16**

**A Co-operative Council which delivers high-quality, community driven services**

- a) Reviews and implementation of new strategies and policies over a wide range of services.
- b) Replacement of the Council's website to focus on less content that is more accessible and of greater importance.
- c) Make a significant drive towards online delivery of services through the Customer Journey programme.
- d) Implement the ICT Strategy and look at how technology can equip staff with the tools they need to become more efficient, delivering services in more flexible, innovative ways.
- e) Continue to run the ICT Consolidation programme and identify opportunities to remove or reduce expensive applications.
- f) Redesign services to remove manual intervention wherever possible and improve public participation in the business of the Council.
- g) Implement the new Customer Standards and Access Strategy across all front line services alongside the ICT Strategy to underpin the 'digital by default' agenda and drive channel shift.
- h) Continue to develop the Community Engagement and Participation Framework to encourage volunteer groups to care for their green spaces and neighbourhoods and the Pledge initiatives with schools and businesses.
- i) Further roll out of actions linked to the Memorandum of Understanding (MOU) with PM Training.
- j) Embedding of Social Value in future procurements.
- k) Introduction of new contract procedural rules to replace Council Standing Orders.
- l) Increased reporting of contract spend and opportunities linked to the LA Transparency Code 2014.
- m) Launch and implementation of the Bravo e-tendering platform.
- n) Greater collaboration between partnership members around commissioning.
- o) Rolling out of Workforce Development plans for all service areas.
- p) Further development of locality working.

**A Clean, Safe and Sustainable Borough**

- a) Support the operation of the Energy Advice Service to enable residents to access funding and support to implement energy efficiency measures in their homes.
- b) Participate in Britain in Bloom and the Green Flag Award scheme and retain the gold standard for the charter for the Bereaved.
- c) Seek to continue good performance in Local Environmental Quality.
- d) Commence delivery of the new Allotments Strategy action plan and review of the Green Space Strategy.
- e) Moving forward with developing the revised Recycling and Waste Service, and will be based on providing residents with a weekly recycling service provided directly by collection staff.
- f) Launch of the Anti-Social Behaviour Policy and Procedure.
- g) Delivery of Local Police and Crime Plan 2014-17.

**A Borough of Opportunity**

- a) Continued promotion of the Accredited Landlord Scheme to support good landlords and active enforcement to ensure landlords comply with minimum standards.
- b) Launch a loan scheme to enable low income owner occupiers to repair their homes to a decent standard.

- c) Work to secure a development partner to take forward the redevelopment of the Ryecroft site for major new retail-led, mixed-use development and new multi-storey car park.
- d) Continue to work with the Stoke and Staffordshire Local Enterprise Partnership (LEP) to secure European funding for the borough.
- e) Implement the Asset Management Strategy to bring forward surplus sites for disposal.
- f) Remedial work and decoration of the exterior of the museum and refurbishment and re-roofing of Clayton Sports Centre and Croft Road industrial units.

#### **A Healthy and Active Community**

- a) Support Newcastle Town Centre Partnership with the development of a Business Improvement District and continued support for the implementation of the Kidsgrove Town Centre Partnership.
- b) Work with partner agencies to ensure that the needs of vulnerable disabled residents continue to be recognised with the Better Care Fund, to ensure that adaptations can be delivered effectively
- c) Continue to seek the improvement of private sector homes removing hazards to health as necessary and appropriate.
- d) Deliver improvement schemes at Wolstanton Marsh and Cotswold Avenue children's playgrounds and an externally funded improvement scheme at Thistleberry Parkway.
- e) The museum and other partners, for example the Town Centre Partnership, Newcastle Library, Newcastle Civic Society will develop a project around commemorating and celebrating Philip Astley, inventor of the modern circus who was born in Newcastle.
- f) A new gallery will be developed at the museum in partnership with St. Giles Church, working title 'Newcastle People' as part of a grant awarded to the church for heritage projects. A new Newcastle History App will be developed as part of the project.
- g) A First World War exhibition, 'Resonance' by artist Steve Dixon, based on museum collections around the county will be showing at the museum in September to November 2015. This exhibition is funded through a joint bid to Arts Council England by the Staffordshire Museums Consortium.
- h) Working towards accreditation for quality, safety and management for Jubilee2.
- i) Progress the development of the preferred option for Kidsgrove Sports Centre.

**Appendix 3 – 2015/16 Savings and Funding Strategies Being Considered (will require robustness checks and final review)**

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Ref.	Service Area	Description	£000's	% of Budget Line(s)	Detail
<b>Procurement</b>					
P1	Business Improvement and Partnerships	Grants and Third Sector Commissioning	23	9.7%	Reduction in budgetary requirement from collaboration with Staffordshire County Council regarding debt, benefit, and consumer information advice services
P2	Central Services	Land Charges Third Party Costs	8	16.7%	Reduction in fees payable to Staffordshire County Council for Highways searches
P3	Communications	Multi-Functional Devices	17	28.3%	Savings from negotiation of extension to existing contract (November to March) - further savings of £33,000 in 2016/17
P4	Communications	Printing and Publicity	10	10.0%	Savings generated from the centralisation of the Council's print and publicity budgets and the resulting challenges to purchasing
P5	Finance	Bank Contract	38	69.1%	Procurement savings resulting from tendering exercise for a new banking contract
			<b>96</b>		
<b>Income</b>					
I1	Assets	Public Transport Departure Fees	8	25.0%	Re-alignment of budget to match actual income received
I2	Assets	Additional Rental Income from Civic Offices	25	7.1%	Additional rental income from Civic Offices re. SSOTP NHS
I3	Central Services	Hackney Carriage and Private Hire Licences	20	10.1%	To reflect actual income expected from cyclical payments of three year licence fees
I4	Operational Services	Bereavement Services Income	28	2.4%	Increase of fees above inflation
I5	Operational Services	Streetscene Income	10	66.7%	Additional income generated from new customers
I6	Planning	Planning Fees and Building Control Costs	10	3.4%	A net saving from increased planning applications offset by increased costs required to be budgeted for regarding Building Control
I7	Recycling and Fleet	Trade Waste	10	2.1%	Net increase in income receivable
I8	Revenues and Benefits	Empty Home Discount	15	**	Empty homes discount reduced to 28 days
I9	Revenues Benefits	Discretionary Rate Relief	15	**	Reduction in the additional discretionary rate relief granted by the Council
			<b>141</b>		

Ref.	Service Area	Description	£000's	% of Budget Line(s)	Detail
<b>Staffing Related Efficiencies</b>					
S1	Assets	Restructure of Service	20	4.4%	Additional savings from finalisation of restructure of the Assets Service
S2	Business Improvement and Partnerships	Reduced Hours	8	5.2%	Reduction in hours of Business Improvement Officer (Risk and Insurance)
S3	Central Services	Flexible Retirements	32	11.5%	Flexible retirement of Senior Administration Assistant/Mayor's Secretary and Licensing Officer
S4	Communications	Flexible Retirement	12	10.9%	Flexible retirement of Design and Print Team Leader
S5	Customer and ICT Services	Flexible Retirement	38	8.0%	Flexible retirement of Head of Service
S6	Customer and ICT Services	Reduced Hours	6	9.4%	Reduction in hours of Clerical Assistant post in the Creditors Section
S7	Environmental Health	Temporary Contract	12	16.0%	Replacement of full time Environmental Warden (Pest Control) post with seasonal post for 6 months per annum
S8	Finance	Flexible Retirement and Reduced Hours	46	13.3%	Flexible retirement of Principal Accountant/Clerical Assistant, and reduction in hours of Principal Accountant
S9	Finance	Car Leasing Scheme	7	5.5%	Car leases not renewed following expiry
S10	Housing and Regeneration	Flexible Retirement	28	18.3%	Flexible retirement of Economic Development Officer
S11	Human Resources	Recruitment Adverts and Other Items	7	17.5%	Reduction in budgetary requirement to advertise vacancies and for other items
S12	Human Resources	Terms and Conditions Review	50	*	Review of employee terms and conditions
S13	Leisure and Cultural	Employee Hours at Kidsgrove Sports Centre	20	6.8%	Reduction in total employee hours at Kidsgrove Sports Centre
S14	Leisure and Cultural	Vacant Post	18	9.3%	Part replacement of General Manager post with marketing expertise
S15	Leisure and Cultural	Sports and Active Lifestyles Review	50	*	Total savings of £100,000 over 2015/16 and 2016/17 from review of staffing of the service
S16	Operational Services	Retirement	8	4.4%	Full retirement of Assistant Environmental Officer
S17	Operational Services	Temporary Contract	19	13.2%	Temporary contract of Landscape Technical Assistant to not be renewed (25% of full £26k cost re. Capital)
S18	Operational Services	Reduced Hours	5	9.3%	Reduction in hours of Community Warden
S19	Operational Services	Park Attendant Service	70	*	Total savings of £138,000 over 2015/16 and 2016/17 from review of service, management of the service and controllable supplies and services budgets
S20	Operational Services	Retirement	10	33.3%	Retirement of Public Convenience Attendant
Ref.	Service Area	Description	£000's	% of Budget	Detail

S21	Operational Services	Bereavement Services Restructure	22	10.7%	Restructure within Bereavement Services including retirement and flexible retirement
S22	Planning	Planning Officer posts	15	2.7%	Saving from replacement of Senior Planning Officer post with Planning Officer post and employment of new starters on lower spinal column points than leavers
S23	Planning	Reduced Hours	5	3.0%	Reduction in hours of Secretary
S24	Resources and Support Services	Reduced Hours	3	2.3%	Reduction in hours of Secretary
S25	Revenues and Benefits	Reduced Hours	5	1.0%	Reduction in hours of Clerical Assistant (Revenues Billing)
S26	Revenues and Benefits	Flexible Retirement	11	0.2%	Flexible retirement of Revenues Assistant
			<b>527</b>		
<b>Good Housekeeping/General Other Savings/Changes in Base Budgets</b>					
G1	Assets	Engineers - Other Fees for Services	2	50.0%	Reduction in budgetary requirement for other fees for services
G2	Business Improvement and Partnerships	Grants and Third Sector Commissioning	7	21.2%	Reduction in small and community chest grants
G3	Business Improvement and Partnerships	Other Fees for Services, Equipment, Seminars, Allowances	6	42.9%	Reduction in budgetary requirement for other fees for services, equipment, seminars and allowances
G4	Central Services	Elections	36	26.5%	Saving from Running Borough Elections Alongside Parliamentary Election in 2015/16 (one off saving).
G5	Communications	Jazz and Blues Festival	2	40.0%	Reduction in contribution to the Town Centre Partnership re. Jazz and Blues Festival, remainder of contribution to be removed in 2016/17
G6	Communications	Computer Hardware, Other Fees for Services, Overtime	3	50.0%	Reduction in budgetary requirement for computer hardware, other fees for services and overtime
G7	Communications	Print Room Joint Venture with Stoke-on-Trent City Council	8	100.0%	Removal of requirement to contribute to the equipment replacement fund following the introduction of a print and associated services joint venture with Stoke-on-Trent City Council
G8	Customer and ICT Services	Review of the Customer Service Centres	10	2.1%	Review of the Guildhall and Kidsgrove Customer Service Centres (further £20,000 saving to be achieved in 2016/17)
G9	Customer and ICT Services	Reduction in Computer Support Services and Software Costs	13	2.6%	Reduction in budgetary requirement for computer support services and computer software costs
G10	Customer and ICT Services	Reduction in Staffordshire County Council Network Contract	4	30.8%	Reduction in budgetary requirement for Staffordshire County Council network charges
<b>Ref.</b>	<b>Service Area</b>	<b>Description</b>	<b>£000's</b>	<b>% of Budget Line(s)</b>	<b>Detail</b>

G11	Environmental Health	Pest Control Vehicle Lease, Fuel, Equipment	3	12.0%	Reduction in budgetary requirement for vehicle lease, fuel and equipment purchases
G12	Environmental Health	Travelling Allowances, Other Fees for Services, Equipment	10	18.2%	Reduction in budgetary requirement for travelling allowances, other fees for services and equipment
G13	Finance	Business Rates on Council Properties	42	4.7%	Reduction in business rates for which the Council is liable (Museum and Art Gallery, Crematorium and Central Depot)
G14	Housing and Regeneration	Christmas Lights	12	27.9%	Reduction in budget provision for Town Centre Christmas lights
G15	Housing and Regeneration	Town Centre Partnership Contribution	7	25.0%	Phased removal of contribution to the Town Centre Partnership (£7,500 in 2015/16 and £22,500 in 2016/17)
G16	Housing and Regeneration	Homelessness Projects	19	29.2%	Reduction in budgetary requirement for Homelessness projects
G17	Internal Audit	Other Fees for Services, Training, Equipment	2	25.0%	Reduction in budgetary requirement for other fees for services, training and equipment
G18	Leisure and Cultural	Community Centres	14	20.0%	Payment of business rates, electricity, water and trade waste collection by all occupied Community Centres and reduction in grant given by the Council
G19	Leisure and Cultural	Community Recreation Service Transport	10	100.0%	Non-renewal of lease agreement for transport in the service
G20	Leisure and Cultural	New Victoria Theatre Grant	10	10.2%	Phased reduction of grant given over a 5 year period
G21	Operational Services	Merrial Street Toilets	10	55.6%	Planned closure and subsequent reduction in controllable costs - utilities, overtime, maintenance, statutory inspections
G22	Operational Services	Landscape General Efficiencies	2	40.0%	Reductions in budgetary requirement for other fees for services, legal fees, travelling allowances and overtime
G23	Operational Services (Admin)	Employee Allowances, Equipment Purchase	5	13.5%	Reduction in budgetary requirement re. employee allowances and equipment purchase
G24	Recycling and Fleet	Waste Transfer Station	15	15.0%	Change in disposal legislation (Staffordshire County Council)
G25	Recycling and Fleet	Waste Strategy	5	6.7%	Equipment purchase (containers), one off saving for 2015/16
G26	Revenues and Benefits	Cash Collections and Training	8	14.3%	Reduction in budgetary requirement for cash collections and training

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Ref.	Service Area	Description	£000's	% of Budget Line(s)	Detail
<b>Alternative Sources of Finance/Other</b>					
A1	Corporate	Business Rates Retention Scheme	200	5.3%	Increase in business rates retainable by the Council as per

A2	Corporate	Invest to Save Savings	23	**	NNDR1 calculations Savings following financing of invest to save schemes (e.g. Mayoral vehicle and weed control mechanical equipment)
A3	Corporate	Superannuation Lump Sum	61	6.1%	Discount for payment in advance of superannuation lump sums of £76k, less lost interest of £15k
A4	Corporate	Council Tax	133	**	Based on increasing council tax below the referendum threshold
A5	Corporate	Council Tax Base	65	1.1%	Increase in Council Tax Base (increase in residential properties from 34,890 to 35,255 at £176.93 per property)
A6	Corporate	New Homes Bonus contribution	421	60.6%	Further additional funding to be received in 2014/15 (split with capital) and change of split with capital
A7	Corporate	Grants to Parishes	15	25%	Reduction in the contribution given to Parish Councils per head for concurrent functions
A8	Corporate	Revenue Investment Fund	50	50.0%	Reduction of contribution to the Revenue Investment Fund to £50k per annum
A9	Corporate	Minimum Revenue Provision	151	100%	Vehicle and equipment finance leases re. International Financial Reporting Standards adjustments
			<b>1,119</b>		
<b>Grand Total</b>			<b>2,148</b>		
* <i>Unable to determine % at current time</i>					
** <i>Not applicable</i>					



**NEWCASTLE-U-LYME BOROUGH COUNCIL CAPITAL PROGRAMME 2014/15 TO 2015/16**

Scheme	Corporate Priorities				2014/15 Est Exp	2015/16 Est Exp	Total Exp	External Cont	Council Financing
					£	£	£	£	£
<b>Safer Communities</b>									
Parkhouse/Lymedale CCTV	a	b		d	15,000	0	15,000	0	15,000
CCTV Replacement Equipment	a	b			25,000	0	25,000	0	25,000
Midway Car Park Safety Works	a				0	60,000	60,000	45,000	15,000
Stock Condition Works - Engineering Structures	a				0	100,000	100,000	0	100,000
<b>Totals</b>	<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>40,000</b>	<b>160,000</b>	<b>200,000</b>	<b>45,000</b>	<b>155,000</b>

Scheme	Corporate Priorities				2014/15 Est Exp	2015/16 Est Exp	Total Exp	External Cont	Council Financing
					£	£	£	£	£
<b>Environment &amp; Recycling</b>									
Pool Dam Valley Marshes Nature Reserve	a	b			0	47,000	47,000	47,000	0
Cemetery Memorial Safety Programme	a				23,000	0	23,000	0	23,000
Cemetery Memorial Survey Works	a				9,000	10,000	19,000	0	19,000
Carbon Management Plan	a				0	15,000	15,000	15,000	0
Traveller Encroachment	a				0	15,000	15,000	0	15,000
New Waste Recycling Service	a				0	2,000,000	2,000,000	0	2,000,000
Waste Bins	a				50,000	100,000	150,000	0	150,000
<b>General Projects</b>									
Asset Disposal Programme		b			16,000	432,000	448,000	0	448,000
General Contingency					85,300	0	85,300	0	85,300
Final Accounts & Retentions Various					5,800	0	5,800	0	5,800
<b>Totals</b>	<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>189,100</b>	<b>2,619,000</b>	<b>2,808,100</b>	<b>62,000</b>	<b>2,746,100</b>

Scheme	Corporate Priorities				2014/15 Est Exp	2015/16 Est Exp	Total Exp	External Cont	Council Financing
					£	£	£	£	£
<b>Culture &amp; Leisure</b>									
Play Area Refurbishment	a		c		61,700	75,000	136,700	0	136,700
Wolstanton Marsh Improvements	a		c		53,100	0	53,100	53,100	0
Silverdale Community Facilities	a		c		13,400	0	13,400	13,400	0
Footpath Repairs	a		c		17,800	50,000	67,800	0	67,800
Railings/Structures Repairs	a		c		27,200	25,000	52,200	0	52,200
Brampton Park	a		c		0	100,000	100,000	85,000	15,000
Castle Motte Heritage Works	a				6,400	0	6,400	6,400	0
Neighbourhood Park The Wammy	a		c		9,300	0	9,300	9,300	0
Clayton Sports Centre - Match Funding	a		c		207,000	0	207,000	207,000	0
Thisleberry Parkway Phase 1	a		c		85,700	0	85,700	85,700	0
Stock Condition Works -								0	
Museum			c		30,000	15,000	45,000	0	45,000
Clayton Community Centre			c		15,000	0	15,000	0	15,000
Knutton Community Centre			c		30,000	0	30,000	0	30,000
Red Street Community Centre			c		75,000	0	75,000	0	75,000
Parks Pavilions	a		c		0	33,000	33,000	0	33,000
Silverdale Community Centre			c		0	20,000	20,000	0	20,000
Public Railings Painting	a				0	50,000	50,000	0	50,000
<b>Totals</b>	<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>631,600</b>	<b>368,000</b>	<b>999,600</b>	<b>459,900</b>	<b>539,700</b>

Scheme	Corporate Priorities				2014/15	2015/16	Total Exp	External Cont	Council Financing
					Est Exp	Est Exp			
<b>Operational Equipment/Buildings/ICT Development Fund</b>									
ICT PC Replacements	a		d		30,200	10,000	40,200	0	40,200
ICT Replacement Servers	a		d		5,500	0	5,500	0	5,500
Customer Relationship Management			d		55,100	0	55,100	0	55,100
ICT Projects			d		125,000	145,000	270,000	0	270,000
Vehicles	a		d		577,000	687,000	1,264,000	45,000	1,219,000
Stock Condition Works -									
Civic Offices			d		102,300	3,000	105,300	0	105,300
Guildhall			d		0	20,000	20,000	0	20,000
Knutton Lane Depot			d		0	20,000	20,000	0	20,000
<b>Totals</b>	<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>895,100</b>	<b>885,000</b>	<b>1,780,100</b>	<b>45,000</b>	<b>1,735,100</b>

Scheme	Corporate Priorities				2014/15	2015/16	Total Exp	External Cont	Council Financing
					Est Exp	Est Exp			
<b>Regeneration, Planning &amp; Town Centres Development</b>									
Empty Homes	a		c		20,000	30,000	50,000	50,000	0
PSH/Emergency HHSRS Grants/Vulnerable H	a		c		80,000	100,000	180,000	180,000	0
Energy Advice Service	a		c		80,000	0	80,000	80,000	0
Home Improvement Agency	a		c		13,000	0	13,000	13,000	0
Landlord Accreditation Scheme	a		c		32,000	40,000	72,000	72,000	0
Loans to Vulnerable Households	a		c		0	75,000	75,000	75,000	0
Disabled Facilities Grants	a		c		1,073,000	894,000	1,967,000	1,967,000	0
Newcastle Town Centre Partnership	a	b		d	6,100	0	6,100	3,100	3,000
Newcastle Town Centre Works	a	b		d	324,700	0	324,700	0	324,700
Choice Based Lettings			c		27,900	0	27,900	27,900	0
Madeley Extracare Contribution		b	c		0	115,000	115,000	115,000	0
Midway MSCP Repair Works	a				24,800	0	24,800	0	24,800
Ryecroft Development		b			90,000	0	90,000	67,500	22,500
Ryecroft Site Clearance Costs (net)		b			45,000	0	45,000	0	45,000
S106 Expenses Lowlands Road		b			181,200	0	181,200	181,200	0
Strategic Investment Framework		b			12,800	0	12,800	0	12,800
Stock Condition Works -									
Car Parks	a				20,000	70,000	90,000	0	90,000
Commercial Portfolio		b			40,000	117,000	157,000	0	157,000
Subway Improvement Programme	a				0	91,000	91,000	91,000	0
<b>Totals</b>	<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>2,070,500</b>	<b>1,532,000</b>	<b>3,602,500</b>	<b>2,922,700</b>	<b>679,800</b>

<b>GRAND TOTAL</b>	<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>3,826,300</b>	<b>5,564,000</b>	<b>9,390,300</b>	<b>3,534,600</b>	<b>5,855,700</b>
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Notes -

Corporate & Sustainable Communities Priorities -

a Clean, Safe & Sustainable Borough,

b Borough of Opportunity

c A Healthy & Active Community

d A Co-operative Council delivering High-Quality Community Driven Services

Sources of Funding	2014/15	2015/16	Total Exp
	Est Exp	Est Exp	
Other Revenue Funds	160,700	155,000	315,700
Capital Receipts	1,713,000	3,827,000	5,540,000
External Grants/Contributions	1,952,600	1,582,000	3,534,600
<b>Capital Programme</b>	<b>3,826,300</b>	<b>5,564,000</b>	<b>9,390,300</b>

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET**

**14<sup>th</sup> January 2015**

1. **HEADING** Contract award for the supply and management of vehicle tyres
- Submitted by:** Executive Director of Operational Services
- Principal author:** T Nicoll / S Gee
- Portfolio:** Environment and Recycling
- Ward(s) affected:** All

**Purpose of the Report**

- To inform Cabinet of the outcome of the tendering process for the supply and management of vehicles tyres.
- To seek a decision from Cabinet regarding the award of the contract jointly with Stoke-on-Trent City Council.

**Recommendations**

- a) That the joint contract for the supply of vehicle tyres be awarded to the preferred bidder for two years with a one year review. Details of the preferred bidder provided in the confidential appendix.
- b) That delegated authority for any review to the contract to be made to the Executive Director – Operational Services and Portfolio Holder for Environment and Recycling.

**Reasons**

- The award is necessary to ensure that the council's fleet has the required tyres to operate on a day to day basis.
- All the bids have been evaluated both on cost and quality. This evaluation indicates that preferred bidder has provided the most economically advantageous tender and complies with the council's financial appraisal.
- It has been requested by Stoke-on-Trent City Council the lead party for this procurement process, that the Council does not to disclose the preferred bidder's details at this time, as this may lead to financial loss and open this procurement to challenge.

**1. Background**

- 1.1 The council fleet uses and requires tyres to operate on a day to day basis. The fleet is varied and includes a wide variety of size and types of tyres. The council currently procures tyres through a framework agreement managed by Eastern Shires Purchasing Organisation
- 1.2 The Council in collaboration with Stoke-on-Trent City Council (SOTCC) wish to appoint a single provider to provide an all-inclusive tyre repair, maintenance and management service to their operational depots or when required to a destination within the boundaries of both authorities based on a schedule of rates.
- 1.3 A competitive tender exercise was conducted under the open procedure and advertised in Delta, on the Bravo Solution portal and SOTCC website, Facebook and twitter accordingly. All tenders were submitted electronically through the e-tendering system and evaluated in accordance with the agreed award criteria. In total six companies viewed the tender documentation and 3 submitted tenders.
- 1.4 In order to determine which bid offered the best value for money for the Council and SOTCC, the submitted tenders were evaluated on the basis of M.E.A.T (Most Economically Advantageous Tender) against the following criteria.

<b>CRITERIA</b>	<b>WEIGHTING</b>
Technical	600 marks
Commercial	400 marks

- 1.5 Before the technical and commercial responses were opened, the companies were evaluated against a series of minimum standards on a pass/fail basis to ensure they have the necessary economic and financial standing and professional and technical ability to deliver the contract.
- 1.6 All tenderers passed the minimum standards evaluation and were then assessed against the award criteria of Most Economically Advantageous Tender starting with the technical assessment.
- 1.7 The technical criteria were broken down as follows:
  - Service Response – 300 marks
  - Performance Indicators/Monitoring – 125 marks
  - Management information – 75 marks
  - Implementation – 25 marks
  - Communication – 25 marks
  - Environmental Policy/ Statement – 20 marks
  - Training – 20 marks.
  - Added Value – 10 marks

**2. Proposal**

2.1 As SOTCC are the lead party for this procurement process, the Council has been requested not to disclose the preferred bidders details at this time as the may lead to financial loss and open this procurement to challenge. This is because currently no formal award has been made by the lead authority yet as part of this joint procurement. SOTCC will announce the preferred bidder details as part of the OJEU procurement process at the end of January.

The details of the preferred bidder have therefore been included within a confidential appendix attached to this report.

2.2 Preferred Bidder achieved the highest score under M.E.A.T. and has the necessary resources in place to deliver the contract to a good standard.

2.3 A summary of the total M.E.A.T scores are shown in in Table below.

<b>Name</b>	<b>Total Technical Score (600)</b>	<b>Commercial (price) Score (400)</b>	<b>Total Score</b>	<b>Rank</b>
Supplier A	356	366.04	722.04	3
Supplier B	412	371.63	783.63	2
<b>Preferred Bidder</b>	<b>395</b>	<b>400.00</b>	<b>795.00</b>	<b>1</b>

**3. Reasons for Preferred Solution**

3.1 There are a number of reasons why Preferred Bidder is the preferred, these include:-

- They have provided a high quality bid.
- They are experienced in providing this service.
- Their tender fulfilled the requirement of the tender specification.
- They have demonstrated value for money.

**4. Outcomes Linked to the Newcastle under Lyme Borough Council Plan**

4.1 The proposal relates to the effective delivery of the all Council fleet, which would mainly contribute to ‘Creating a Cleaner, Greener and Sustainable Borough’

**5. Legal and Statutory Implications**

5.1 The Council had an obligation as a contracting authority to go out to the market and conduct a formal tendering exercise for the contract. This is to ensure compliance with both EU Procurement law and the SOTCC’s own contract standing orders.

**6. Equality Impact Assessment**

6.1 The companies expressing interest in the contract have been requested for information regarding their Equalities Policies.

**7. Financial and Resource Implications**

- 7.1 The process is a competitive one, designed to deliver value for money. Council Officers believe that this joint procurement process will lead to saving in the region of 5% against individual procurement for this service.
- 7.2 The total approximate value of the contract is £220,000 of which approximately 40% is attributed to this Council spend, the rest attributed to SOTCC. The value of this two year contract to the Council is projected to be £88,000 (£44,000 per year) based on the number and type of tyres purchased in the previous year multiplied by the submitted price for those tyres, multiplied by the 2 year contract life.
- 7.3 To mitigate and minimise risk to the authority, third party credit checks have been undertaken on the recommended supplier and at the time of obtaining the reports reveal no adverse trading conditions that will impact on the fulfilment of the contract

## 8. **Major Risks**

- 8.1 The risks associated with this particular service are considered to have been identified and recorded on the Council's 'Grace' risk management system; a copy is available on request.
- 8.2 The major risks associated with the decision regarding award of the Contract are considered to be:
  - Failure to reach a decision on award may lead to the Council acting outside of its Standing Orders and Procurement Legislation.
  - Failure to reach a decision on award may lead to the Council to spend additional monies on the provision of the service.
  - Failure to reach a decision on award may lead to the Councils vehicles operating illegally or unsafely.

## 9. **Key Decision Information**

- 9.1 Revenue Budget spending for tyres on Council vehicles has been approved.
- 9.2 The correct European procurement procedure was followed in the procurement of this service.
- 9.3 Evaluation of the tenders has been completed and the preferred bidder has provided the most economically advantageous tender based upon price and evaluation of the tender submission.
- 9.4 The provision of tyres and tyre management services is required to ensure that the Councils fleet of vehicles can remain safely on the road to undertake key Council services such as refuse collection, Streetscene operations and pest control.

## **Additional information**

### **Confidential Appendix – Details of Preferred Bidder**

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET**

**14<sup>th</sup> January 2015**

1. **REPORT TITLE** Policy for Unsupervised Children's Playgrounds
- Submitted by:** Executive Director – Operational Services
- Principal author:** Head of Operations – Roger Tait
- Portfolio:** Environment and Recycling
- Ward(s) affected:** All

**Purpose of the Report**

To update Cabinet on the current position in relation to the Policy for Unsupervised Children's Playgrounds.

To seek Cabinet approval for a programme of repairs and replacement of play equipment and associated items identified in the annual independent inspection report for 2014.

**Recommendations**

- a) That the programme of works as detailed in the 2014 inspection report is approved.
- b) That the Executive Director - Operational Services be authorised to seek and accept the lowest suitable quotations for the works in consultation with the Portfolio Holder for Environment and Recycling.
- c) That authority is granted to expend £31,042 from the existing approved provision in the General Fund Capital Programme for play equipment repair and replacement in 2014/2015.

**Reasons**

To ensure that children's playgrounds provided by the Council are maintained in a safe and fit for purpose condition, and in accordance with independent safety inspections and the adopted European Safety Standards

To minimise the Council's exposure to risk in respect of reducing accidents and improving the Council's ability to defend claims that may arise.

1. **Background**

- 1.1 The Council's Policy for Unsupervised Children's Playgrounds was adopted in February 2006 following a review process, which included consultation with residents, focus groups and key local organisations. The policy sets out the Council's approach to planning for, providing, managing and maintaining outdoor, unsupervised play facilities for children and young people in the Borough.
- 1.2 Provision for repairs and replacements to the Council's playground stock was made

in the General Fund Capital Programme for 2013/14 and 2014/15. There is currently a balance of £39,553 remaining in the approved budget.

- 1.3 Playgrounds are inspected weekly by Streetscene playground engineers, backed up by an annual independent inspection. Through this process, the need for repair and replacement of play equipment, impact-absorbing surfacing, fencing, hard surfaces and ancillary features is identified.
- 1.4 Advice given by Fields in Trust (formerly the National Playing Fields Association) is that playground providers should review the findings of the inspection reports and address any high-risk items in the short-term, tackle moderate items when finance is available and monitor low risk items.
- 1.5 Repair and replacement works are an ongoing requirement in order to maintain children's play equipment in accordance with the European Safety Standard, and ensure ancillary equipment and surfaces are fit for purpose.
- 1.6 The Council's latest annual inspection report was completed in February 2014 and 50 sites have been identified as requiring repairs, 11 of these sites have issues that are identified as of medium or high risk.
- 1.7 A significant number of these repairs have been completed by the Council's playground maintenance team in Streetscene to minimise any potential cost to the Council.
- 1.8 The remaining repairs and replacements which cannot be carried out by the playground maintenance team involve purchase and installation of items of equipment or specialist work covering 12 sites. A schedule of the sites and the detailed work required at each location is contained within appendix 1 attached to this report.
- 1.9 Since the last inspection some of the safer surfacing at the above sites has deteriorated and therefore the risk rating that was given at the time of the inspection is now greater:  
**Cheswardine Road, Bradwell and Arnold Grove, Bradwell** have had seasonal issues with shrinkage of the rubber surfacing tiles leading to potential trip hazards which resulted in closure of the site between June and September.  
**Icky Picky, Cross Heath and Underwood Road, Silverdale** also have seasonal issues of contracting surfacing.  
**Bradwell Dingle** has had an issue with the 10 year old rubber surfacing wearing thin.
- 1.10 It is therefore proposed to repair or replace the worst of the bases at the above sites as part of the programme of repairs and replacements for 2014/15. The cost of this work has been identified and priced in the table above. The total estimated cost of the repairs and replacement work, inclusive of fees, is £31,042

## 2. Issues

- 2.2 The provision, location and quality of facilities for children's play remains a high priority for residents in successive consultations and residents surveys. This places a demand on the Council's finances and needs to be balanced against competing priorities for funding. In the majority of cases over the last ten years, the cost of providing new or replacement facilities has been secured via external funding either through grants or developer contributions. However, the long term cost of ongoing repairs and replacement falls to the Council to meet and has implications for revenue and capital budgets. Where playgrounds are provided through developer



contributions associated with a planning condition, a commuted sum for future maintenance is normally paid to the Council. This is a sum of money that will pay for the normal inspections, repairs and maintenance of the playground over a period of up to 15 years. After this period the Council has to meet these costs.

- 2.3 The estimated cost of the repairs and replacement work identified in the 2014 independent inspection and detailed in section 1 of this report is £31,042.

Provision that remains within the current General Fund Capital programme for the repair and replacement of playground equipment is £39,553. Therefore, the cost of the works can be met from within approved budget levels.

### 3. **Options Considered**

#### 3.1 Option 1:

Continue to provide a similar level of play provision to that currently provided, and complete all repairs as identified in the inspection report.

#### Option 2:

Consider a different method of delivering play provision by focusing on providing a fewer number of larger multi-functional sites at major parks and open spaces and exploring provision by other providers. This would necessitate a review of the Policy for Unsupervised Children's Playgrounds, which could be undertaken following the planned review of the Green Space Strategy.

### 4. **Proposal**

- 4.1 Option 1 is proposed in the short term. This allows the Council to continue with the current level of playground provision in local neighbourhoods where demand exists. This ensures the availability and accessibility of safe and fit for purpose playgrounds.

- 4.2 Option 2 (and/or other options which members may wish to explore). Cabinet has recently approved a review of the Green Space Strategy. Children's play provision will be considered as part of the strategy review and upon completion, the current Policy for Unsupervised Children's Playgrounds will need to be reviewed to reflect the findings of the Green Space Strategy. This may present an opportunity to consider different methods of facilitating appropriate levels of children's play provision.

### 5. **Reasons for Preferred Solution**

- 5.1 Option 1 is proposed in the short term as this is the most likely option to improve customer satisfaction, maintain opportunities for residents to be able to access neighbourhood-based playgrounds and protect the community and the Council from exposure to risk.

### 6. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 6.1 Creating a clean, safe and sustainable borough

6.2 Creating a healthy and active community

7. **Legal and Statutory Implications**

7.1 The Council has a statutory duty to maintain the facilities it provides in a safe condition and to reduce the risk of injury to the public. It has adopted the European Standards (EN1176 and EN1177) applicable to children's playgrounds as its safety standard.

8. **Equality Impact Assessment**

8.1 It is considered that there would be a positive differential impact resulting from the project if it proceeds as it would ensure that the council can provide safe and accessible play and recreational facilities for children and young people.

9. **Financial and Resource Implications**

9.2 This project will be managed by in-house staff from the Operations Service and, therefore, there are no additional human resource implications arising from this report.

9.3 The estimated capital cost (inclusive of fees) of the repairs and replacement of playground stock identified in the 2014 independent annual inspection report is £31,042. There is currently provision of £39,553 remaining for playground stock repairs and replacements in the General Fund Capital Programme. Therefore, the cost of the works can be met from within currently approved budgets.

9.4 In respect of providing new playgrounds in areas which may be currently under served, external funding or alternative providers will continue to play a major role in delivering progress towards achieving policy objectives where opportunities arise.

9.5 It is not proposed to consider making financial provision for new play areas as part of this report. Rather, as and when new opportunities present themselves, separate reports including any funding implications for the Council will be brought forward.

10. **Major Risks**

10.1 A full risk assessment for the project has been prepared.

10.2 The major risks associated with the proposal relate to the possibility of accidents occurring whilst playgrounds are in use, and the Council's ability to defend any subsequent action.

In continuing to maintain playgrounds to the requirements of the European Standards applicable and to have a prioritized rolling programme of inspection, repairs and replacement, the Council exposure to risk is reduced.

11. **Sustainability and Climate Change Implications**

11.1 Sustainability - none

11.2 Climate Change - none

12. **Key Decision Information**

12.1 The project has been included on the Forward Plan

13. **Earlier Cabinet/Committee Resolutions**

Cabinet 23/07/08 resolution 219  
Cabinet 22/05/13 resolution

14. **List of Appendices**

Appendix 1 – Schedules of works proposed.

15. **Background Papers**

Policy for Unsupervised Children’s Playgrounds 2006-2011.  
2014 Inspection Report

16. **Management Sign-Off**

*Each of the designated boxes need to be signed off and dated before going to Executive Director/Corporate Service Manager for sign off.*

	Signed	Dated
<b>Financial Implications Discussed and Agreed</b> <i>Lead Officer – Dave Roberts</i>		
<b>Risk Implications Discussed and Agreed</b> <i>Lead Officer – Mark Bailey</i>		
<b>Legal Implications Discussed and Agreed</b> <i>Lead Officer – Mark Bailey</i>		
<b>Equalities Implications Discussed and Agreed</b> <i>Lead Officer – Mark Bailey</i>		
<b>H.R. Implications Discussed and Agreed</b> <i>Lead Officer – Sarah Taylor</i>		
<b>ICT Implications Discussed and Agreed</b> <i>Lead Officer – Jeanette Hilton</i>		
<b>Sustainability and Climate Change Implications Discussed and Agreed</b> <i>Lead Officer – Joanne Halliday</i>		
<b>Report Agreed by:</b> Executive Director/ Head of Service		

Appendix 1.

	Site	Inspection comments and risk rating	Additional comments and proposal	Cost Estimate
1	Chesterton Park.	<p><b>Inspection comments</b> Excessively boggy: Drainage works required</p> <p><b>Risk rating:</b> 2: Low</p>	<p><b>Additional Comments</b> Whilst the risk rating given is low, situation worsened since the inspection was made. All bases are periodically underwater.</p> <p><b>Proposal:</b> Drainage Scheme</p>	£3500
2	The Wammy, Cross Heath.	<p><b>Inspection comments</b> The site has been vandalised and requires attention or removal. The tunnel has been damaged and uprights have been torched</p> <p><b>Risk rating :</b> 9: high</p>	<p><b>Additional Comments</b></p> <p><b>Proposal:</b> Remove burnt out posts and repair tunnel.</p>	£1500
3	Underwood Road, Silverdale.	<p><b>Inspection comments</b> Very boggy site. Surfacing requires pressure washing very slippery.</p> <p><b>Risk rating</b> 4: low</p>	<p><b>Additional comments:</b> This site has rubber tiled surfacing which is prone to shrinkage and distortion creating a trip hazard in the summer months.  The surfacing beneath the swing appears to be in the worst condition, and the stone foundation has collapsed in places making the surface really uneven</p> <p><b>Proposal:</b> Resurface swings only: 43m2</p>	£2365
4	Bradwell Dingle	<p><b>Inspection comments</b> All matters identified in the report can be dealt by maintenance team</p> <p><b>Risk rating</b> 5: medium (none of these matters relate to surfacing)</p>	<p><b>Additional Comments</b> Holes in surfacing are not mentioned in the report; these will need addressing before the start to get bigger.</p> <p><b>Proposal</b> 12m2 replace circular wear section only</p>	£1,370
5	Arnold Grove, Bradwell.	<p><b>Inspection comments</b> Safety surfacing. Requires washing</p> <p><b>Risk rating</b> 3:low</p>	<p><b>Additional Comments</b> Site was closed between 28 July 2014-22<sup>nd</sup> September Monitor due to trip hazards caused by 'wet-pour' shrinkage  Rhino half pipe is also now closed due to damage over the summer period.</p> <p><b>Proposal</b></p>	£4,000

			62m2 replace tiles with 'wet-pour'. Repair/replace Rhino half pipe	
6	Cheswardine Road, Bradwell.	<b>Inspection comments</b> Some tiles showing signs of movement, Tiles spreading in places monitor <b>Risk rating</b> 3:low	<b>Additional Comments</b> Site was closed during summer due to trip hazards caused by 'wet-pour' shrinkage <b>Proposal</b> Re-surface see saw (27m2) and multi-play unit(60m2) areas only.	£4,785
7	Woodhall Park, Kidsgrove.	<b>Inspection comments</b> Dish burnt out and bearing has excessive movement. Wet pour is damaged. <b>Risk rating</b> Risk rating 3: low	<b>Additional Comments</b> <b>Proposal</b> Purchase new spinner (to be installed by maintenance team) and 'wet-pour' repair (10m2)	£1800
8	Acacia Avenue, Knutton.	<b>Inspection comments</b> Damaged patch at the base of climber one small patch to monitor under swing. <b>Risk rating</b> Risk rating 4:low	<b>Additional Comments</b> <b>Proposal</b> Repair damaged patches	£1000
9	Rydal Way, Seabridge.	<b>Inspection comments</b> Remove old springy base <b>Risk rating</b> Risk rating 3:low	<b>Additional Comments</b> <b>Proposal</b> Purchase new Springy to be installed by playground maintenance team	£500
10	Icky Picky, Cross Heath.	<b>Inspection comments</b> Monitor wet pour edges splitting in Places <b>Risk rating</b> 3: Low	<b>Additional Comments</b> <b>Proposal</b> The poorest bases are Multi unit (60m2) and see saw (20m2), resurface.	£4,400
11	Thistleberry Parkway	<b>Inspection comments</b> Basket swing to replace <b>Risk rating</b> Risk 3: low	<b>Additional Comments</b> Surfacing is also missing from this unit <b>Proposal</b> Replace basket swing and reinstall surfacing	£3000
	Subtotal			£28,220
	Fees			£2822
	<b>Total</b>			<b>£31,042</b>

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**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE  
CABINET**

**Date: 10<sup>th</sup> December 2014**

**REPORT TITLE** ICT Strategy

**Submitted by:** Executive Director (Resources & Support Services)

**Portfolio:** Communications, Policy and Partnerships

**Ward(s) affected:** Non specific

**Purpose of the Report**

To seek Cabinet approval for the ICT Strategy.

**Recommendation**

**That Cabinet approves the ICT Strategy.**

**Reasons**

1. The current ICT Strategy has been in place since 2008. Following the significant changes that have taken place within the ICT Service and the business as a whole since that time, the Strategy has been reviewed and updated to reflect this.
2. The Strategy provides high level guidance in describing how ICT will continue to support the needs of the Council in delivering its Council Plan and aims to build on some of the themes identified in the previous Strategy.

1. **Background**

- 1.1. The time period since the adoption of the current ICT Strategy has seen significant change in the ICT service itself; the Council's priorities and in customer needs. Outside influences such as the national data security standards for the holding and sharing of data, the reduction in government funding to local authorities, and the increasing expectation that more services will be delivered on line are all relevant factors to be considered in producing an up to date ICT Strategy.
- 1.2. The Council is going to be increasingly dependent on ICT solutions to deliver outcomes that match the needs of the business at reduced cost whilst enabling more end to end transactions<sup>1</sup> and joined up services to customers.
- 1.3. The new ICT Strategy is a high level strategic document that summarises how ICT will meet the business requirements of the Council in the coming years; focusing on a number of key strategic areas that will underpin delivery of the Council's overall priorities.

2. **Issues**

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<sup>1</sup> End to end transactions are defined as those that enable a request to be submitted electronically and the request to be progressed through systems without additional manual intervention, to satisfactory completion

- 2.1. In both the medium and long term, ICT need to address many challenges in ensuring that it continues to deliver quality services that support the business. These include:
- Financial pressures – maximising the usage of the Council’s current investments in technology; testing affordability and efficiency.
  - ICT Governance – ensuring that robust, effective governance is in place that provides the means to develop technology related services, determines what decisions must be made, the priorities of initiatives that bring about change and how these decisions are monitored.
  - ‘Easing the burden’ – simplifying technology for users, simplifying the approval process for initiatives.
  - Supporting change – supporting the Council in achieving technological and business change that has high impact at low cost.
  - Newcastle Project 20/20 – ICT need to offer solutions that support service delivery in more efficient, streamlined ways and work with business areas to achieve this.
  - Co-ordinated Service Plans – work needs to be done to ensure that ICT understand and incorporate all elements of proposals from individual service plans at the beginning of its own service plan creation.

- 2.2. To address these challenges, the ICT Strategy contains a set of five principles, which aim to ensure that ICT maximise the investment in existing technology and assets; reduce the number of assets it has and ensure that technology solutions are affordable and efficient. The five principles are:

*Principle 1:* Services should put technology at the core of their service transformation and any technology based business case should be tested for appropriateness and value for money.

*Principle 2:* Users of ICT systems should have the correct technologies to aid them in their work and an appropriate level of skill to use these effectively.

*Principle 3:* Migrating service on-line should be the default position of any service development and in the procurement of ICT systems, and these services/applications should support as many end to end transactions as possible.

*Principle 4:* Existing ICT assets will continue to be reviewed under the Council’s ICT Consolidation programme, to exploit their usage as far as possible to maximise gain and eliminate waste.

*Principle 5:* A corporate approach will be considered where several services have similar ICT requirements.

- 2.3. The ICT Strategy focuses on four key themes for delivering ICT for the business and customer the Council serves. The Strategy deliberately does not detail projects or delivery mechanisms such as technology as this is constantly changing. However, ICT will endeavour to provide the current best fit solution in all cases. The key themes of the Strategy are:

*Theme 1:* ICT Governance

*Theme 2:* Enabling Change

*Theme 3:* Flexible Delivery

*Theme 4:* Value for Money

- 2.4. Wherever possible, ICT has sought to reduce the number of technical terms used in the Strategy. However, a Glossary appears at the end of the Strategy which helps to explain the meaning of any unusual words or phrases unfamiliar to the reader used in the Strategy.

3. **Outcomes linked to Sustainable Community Strategy and Corporate Priorities**



The ICT Strategy in its entirety provides the technical foundations to support each of the Council's priorities.

4. **Legal and Statutory Implications**

There are no direct legal or statutory implications directly resulting from the adoption of the ICT Strategy.

5. **Equality Impact Assessment**

There are no direct equality implications resulting from the adoption of the ICT Strategy.

6. **Financial and Resource Implications**

6.1. Whilst there is no direct financial or resource implications in adopting the ICT Strategy, its acceptance will result in the development of a number of corporate initiatives. The financial and resource implications of these specific initiatives will be documented as part of those specific proposals, in support of the overall Strategy.

6.2. This Strategy has been produced using existing staff time and resources.

7. **Major Risks**

No major risks have been highlighted.

8. **Earlier Cabinet Resolutions**

ICT Strategy 2008 – March 2008.

[http://svint/Documents/committeepapers/cabinet\\_cc/cabinet2008\\_03\\_26m.doc](http://svint/Documents/committeepapers/cabinet_cc/cabinet2008_03_26m.doc)

9. **Recommendation**

That Cabinet approves the ICT Strategy.

10. **List of Appendices**

Appendix A: ICT Strategy

11. **Background Papers**

The previous ICT Strategy is available to view on the Intranet at:

[http://svint/Documents/Policies%20and%20Strategies/ICT%20Strategy\\_SXD915-A78004F4.pdf](http://svint/Documents/Policies%20and%20Strategies/ICT%20Strategy_SXD915-A78004F4.pdf)

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# ICT Strategy

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## 1. Introduction

Public service organisations face a challenging time on many fronts including reduced government funding and increasing customer expectations of service delivery to match their ever changing needs. Information and Communication Technology (ICT) is vital to the delivery of cost effective, efficient services to the residents of the Borough; whether directly as part of front line services or supporting behind the scenes. Information technology not only contributes to organisational success, but is also a driving force for change and innovation.

The ICT Strategy ('The Strategy') supports and underpins the delivery of the four priorities of the Council Plan. These are:

A co-operative Council delivering high quality, community-driven services  
A clean, safe and sustainable Borough  
A Borough of opportunity  
A healthy and active community

## 2. What has been achieved so far

The current ICT Strategy was approved in 2008. Since then, ICT has undertaken significant work that has had positive impacts on service delivery and changed how ICT is both delivered for the organisation and perceived as a service.

Significant achievements have included:

- a) The merger of ICT and Customer Services to form a single department, which has enabled customer focused solutions to be developed, utilising technology for the benefit of residents.
- b) Significant efficiencies and cost savings through the reduction of software applications and suppliers.
- c) The replacement of legacy systems which has improved service delivery for both staff, suppliers and the public through greater integration and joined up working.
- d) Improved business continuity to ensure that in the event of disruption to normal working arrangements, the Council can still provide its major services to the public.
- e) Compliance with national security standards, such as the Public Services Network Code of Connection (PSN) which ensure that data is kept securely and that the Council can share information with other public sector bodies such as Central Government.

- f) Significant changes in the way that users are able to use ICT through the development of remote access and agile working facilities, underpinned by the introduction of up to date infrastructure.
- g) Delivery of a significant number of corporate and departmental projects that have enabled services to become more flexible and deliver customer focused outcomes for the residents of the Borough.

### 3. The Purpose of the Strategy

The Strategy provides high level guidance in describing how ICT will continue to support the needs of the Council in delivering its Council Plan and aims to build on some of the themes identified in the previous Strategy.

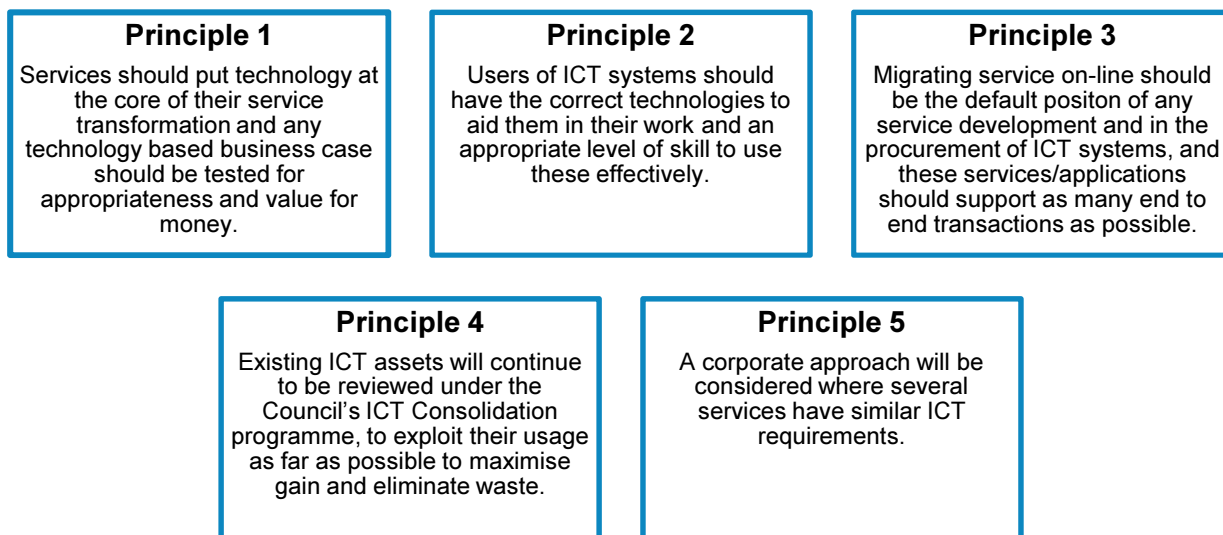
It is therefore a document that will be refined and updated as the Council's needs develop and change in the coming years. The Strategy will not capture every ICT related project which must be undertaken in order to enable the delivery of the ICT service and Council's objectives. Rather, this document will act as a baseline from which the ICT service will manage its efforts over the coming years.

The Strategy is based on nationally recognised best practice guidelines and follows the ITIL Framework for IT Service Management. ICT have already begun including ITIL practices in day to day operations and this is set to continue.

### 4. Addressing the Challenges Ahead

The Council is facing challenging times with financial pressures being at the forefront of every aspect of its future business. Therefore ICT will aim to maximise the investment in existing technology and assets; reduce the number of assets it has and ensure that technology solutions are affordable and efficient. In all cases, the following Principles will be applied.

#### The Five Principles



## 5. Key Themes of the Strategy

The Strategy focuses on four key themes which are designed to work alongside existing corporate policies such as Information Security, Customer Standards and Access and Business Continuity. The Principles detailed in Section 4 will be applied throughout these themes. The themes are deliberately focused on delivering ICT for the business and the customers it serves and are not based on any particular technology initiative.

The four key themes are:

### ICT Governance

Demonstrates ownership, visibility and challenge in ICT Projects & Service Plan  
Determines priorities to bring about service efficiencies  
Oversees the direction of ICT developments ensuring delivery on Council Plan initiatives

### Enabling Change

Supporting the Council in developing new and innovative delivery methods for services and infrastructure.  
Removing 'information silos' and releasing the value of the data the Council holds.

### Flexible Delivery

Review service processes and options for delivery facilitating more flexible and agile methods of working, which meet the needs of residents more effectively,  
Removing technical barriers to sharing information; working with community partners and other local government bodies to deliver services in partnership.

### Value for Money

Reducing the total cost of ownership for technology and services.  
Realising the benefits of business processes improvements that focus on customer need, provide end to end transactions and maximising the use of appropriate available technology.  
Ensuring that technology investments have strong, achievable business cases.

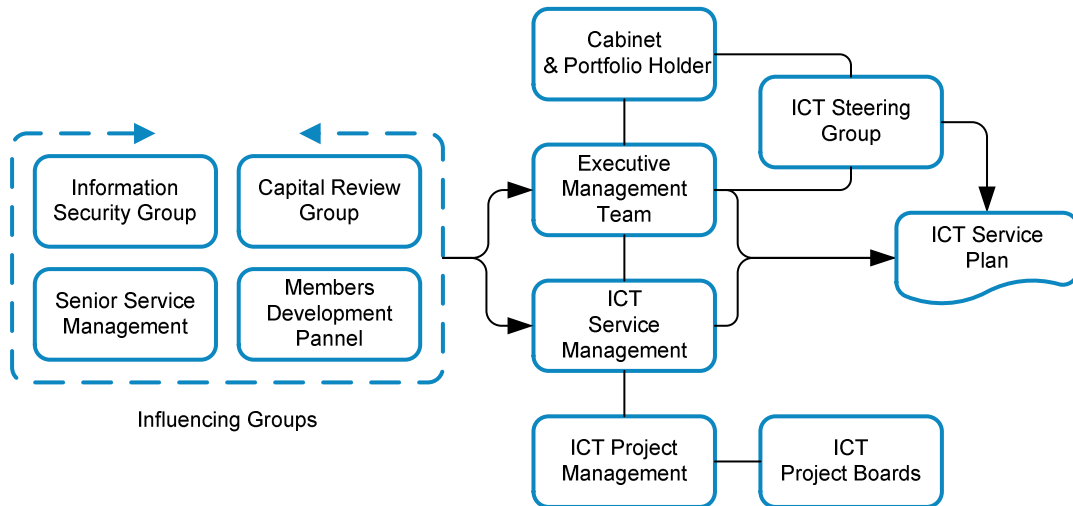
## 6. The Key Themes

### Theme 1: ICT Governance

This theme recognises that the effective management of ICT resources is vital to aid decision making. Effective governance sets the objectives of ICT, challenges the ICT work plan and determines the priority of initiatives to bring about effective service delivery.

#### How this will be delivered:

The Council's ICT Service Plan is managed by the ICT service, both at an operational and strategic level. The ICT Service Plan, and associated work plans, are the drivers for the service and consequently form part of ongoing performance measurement and progress monitoring of projects at team meetings and individual meetings.



a) **Cabinet & Portfolio Holder**

Cabinet is made up of Elected Members from the majority political party and takes decisions about what the Council should do. Cabinet Members are also Portfolio Holders and each service within the Council is allocated a Portfolio Holder. The Portfolio Holder ensures that the work of the service they are responsible for contributes to the overall aims and direction of Cabinet.

b) **The ICT Steering Group**

The role of the ICT Steering Group is fundamental to obtaining ownership and visibility from strategic leaders in challenging the priorities for ICT Projects and the content of the ICT Service Plan within the context of delivering the Council Plan.

c) **Executive Management Team**

The Council’s Executive Management Team ensures that ICT’s resources are directed to the areas which are of most benefit and importance to service delivery. They are also responsible for authorising business cases for technology developments and work with relevant supporting teams to ensure that benefits are realised.

d) **ICT Service Management**

ICT’s Management team ensures that the authority continues to comply with local, legislative or governmental requirements; that projects are delivered as anticipated and that a robust ICT Service is provided that supports the needs of the business.

e) **The ICT Service Plan**

ICT completes a detailed service plan which outlines the work programme for the coming year. This is compiled from business needs identified across all departments and the ICT Service plan is not finalised until other service areas have completed their individual service plans. The ICT Service Plan is a fluid document which supports and co-ordinates with other areas of the organisation at both a strategic and operational level.



**f) ICT Project Boards**

Project boards ensure that technology related initiatives are delivered within the scope of the business case and that any deviation from the anticipated outcomes is mitigated and the business case continuously reviewed. The principles of 'Prince 2' project management methodology is embedded in all ICT projects.

The governance arrangements for ICT are designed to work alongside the Council's existing Committees and working groups such as Members Development Panel, Information Security Group, etc. These arrangements are intended to simplify processes, ensure that ICT is responsive to change, that services work collaboratively and that resources are focused on addressing the most important areas of need.

## **Theme 2: Enabling Change**

The Council will need to find new and innovative ways of providing services which strive to match increasing and changing customer demand with decreased resources. Clearly, the promotion of the benefits ICT can bring is not solely in the remit of the ICT Steering Group. Services themselves must take a leading role in ensuring that their ICT applications are fit for purpose and are being used effectively.

ICT has the capability to enable departments to challenge the ways in which services are delivered; to target these more effectively and to look at how technology can provide alternative and potentially more effective delivery methods.

To enable change within the organisation ICT will need to:

- a) Provide strategic and operational guidance to the organisation regarding available solutions;
- b) Bridge the gap between the technical and business needs;
- c) Provide effective ICT Project Management;
- d) Be responsive and receptive to business needs;
- e) Assist service areas in identifying solutions and developing effective business cases; and
- f) Work with community partners and third sector organisations to achieve common goals and aspirations.

### **How this will be delivered:**

**a) Business Relationship Management**

ICT Staff will meet regularly with individual services to discuss ICT developments, ideas and progress. This will enable the ICT team to match technical delivery to operational need and support departments in open, plain english, business focused discussions.

**b) Effective Project Management**

Due to the highly technical nature of ICT projects, ICT has a specialist project management function that works with and supports the project owner throughout the life of a project. This function ensures that new initiatives are delivered on time, on budget, and in line with the business case. Effective project management is essential in ensuring that ICT continues to learn from previous projects which can then influence future initiatives and ensures that resources are directed appropriately and efficiently. ICT project staff will continue to develop their skills to enable them to respond to new demands.

c) ***Improved Supplier Representation***

The Council has a considerable portfolio of software and solutions at its disposal. ICT will aim to improve how it works with suppliers to ensure that the Council maximises the value of systems currently in place and challenge suppliers to offer more innovative and flexible contract models that better suit the Council's shifting needs.

d) ***Empowering Users***

ICT Staff will support service areas so that the workforce has the confidence and competence to respond to new demands using technology. Users will be encouraged to self-help and greater participation in technology will be encouraged through the introduction of open discussion forums, focusing on particular requirements.

Similarly, ICT Staff will support the Council's Elected Members to gain the skills they need to access information and communicate effectively using technology.

e) ***Rapid Service Development***

ICT Staff will support services in rapidly trialing technology driven solutions on a limited scale that allow new ideas to be tested prior to creating a full business case. The ideas may not represent the final solution, but will test the principles and feasibility of a proposal, utilising re-usable technology that avoids excessive up-front expenditure.

f) ***The Customer Journey Programme***

The Customer Journey programme aims to improve customer satisfaction in service provision by developing choice in the ways Council services can be accessed. This is part of a wider integrated approach which will see web services increasing, enabling more online, end to end transactions and greater integration with back office systems. As the Council faces unprecedented change, this programme will become increasingly important as ICT's Project Managers look to work with service areas to offer innovative ways of increasing service efficiency and developing strong business cases for change.

### **Theme 3: Enabling Flexible Service Delivery**

The future model of face to face service delivery for the Council is likely to be provided through shared physical spaces with partner organisations, designed for end-to-end service delivery regardless of service provider.

In order to achieve this delivery model the ICT Team will need to:

- a) Support the design of services which facilitates service delivery from any location;
- b) Ensure that staff have access to the correct technology (hardware and software) to maximise opportunities for agile working;
- c) Provide Elected Members with appropriate tools that both support and add value to their roles within their communities;
- d) Look at how technology can be used to encourage collaboration across multiple locations; and
- e) Ensure the capability of the Council's core ICT infrastructure is not dependent upon centralised physical locations.

#### **How this will be delivered:**

a) ***Distribution of ICT Infrastructure***

ICT Staff will work with the Council's Facilities Management team to rebalance the locations of the Council's infrastructure across the Borough. This will ensure that the Council has the flexibility to access technology services wherever they are required.

ICT Staff will also look to alternative delivery methods such as shared or cloud based services wherever suitable solutions exist that would be both economically and operationally beneficial to the Council and its residents in the long term.

b) ***Increase mobile technology for service delivery***

ICT Staff will work with other Council services to identify areas where new mobile technology can be introduced to ease the burden of service delivery and maximise efficiency to support areas such as field workers and operational services. ICT will also work with services to identify any barriers to effective agile working and where appropriate, corporately identify solutions that allow these barriers to be overcome.

c) ***Conversion of Documents to Electronic Format***

ICT Staff will work with the Council's services to develop a long term strategy for the handling of information; the conversion of current and historical data into an electronic format to support agile practices and the adoption of records management processes.

d) ***Develop technologies to improve communication and aid working together***

ICT Staff will work with service areas to introduce new technologies that enable and simplify staff working together and sharing consistent information and avoiding duplication. ICT will also work to ensure that existing systems are being used to their best potential and that the Council maximises its existing investment in software and infrastructure.

#### **Theme 4: Value for Money**

Significant inroads have been made in reducing the cost of providing technology whilst not decreasing the overall level of service offered to users through the ICT Consolidation programme. ICT continues to ensure that it obtains value for money in any procurement it undertakes and in its day to day operations. However additional benefits can also be realised through the work ICT can do in supporting departments to ensure their business processes deliver direct benefits to customers through the use of appropriate available technology.

In order to achieve this ICT will need to:

- a) Maximise the investment made in existing infrastructure and software;
- b) Consolidate applications where possible and look to open-source alternatives where available;
- c) Work with suppliers and partners to identify new opportunities and minimise costs;
- d) Ensure strong financial controls and service management is in place;
- e) Ensure that investments in new ICT infrastructure and applications deliver best value; and
- f) Ensure that 'invest to save' opportunities are recognised and acted upon.

#### **How this will be delivered:**

a) ***Application Consolidation***

ICT Staff will revisit opportunities identified during its ICT Consolidation programme, with increased emphasis on the financial implications of maintaining infrastructure and software, which duplicates functionality or is no longer fit for the Councils needs. ICT will also work to identify potential software sharing opportunities where common solutions add value to the work of the Council and enhance the customer experience.

b) ***Embracing Open-Source Alternatives***

ICT Staff will actively seek out 'open source' alternatives to commercial applications, which are of benefit to the authority, reduce cost and meet a business need. ICT will however ensure that wherever open source systems are used, the indirect costs of making a such a solution work do not outweigh the costs involved in deploying a commercial alternative.

c) ***Enhanced monitoring of software***

ICT Staff will enhance its current software management processes to monitor usage of applications across the authority and ensure that commercially licensed software is deployed in the most appropriate places.

**d) *Delivery Alternatives***

ICT Staff will continue to look at alternatives to traditional purchasing and installation methods, such as Software/Infrastructure as a Service, where there is a quantifiable long term benefit to the authority and such services conform with the Council's security requirements.

**e) *Exploitation of existing assets and development of new solutions***

ICT Staff will encourage and support services in redesigning their delivery methods to embrace technology, both new and existing, as a way of reducing their financial costs. Whilst this particular initiative may result in difficult decisions regarding the resourcing of services, wherever possible, ICT will support the redesign of delivery methods to ensure that quality services continue to be offered to the residents of the Borough.

**f) *Staff Development***

The Council continues to invest in ensuring that ICT staff have the tools and training they require to do their jobs effectively. The ICT Team utilises the Skills for the Information Age (SFIA) framework to measure performance and identify skills gaps.

## **7. Links to Other Strategies and Policies**

The Strategy is a key document which supports or is influenced by the following:

- Council Plan
- ICT Service Plan
- Procurement Strategy
- Members ICT Protocol
- Information Security Policies
- Asset Management Strategy
- Capital Strategy
- Carbon Management Plan
- Co-Operative Strategy
- Communications Strategy
- Customer Standards & Access Strategy

- Data Protection Policy
- Energy Efficiency and Climate Change Strategy

Internally, the ICT Team have a number of key technical procedures and policies, such as the ICT Desktop Strategy, which are directly influenced by the overarching ICT Strategy but are not specifically contained as a part of this document. These policies and procedures are frequently reviewed to ensure that they continue to meet the requirements of the authority and include the latest technological advancements. Such reviews are conducting in line with the overall principals and themes of this Strategy.

## 8. Glossary of Terms

***Agile Working Facilities*** Facilities that allow staff to deliver services directly to a customer or carry out their normal duties from any location, but with the same level of service as would be experienced in a traditional Council building.

***Back Office Systems*** Systems that are not directly accessible by customers or suppliers but support the Council's services and contribute towards or generate an outcome for said customers or suppliers.

***Business Continuity*** A defined set of preparatory activities intended to ensure that the Council's critical business functions will continue to operate in a serious incident or disaster that might otherwise have disrupted them.

***Cloud Based Services*** Software or systems which are available to Council staff or customers, but are not run from computers that are physically owned or operated by the Council.

***Consolidation Programme*** The ICT programme which has looked at the functionality of individual applications and assessing where there are areas of duplication and opportunities for systems to be retired.

***End to End Transactions*** Customer focused transactions that are initiated electronically and then processed without the need for manual intervention in order to achieve the desired outcome.

***Infrastructure*** Physical items of computer hardware, including servers, personal computers, storage and networking devices that underpin the delivery of ICT.

***ITIL Framework*** The Information Technology Infrastructure Library Framework is a set of practices for IT service management that focuses on aligning IT services with the needs of business.

***Legacy Systems*** An old method, technology or application that is part of a previous or

outdated computer system.

***Open Source***

An item of software provided under a free license that can be re-distributed, used or developed by anyone without incurring the costs associated with traditional commercial solutions.

***Remote Access***

A service which allows staff and suppliers to gain access to internal Council software and systems from a remote location, as if they were in their normal place of work.

***Shared Software Services***

Software applications that are unique to the business of the Council, but are shared with other neighbouring authorities to deliver a particular service.

***Skills for the Information Age***

The Skills Framework for the Information Age (SFIA) Framework is the world's most popular way of describing and measuring the skills and knowledge of information technology professionals.

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**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**REPORT OF THE EXECUTIVE MANAGEMENT TEAM TO CABINET**

**Date 14<sup>th</sup> January 2015**

<b><u>HEADING</u></b>	Members' ICT and Outcomes of the Members Digital Technology (Tablet) Trial
<b><u>Submitted by:</u></b>	Head of Customer & ICT Services Head of Business Improvement, Central Services & Partnerships
<b><u>Portfolio</u></b>	Communication, Policy & Partnerships Finance & Resources
<b><u>Ward(s) affected</u></b>	Non-Specific

**Purpose of the Report**

To consider methods of delivering information to Members more effectively and efficiently, in light of the findings of the recent Members Digital Technology (Tablet) Trial and to present a set of recommendations based on those findings and other analysis.

**Recommendations**

**That Cabinet approves the following recommendations:**

- (i) That a similar policy to that currently applied to officers be implemented to also cover Member email accounts and that the use of Borough Council email by all elected Borough Council Members for council business be made mandatory**
- (ii) That the practice of printing off and sending on elected Members' emails cease**
- (iii) That the Members' weekly courier service be ceased. Instead, Members will be required to use either electronic means to access committee papers in future, or will be required to visit the Civic Offices to pick up their printed papers. The Council will continue to encourage all Members to use appropriate available technology and will offer the necessary training for Members to use this technology.**
- (iv) That, following the May 2015 Borough Council elections, all newly elected Members are issued with a tablet device to receive their minutes, agendas and emails to replace the current printed pack service**
- (v) That those Members due for re-election post May 2015 be given the option of using a tablet device instead of the current printed pack system until the end of their current term.**

**Cabinet should note that these recommendations were submitted to the Member Development Panel in October 2014 and were approved.**

**Reasons**

The recommendations set out in this report seek to encourage elected Members to use ICT solutions, including accessing emails on a more regular basis; using email as the primary method of communication with both constituents and also with officers; and moving away from paper-based solutions to accessing committee papers. It is hoped that this will ensure

that any questions asked by all elected Members of officers or asked by constituents of Members are answered more promptly and that committee and other information is conveyed to Members/constituents more efficiently and effectively. Finally, the ending of the weekly courier service would also save on costs for the Council. These recommendations generally support the findings from the Members Digital Technology (Tablet) Trial carried out between February and August 2014.

## 1 **Background**

- 1.1 Members have been supported over a number of years to ensure that they have been able to maximise their use of ICT facilities. This support has taken a number of forms and has included extensive ICT training, one to one support for Members in improving their ICT skills and initiatives to overcome particular difficulties. The Council has also offered computers to Members who do not have their own facilities.
- 1.2 In October 2012, Members were asked their opinion regarding use of ICT and the Council's existing provisions in the context of their work as a Councillor. The results are outlined in Appendix 1 to this report.
- 1.3 In total, 37 of Newcastle's 60 elected Members replied to the above survey and the key observations were as follows:
  - Members typically use ICT for basic tasks such as email, reading documents and accessing the internet;
  - Members are most likely to use their own laptop, mobile phone, printer and internet connection;
  - When considering a new device, Members thought it should be lightweight, have a long battery life; be usable anywhere; allow pages to be displayed with ease and be easy to use;
  - The most important functions were considered to be access to the internet and email; to be usable anywhere and have the ability to add value to the services Councillors offer the public; and
  - 64% of the respondents either agreed or strongly agreed that the Council should provide equipment. 14% had no preference.
- 1.4 As a follow up to this survey, a pilot was undertaken with a group of Members in February 2014 with a view to determining the suitability of tablets and other technology for future use by Members.
- 1.5 In all, ten Members commenced this six month trial of market leading tablet devices to determine if there was a financial and business case to move forward with a wider implementation. The key factors in undertaking this trial were:
  - Increasing the ability of Members to deliver services electronically, in line with constituent expectations;
  - Establishing current costs and resourcing required for printed media and the courier service;
  - Assessing the potential for Members to work more efficiently with constituents and Council officers;
  - Measuring the practical usability of the device; and
  - Addressing the disparity in how minutes and agendas are distributed to Members.
- 1.6 The trial aimed to thoroughly assess the practical usage of tablet devices as a viable alternative to the weekly courier service and to calculate the costs of this in comparison to continuing without change. This information would then be used to construct a business case for removing the printed pack service and for the

introduction of electronic alternatives as the primary means of communication with Members.

## 2 Issues

### *The importance of ICT*

- 2.1 In a comparatively short space of time the use of modern ICT has become a necessity of modern life. Mobile phones, once a luxury item, are now common place and many people regard them as indispensable. The use of computers, once the preserve of large organisations with mainframe machines, is now commonplace and personal computers are now household items. There has also been a noticeable convergence of technology most evidently with mobile phones able to do things which would previously have needed a computer such as connecting to the internet and receiving emails. The ability to access the internet through a television set is another example of the convergence of technologies which is increasing the range of tasks which can be delivered through these facilities.
- 2.2 Email is fast becoming the preferred method of communication for people and is widely used not only as a business tool but also to support people in their personal lives. Technologies such as email and text messages also provide opportunities for people to contact and respond to others at times most convenient to them. Access to the internet is seen as being as important as having a landline telephone was a generation ago and connection to gas and electricity before that.
- 2.3 The Borough Council has embraced all of these technologies and is using them in a wide variety of ways not only to improve the efficiency of its operation but also to improve its responsiveness to the customer.
- 2.4 Members have been an important part of this process and have, in many cases proactively embraced the use of modern ICT in their role as councillors both within the council and also in their wider constituency work.

### *Taking advantage of modern technology*

- 2.5 New technologies have delivered a number of other advantages which have reduced cost and improved efficiency. One noticeable trend has been the reduction in the use of printed paper and the move to handling documents in digital form. This, of course, has been one aspect of the iPad trial and was a part of the rationale behind it. Emails have significantly replaced paper based mail and it is now much easier and more efficient to share documents in electronic rather than in hard copy form.
- 2.6 All these uses and potential uses of new technology are enabling elected Members to engage with their residents in a more dynamic way than has been possible in the past.
- 2.7 A significant number of Members have also embraced social media as a way of helping them to communicate with residents. The trend towards the ever greater use of ICT is now not only growing in extent but also in pace.

### *Moving with technological change*

- 2.8 A major challenge in ensuring that new technology delivers greater efficiency is to ensure that, as new facilities are introduced; older technologies are progressively phased out. In the home, the replacement of the VHS tape with the DVD disc is a good example of this. This change has not happened overnight but nonetheless the newer technology has replaced the old over time. Another example would be the number of retailers and others who no longer accept payment by cheque, the

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widespread availability and use of the plastic card having replaced the need for cheque based payment.

- 2.9 It has been noted above that in the office the more widespread use of digital documents and communications has significantly reduced paper-based storage methods.
- 2.10 The Council, in order to remain efficient, has also had to ensure that old ways of doing things and practices have been phased out. Also, modern technology is not without cost and therefore care has had to be taken to ensure that these resources are used in the most efficient way possible. Phasing old systems out is sometimes difficult as people to get used to working in a particular way. However, without the cessation of old systems and practices, the benefits of introducing and using new systems are inevitably compromised.
- 2.11 It is in this context that it is timely to consider some of the ways in which Members are now using new technology and to determine whether, in the interests of both efficiency and good service, some old practices need to be phased out. It is in conjunction with these considerations that the Members Digital Technology (Tablet) Trial was undertaken and the outcomes of this trial will be covered in the next section of this report. In addition to the trial, however, three areas have also been highlighted as requiring further action:-

- The practice of printing out emails for Members;
- The need for Members to actively manage their council email accounts; and
- The continued use (and costs) of the weekly courier service for delivering paper documents to Members.

These areas will be considered in more detail under the 'Options Considered/Proposals' section of this report.

3. **Outcomes from the Members Digital Technology (Tablet) Trial**

*Outline of the Trial*

- 3.1 As said, the Members Digital Technology (Tablet) Trial started in February 2014 and lasted for six months.
- 3.2 In all ten Members participated in the trial and these were drawn from the Liberal Democrat and Labour Groups (having been identified by the respective Group Leaders).
- 3.3 At the start of the trial, there were no elected representatives of UKIP or the Green Party in office at Newcastle. As such, these parties did not have the opportunity for their Members to participate. The Conservative group declined the opportunity to take part in the trial.
- 3.4 Three of the original trial participants were replaced by other Members as the trial progressed.
- 3.5 Throughout the trial those Members participating were asked to submit their opinions regarding what they were experiencing and how the devices were helping them to fulfil their roles. Participants were also asked to join the Member Development Panel during their regular meetings to discuss their experiences with non-participating Councillors. A full copy of the end of trial evaluation survey is attached as Appendix 2.

*Trial Findings*

- 3.6 Overall, 8 out of 10 Members who participated in the trial:
- Were either satisfied or very satisfied with the devices;
  - Agreed that the devices made access to email easier or significantly easier;
  - Believed that the enhanced access to email and calendars gave them an advantage over other Councillors;
  - Believed that having the iPad made them more accessible to the Public, Officers and fellow Councillors in comparison to other Councillors;
  - Used the iPads outside and took advantage of the built-in mobile data facilities that enables Members to work almost anywhere using 3G technology<sup>1</sup>;
  - Either agreed or strongly agreed that having the iPad added value to their role as Councillors;
  - Agreed that providing an iPad would be an improvement to the current ICT solutions offered;
  - Concluded that they could continue using the iPads as a near total replacement for paper minutes and agendas either with or without additional training being offered.
- 3.7 70% of the participants either agreed or strongly agreed that the documents in Modern.gov were easy to work with and that the annotation tools were very important. All agreed that to be truly effective, the Council would need to enhance the Modern.Gov app to include the facility for accessing reports which contain documents that are restricted under the Local Government Act 1972.
- 3.8 The version of the app used during the trial only included reports which were publicly accessible with any restricted documents removed. It was not possible to test the restricted documents publishing facilities during the trial as this was only available at additional cost. The Members Development Panel did not believe this was required to appraise the overall systems usability in the short term and as such, the upgrade was not purchased. The costs of providing the facility to automatically publish restricted documents to the iPad app have been included in the 'Resource' section of this report.
- 3.9 It was also noted that a number of Members participating had either been responsible for chairing or had key roles in meetings with particularly complex or lengthy report packs. 80% of participants agreed that in exceptional circumstances where extremely lengthy or complex documents are being used (i.e. more than 150 pages), the meeting Chair should be able to request a paper copy of the document pack. 50% of the participants also agreed that a "by request" facility should be available for Members who attend a meeting for a specific role. This is outlined in Appendix 3.
- 3.10 An un-anticipated benefit of the trial measured by ICT was the increased use of email (this obviously relates to the issues set out in the previous section of this report). On average, those who were participating had 90% fewer unread messages than their counterparts and that the average age of unread messages was 50% less. This demonstrated a measurable, positive impact on having the iPads available which

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<sup>1</sup> 3G technology is a mobile communications standard that allows mobile phones, computers, and other portable electronic devices such as iPads to access the Internet wirelessly. This technology provides Internet access via the same radio towers that provide voice service to your mobile phone. This means the devices can be used almost anywhere.

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would certainly have also had a positive outcome for residents and officers contacting them electronically.

- 3.11 Two Members participating did not enjoy the same success as their colleagues. One did not see the iPads as a viable alternative to the current system and the second did not complete any of the requested feedback surveys and only used their device for around a month despite having the iPad for most of the trial.

*Lessons Learnt*

- 3.12 In the case of the Members noted above (in 3.11) it was identified that the training those Members received was not the same as other participants. When the trial commenced, the participants received around two hours of training and left the Civic Offices with a working device which they were comfortable with operating. The two participants who were less satisfied were only able to attend training for 15-30 minutes which was not sufficient. A key lesson learned from this is that any Member receiving an iPad will require full training as a pre-requisite.
- 3.13 It was recognised and noted by the Member Development Panel during the trial that Members must exhibit a willingness to try the new solutions without recourse to ICT when new technology does not work as they expect. As an outcome for this, ICT must reinforce that Members should seek assistance when they experience difficulties and that the Support team will always do their best to help them. In addition, a proactive monitoring programme should be put into place to try and identify when Members are experiencing difficulties and a peer support network setup amongst other "expert" Members.
- 3.14 One participant also raised observations around the reports presented in Modern.gov and the number of supplementary items published. The latter situation is a consequence of the publishing process which may need to be reconsidered should the trial be taken forward. The formatting and structure of reports could be looked at by the Council's Democratic Services team and further training could be provided to officers to increase the readability. These observations are also reflected in the recent Planning Peer Review.

*Summary of Outcomes from the Trial*

- 3.15 For those Members who participated, the majority believed the iPads could be used as a viable alternative to printed packs and that the additional services the iPads provided were of considerable benefit to them. Those participating also confirmed that the iPads met all of the criteria identified by Members in their 2012 survey (Appendix 1). Based on the success of the trial and the feedback directly received from participating Members, the Member Development Panel stated their endorsement of issuing Councillors with iPads at their meeting on October 2<sup>nd</sup>, 2014.
- 3.16 Lessons learned during the trial support a gradual introduction on the solution; highlighting the need to ensure that Members are provided with effective training and that they are aware of the on-going support that is available to them. It was observed during the trial that those Members with the iPads actually raised fewer Support Desk Calls and were much more likely to try and help themselves before contacting ICT.
- 3.17 Members recognise that increasingly constituents expect to communicate with them electronically. Whilst insisting on the use of IT may discourage some Members who have limited technical skills, by refusing to use services such as e-mail those Members are effectively excluding a growing proportion of the people they represent. Where members of the public choose to communicate with their elected representatives using electronic means, Members should strive to accommodate this. The proposed solution makes this communication more accessible and easier. The

phased introduction will provide a period of transition for existing Members and assist in allaying any concerns they may have.

#### 4. **Options Considered/Proposals**

- 4.1 As can be seen from the findings of the Members Digital Technology (Tablet) Trial as outlined in the previous section of this report, a number of lessons have been learnt with regard to the areas outlined in Section 2 of this report.
- 4.2 By way of illustration, the use of email by Members involved in the trial increased and there was recognition that communicating electronically with constituents and others was a positive thing.
- 4.3 In addition to the findings from the trial, a number of other options have also been considered as part of this report. These are:
  - The practice of printing out emails for Members;
  - The need for Members to actively manage their council email accounts; and
  - The continued use (and costs) of the weekly courier service for delivering paper documents to Members.
- 4.4 In terms of the Members Digital Technology (Tablet) Trial itself, two main proposals have been presented. These are:
  - Following the Borough Council elections in May 2015, it is proposed that all new Members will be provided with a corporately owned and secured iPad instead of printed materials as the main source of information;
  - For existing Members the provision of an iPad instead of printed materials would be optional for the remainder of their elected term. During this time, ICT would provide training to Members to support them in the transition to adopting this technology. In order to ensure that all Members are treated consistently, any existing Member standing for re-election would be subject to the same changes as a new Member.
- 4.5 The optional use of the iPad by existing Members would need to be seen as a period of transition to provide the opportunity for Member training. However, any Member choosing to continue receiving printed minutes and agendas would become responsible for collecting the materials themselves rather than having them delivered by courier (see proposals relating to the courier service below).
- 4.6 To ensure that savings from reduced printing are maximised, Member Services would also cease to order excess printed copies of minutes and agendas which are currently used for distribution to officers, external organisations and members of the public. The Council's website would also be updated to reflect that printed copies of agendas would not be available at meetings and that anyone wishing to have access to such items during the meeting must download and print their own copy.
- 4.7 ICT will provide further guidance for Officers and external organisation as to how they can automatically receive copies of minutes and agendas from the Modern.Gov system as they are published, which they may subsequently print if necessary
- 4.8 All Members would be fully supported by a comprehensive training package to inform them how to use both new and existing ICT provisions to their benefit and support would be provided by ICT as required.

- 4.9 All iPads issued would be corporately managed and setup to receive minutes, agendas and associated documents via the Modern.gov publishing system and the associated iPad app. The secure version of the app would be utilised to provide access to restricted documents and allow the tablets to be used as an alternative to printed media.
- 4.10 The iPad would also provide Members with access to email, calendars, the intranet, the Members website, the internet and secure corporate storage. Storage facilities on the Council's network would enable Members to save attachments, created files on their iPad and access them using a PC at any Council facility. As the Council's Customer Self Service facilities are developed, these would also be made available to Members via the iPad as would any future Newcastle app.
- 4.11 Mobile data enabled iPads (3G) would be procured in order to enable their usage anywhere. They would be pre-configured to access the Council's Wi-Fi at any available site and a protective case and stylus would also be provided.
- 4.12 All iPads would be issued to Members as part of their role. If individual Members were deselected or step down from their position, they would be required to hand the iPad back. Subsequently this would be re-issued to the Member who replaces them. Members issued with iPads would be subject to the Council's normal policies including those used for replacement equipment, internet, email, security and proper use of ICT equipment.
- 4.13 It should also be noted that due to the cost of the iPad solution, Members who opt into using them would not be able to opt out for the full term of office. ICT would however ensure that a number of demonstrator devices were available for existing Members to try over a limited period before fully committing.
- 4.14 ICT would work with Member Services to roll out the revised provisions starting in Quarter 1 of 2015.

*Printing and posting emails*

- 4.15 As highlighted in section 2 of this report, the practice of printing emails for those elected Members who request it creates cost in terms of materials, distribution and officer time.
- 4.16 It is estimated that the current cost for providing this for the 8 members who have requested this service is £730 per annum.
- 4.17 Up until now, the Council has held a very clear position with regard to Member support in order to ensure that this is fair and consistent and that Members are supported in a manner consistent with their role(s) in the Council. It could therefore be argued that those Members who continue to receive printed and distributed copies of their emails are accordingly receiving additional support not enjoyed by other Members. It is without question that they are taking a greater share of the Council's resources by doing so.
- 4.18 In addition, the process of printing and distributing emails introduces significant delay to the communication process. There may be up to a week between the time a message was sent and the time it is seen by the intended Member which is contrary to the expectations of those using e-mail as a fast and efficient communication method. The printing process also does nothing to address the issue of actually sending a response to an email, where an electronic reply is expected rather than a paper one.



***It is therefore recommended that the practice of printing off and sending on Member emails ceases. This may need to be preceded by the appropriate training where required.***

*Managing email accounts*

- 4.19 The issue of Members managing their own email accounts is more complex than the matter of printing emails and has a number of dimensions. Appropriate training, however, can help to resolve most issues.
- 4.20 Members who are not actively managing their email accounts are allowing a build-up of emails, and this has a number of consequences:
- (i) Members who are not regularly checking their email accounts may be missing important information being sent to them by their residents, colleagues, their Party and officers.
  - (ii) Members who are not regularly deleting old emails are calling upon an ever increasing amount of storage on the council's systems. This storage has a cost and the cost of storing data on an email server (i.e. in an email account) is significantly greater than documents held on non-mail servers.
- 4.21 Due to the high cost of the storage of data held in email accounts, the Council has instituted a policy for officers and a separate Protocol for Members which limits the size of their email accounts and will cease to allow further emails to be sent once that size limit is exceeded.
- 4.22 Since this latter policy was introduced it has had a significant impact upon the amount and therefore the cost of administering the council's email facility. It should be noted that a very small numbers of exceptions have been granted to officer email accounts which due to their nature regularly receive very large documents or high email traffic rates.

***It is recommended that a similar policy to that outlined above and currently applied to officers is implemented to also cover Member email accounts***

*Accessing Emails*

- 4.23 It has been noted that there is a small minority of Members who have not accessed their Borough Council email accounts for a very considerable period of time or who access their accounts only very occasionally. This runs the risk that Members may miss important information which they need to perform their role as a councillor. Given that email is now a preferred and highly cost effective mechanism of communication it is considered that Members' use of the council's email system should be made mandatory. It would be prudent to phase in mandating the use of email and it is suggested that it become a requirement for new Members at and for all dates after the elections in May 2015. This will give time for the political parties to consider this requirement when engaging in candidate selection processes.
- 4.24 It has been noted previously that a number of Members use their own personal email accounts for a number of reasons rather than the Borough Council email account provided for them. It has been made clear to Members in the past that this is not acceptable due to security concerns over personal email accounts. It should therefore be reiterated that all Members must use their Borough Council email and that officers will not send emails to personal email accounts.

***It is recommended that use of Borough Council email by all elected Borough Council Members for Council business be made mandatory***

*Weekly Courier Service*

- 4.25 The courier service was introduced in 2009 in response to the previous ad hoc, in-house arrangement of delivering post by hand to Members as a temporary solution to an immediate problem.
- 4.26 Much of the Members' mail is heavy due to the quantity of reports and appendices which are attached to agendas and this became very expensive to post by Royal Mail.
- 4.27 The courier service has proved to be a more cost efficient and accountable way of delivering mail to Councillors' home addresses but it was introduced at a time when Councillors did not have widespread access to email facilities.
- 4.28 Since that time, the Council has moved to an alternative provider of its corporate mail services and restricted the user of first class postage which has significantly reduced postal costs. However, although the amount of courier post has decreased as more Members make use of their email addresses, or use alternative means of collection, there are still weekly envelopes sent to upwards of 40 Members at a total cost estimated to be £5,000 per year.
- 4.29 At other authorities within Staffordshire, it is mandated that Members must periodically visit their respective Council's offices to pick up any items of post they have received. This negates the need for those Councils to operate a bespoke delivery solution for their Members. A similar practice could be adopted and phased in at Newcastle for new Members at and for all dates after the elections in May 2015.
- 4.30 Members should therefore be offered two options. One option is for a Member to exclusively utilise electronic delivery of agendas (via modern.gov), thereby receiving no printed agendas. The second option is to continue to provide paper copies for committees on which a Member sits, but to stipulate that the printed papers will need to be collected from the Civic Offices. However, the number of available printed agendas will be restricted to avoid printing overheads. All Members should also be advised when an agenda is available on the Members' website (via modern.gov), so that they can have an initial look at any particular agenda. It is envisaged that, following the Borough Council elections in May 2015, all Members will be expected to use electronic technology as part of their role, and that paper copies will only be provided in extreme circumstances (e.g. if ICT facilities are not available).
- 4.31 The reason for presenting the above set of options is that accessing documents via a tablet device (as used in the recent trial) in a 'live' situation needs certain skills and experience which need to be developed should the proposal go ahead. It is also proposed, however, that training will be provided to Members on the use of electronic devices generally.

***It is recommended that the Members' weekly courier post be ceased. It is further recommended that Members should use electronic means to access committee and other papers via modern.gov without receiving any printed documentation under normal circumstances Training will be provided where required. Any member choosing not to use electronic means to access committee papers will be able to receive printed papers, but they will also have to come to the Civic Offices to collect those papers, and it should be noted that this arrangement will be phased out following the 2015 Borough Council elections***

- 4.32 It should be noted that, at its meeting of 2<sup>nd</sup> October 2014, the Member Development Panel received a paper outlining a number of recommendations which are included

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and underpinned by the introduction of tablet devices. At that meeting, the Member Development Panel endorsed:

- The mandatory use of the Council's email system for all Council business by Members;
- Cessation of printing and distribution of materials for 3<sup>rd</sup> parties;
- Cessation of the practice of printing off and sending on Members emails;
- Cessation of the Courier Service for all Members.

**5. Reasons for Preferred Solution**

- 5.1 The introduction of the tablet solution ensures Members receive technical support that is consistent.
- 5.2 This solution increases the effectiveness of the political process by removing much of the current manual and labour intensive processes associated with the production of meeting materials.
- 5.3 The use of technology increases the accessibility of Members in line with constituent expectations.
- 5.4 The solution supports Members by providing a simplified and manageable approach to the use of technology in their day to day role;
- 5.5 The recommendations from the trial support the other recommendations set out in his report and presented separately to the Member Development Panel in October 2014.
- 5.6 The Member Development Panel endorsed the issuing of iPads to Councillors at their meeting on October 2nd, 2014, as well as supporting the other recommendations set out in this report.

**6. Outcomes Linked to Corporate Priorities**

- 6.1 The recommendations support all of the Council's corporate priorities, but in particular supports the 'Becoming a cooperative Council, delivering high quality community driven services' priority, by enhancing the means by which Members, officers and constituents can communicate and thereby increase public participation in Council matters, whilst strengthening the political process.

**7. Legal and Statutory Implications**

- 7.1 The Local Government Act 1972, schedule 12, part 1, para 4.2 b<sup>2</sup> states that every Member should receive a summons to attend a full Council meeting either by post or by personal collection. It is noteworthy that the Clause applies to full Council meetings only; it does not apply to Committees or Cabinet meetings. Advice has been sought from the Council's Legal Services as to how this provision will continue to be applied for full Council meetings, subject to approval of the recommendations.

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<sup>2</sup> The Local Government Act 1972, schedule 12, part 1, para 4.2 b states that "A summons to attend the meeting, specifying the business to be transacted thereat, and signed by the proper officer of the council, shall, subject to sub-paragraph (3) below, be left at or sent by post to the usual place of residence of every member of the council.

(3) If a member of a principal council gives notice in writing to the proper officer of the council that he desires summonses to attend meetings of the council to be sent to him at some address specified in the notice other than his place of residence, any summons addressed to him and left at or sent by post to that address shall be deemed sufficient service of the summons."

**8. Service Impact Assessment**

- 8.1 A full Service Impact Assessment has been completed and is available on request. The Assessment covers all aspects of equality. This includes ensuring that the solution does not differentiate between individuals, such as those with visual impairment, or limited dexterity.

**9. Financial and Resource Implications**

- 9.1 Throughout the trial, ICT have monitored the output of the Council's print room, Customer Support, Members Support and secretarial functions in supporting Members in their duties to calculate the current costs of the print service on a per member basis. For purposes of clarity, the financial implications have been calculated over a 4 years basis, which is the estimated lifespan of the iPads. It does not account for inflation during that time.
- 9.2 When calculating the cost per member for iPads, "grouped" costs (such as the Modern.gov publishing system) have been distributed across all 60 Members in order to provide a direct comparison. The same method has been used to distribute the costs of the existing print service where appropriate.
- 9.3 The initial cost of funding the trial was met through the Revenue Investment Fund in order to test the feasibility of the devices. Further investment would be required for the initial purchase of the required iPads and the additional revenue funds for year on year costs. The initial purchase could be met from the Council's Revenue Investment Fund programme subject to a bid being approved by the Revenue Investment and Budget Support Cabinet Panel. Revenue costs could be largely met from savings made by the removal of the courier service and the resulting proportional reduction in paper and printing costs incurred by the Print Room.
- 9.4 The majority of trial participants considered that having the iPad made them more accessible and added value to their work which is not quantifiable by cost alone. It should also be considered that in reality, supporting the current process requires considerable staff resource which should be utilised in other areas of work. The duties involved in the preparation and dispatch of Member materials includes:
- a) Printing and collation of Committee items ;
  - b) Agendas sorted into Members pigeon holes along with general mail items in the post room ready for collection or delivery;
  - c) Printing emails for up to 9 Members;
  - d) Labelling and filling of individual large envelopes (up to 60) ready for the Courier service;
  - e) Agendas for outside bodies (e.g. public members of the Conservation Working Party, Sports Council) are franked and sent 1<sup>st</sup> Class;
  - f) Management of the Courier Service;
  - g) Adhoc secretarial support for reprinting of agendas, minutes and supporting documents.

The ongoing resource costs associated with these tasks significantly outweigh the investment costs outlined in Section 9.5 below.

- 9.5 The costs per Member for the iPad solution are outlined in table 1 below includes:
- a) The cost of providing an iPad;
  - b) The cost of providing a protective case and stylus;
  - c) Line Rental costs for mobile data (3G); and
  - d) The cost of providing the facility to view restricted documents on the iPad.

	Year 1	Year 2	Year 3	Year 4	Total
<b>iPad Solution (Per Member)</b>	£511.42	£335.48	£238.76	£238.76	£1,324.42
<b>Current Solution (Per Member)</b>	£280.98	£280.98	£280.98	£280.98	£1,123.92
<b>Difference (Per Member)</b>	£(230.44)	£(54.50)	£42.22	£42.22	£(200.50)
Table 1 – Cost Comparison – Printing Solution vs. Proposal per Member over 4 years.					

- 9.6 Over time, the proposed solution will remove the need for printing of Agendas and minutes through the print room except under exceptional circumstances. Internally, Officers would become responsible for printing their own copies of minutes and agendas if absolutely necessary and where an electronic alternative cannot be used.
- 9.7 Resources from ICT would be used to order, prepare and distribute iPads to any Members who opt into using them and for any new Members upon election. ICT anticipate this will be concentrated at times of electoral change and this will need to be built into the Members Induction process, but it is expected that this will decrease as Members become more familiar with the usage of the iPads.
- 9.8 ICT would provide training and relevant user guides for Members upon issuing the iPads and ongoing support would be available from the Support Desk. ICT will work with the Member Development Panel to introduce a peer support network to help Members become less dependent on ICT for day to day queries; instead using other group members to provide basic support where possible.
- 9.9 There are no changes to the publishing process for Modern.gov.
- 9.10 A small number of additional iPads would be available to Committee Services to ensure that all officers and Members attending meetings have the opportunity to use electronic means to access agendas and associated documents.

## **10. Major Risks**

- 10.1 There is one major risk identified which is the potential for external adverse publicity and some Members perception that the device is a commercially available, rather than a serious, working device such as a laptop, and the additional cost of providing these at times of financial austerity.
- 10.2 A full Risk Assessment is available on request.

## **11. Sustainability and Climate Change Implications**

- 11.1 The removal of the courier service and printed output would reduce the amount of energy used in producing and delivering the printed media packs and the associated CO<sub>2</sub>.
- 11.2 The CO<sub>2</sub> reduction from the delivery process is estimated as follows:

Delivery Vehicle: Ford Fiesta Econetic II Van – 87g/km CO<sub>2</sub>

Average delivery mileage: 50 miles per week

Average CO<sub>2</sub> produced during delivery run: 7kg

Estimated Annual CO<sub>2</sub> produced during delivery (assumes 50 delivery weeks): 350kg

**12. Earlier Cabinet/Committee Resolutions**

ICT Access for Members Protocol – September 2011

**13. Background Papers**

Members Use of ICT and ICT Resources – Agenda Item 4, Member Development Panel, 2<sup>nd</sup> October 2014

**14. List of Appendices**

Appendix 1 – ICT Usage Survey Results 2012

Appendix 2 – End of Trial Survey

Appendix 3 – Print Request Process

**15. Key Decision Information**

- 15.1 This is a key decision by virtue of being significant in terms of its effects on communities living or working in an area comprising two or more electoral wards in the Borough and being likely to result in the Borough Council incurring expenditure or making savings of an amount which is significant having regard to the Council's budget for the service or function to which the decision relates.

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**Appendix 1 – ICT Usage Survey Results - 2012**

The following questions and answers were taken from a 2012 survey where Members were asked to identify their ICT usage. This survey was used as a basis for identifying a suitable device to give Members during the trial. Of the 60 Elected Members at Newcastle under Lyme Borough Council, 37 responded to the survey invite.

What do you currently use IT equipment for in relation to your work as a Councillor?

I do not use IT equipment	18.90%	7
Reading/Writing and managing email (from your personal or party account)	78.40%	29
Writing letters/reports	67.60%	25
Making notes at meetings	10.80%	4
Managing your diary and meeting commitments	48.60%	18
Communicating privately with other members	75.70%	28
Viewing Committee papers, minutes or agendas	56.80%	21
Reading/Writing and managing email (from your Council email account)	73.00%	27
Accessing the Members Website	54.10%	20
Video Conferencing	0.00%	0
Creating “reminders” to undertake work	18.90%	7
Surfing the internet	56.80%	21
Viewing/Commenting on Planning Applications	56.80%	21

What kind of equipment do you currently use in relation to your work as a Councillor?

Personal laptop	62.20%	23
Personal tablet PC (such as an iPad)	13.50%	5
Personal mobile phone	62.20%	23
Council laptop	5.40%	2
Council printer	5.40%	2
Council internet (at a Council building)	13.50%	5
Personal desktop PC	35.10%	13
Personal printer	64.90%	24
Personal broadband	75.70%	28
Council desktop PC	5.40%	2
Council mobile phone	2.70%	1
Other	2.70%	1

Where do you access the equipment you currently use in relation to your work as a Councillor?

At home	94.60%	35
When “on the move”	29.70%	11
When meeting the public	16.20%	6
At the Council offices	16.20%	6
At my place of work	24.30%	9
Other	2.70%	1

If the Council were to consider devices which provide Members an electronic alternative to printed committee papers and agendas, what do you think are important considerations?

Lightweight	63.90%	23
Long battery life	58.30%	21
Secure information storage	50.00%	18
Move through pages with ease	55.60%	20

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Ability to share information	44.40%	16
Ability to select committees and groups of interest regardless of participation	47.20%	17
Ability to be used anywhere	55.60%	20
Simplicity of use	55.60%	20
Have a page like display	41.70%	15
Ability to make notes	41.70%	15
Ability to access "live" information	41.70%	15
Other	11.10%	4

If the Council were to consider devices which provide Members with the facilities to work without paper, what do you think are important considerations?

Access the internet	77.80%	28
Read/write/manage personal email	63.90%	23
An electronic calendar with reminders	50.00%	18
Tools to deliver services for residents (such as reporting problems like graffiti or fly-tipping)	55.60%	20
Ability to take photographs	33.30%	12
Ability to access social media such as Twitter or Facebook	13.90%	5
Provision of assistance and training	55.60%	20
Access the Members website	61.10%	22
Read/write/manage Council email	72.20%	26
Tools to read/compose letters and reports	44.40%	16
Tools to make notes at meetings	38.90%	14
Ability to record videos	2.80%	1
Ability to work anywhere	61.10%	22
Instant delivery of messages	47.20%	17
Other	8.30%	3

As the Council moves towards paperless working where ever possible, in your view should Councillors be provided with equipment that meets the requirements identified above?

Strongly Agree	47.20%	17
Agree	16.70%	6
Neutral	13.90%	5
Disagree	8.30%	3
Strongly Disagree	13.90%	5

Is there any other information you think is important if the Council were to consider providing a paperless alternative to Committee minutes and agendas or facilitating Members working without paper?

A hard copy can go with me, have notes marked on it and work in all weather
Clearly, whilst this is a great idea for many now and in the future, there needs to be sufficient relevant training for the many (with all due respect) more elderly councillors who may/may not be quite as conversant with the technology
Ease of search facility on the equipment - e.g. website (like all websites) is not easy to locate at times. Why not ONE simple index to click on the item required?
I am happy to use my own lap top and phone. However assistance with broadband fees, printer cartridges and paper would help
I.T. must always provide a hard copy alternative for those requiring it. It is not a qualifying mark of being a Councillor that I.T. familiarity is a sine qua non.
Isn't the allowance supposed to pay for such things
Need to look at costs of equipment and it needs to be simple to use and reliable. Equipment needs to be provided before stopping courier service



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Sending out all the agendas and only the minutes to the committee that the councillors are sitting. Apart from Cabinet and full Council
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Tax payers should not pay for laptops or iPads for councillors at a district
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The cost of ink cartridges!
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There would have to be a robust business case demonstrating that this was an economical saving for the Council.
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Whilst I fully support reduction in use of paper, I disagree with going completely paperless.
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you should be able to access on any device you have
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**Appendix 2 – End of Trial Survey**

1. Overall, were you satisfied with the clarity and size of the screen?

	Very Dissatisfied	Dissatisfied	OK	Satisfied	Very Satisfied
Size of the screen			1		8
Clarity of the screen				1	8

2. Overall, were you satisfied with the battery life of the device?

	Very Dissatisfied	Dissatisfied	OK	Satisfied	Very Satisfied
How long the battery lasted	1			3	5
How long it took to charge	1	1		3	4

Comments:  
 Really impressed with the battery life, especially in comparison to other Apple products I own.

3. Did you take the opportunity to use the device outside?

No	1
Occasionally (once a month or similar)	2
Frequently (every fortnight)	1
Very Frequently (weekly or more)	5

Comments:  
 Worked well  
 If it was a very bright day had to make sure I was in shade to see the screens sometimes.  
 I regularly took the iPad out with me, including at weekends and on breaks away from home. It was very useful to be able to be in regular contact with my emails and use safari, when I would normally have used my lap top which wasn't always suitable due it's size.  
 Never mastered the device well enough to use it

4. Did you knowingly use the 3G connection?

No	1
Occasionally (once a month or similar)	1
Frequently (every fortnight)	3
Very Frequently (weekly or more)	4

Comments:  
 Good connection, coverage almost everywhere and quick too.  
 Not convinced it always worked  
 I regularly took the iPad out with me, including at weekends and on breaks away from home. It was very useful to be able to be in regular contact with my emails and use safari, when I would normally have used my lap top which wasn't always suitable due it's size. Plus not relying on having to find a Wi-Fi connection which isn't always possible.

5. Overall, how satisfied were you with the iPad?

Very Dissatisfied	
Dissatisfied	1

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OK	
Satisfied	2
Very Satisfied	6

<b>Comments:</b>
It was easier and quicker to access than my own laptop.
Compact size and versatility
I found the pen to small and narrow to use for long. If you have hand problems it was hard to grip.

6. Did the iPad make it easier to access your email and calendar?

	Not at all	Slightly harder	About the same	Slightly easier	Much easier
Access to your email	1			1	7
Access to your calendar	2			3	4

<b>Comments:</b>
The iPad made me more efficient. As it was to hand, it was easier to check emails and I did so with much more frequency than I had done previously when I had to fire up my laptop.
Did not use calendar. E mail mainly better except when working with large attachments
Use of calendar was limited as it did not connect to my calendar and so did not bother to input most of my councillor appointments. Also meetings arranged for me were often not put into the calendar.
Never grasped it. It made me want to resign as a Cllr if this is what we have to look forward to.

7. Do you think having the iPad available to access your email/calendar gave you an advantage over other Councillors who were not part of the iPad trial and were using the "old" system?

Yes	8
No	1

<b>Comments:</b>
That I could carry it around with me to various places I was able to get quick access to my email/calendar
I used to have regular problems accessing council emails, and still hear this comment made by other councillors. I have had a good service using the iPad.
It (the iPad) was with you (the Councillor) all the time

8. Did you use the iPad to access the internet?

	No	Occasionally (once a month or similar)	Frequently (every fortnight)	Very Frequently (weekly or more)
At home	3	0	2	4
At your place of work	4	2	1	2
In the Civic Offices	3	2	2	2
Outside	4	0	3	2

<b>Comments:</b>
Excellent and the connection was very quick.
Did not always get a connection. Civic offices bad.
Not comfortable with it.

9. Did you use the iPad to access the Councils intranet (e-voice) or the Members Website?

	No	Occasionally	Frequently	Very
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		(once a month or similar)	(every fortnight)	Frequently (weekly or more)
E-Voice	5	2	1	1
Members Website	1	3	1	4

10. Do you think having the iPad available to access the internet/intranet/members website gave you an advantage over other Councillors who were not part of the iPad trial and were using the "old" system?

Yes	7
No	2

**Comments:**  
 Having the information to hand and accessible instantly -especially when talking about decisions of previous meetings was incredibly advantageous.  
 To look at old and new minutes.

11. Do you think that having the iPad made it easier for Officers, Colleagues or Members of the Public to contact you?

	Not at all	Slightly harder	About the same	Slightly easier	Much easier
Officers	1	0	1	2	5
Fellow Councillors	1	0	1	2	5
Members of the Public	2	0	0	2	5

**Comments:**  
 Do not use council e mail for members of public.  
 Contact was made easier because never had problems getting into my emails and it is easier carrying iPad about, which means I am accessing it more than my lap top.  
 Yes all in one place on the iPad.

12. Do you think having the iPad available for Officers, Colleagues or Members of the Public to contact you gave you an advantage over other Councillors who were not part of the iPad trial and were using the "old" system?

Yes	8
No	1

**Comments:**  
 If I use my own laptop I can only be contacted at home whilst with the iPad I can pick up information on the move.  
 Much faster

13. Do you think that having the iPad added value to the work that you do as a Councillor?

Strongly Disagree	1
Disagree	0
No difference	0
Agree	4
Strongly Agree	4

**Comments:**

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I was able to collect evidence and email instantly when completing casework, I am more efficient as I use it more and I am easier to contact.
Very good for attaching pictures to e mails
I believe that my effectiveness as a councillor was greatly improved by using the iPad

14. What do you think could have been altered to make the iPad more effective?

I wish I could have had more training.
More reliable internet connection

15. Do you think the documents presented in the Modern Gov app were generally easy to work with?

Strongly Disagree	1
Disagree	1
No difference	0
Agree	3
Strongly Agree	4

<b>Comments:</b>
Not having access to restricted agenda items, especially when chairing a meeting was a problem but generally, excellent and easy to use.
Until last night I would have said no difference except for large complex documents. Last night was planning committee. I went through the agenda before. Prior to planning we had a review meeting. I had not charged the IPAD, and there was not enough to run two meetings. I took a paper copy. Within moments I spotted a small but very significant error in the agenda that I brought to the chairs attention. I had not spotted it on the IPAD. In 20years as a councillor I have learnt to speed read, working down a document with my eyes moving from side to side. I rarely miss anything of importance. I am not using the same technique on the IPAD. I scroll down, which means that the page can be on the move, and it am liable to miss small points. I have tried it again after yesterday, and me speed reading technique is risky. That means I have to take things slower. I am having second thoughts
Access to county documents was useful in my role as district representative on the County Healthy Select Committee

16. Do you think it would be important for Members to be able to request paper copies of particularly lengthy or very complex documents when chairing or attending meetings?

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
When Chairing a meeting	0	1	1	4	3
When attending a meeting with a specific role.	2	1	1	4	1
When attending a meeting for general interest.	4	3	0	2	0

<b>Comments:</b>
When chairing a meeting you have to be a step ahead of the rest of the attendees. At times this was difficult – more because I was working from the iPad and other members were not, than any fault of the technology.
Wish I could have access to restricted content.
Chairing a committee takes a bit of getting used with the iPad although I stuck with it and have improved.
I'm comfortable using the iPad.

17. Do you think that the ability to easily access restricted content in Modern Gov would be required if the trial were to become real?

Strongly Disagree	0
Disagree	0
No difference	0
Agree	2
Strongly Agree	7

<b>Comments:</b>
Absolutely. This is especially relevant for the semi judicial committees eg Planning where the info can be commercially sensitive or relate to legal proceedings.
(Strongly Agree) As I am on public protection committee

18. Do you think the annotation tools in the Modern Gov app were useful?

Strongly Disagree	0
Disagree	0
No difference	1
Agree	5
Strongly Agree	3

19. Did you use the Modern Gov app to share documents or access other Council's publications?

	Wasn't aware you could.	Aware but didn't.	Occasionally (once a month or similar)	Frequently (every fortnight)	Very Frequently (weekly or more)
To share an annotated document	2	5	1	0	1
To share an un-annotated document	2	5	1	0	1
To access another Council's documents	0	3	2	3	1

20. What do you think could have been altered to make the Modern Gov tool more effective?

Restricted document access.
I was more than happy with the iPad it completely changed my effectiveness as a councillor.
Not sure

21. Do you think the provision of a corporate iPad would be an improvement to the ICT solutions currently offered to Members?

Strongly Disagree	0
Disagree	0
No difference	1
Agree	2
Strongly Agree	6

<b>Comments:</b>
The use of the iPad improved my ability to act as a councillor in all aspects of the role, from casework, public meetings, training, to chairing meetings. It made the whole process easier and as a result I feel I was able to be a more effective councillor.
Not all members could cope.

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Yes they would be all on the same page or ipad.
The iPad gives complete flexibility as to when information can be accessed.
I realise some found it a help but for me it was one of the worst trails I have ever been asked to take part in.

22. From a practical perspective, could you comfortably use your iPad (with our without additional training) for your day to day activities as a Councillor, knowing that aside from in exceptional circumstances, you would not receive printed minutes and agendas again?

Yes – With additional training	4
Yes – Without additional training	4
No – Please explain why?	1

Comments:
I would not be a Cllr if this was the only means of getting information.
It would be better if you could print from the iPad.

23. Are there any other comments you would like to make regarding your experience of using the iPad during the trial, any experiences where the iPad has been particularly useful or ineffective or suggestions around the future usage of iPads at the Council?

As you know I have not had the iPad to long but I have found it very good for all council work with help from ICT. Thank you to all staff
I found the whole experience a pure delight.
Everyone should work from them. They save time, they save money, and they make us better councillors.
I've become more confident using iPad. Found it useful for photos and getting in touch with fellow members.
The issues is how experienced a person is with it. We have some who are experienced, some who are not experienced but prepared to have a go, some who the thought of it makes them see red, and some who are totally lost. Do we exclude the last two from being Councillors? I am of a view that we should get everybody on e mail on IPAD. It is not difficult. One to one training will be required for some, the paper copy e mail should be withdrawn. We should give people the option of paper agendas for committees on which they sit. However these should only be available at the council offices. If they want an early look they can use the IPAD, but we should not ask them to rely on it.
Keyboard made iPad bulky and I found I never used it. I used my lap top for writing documents and the screen keyboard was perfectly adequate for annotating documents. Annotating was very useful as had saved notes without the need for storing bulky hard copies.
As a member and now vice chair of planning I have found it invaluable when on-site visits and in dealing with the large number of documents issued. I genuinely believe that I have operated far more effectively and professionally as a councillor since being issued with the iPad.
NO
Additional training would be useful and updates. Step by step guides would also be useful so Councillors can self help.

Classification: NULBC UNCLASSIFIED  
**Appendix 3 – Print Request Process**

During the trial, Members identified that in exceptional circumstances, it was still preferable to have access to hard copy materials. The process outlined below could be used to facilitate this access.

*Criteria*

Hard copies of meeting documents would only be provided if:

- A single report is more than 150 pages.
- A combined Minutes/Agenda pack is more than 200 pages.
- A complex report of more than 75 pages is being used during a meeting where external representation is required.

Only meeting Chairs and those Members with a direct involvement with the meeting may request paper copies of materials.

*Process*

Councillors will receive the meeting packs electronically via the Modern.Gov app. If a Councillor identifies particular concern with a report or pack which meets the above criteria they will:

1. Access the print request form from their iPad.
2. Complete the details of the meeting they require a pack printing for.
3. Submit their request.

Members must submit their request at least 3 working days before the scheduled meeting. Member Services will provide email confirmation that the request has been received and arrange for a paper copy of the requested pack to be available either at the meeting, or to be left in the Member's individual "pigeon hole".

The print request form will be developed by ICT and placed as a shortcut on each Members iPad. It is anticipated that the form will simply ask for the details of the meeting, the item or items required and the preferred delivery method.

Alternatively, Members will be able to simply email the required document to the Council's secure print email address and collect it themselves from any Council MFD.





- Regular contact between the political leadership
- A contact person responsible for regular communications and links, and whose work is endorsed and supported by the political leadership.
- A Newcastle's of the World central coordinator to link the leaders and contacts, and to oversee the work of the alliance.
- Champions, or lead members, for each major initiative or project.
- Regular funds that can be drawn upon to support activity.
- A forward programme for the hosting of future summits.

- 1.4 The Newcastle's of the World Alliance Declaration 2014 highlights nine key commitments:
1. To implement the paid secretariat to take forward the actions.
  2. To share information and best practice on a range of common issues including employment, young people, affordable housing, older people, town centres, historic buildings and sustainability.
  3. To improve communications between the Newcastle's
  4. Create a shared tourism strategy and city branding
  5. Encourage opportunities between businesses
  6. Pursue EU and international funding
  7. Support youth involvement through the youth conference
  8. Develop educational, cultural and business links
  9. To welcome and accept the invitation by Newcastle, Ontario to host the tenth conference in 2016.

## 2. **Issues**

- 2.1 In line with the 2012 and 2014 Declarations there was a commitment to have a paid Secretariat commencing early 2015. The Council has committed to the first years membership of £2,500 for 2015/16. The Secretariat role based on 15 hours per week enables clear accountability for delivering the bi-annual summit event and the range of activities listed in the declaration have greater likelihood of being delivered with a paid officer. Without the services of a formal secretariat, it is unlikely that the Alliance can progress any actions (a view that is corroborated by the limited evidence of tangible outcomes before 2012).
- 2.2 The Economic Development and Enterprise Overview and Scrutiny Committee considered the comparable levels of funding from other Newcastle's, the option to support the Alliance for 2015/16 enabling a more in depth review of the paid Secretariat in December 2015 and the benefits of this investment compared to other funding allocated to economic development and local cultural grants.
- 2.3 Scrutiny considered the above development plan and the potential benefits are in sharing information and best practice. It was acknowledged that there are some educational benefits however education is not a responsibility of a Borough Council; although there are cultural benefits the Council's resources would be better focused on local cultural activities; that the number of tourist visits generated through the Alliance would be extremely small and that securing inward investment through employers locating to the Borough would be improbable. Scrutiny considered the option to invest in local schemes such as the Business Boost scheme which supports the development of local businesses. Alternatively this could be combined with the Town Centre Partnership's Enterprise scheme to enable business start-ups or to support the market traders with new initiatives such as on-line booking and payment. The Council currently has no budget for supporting local business development and by utilising this small budget of £3,000 this will enable the development of local initiatives.

## 3. **Proposal and Reasons for Preferred Solution**

3.1 It is proposed that the Scrutiny recommendation to cease membership of the Newcastle of the World Alliance is supported as the funding could be better utilised to deliver local economic development priorities. The Council could then allocate the budget to supporting local business initiatives.

4. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

4.1. The Alliance has very limited impact in delivering the corporate priorities; however economic development is a key corporate priority.

5. **Legal and Statutory Implications**

5.1 There are no implications.

6. **Equality Impact Assessment**

6.1 There are no equality issues arising from this decision.

7. **Financial and Resource Implications**

7.1 At present there is budgetary provision of £3,000 in the council's base revenue budget. There would be a modest in-kind cost of providing ongoing officer support which would be achieved by re-prioritising the work programme of the Regeneration team. There has been some in-kind support provided by past Mayors and, on two occasions, by his partner but that cannot be assumed or relied upon for future years.

7.2 The Council has previously committed to the first year's membership of £2,500, it would be expected that this would be paid annually. In terms of involvement with the bi-annual Conference the main costs comprise the delegate fee of about £700 along with the cost of transport (in most cases likely to involve flights). In the past this Council has generally funded two or three official delegate places although some representatives have self-funded their attendance.

8. **Major Risks**

8.1 There are no major risk implications.

9. **Earlier Cabinet/Committee Resolutions**

9.1 In March 2013 Cabinet agreed to contribute up to £2,500 per annum towards the costs of a secretariat.

10. **Background Papers**

10.1 Newcastle's of the World Alliance Declaration 2014

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