

# Public Document Pack

|                        |  |
|------------------------|--|
| <b>Date of meeting</b> | <b>Wednesday, 15th January, 2014</b>   |
| <b>Time</b>            | <b>7.00 pm</b>   |
| <b>Venue</b>           | <b>Committee Room 1, Civic Offices, Merrial Street,<br/>Newcastle-under-Lyme, Staffordshire, ST5 2AG</b> |
| <b>Contact</b>         | <b>Julia Cleary</b>  |

## **Cabinet**

### **AGENDA**

#### **PART 1 – OPEN AGENDA**

- 1 Apologies**
- 2 DECLARATIONS OF INTEREST**  
To receive declarations of interest from Members on items included in the agenda.
- 3 MINUTES OF THE PREVIOUS MEETING** (Pages 1 - 6)  
To consider the minutes of the previous meeting.
- 4 Minutes from the Revenue Investment and Budget Support Cabinet Panel** (Pages 7 - 8)
- 5 Community Centre Review** (Pages 9 - 20)
- 6 Amendments to Council Representation on the Aspire Housing Board** (Pages 21 - 26)
- 7 Award of the Newcastle Housing Advice Contract** (Pages 27 - 32)
- 8 Housing Capital Programme 2014/15** (Pages 33 - 40)
- 9 Charging for the Control of rats at Residential Properties** (Pages 41 - 46)
- 10 Calculation of Council Tax Base** (Pages 47 - 52)
- 11 Asset Management Strategy 2014-2017** (Pages 53 - 96)
- 12 Capital Strategy 2014/15** (Pages 97 - 114)
- 13 Scale of Fees and Charges 2014/15** (Pages 115 - 146)
- 14 EXCLUSION RESOLUTION**  
To resolve that the public be excluded from the meeting during consideration of Appendix 4 to the Fees and Charges report 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.
- 15 Restricted Appendix Scale of Fees and Charges** (Pages 147 - 148)
- 16 Revenue and Capital Budgets 2014/15** (Pages 149 - 168)



## CABINET

Wednesday, 11th December, 2013

**Present:-** Councillor Gareth Snell – in the Chair

Councillors Mrs Bates, Mrs Beech, Kearon, Turner, Stubbs and Williams

### 1. APOLOGIES

There were no apologies for absence.

### 2. DECLARATIONS OF INTEREST

Cllr Snell declared an interest in the item relating to allotment provision in the Parish of Silverdale. It was stated that Cllr Stubbs would take the Chair for the item and that Cllr Snell would leave the room once his questions had been asked. Cllr Snell's interest related to him being a member of Silverdale Parish Council.

### 3. MINUTES

**Resolved:** That the minutes of the previous meeting be approved as a correct record.

### 4. URBAN FOREST STRATEGY

A report was submitted to seek the approval of Cabinet for the adoption of the Urban Forest Strategy for Newcastle-under-Lyme.

Cabinet thanked Officers for the splendid piece of work that had been done regarding tying the Strategy together.

Officers confirmed that there would not be any additional resourced required in order to put the strategy into action.

**Resolved:**

- 1) That the report be received
- 2) That the Urban Forest Strategy for Newcastle-under-Lyme be adopted.
- 3) That officers be authorised to develop and progress the action plan within current budgetary and staff resource provision.
- 4) That officers are authorised to work with partners to develop and progress the action plan.

### 5. BUDGET PERFORMANCE MONITORING REPORT 2013 QUARTER 2

A report was submitted to provide Cabinet with the Financial and Performance Review for the 2013/14 First Two Quarters (April -September).

The monitoring reports provided information about the corporate performance of individual council services, alongside financial information. This report had been

presented to the Transformation & Resources Overview & Scrutiny Committee on 6 November 2013.

It was noted in section 2.1 of the report that the general fund budget showed a favourable variance of £6,000. Members requested that a more detailed breakdown in this be provided for the next meeting if possible. It was agreed that information be provided on the major 10 variances either way.

**Resolved:** 1) That the contents of the report be noted and that the Council continues to monitor and scrutinise performance alongside finances.

2) That a breakdown of the major 10 variances wither way be provided for the next meeting.

## 6. **PROPOSED JOINT LOCAL PLAN**

A report was submitted to report on the views of the Planning Committee on the Cabinet's resolution to cease work on the Site Allocation and Policies Local Plan and options for proceeding with an alternative Local Plan; to seek authority to formally withdraw the Site Allocations and Policies Local Plan and to proceed with the preparation of a joint Local Plan with the Stoke-on-Trent City Council covering the borough and City of Stoke-on-Trent and to advise on the implications for the Council's CIL process of preparing a new land use plan.

It was stated that progress was being made with Stoke on Trent City Council and that stage one had now been completed with both authorities agreeing to a new local plan. The Core Spatial Strategy would also be revised.

It had been decided to join with Stoke on Trent in relation to formulating the plan due to the fact that both authorities formed a single housing market which could lead to advantages in relation to some costs but could potentially lead to delays which the Borough Council were very eager to avoid. Legal advice was also currently being sought regarding the CIL. The Portfolio Holder stated that care would be taken to insure that no growth was permitted outside of that which was objectively required and identified as needed by the Borough.

Cllr Holland raised some concerns with Cabinet Members regarding the new proposals. The main concern related to the fact that by having no Local Plan the Council was vulnerable to planning applications being submitted to which it would have little power to object. Concerns also related to the fact that the City Council would view the Borough Council as the junior partner in the relationship, that the City Council would not stick to the required timescales and that Option B (separate full local plan) in the report was the most cost effective option but had been rejected in favour of Option C.

It was stated that the current Core Spatial Strategy would remain in place until a new strategy came into force and that the policies from the old local plan were also still relevant and could be used to support or object to planning applications. The Borough Council also had a duty to cooperate with the City Council regarding housing and even if the Borough Council prepared it's own local plan, a significant amount of work would still have to be undertaken with the City Council. The Portfolio Holder reiterated that fact that a strict timetable would be adhered to and that this would be reflected in an amended recommendation.

**Resolved:** 1) That Cabinet agree to the formal withdrawal of the Site Allocations and Policies Local Plan.

2) That Cabinet agree to proceed with the preparation of a new joint Full Local Plan in partnership with Stoke-on-Trent City Council (Option C) and that your officers work with officers at Stoke-on-Trent City Council to reach agreement on a timetable for the preparation of the Local Plan.

3) That if Stoke-on-Trent City Council do not approve the preparation of a joint Local Plan or agreement cannot be reached on the timescale for the completion of the Plan by March 2014, that Cabinet give serious consideration to proceeding with the preparation of a borough-wide Local Plan.

4) That a further report is submitted to the Cabinet to receive an update on Stoke-on-Trent City Council's formal stance in this matter and if necessary to consider the need to establish a joint advisory group to support the governance arrangements of each Council.

5) That Cabinet note the implications arising from the need to re-appraise the adopted Core Spatial Strategy for the Council's CIL process and seek a further report in this regard at the earliest opportunity.

#### **7. BUDGET CONSULTATION**

A report was submitted to provide Cabinet with information relating to the outcomes of the 2013 budget consultation process. Over 900 responses had now been received to the consultation which included 270 substantive responses which was a very good conversion rate from the 635 quantitative responses received in the previous year.

Members thanked the communications team for their hard work on the consultation project and highlighted the need to feedback the outcome of the consultation to the public.

**Resolved:** 1) Cabinet notes the outcomes of the budget consultation process.

2) Cabinet authorises the Portfolio holders for Communications, Transformation and Partnerships and Finance and Resources to further review the consultation process and consider how budget consultations could be developed for the future.

#### **8. ALLOTMENT PROVISION IN THE PARISH OF SILVERDALE**

A report was submitted to inform the Cabinet of the legal position in respect of the provision of allotments in the Parish of Silverdale and to seek authority to progress action to regularise the position.

Legal advice had been provided on this matter which stated that it appeared that where there was a parish, only a Parish Council could provide allotments in the Parish and must let these only to residents of the Parish. Therefore, in Silverdale, only Silverdale Parish Council could provide allotments. The Borough Council could not provide allotments in Silverdale or in any other area where there was a Parish Council.

Officers and Members had been working closely with the parish council to ensure as smooth a transition's possible but it was still uncertain whether the parish council would take on both existing allotments or just the one situated on Park Road.

Cllr Snell stated that he had no objection in principle to the recommendations but that there were concerns regarding the suspension of letting arrangements on the acre and the fact that this could lead to an increase in anti-social behaviour. Cllr Snell also asked whether the Council had plans to help those plot holders who would be evicted is the parish council did not take on the acre allotment site.

It was stated that any evicted plot holders would be given priority regarding other allotment spaces and that there was always the possibility of new allotments being created but that again this would depend on whether the parish council decided to take on the Acre site.

The question was raised as to whether the plots were self-funding, it was stated that the plots were provided at a subsidised rate but that this had already been made clear to the parish council.

**Resolved:**

- (a) That the report be received.
- (b) That the legal position in respect of the provision of allotments in the Parish of Silverdale be acknowledged.
- (c) That Officers are authorised to progress actions to regularise the position as follows:-
  - (i) That the Park Road site is leased to Silverdale Parish Council for the purpose of meeting it's statutory duty to provide allotment land within the parish.
  - (ii) That tenancy agreements with current plot holders on the Park Road site are transferred to Silverdale Parish Council and any outstanding rent due to the borough council is collected. Following this, new tenancy agreements are offered by Silverdale Parish Council at the appropriate time.
  - (iii) That actions (i) and (ii) are completed by early in the new year 2014.
  - (iv) That Silverdale Parish Council is asked to confirm whether or not it wishes to lease the The Acre site (either in whole or in part) for the purpose of meeting it's statutory duty to provide allotment land within the parish.
  - (v) Subject to a positive response to (iv) that the The Acre is leased (either in whole or in part) to Silverdale Parish Council (the precise area to be agreed by negotiation in conjunction with the relevant portfolio holder).
  - (vi) That tenancy agreements with current plot holders on the agreed section of the site are transferred to Silverdale Parish Council and any outstanding rent due to the borough council is collected. Following this, new tenancy agreements are offered by Silverdale Parish Council and ploholders are relocated within the agreed section as part of a consolidation plan for the site.
  - (vii) That alternative plots in the agreed section of the site are offered to plot holders affected by (v) for allotment gardening purposes only.

**9. STAFFORDSHIRE COMMUNITY FOUNDATION - DEVELOPMENT OF A FUND FOR THE BOROUGH**

A report was submitted regarding the proposal to formally launch a Community Fund for the Borough of Newcastle under Lyme – in partnership with the Staffordshire Community Foundation (SCF).

Each area in Staffordshire had its own Community Fund, run by the community and held by the SCF on an endowment basis. A number of Staffordshire districts had formally launched their own Community Funds and it was proposed that this is now done for Newcastle under Lyme Borough.

**Resolved:** 1) That the Cabinet notes the contents of the report

2) That the Cabinet supports the proposal to launch the 'Newcastle under Lyme Community Fund' in January 2014 with the support of all sectors and partners in the Borough

3) That the Cabinet requests further consideration be given to other areas of potential collaboration between the Staffordshire Community Foundation and Newcastle-under-Lyme BC and also agrees that NuLBC offers support to the SCF in arranging fund raising events, raising the profile of the Fund and also in making best use of the Fund to assist local people in the area

**10. DELEGATED AUTHORITY - SCRAP METAL DEALERS ACT 2013**

**Resolved:** That the report be received

**11. SCRAP METAL DEALERS SUPPLEMENTARY**

**Resolved:** 1) That the supplementary report be received

2) That three Cabinet Members, be given delegated authority to vary or revoke licences issued under the Scrap Metal Dealers Act 2013.

**12. APPOINTMENT OF MAYORAL ATTENDANT**

**Resolved:** that authority be delegated to the Head of Business Improvements and Partnerships following consultation with the Portfolio Holder for Finance and Resources to formalise the appointment of the Attendant to the Mayor of Newcastle under Lyme

**COUNCILLOR GARETH SNELL**  
**Chair**

This page is intentionally left blank



# Agenda Item 4

## *Revenue Investment and Budget Support Cabinet Panel - 21/11/13*

### REVENUE INVESTMENT AND BUDGET SUPPORT CABINET PANEL

Thursday, 21st November, 2013

**Present:-** Councillor Mike Stubbs – in the Chair

Councillors Eastwood and Mrs Winfield

#### 1. APOLOGIES

Apologies were received from Cllr Waring.

#### 2. MINUTES OF THE PREVIOUS MEETING

**Resolved:** That the minutes of the meetings held on 27<sup>th</sup> June 2013 and 31<sup>st</sup> July 2013 be agreed as a correct record.

#### 3. INVEST TO SAVE REPORT

A report was submitted requesting the panel to select and approve projects from the initial bids for detailed business cases to be built up for invest to save schemes to be funded by the Budget Support Fund.

Bids 3, 5 and 9 had already be dealt with and bid 10 had been withdrawn.

**Resolved:**

- (a) That bid reference number 1 relating to the reinstatement of Units at 4 Fogg Street, be agreed.
- (b) That bid reference number 2 relating to an astro turf fence at Kidsgrove Sports Centre be deferred.
- (c) That bid reference number 4 relating to the expansion of IQ telephony be deferred until 2014/2015 to allow for the introduction of Windows 7 and Office 2010.
- (d) That bid reference number 6 relating to transactional web and internet be deferred to 2014.
- (e) That additional information regarding bids reference numbers 7 and 8 be requested from officers.
- (f) That bid reference number 11 be deferred.
- (g) That additional information in relation to bids reference numbers 13 and 14 be requested from officers.

#### 4. ADJOURNMENT OF MEETING

## **Revenue Investment and Budget Support Cabinet Panel - 21/11/13**

In order to allow adequate time for the further information requested to be gathered and officers invited to attend the meeting the panel considered an adjournment of the meeting to Thursday 28<sup>th</sup> November 2013 at 7pm.

**Resolved:** That the meeting be adjourned and reconvened on Thursday 28<sup>th</sup> November 2013 at 7pm, to enable additional information to be provided by officers.

### **5. THE MEETING WAS ADJOURNED AND RECONVENED AT 7PM ON THURSDAY 28TH NOVEMBER 2013.**

Present: - Councillor Mike Stubbs – in the Chair

Councillors Eastwood, Waring and Mrs Winfield.

The Committee received presentations from The Council's Head of Operations, Roger Tait regarding bids 7 and 8 and from the Council's Facilities Manager Julian Lythgoe in relation to bids 13 and 14.

#### **Resolved:**

1. That bid number 7 regarding Weed Control Contract/equipment for Mechanical Sweepers be approved.
2. That bid number 8 be put on hold.
3. That bid number 14 be approved.
4. That the following elements of bid number 13 be approved:
  - a. Replacement of the gas water heater at the Civic Officers for domestic supply.
  - b. LED lighting at the bus station.
5. That further details be provided regarding the item relating to LED lighting at the Civic Offices, Depot and Guildhall including a breakdown of the costs for each premises.
6. That the requested information be brought to the next meeting of the Panel which would be scheduled for March 2014.

### **6. URGENT BUSINESS**

There was no urgent business.

**COUNCILLOR MIKE STUBBS**  
**Chair**

**Report Title:** Community Centres Review  
**Submitted by:** Executive Director – Operational Services  
**Portfolio:** Stronger and Healthier Neighbourhoods  
**Ward(s) affected:** All

## **Purpose of the Report**

To seek authority to implement the joint Officer and Member Task and Finish Group recommendations made as a result of the Community Centres review.

## **Recommendations**

- a. That Cabinet approve the joint Officer and Member Task and Finish Group proposals set out in this report.
- b. That the proposals are communicated to each community centre management committee jointly by officers and members of the Task and Finish Group in January 2014.
- c. That a further report be submitted to Cabinet by the autumn of 2014 providing a progress update in relation to the proposals set out in this report.

## **Reasons:**

To achieve the Council's vision for Community Centre provision of delivering effective community based activities that are provided through the community centres, providing services people want and that are managed and well resourced.

## **1. Background**

- 1.1 The role of a community centre from the perspective of the council is defined as 'a place where people from a particular neighbourhood can meet for social events, education classes, recreational activities, social support, public information, and other services'.
- 1.2 The Council currently owns fifteen community centres within the confines of the Boroughs Boundary. These vary in the degree of the activities provided, their facility mix, stock condition, locality, the level of competition from the immediate market place; however they are all operated by volunteers, supported by your Officers, under an informal management agreement which has a range of issues that need to be addressed as part of the review of the Community Centres.

- ◇ Audley Community Centre
- ◇ Bradwell Lodge Community Centre
- ◇ Butt Lane Community Centre
- ◇ Chesterton Community Centre
- ◇ Clayton Community Centre
- ◇ Harriet Higgins Community Centre
- ◇ Holly Road Community Centre
- ◇ Knutton Community Centre
- ◇ Marsh Hall Community Centre

- ◇ Ramsey Road Community Centre
- ◇ Red Street Community Centre.
- ◇ Silverdale Community Centre.
- ◇ Silverdale Social Centre.
- ◇ Whitfield Community Centre
- ◇ Wye Road Community

Wood Lane Community Centre has not been included within the scope of this review as the Council does not incur any financial expenditure in relation to this centre given the existing lease arrangements in place that have been in place for some time.

The location of each of the above community centres is identified on the attached map at Appendix 1.

The Council recognised that there was a strategic need to undertake a review of the community centres and as a result, on the 20<sup>th</sup> June and the 19<sup>th</sup> September 2012 Officers submitted reports to Cabinet highlighting the strategic need to undertake the review. As a result of these reports Cabinet made the following decisions:

- ◇ To approve the scope and the timeframe of the review and the establishment of a project working group.
- ◇ That the Scrutiny Co-ordinating Committee establish a task and finish group to shadow the work of the project working group, and as part of its work visit each site, speak with committees, users and make recommendations to the Cabinet in terms of the future use of centres.
- ◇ That an interim report be submitted to Cabinet with a detailed plan of how the review will be conducted, including engagement with management committees and stakeholders having obtained the views of the Task and Finish group.
- ◇ That Officer's submit regular updates and progress reports to the Task and Finish Group during the review period.
- ◇ That a further report is submitted to Cabinet in the future in relation to the modernisation of community centre provision within the Borough.
- ◇ To approve the Community Centre Review Brief
- ◇ To approve the Consultation Programme.

## **2. Issues**

**2.1** Local government plays a crucial role in the life of the communities it serves. It is directly responsible for vital public services, from street lighting, housing, waste collection and community facilities which often act as the focal point of an area.

Central Government is committed to passing on new powers and freedoms to local councils who have the direct responsibility for delivering local services, and as a result the Localism Act 2011 will have the following implications for the services it delivers such as the provision of community centres:

- ◇ Makes it easier for local people to bid to take over the amenities they feel strongly about and retain them as part of their local life.

- ◇ Ensures that local social enterprises, volunteers or community groups with a bright idea for improving local services get a chance to say how things are done.
- ◇ Enables local residents to call to account local authorities for the careful management of tax payer's money.

**2.2** The Community Centre review was designed to assess the value of the portfolio of local community centres which the Borough Council owns and operates and to make recommendations on how they could be used more effectively and efficiently. The review has considered how the centres are managed, how they are staffed, how local resident input is supported, and how each individual centre might be better organised to deliver value for money. The review is particularly timely given the wider financial pressure the Council will face over the next five years.

**2.3** It should be noted that the review was due to be completed by July 2013. However due to difficulties engaging with some community centres the Officer working group and Member Task and Finish group decided to work collaboratively to engage with those centres and as a result the review concluded in September 2013, and the recommendations in this report are jointly made between your Officers and Members of the task and finish group.

**2.4** A public consultation exercise was undertaken between February and June 2013. The questionnaire targeted users, non users and hirers of the Community Centres and was accessible online and at all the community centres, libraries, Guildhall and Kidsgrove Customer Contact Centre. Overall there were 716 responses received of which 80.73% of respondents' were users of the centres, 9.4% were hirers of the centres and 9.9% were non users of the centres. The key findings of the consultation were as follows:

- ◇ 82% of respondents felt that it was important to have a community centre.
- ◇ They key reasons for those not using the centres were that they were not aware of what was on (42%) or activities were not at a time they wished to use them (26%).
- ◇ The main activities taking place in community centres were physical activity (38.8%), leisure and socialising (23.5%), celebratory events (8.2%) and learning and education (7.4%).
- ◇ The key messages concerning the strengths and weaknesses of the community centres were as follows:
  1. 87% rated the cleanliness of the centres as good or excellent
  2. 85.1% rated the opening hours of the centres as good or excellent
  3. 77.1% rated the price of activities as good or excellent
  4. 74% rated the maintenance of the centres as good or excellent
  5. 72.9% rated the ease of booking the centres as good or excellent
  6. 70.4% rated the range of activities on offer as good or excellent
  7. 68.2% rated the standard of equipment at the centres as good or excellent
  8. 54.4% rated the changing facilities as good or excellent.

**2.5** In addition to the questionnaire the following consultation events were held with your officers and members of the Task and Finish Group.

- ◇ A tour of all fifteen community centres was undertaken on the 7<sup>th</sup> and 8<sup>th</sup> February 2013. The focus of the tour was to meet with the management committees and identify their concerns, understand the usage patterns of the

community centres, review the building condition of the community centres, determine areas of concern which were unknown to Officers or Members and to identify potential opportunities for the development of community centres.

- ◇ On the 25<sup>th</sup> April 2013 a Community Centre Chairpersons meeting was held to update management committees on the outcome and findings of the public consultation. This meeting also proved useful in identifying the next step of the review, a committee self assessment by the centres focusing on health and safety, operational issues, financial management and governance arrangements. The self assessment forms can be found at appendix 3.
- ◇ On the 18<sup>th</sup> July the Task and Finish Group held a Chairpersons meeting due to the limited number of self assessment forms returned. Despite the offer of officer support to complete the forms it was identified that there was a general concern from the management committees that the forms were over complicated and where these were not completed this could have a detrimental impact of the centre.
- ◇ During the last two weeks of August 2013 officers and members of the task and finish group arranged to meet with those committees who had not submitted the self assessment forms in order to assess what support, if any, the committees required in order to ensure they become more sustainable and enable them to complete the self assessment process.
- ◇ Over the period of the community centre review officers and members of the task and finish group have met on 12 separate occasions.
- ◇ The draft Cabinet report was considered by the Overview and Scrutiny Co-ordinating Committee at its meeting on 18<sup>th</sup> December 2013. Members of the Committee were of the view that the review had been a very thorough piece of work and thanked Members of the Task and Finish Group for their work. The Committee also considered that Members should have an ongoing role in the implementation and monitoring of the actions agreed by Cabinet, such as through a Cabinet Panel set up for the purpose.

## **2.6** During the community centre review a number of concerns were identified:

- ◇ In some cases it is apparent that businesses are operating from community centre premises potentially on a commercial footing. This gave rise to concerns over potential liabilities for business rates, rental arrangements, business registration, tax arrangements etc.
- ◇ In some instances, community centres are not operating all or parts of the building in accordance with the definition of community centres identified in section 1.1 of this report.
- ◇ In some cases there are delays in the rectification of maintenance issues resulting in a lack of continuity of services being provided to the community
- ◇ There is a lack of generic operational procedures at the community centres raising concerns over issues such as employment and insurance liabilities
- ◇ Most management committees find difficulties in attracting new members to their committees, particularly for key roles such as Chairperson, Treasurer, and Secretary etc.

- ◇ It appears that in some cases the hire charges made at some community centres are insufficient to cover their fixed costs, thereby reducing the long term sustainability of the centre.
- ◇ Up to date information on the financial situation of management committees is not submitted in all cases on a regular basis.
- ◇ In some instances there is a lack of communication between officers, nominated Councillors and the community centre management committees.
- ◇ In most cases there is significant current and future building repair costs liabilities for the Council in order to maintain centres in an appropriate condition for community use.
- ◇ There are a range of other premises available for community use which may either duplicate the type of facilities on offer or in some cases compete for the same community use.
- ◇ In some cases there is a lack of adherence to constitutional requirements given that some committees did not formally meet or had less than four members.
- ◇ There is a lack of clear instructions as to how residual assets should be dealt with upon the dissolution of a management committee.
- ◇ In some instances community centres are being used for a single purpose in all or parts of the building which does not agree with the definition of community centres in section 1.1.
- ◇ Some community centre management committees appear to be directly employing staff without necessarily having all the adequate controls in place.

### 3. Proposals.

**3.1** A number of proposals are made in relation to the issues identified in section 2.5. These include generic proposals that should be applied to and adopted by all management committees and some specific proposals to be addressed with committees on a centre by centre basis as follows.

| <b>OPERATIONAL, HEALTH AND SAFETY MANAGEMENT:</b> |  |
|---|--|
| <b>FINDING 1:</b>                                 | <b>Over a period of time management committees have adopted their own approaches in relation to the day to day management of the centres including operational areas, business planning, governance arrangements, health and safety and management of the community centres. In some cases these do not comply with best practice.</b> |
| <b>Proposal (a):</b>                              | Produce and implement a comprehensive community centre handbook along with relevant training, in conjunction with strategic partners i.e. Vast, for all centres by July 2014.  |
| <b>Proposal (b):</b>                              | Review community centres compliance with the handbook and report the findings to Cabinet by the Autumn of 2014.  |
| <b>FINDING 2:</b>                                 | <b>Community centres require advice from a number of departments and sections within the Council and some management committees</b>  |

|  |  |
|--|--|
|  | <b>are unclear on the best point of contact within the Council. This results in delays for support and advice being given.</b>   |
| <b>Proposal (c):</b>                             | That the Leisure and Cultural Services team becomes the gatekeeper for all points of contact for the community centres via a dedicated email and telephone number by January 2014.   |
| <b>Proposal (d):</b>                             | An officer working group be established that meets on a quarterly basis to discuss key issues in relation to the community centres.  |
| <b>FINANCIAL MANAGEMENT:</b>                     |  |
| <b>FINDING 3:</b>                                | <b>Community centres procure their gas, water and electricity independently of the Council and each other, often resulting in poor economies of scale and placing an increased burden on the management committee's resources.</b>                         |
| <b>Proposal (e):</b>                             | Identify the most cost effective solution for the procurement of utilities for the community centres by the Spring of 2014 and offer joint purchasing opportunities to management committees.  |
| <b>Proposal (f):</b>                             | That the outcome of the above is reported back to Cabinet by the autumn of 2014 to include the uptake by community centres and the likely savings they will collectively make.   |
| <b>FINDING 4:</b>                                | <b>Management committees are not fully aware of what external funding may be available to them. This may be limited as most management committees do not currently have security of tenure thus reducing some funding opportunities available to them.</b> |
| <b>Proposal (g):</b>                             | Working in conjunction with strategic partners hold a funding event identifying potential funding opportunities for the community centre committees in the Spring of 2014.   |
| <b>Proposal (h):</b>                             | Officers and management committees work collaboratively on an ongoing basis to identify and share potential external funding opportunities.  |
| <b>FINDING 5:</b>                                | <b>Up to date information on the financial situation of management committees is not submitted in all cases on a regular basis. In some cases there is outstanding financial information.</b>  |
| <b>Proposal (i):</b>                             | Full disclosure of annual accounts will be required of each management committee by the end of May each year for examination by the Councils Director of Resources and Support Services.   |
| <b>Proposal (j):</b>                             | All outstanding financial information should be supplied to the Council by May 2014.   |
| <b>COMMUNITY CENTRE GOVERNANCE ARRANGEMENTS:</b> |  |
| <b>FINDING 6:</b>                                | <b>The current model constitution in place for community centres is out of date and should be replaced with a new fit for purpose agreement between the Council as the owner of the asset and the community centre management committees.</b>              |
| <b>Proposal (k):</b>                             | A Community Centre Handbook is produced for the purpose of setting out   |



|                          |   |
|--------------------------|---|
|                          | how the facilities should be managed and that Community Centre Management Committees be requested to adopt these at a formal meeting no later than July 2014.   |
| <b>Proposal (l):</b>     | A tour of community centres is undertaken each year by the Portfolio Holder, the relevant Ward Members and Officers to review discuss any relevant issues with the management committees.   |
| <b>FINDING 7:</b>        | <b>The recruitment of committee members can be difficult and may have an impact on the long term sustainability of the management committees in years to come.</b>  |
| <b>Proposal (m):</b>     | In consultation with local strategic partners develop a promotional strategy for the recruitment of committee members for community centres and other similar facilities/services as required by the Summer of 2014.  |
| <b>FINDING 8:</b>        | <b>The role of the Councils nominated representatives for each management committee is not always understood, resulting in some cases to ward members not being given the opportunity to attend meetings and support the work of the centre and represent the Councils interests.</b>   |
| <b>Proposal (n):</b>     | The role of the council's nominated representatives and the requirement for those representatives to be notified of meetings be clarified within the new Community Centre Handbook.   |
| <b>Proposal (o):</b>     | That Ward Members automatically become the Councils nominated representatives for community centres situated within their ward for the period of their office, negating the need to make specific nominations each year.  |
| <b>FINDING 9:</b>        | <b>There was a lack of clear instructions as to how residual assets should be dealt with upon the dissolution of a management committee.</b>  |
| <b>Proposal (p):</b>     | That management committees be informed that upon dissolution of the committee, any physical or financial assets remaining after the satisfaction of any proper debts and liabilities shall be passed to the Council and that this is included within the new Community Centre Handbook.   |
| <b>ASSET MANAGEMENT:</b> |   |
| <b>FINDING 10:</b>       | <b>There are significant financial liabilities for the Council in respect of repairs and maintenance of community centres. The stock condition survey has identified repairs in the region of £870,000 over the next 5 years. The Councils ability to fund all of this work will be unlikely due to the current and future predicted availability of capital funding.</b> |
| <b>Proposal (q):</b>     | To explore means for reducing the Councils asset liabilities for community centres through offering full repairing leases and assisting community centre management committees to seek funding for ongoing repairs and maintenance.   |
| <b>Proposal (r):</b>     | To utilise Council funded expenditure on repairs and maintenance to essential works only, to ensure buildings are protected from wind and weather and are safe for use by the community.  |

|                      |   |
|----------------------|---|
| <b>FINDING 11 :</b>  | <b>In some cases centres have established arrangements involving sub-letting parts of the building for uses which do not fit with in the role of community centres as defined in section 1.1. Some of these activities are deemed as commercial ventures and subsequently have an effect on the rateable value of the building. This could create an unfair advantage over other similar business if a market rent and business rates and other business liabilities are not being met.</b> |
| <b>Proposal (s)</b>  | Authorise officers to enter into negotiations with those management committees and organisations/individuals concerned to gain a full understating of their activities and explore other tenancy arrangements where deemed appropriate for each situation by the Spring of 2014. As part of this, minimum standards of accessible usage for the community should be secured.  |
| <b>Proposal (t):</b> | Liaise with the Portfolio Holder as negotiations progress and report back to Cabinet with the outcome in the Autumn of 2014. In the meantime continue to support the community centre management committee in accordance with the general recommendations of this report.   |
| <b>FINDING 12:</b>   | <b>In at least 3 cases, management committees have stated that in conjunction with partner groups they wish to explore a formal lease arrangement with the council to provide security of tenure and assist with securing external funding to improve their community centres or adjacent facilities.</b>   |
| <b>Proposal (u):</b> | Authorise officers to enter into the negotiations with the management committees to establish the best way of providing security of tenure for those community centres, including leasehold arrangements by the Spring 2014. In the meantime continue to support the community centre management committee in accordance with the general recommendations of this report.   |
| <b>Proposal (v):</b> | To report back to Cabinet the outcome of negotiations in the Autumn of 2014.  |
| <b>FINDING 13:</b>   | <b>It has been identified that in some cases community regeneration opportunities may exist within the local area. This may present an opportunity to provide improved community facilities in partnership with other relevant organisations, particularly where the stock condition surveys identify that significant capital expenditure would be required to maintain the facility over the next five years.</b>   |
| <b>Proposal (w):</b> | Explore how improved community centre facilities can be provided more sustainably in the future and in conjunction with the Portfolio Holder to authorise Officers to enter in to discussions with partners to consider the options for community facilities in these areas. In the meantime continue to support the community centre management committee in accordance with the general recommendations of this report.   |
| <b>Proposal (x):</b> | To undertake an audit of other publicly available community facilities in the vicinity of community centres to identify any duplication or under-utilisation and report the outcome of the study to Cabinet by Autumn 2014.   |

#### **4. Reasons for the Preferred Solution**

- 4.1 To achieve the Council's vision for community centre provision of delivering effective community based activities that are provided through the community centres, providing services people want and that are managed and well resourced.

#### **5. Financial and Resource Implications**

- 5.1 The current approved 2013/14 General Fund Revenue budget for the provision of community centres is £290,370. The main expenditure items are as follows:

- ❖ Premises costs (repairs, maintenance): £90,810
- ❖ Supplies and Services (waste removal): £2,900
- ❖ Grants: £6,000
- ❖ Support Service Recharges: £101,270 (mainly leisure management, public buildings, assets/property, and accountancy recharges)
- ❖ Capital Financing: £89,400. (relates to depreciation in accordance with the CIPFA Accounting Code to comply with proper accounting practices)

It is proposed to undertake the proposals identified in section 3 of the report within existing revenue resources as these are predominantly officer time. Current work plans will be revised to allow for this.

- 5.2 It is expected that the councils expenditure on community centres will be reduced over the next 5 years if the proposals within this report are implemented, however it is not possible to quantify the level at this stage.

- 5.3 In respect of the General Fund Capital Programme, through the council's stock condition survey a minimum sum of £870,000 has been identified as being required to be spent over the next five years on repairs and maintenance to maintain the existing conditions of the community centres. However given the other pressures on the Councils capital programme and the availability of capital funding it is unlikely that all of these works will be undertaken, potentially increasing the longer risk to the Council in the longer term.

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

- 6.1 The provision of accessible community facilities contributes to the delivery of the Council's cooperative objectives, through retaining community assets in public sector ownership, retaining democratic accountability over their management whilst addressing concerns by reshaping the relationship of the community centre management committees and the Council resulting in a greater degree of local control over how the centres are operated.

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

- 7.1 The Council has powers, under the Local Government Act 2000, to improve the social, economic and environmental well-being of the Borough's residents.

#### **8. Equality Impact Assessment (EIA)**

- 8.1 As part of the Community Centre review and the implementation of any recommendations, an equalities impact assessment will be undertaken. Overall any changes will be made in accordance with the Council's equal opportunities policy

and procedures to enhance community cohesion.

**9. Major Risks**

- 9.1** A full risk assessment/log has been developed in conjunction with the Council's Corporate Risk Manager and will be subject to regular review.

**10. Key Decision Information**

**10.1** It is proposed that in order to achieve the aim of the Council for Community Centre provision across the Borough, that the following outcomes will be achieved as a result of the Community Centre review:

- ◇ Transparency and equity in resourcing Community Centres in order to provide effective services to local people.
- ◇ To ensure that the Community Centres continuously improve, and meet the aspirations of local neighbourhoods.
- ◇ To develop capacity and maximise resources through increased support through the Community Centre Working group. This should help the existing management committees access external funding.
- ◇ A more robust management structure for community centres.
- ◇ Increased capacity and competencies within local communities, enabling the Council to explore transferring Council assets to community groups where it is appropriate to do so.

**11. Previous Cabinet Decisions**

20<sup>th</sup> June 2012

19<sup>th</sup> September 2012

**12. List of Appendices**

Appendix 1 Community Centre Map

This page is intentionally left blank

## **Review of the Aspire Housing Board Composition**

**Submitted by:** Joanne Halliday

**Portfolio:** Economic Development, Regeneration & Town Centres

**Ward(s) affected:** All

### **Purpose of the Report**

To outline proposals to reduce the number of Council representatives nominated to the Aspire Housing Board and to seek members' approval of the same.

### **Recommendations**

**That subject to the Council retaining its 33% vote on key issues at the AGM the principle of the alteration to the composition to the Aspire Housing Board (including the reduction in the number of Council representatives) be approved.**

### **Reasons**

Aspire Housing Limited have commissioned a review of the operation of the Board and are proposing changes to its composition involving Council representatives; it is therefore appropriate that the Cabinet considers these proposals to enable the current representatives to vote on the matter.

## **1. Background**

- 1.1 The Council has had representation on the Aspire Housing Board since the transfer of the housing stock in the year 2000.
- 1.2 In 2007 the Council supported the restructure of the Aspire Board; constitutionally, this enables the Council to nominate three Board members to act in the interests of the Company. The rules of Aspire Housing Board provide the Council with a third of the votes cast at any general meeting of the company. For any vote on a key matter to be carried there has to be a minimum 75% majority vote and 50% for ordinary resolutions. The legal context for this matter is enshrined in the original Transfer Agreement and there is no proposal to revise those provisions.
- 1.3 In 2010 the Council was asked to change the way we nominate to the Board to allow for changes to be made in circumstances when political control of the Authority changed.
- 1.4 Aspire Housing has evolved in the years since the stock was transferred from the Council in the year 2000. The Aspire Group of companies has been established to provide support to the residents of North Staffordshire with a focus maintained on the Borough of Newcastle under Lyme. At the core of the organisation remains Aspire Housing. Over £110m has been invested in the housing stock since transfer and the range of housing options available has been widened. By way of example, the award winning extra care facility at Millrise was established to meet a different type of housing need in Newcastle.
- 1.5 Supporting the wider regeneration needs of the area, PM Training was assimilated into the Aspire Group in 2008. PM Training provides training and work opportunities, primarily, to 16 - 18 year olds in Newcastle and the wider North Staffordshire area through apprenticeships, pre-apprenticeship study programmes, traineeships, vocational training and industry work experience.

- 1.6 In 2010 The Realise Foundation - a regeneration-focused charity - was created to release the full potential of people and communities in North Staffordshire. This is achieved through the creation of opportunities for young people to secure opportunities in skilled work, the support of life-long learning and through environmental initiatives to create vibrant, attractive neighbourhoods.
- 1.7 Aspire Housing will soon be launching its corporate strategy for the period between 2014 and 2019. The strategy contains ambitious plans to build on the strong foundations already in place through further growth in the housing stock and the provision of more support to the residents of Newcastle. For example, the new strategy contains a commitment to provide employment or training opportunities to all 19-24 year olds living in an Aspire owned property.
- 1.8 To ensure that Aspire Housing should be well placed to deliver on its new Corporate Strategy, an external Board Effectiveness Survey was undertaken in 2013. Although positive about performance to date, this also identified a number of areas where the existing governance structures could be strengthened to leave Aspire Housing better positioned to face future challenges. Among the recommendations was a suggestion that the composition of the Housing Board could be strengthened by introducing new skills and competencies.

## 2. **Issues**

- 2.1 For Aspire Housing to deliver on the plans set out within the new strategy, a number of challenges will need to be overcome:-
  - The need for a more diverse range of support and accommodation - the proportion of single households is growing over time and the demographics of the population in the Borough are changing, notably with a growing elderly population. To cater for this, Aspire will need to provide a range of affordable products and service choices tailored to individual needs.
  - The housing sector is going through an unprecedented period of change. This includes reduced central grant support, very significant changes to the rent structures and the Government's Welfare Reform programme. Aspire Housing has already invested heavily to support Newcastle residents who have been adversely impacted by the changes. Whilst this has undoubtedly supported customers through a difficult period, the ongoing challenges remain.
  - To support future growth plans, additional funding will need to be sought. Whilst Aspire Housing has the capacity to borrow more money, new financial products may need to be considered, with some housing providers choosing bonds and other means of financing.
- 2.2 To manage these challenges the skill sets required on the Aspire Housing Board are becoming more diverse and more demanding – including specific competencies and experience in finance, health, housing, development, customer service and other related areas.
- 2.3 The current Aspire Housing Board with its membership of 12 is considered 'heavy' in the context of effective governance, and given that 50% of the Board is recruited from a relatively narrow range of candidates (3 Customers and 3 Councillors) it is considered that this makes it more difficult to recruit for specific skills and experience. Further, the uncertainties of the electoral cycle test the tenures of Local Authority nominees.
- 2.4 The Council's ability to influence Aspire has never been determined by the number of its nominees to the Housing Board - the Transfer Agreement provides strong assurances in this



regard through the voting rules referred to above - and additionally, it should be noted that a Council nominee occupies a seat on Aspire's Group Board.

2.5 For these reasons changes to the composition of the Housing Board are proposed. The changes will leave the Group Board better placed to hold Aspire Housing to account for the delivery of the 2014-2019 strategy. The strategy has at its heart the following 4 key priorities to benefit the residents of Newcastle-under-Lyme:-

1. Providing more homes for more customers with a greater diversity of needs and aspirations;
2. Delivering a great service experience;
3. Helping customers and neighbourhoods prosper and;
4. Continuing to ensure the organisation is sustainable in the long term

### 3. **Proposals**

3.1 It is proposed to change the composition of the Aspire Housing Board as set out in the table below:-

| <b>Current Composition</b>   | <b>Proposed Composition</b>                          |
|------------------------------|--|
| 5 Independent Non-Executives | 6 Independent Non-Executives                         |
| 3 Customers                  | 1 Customer<br>1 Co-opted Customer (development role) |
| 3 Councillors                | 1 Councillor   |
| The MD, Aspire Housing       | The MD Aspire Housing                                |

The Board will reduce in size from 12 to 9, with an additional position established for an Independent Non-Executive. In terms of board size, this is more consistent with best practice.

3.2 The Council's Economic Development and Enterprise Overview and Scrutiny Committee considered this proposal on 17<sup>th</sup> December 2013; overall they were supportive of the proposal and made the following recommendations to Cabinet:

- due to the importance of this role, that the nominee should be a Cabinet member;
- and the Committee stressed the importance of the representative receiving adequate training and;
- they also recommended that the role should not be remunerated (any payment received being used for officer support).

Also during the Scrutiny meeting questions were raised about the ability for an alternative representative to attend meetings. Clarification of this point has been sought and it has been confirmed that the representative would be able to make comments before the meetings and a proxy vote could be used at the Annual General Meeting or at any Extraordinary General Meeting.

3.3 Turning to the other comments of the Scrutiny Committee it is agreed that the Council's representative will fulfil an important role. Whilst the Scrutiny Committee felt that this should be reflected in the seniority of the Council's nominee to the Board (the Committee indicated that the representative should be a Cabinet member) it is important to consider the level of commitment required. On balance it is felt that the Cabinet Portfolio Holders have a significant role requiring commitment in terms of time and level of knowledge to their specific portfolios. The recommendation is therefore to seek a non-Cabinet member who is able to commit the required time to not only attend the Aspire Board meetings but to commit to

gaining an in-depth understanding of the Aspire company so they are able to successfully contribute to the Board decision making process. In line with this the Council would support Aspire Housing by providing assistance to the recruitment of the representative and to facilitate, wherever possible, all necessary training.

3.4 In line with the Corporate approach to appointment to outside bodies, the appointment to the Aspire Housing Board would be a matter for the Cabinet to decide following consideration of the requirements of the company. The Council will be undertaking a wider review of Council appointments to outside bodies which will include the approach to reporting.

3.5 With respect to Aspire's intention to introduce remuneration for the newly reconstituted Board, whilst the Scrutiny Committee felt that this was not appropriate, it is considered to be a matter for Aspire to decide. Additionally this matter has been considered and approved previously. It is therefore recommended that the Council supports Aspire's intentions and reasons as to why remuneration is being introduced:-

- The creation of a "psychological contract" between the company and the Directors, generally improving attendance levels and allowing for more effective performance management and improving the professionalism of the board
- The ability to attract a wider range of candidates – ensuring that the board is comprised of the most qualified and able individuals
- The increasing demands placed on directors, many of whom currently forsake a day's holiday or pay to attend meetings and away days – in other words it promotes economic diversity, giving members an opportunity to serve who might otherwise be unable to do so
- It is in line with the view that the role is important and reflects the level of commitment required to participate in training, understanding the company's role and changing environment in which the company operates.

3.6 The benefits of retaining a strong working relationship with the Council as a key delivery partner are recognised by Aspire Housing. To this effect, the company will propose new ways of working which allow for a wider engagement with the Council as a whole. By way of example, it is planned to have an open day on an annual basis which all Councillors would be invited to attend. This will provide the opportunity for Councillors to engage with Aspire's work with their constituents and give the opportunity to raise any questions that they may have. Members should also be aware of the steps that Aspire Housing have taken to engage with their tenants / customers at a more operational level with the aim of achieving practical improvements in service delivery.

#### 4. **Reasons for Preferred Solution**

4.1 The proposed changes in the composition of the Board will not affect the Council's 33% vote which can be used on key issues at the AGM whereby 75% vote is required.

4.2 To amend the composition of the Aspire Housing Board it is necessary to introduce a new set of rules. This will require the holding of an Extraordinary General Meeting (EGM), where NBC will be required to approve the revised document. The EGM is expected to be held in March 2014. It is recommended that the Cabinet provide in principle support for the changes outlined.

#### 5. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

5.1 Providing good quality housing, skills and training services and general support for the community clearly supports the corporate priority of 'A Borough Of Opportunity'.

6. **Legal and Statutory Implications**

6.1 Aspire's Articles of Association and the Rules of Aspire Housing part C33 provide that the Local Authority (The Council) shall have a 33% vote. The current proposals have no bearing upon that provision.

6.2 Should Cabinet decide to approve the proposals then the Council's representatives will vote accordingly at Aspire Housing's Extraordinary General Meeting which has been convened for that purpose.

6.3 Whilst NBC approval is not required for the introduction of remuneration, it is considered appropriate to reference this change within this report. The provision of remuneration has been approved by the Aspire Housing Board previously and the power to do so is written in to the Aspire Housing rules.

7. **Equality Impact Assessment**

7.1 The proposed changes will not have an impact on equality, as a Registered Provider Aspire Housing is regulated by the Homes and Communities Agency.

8. **Financial and Resource Implications**

8.1 The remuneration of Board members will be met by the Aspire Housing Group therefore there are no direct financial implications to the Council.

9. **Major Risks**

9.1 There are no major risks as the activities of the company are regulated by the Homes and Communities Agency.

10. **Key Decision Information**

10.1 The Aspire Housing Company operates in all wards.

11. **Earlier Cabinet/Committee Resolutions**

11.1 Economic Development and Enterprise Scrutiny - 17<sup>th</sup> December 2013.

12. **List of Appendices**

12.1 None

13. **Background Papers**

13.1 Aspire Housing Board Rules of Association available on request.

This page is intentionally left blank

# Agenda Item 7

|                                 |  |
|---------------------------------|--|
| <b><u>REPORT TITLE:</u></b>     | <b>Newcastle Housing Advice Service Contract Award</b>     |
| <b><u>Submitted by:</u></b>     | <b>Joanne Halliday – Head of Housing and Regeneration</b>  |
| <b><u>Portfolio:</u></b>        | <b>Economic Development, Regeneration and Town Centres</b> |
| <b><u>Ward(s) affected:</u></b> | <b>All</b>   |

## **Purpose of the Report**

The delivery of a housing advice, homelessness and housing register service is a statutory function, which means the Council has to provide assistance to assist individuals and families who are homeless or threatened with homelessness who apply for help. This report outlines the outcome from the tendering exercise for the NHA – Homelessness, Housing Advice and Housing Register Contract and makes recommendations to Cabinet to seek approval in the award of the NHA contract.

## **Recommendations**

**(a) To award the Homelessness, Housing Advice and Housing Register contract to Midland Heart for the period 1<sup>st</sup> April 2014 – 31<sup>st</sup> March 2017, with the option to extend for a further three years on satisfactory performance.**

**(b) To authorise the Executive Director for Regeneration and Development in consultation with the Portfolio Holder for Economic Development, Regeneration and Town Centres, to finalise negotiations with Midland Heart on the precise details within the service specification to ensure that the contract offers maximum value for money.**

## **Reasons**

The current arrangements for the Homelessness, Housing Advice and Housing Register contract are due to expire on 31<sup>st</sup> March 2013 and the Council have a statutory duty to ensure that services are in place to meet the needs of local residents regarding Homelessness and Housing Options. The Council has undertaken a competitive tendering process in line with OJEU regulations and the preferred contractor should be awarded the new contract to commence 1<sup>st</sup> April 2014.

## **1. Background**

- 1.1 The Council has a statutory duty under the Housing Act 1996, as amended by the Homelessness Act 2002, to provide homelessness, housing advice and housing register services in the local authority area.
- 1.2 The current Homelessness, Housing Advice and Housing Register contract with Aspire Housing commenced on 1 September 2009 and is due to expire in 31<sup>st</sup> March 2014. Under the contract Newcastle Housing Advice at Aspire Housing have the responsibility to deliver:
  - the Homelessness Service which includes the prevention of homelessness through advice, discharging the Council's homelessness duty and ensuring customers are housed appropriately;
  - the Housing Advice Service which includes a comprehensive housing advice service across all tenures, joint working with key stakeholders and providers and signposting to other specialist services;

- the Housing Register Service which includes the management of the Housing Register, nominations to social housing providers and advice on the Housing Register.
- 1.3 On 13<sup>th</sup> September 2013 Cabinet approved to retender the Newcastle Housing Advice Service Contract for a 3 year contract with an option to extend for a further 3 years subject to satisfactory performance and funding. As part of this it was agreed to accept variants bids on service location, accessibility, publicity and branding, Housing Register, Housing Advice and Homelessness prevention schemes.

## **2. Contracting Tendering Process / Issues**

- 2.1 The contract retendering process started with an advertisement in the Official Journal of the European Community and followed an open tender process by which tenders must be submitted 45 days after the advertisement is placed.
- 2.2 One compliant tender submission was received from Midland Heart. This tender offers a Newcastle based advice service including an on-line housing options advice toolkit and on-line registration for housing applications. The delivery of the new service will include ICT developments to create a specific Newcastle product which will enable customers to register and update their housing register application directly. This will include faster registration for all applicants. This will enable the Newcastle Housing Advice staff to concentrate on residents with more complex housing needs and officers will update their housing assessment following initial registration. This will in effect enable those with complex needs to commence bidding for housing whilst they receive housing advice.
- 2.3 An Interview was undertaken on 28<sup>th</sup> November 2013 in order to ascertain further information regarding the proposed project plan and to clarify a number of points on Midland Heart's tender submission.
- 2.4 The compliant bid from Midland Heart was above the indicative budget therefore officers have undertaken post tender negotiations to reduce costs in line with the previously agreed options for variant bids. One of the key issues negotiated is the location of the service and it would appear likely that a more centrally-based premise can be secured on a more cost-effective basis, thereby providing a more accessible service for our residents and reducing the Year 1 cost overhead. The Council has also negotiated with Midland Heart that savings will be delivered through changes to the ICT systems, this will be finalised with the providers over the forthcoming weeks.

## **3. Proposal**

- 3.1 To award the NHA contract to Midland Heart Ltd in line with the tender documentation and the terms outlined in the draft contract.

## **4. Reasons for the Proposal**

- 4.1 Through the NHA contract re-tendering exercise Midland Heart Ltd have evidenced that they are committed to providing progressive and quality services in partnership with the Borough Council to meet the standards outlined in the Council's Tender Documentation.
- 4.2 To follow the AI Catel mandatory standstill period before formally notifying Midland Heart Ltd of the award of contract. This is because the Office of Government Commerce (OGC)

advises a need for a standstill period between the notification of an award decision in a contract tendered via OJEU and the conclusion of the contract with the successful suppliers.

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

- 5.1 The NHA service contributes to meeting the Council's Corporate Priorities for creating a Borough of opportunity and healthy and active communities.

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

- 6.1 The Council is statutorily responsible and accountable for the discharge of its homelessness duties, even where it has contracted out the delivery of services.

- 6.2 Under the Housing Act 1996 and the Homelessness Act 2002, the Council is required:

- i) to ensure that advice and information about homelessness and preventing homelessness is available to everyone in the borough free of charge
- ii) to assist individuals and families who are homeless or threatened with homelessness who apply for help. This means receiving homelessness applications and investigating and deciding whether a statutory duty is owed to the applicant. The main statutory homelessness duty is owed to applicants who are eligible, unintentionally homeless, and in Priority Need. In these cases the Council has to secure accommodation for the applicant and their household: temporary accommodation if needed and permanent accommodation thereafter in order to discharge this duty.

- 6.3 Any procurement has to comply with the Council's Financial Regulations and Standing Orders. Standing Orders state that "post tender negotiations means negotiations with any tenderer after submission of a tender and before the award of the contract with a view to obtaining adjustments in either price or content or both".

- 6.4 If the contract is not awarded or alternative arrangements made the Council then there will be no provision for the service after 31<sup>st</sup> March 2014, which would be in breach of statutory obligations.

- 6.5 If Cabinet give approval to award the NHA – Housing Options and Housing Register contract to Midland Heart Ltd then TUPE regulations will apply to the employees currently based at Aspire Housing Ltd.

## **7. Equalities**

- 7.1 The Council's procurement tender process has regard to equalities, including the evaluation of equalities and diversity policies concerning employment practice and service delivery and workforce diversity monitoring.

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

- 8.1 The Medium Term Financial Strategy includes an annual budget of £300,000 for the service. In line with the Council's overarching aim to seek at least 10% savings from all newly commissioned contracts, there was a broad expectation that the budget for the service would be reduced from £300,000 to £270,000 with effect from the next financial year (2014/15).

- 8.2 The tender received was for an overall 3-year sum of £961,973 (average annual contract cost of £320,658) with the Year 1 cost at £355,881 (the latter reflecting the fact that there would be some transitional and initial set-up costs).
- 8.3 As part of the post contract negotiations your officers have clarified the base cost of the service and established the key assumptions in the tender proposals relating to three key areas (staffing, premises and ICT system). It is recommended that the Council accepts the core costs of the tender but seeks to reduce costs, where possible. To that end Midland Heart has confirmed the potential to reduce the overall service cost over the 3-year contract period by about £51k (thereby reducing the annual average cost by £17k to about £303k).
- 8.4 In view of the fact that the detailed negotiations involve not only Midland Heart but third party suppliers it has not been possible to reflect a final figure at the time of writing. That said your officers are confident that the Year 1 requirement should be at least £20k less than the original tender submission (i.e. about £335k) and it would be appropriate to reflect that in the 2014/15 revenue budget.
- 8.5 The outcome of the ongoing contract negotiations would need to be incorporated into the next iteration of the Medium Term Financial Strategy and future years' Revenue budgets as necessary.

## 9. **Major Risks**

- 9.1 If the service is delivered unsatisfactorily, there would be a significant impact on the homeless households both in terms of financial and social costs.
- 9.2 If the service fails to deliver the Homelessness Prevention agenda there is also the risk of further cost to the Council in responding to homelessness reactively rather than proactively.
- 9.3 If the service is delivered unsatisfactorily, the Council would be open to a legal challenge as to how it had failed to meet its minimum duty. This would mean that Council would still have to provide assistance to the homeless household and cover any cost awarded against the Council.

## 10. **Key Decision Information**

- 10.1 The service affects residents in all wards of the Borough and involves the allocation of significant funds over the forthcoming years.

## 11. **Earlier Cabinet/Committee Resolutions**

- 11.1 Cabinet approved the Homelessness Strategy 2010-15 in 2009.
- 11.2 On 20<sup>th</sup> March 2013 the Economic Development and Enterprise Scrutiny considered the issues and accepted the proposal of the NHA Contract Retendering Working Group to develop an in-house bid, as an option to be considered as a tender submission for comparison purposes and to ensure the best service is delivered, whilst achieving good value for money aims. The Portfolio Holder then approved this approach and specification/service outline via a delegated approval.
- 11.3 On 18<sup>th</sup> September 2013 the Cabinet approved:  
(a) To retender the Newcastle Housing Advice Service Contract for a 3 year contract with an option to extend for a further 3 years subject to satisfactory performance and funding.



- (b) That Cabinet approve the proposal to accept variants bids as part of the retendering of the Newcastle Housing Advice Service Contract.
- (c) That Cabinet require the successful contractor to work with the Council to enhance the customer journey in future years of the contract.
- (d) That the Executive Director for Regeneration and Development is authorised in consultation with the Portfolio Holder to finalise the specification/service outline.
- (e) That once details of the relevant bids have been received they are shared with the relevant scrutiny committee to help ensure that the important parts of the contract are protected before any contract is awarded.

**12. List of Appendices**

12.1 None.

**13. Background Papers**

13.1 Service specification and tender documentation are available on request.

This page is intentionally left blank

|                                 |  |
|---------------------------------|--|
| <b><u>HEADING</u></b>           | <b>Housing Capital Programme 2014/15</b>                     |
| <b><u>Submitted by:</u></b>     | <b>Joanne Halliday</b>                                       |
| <b><u>Portfolio:</u></b>        | <b>Economic Development, Regeneration &amp; Town Centres</b> |
| <b><u>Ward(s) affected:</u></b> | <b>All</b>   |

## **Purpose of the Report**

To seek Cabinet approval of the proposed 2013/14 Housing Capital Programme taking into account the views of the Economic Development and Enterprise Overview and Scrutiny Committee.

## **Recommendations**

That the Housing Capital Programme be approved on the basis set out in the report and funded from the allocation of £515,000 of New Homes Bonus funding and a land disposal to the value of about £100,000, with provision for the virement of funding, subject to agreement with the relevant Portfolio Holder(s), between schemes to maximise the benefits of external funding opportunities to help more vulnerable residents.

## **Reasons**

The Council considers the Housing Capital Programme every year to ensure that its housing investment priorities are up to date. With limited funding available from national funding streams it is appropriate for the Council to continue using the New Homes Bonus for housing purposes.

This report outlines the key options for housing investment in the forthcoming year on the proposed housing programme to deliver the Council's strategic housing priorities and to support the Borough's vulnerable residents.

## **1. Background**

- 1.1 The Council has a housing capital programme to deliver the Council's priorities as set out in the Housing Strategy and associated Housing Renewal Assistance Policy, Energy Efficiency and Climate Change Strategy and Empty Homes Strategy. The current 2013/14 programme is funded by the New Homes Bonus and central government grant to support Disabled Facilities Grants (DFGs).
- 1.2 The New Homes Bonus was established in 2011 by the Government to be a powerful, simple and transparent incentive for housing growth and is a key part of the Government's national strategy for housing growth. It is based on the council tax of additional homes and those brought back into use, with a premium amount for affordable homes, and paid for the following six years. The bonus payment calculation allocates 80% to the Borough Council and 20% to the County Council. It ensures that those local authorities which promote and welcome growth can share in the economic benefits, and build the communities in which people want to live and work.
- 1.3 The provisional New Homes Bonus allocation for next year (2014/15) is £1,273,000. This report outlines how next year's funding can be used to support the Council's key priorities. In considering suitable ways to utilise the New Homes Bonus it is appropriate to take into account the Council's overall financial position. Whilst the New Homes

Bonus is not ring-fenced it is intended to support the development of new homes (and housing-related initiatives in general) and therefore it is appropriate that the Council considers the extent to which the funding should be utilised to support the Council's housing priorities.

## 2. **Issues**

- 2.1 Under the New Homes Bonus (NHB), the Government will pay an enhancement of £350 (£2,100 over 6 years) for each new affordable unit. The Council can consider utilising the funding to develop new affordable housing however developing affordable housing purely to access further grant in future years would not be sufficient justification to promote this approach. Nevertheless there remains a significant level of demand/need for affordable housing.
- 2.2 The Empty Homes Strategy outlines the issues and approaches to dealing with empty homes and provides stretching targets. The Government's intention of providing additional NHB for empty homes brought back into use could also help to overcome local opposition to new housing. This would also have the additional bonus of generating further NHB the following year.

## 3. **Options Considered**

- 3.1 It is important that the Council considers the full range of housing schemes that could be provided to support vulnerable residents and contribute to the sustainability of the Borough. Public funding should be used to ensure schemes offer value for money by maximising any receipts or private sector investment, as well as targeting those in greatest need. There is a broader point too about the relative importance of optimising housing choice and quality because of the significant impact that it has upon the overall quality of life and wellbeing of the Borough's residents. Taking into consideration that the funding is coming from the New Homes Bonus, given the objectives of the scheme, it is appropriate that the funding is prioritised for the housing programme.
- 3.2 Should funding not be allocated to the Housing Capital Programme the schemes listed below would not be delivered and vulnerable residents would be left living in unfit and /or unsafe housing. The Council would have to solely rely on our enforcement role which may force some vulnerable residents to become homeless, leave un-inhabitable homes boarded up and homes unrepaired contributing to a decline in the area.
- 3.3 The above said it will be necessary for members to consider these proposals against other competing priorities, details of which will be reviewed as part of the wider capital programme proposals.

## 4. **Proposal and reasons for preferred solution**

- 4.1 The Economic Development and Enterprise Overview and Scrutiny Committee considered the draft Housing Capital Programme on 17<sup>th</sup> December 2013 and their recommendations are included in the proposals below.
- 4.2 **Priority Investment Areas**  
In order to meet residents' needs the Council invests in a range of housing schemes through the Housing Capital Programme. There are a number of important schemes delivered as part of the Housing Strategy and Housing Renewal Assistance Policy which require housing capital finance.

The following schemes may be considered as priority housing schemes to assist the most vulnerable residents in the Borough during 2014/15:

- The Council has a statutory duty to provide **Disabled Facilities Grants** to eligible applicants and due to the increasing elderly population and national policies to enable people to live independently in their own home; the demand on mandatory DFGs remains high. At the time of writing this report the Government's DFG grant award has not been made and it is anticipated to be known in February 2014. It is anticipated that this Government grant will be similar to current levels at £514,000. Should the Council consider allocating £350,000, this would create a DFG programme of £864,000. It is important to note that the current programme for 2013/14 was for £998,000 based on additional grant being awarded by the Government in December 2012 and used by the Council to take into account outstanding need. As at the beginning of November the Council had spent £370,000 on completed DFGs, had works in progress on adaptations valuing £152,000 and referrals valued at £290,000. It is therefore likely that over November to March that the remaining budget will be required. It is considered appropriate that the Council sets the 2014/15 budget to deliver the anticipated level of adaptations to meet customer needs.

- **Emergency Repair Assistance** to help home owners on a low income or in receipt of a means tested benefit to address serious risk to their health, safety and wellbeing arising from the condition of their home. This may be for emergency repairs to heating and hot water, provision of heating, addressing dangerous electric installations or leaks and dampness. Grants are for a maximum of £5,000 and are repayable if the property is sold within five years. Such grants are a vital part of keeping vulnerable residents safe, warm and well especially through the winter. Additionally they are an "invest to save" measure preventing disrepair and ill health escalating. By restricting support to those in greatest need particularly over the winter months an allocation of £50,000 may be considered appropriate.

- Continue supporting a **Home Improvement Agency** to assist vulnerable residents to maintain their independence and continue living safely in their own homes. The Revival Agency based at Staffordshire Housing Association helps the Council to deliver the disabled facilities grants and home loans service as well as helping with issues such as affordable warmth. The majority of the clients are elderly and /or disabled who find it difficult arranging for repairs to be carried out themselves. The Agency relies on funding made up from grants from local authorities, the parent Housing Association, Staffordshire County Council and client's own funds. The Council currently provides a grant of £26,000 to Revival together with fees related to individual property grants. In July 2013 the Council agreed to work in partnership with the County Council and other district Councils to procure new Home Improvement Agency services. At the time of writing this report the tender documents have been issued and it is anticipated that the new contract which will be based on fees alone will be operational within the next financial year. It is therefore recommended that the Council extends the current Service Level Agreement with Revival until the new County Commissioned service is in operation. An allocation of £13,000 is recommended.

#### 4.3 Optional schemes

The following schemes may be considered as optional housing schemes to assist the vulnerable residents in the Borough during 2014/15:

- **Emergency Repair Assistance** to help all vulnerable people regardless of the time of year, so for instance heating would be repaired over the summer months. An

additional allocation of £30,000 may be considered appropriate to assist an additional 6 vulnerable residents.

- The Council has produced a statutory report (The Home Energy Conservation Act (HECA) Progress Report 2013-2015) outlining practical, cost-effective plans which are likely to result in significant improvements in the energy efficiency of homes in the borough and a reduction in fuel poverty by promoting and supporting key government programmes such as Green Deal and Energy Company Obligation (ECO). With regard to the Green Deal there has been a low take up nationally and therefore DECC have sought bids for projects to deliver energy efficiency measures.

The Council has joined two partnerships to submit bids, to consider areas designated by the Government as Carbon Saving Community areas. Together with Stoke City Council and Cheshire West Council a bid has been made focussed on the urban areas which could include Galleys Bank, Butt Lane, Knutton, Chesterton, as well as wards with substantial numbers of solid wall terraced homes including Wolstanton / May Bank and possibly Town.

The Council is also part of a bid with Marches Energy Agency which includes all the Staffordshire District Councils focussing on rural parishes which could include Audley and Madeley.

At the time of writing this report the partnerships are providing DECC with additional information in response to their clarification questions. It is unlikely that the outcome of the DECC bids will be known by this meeting, if any decision is made then a verbal update will be given at the meeting. The aim is that urban area energy efficiency measures will be delivered by a new ECO brokerage organisation which it is hoped will be in place by April 2014. The Council, Stoke City and Cheshire West Councils have committed to establish a local agency which will deliver a “one stop shop” approach. This **Energy Advice Service** will provide focussed marketing and promotion securing Energy Company Obligation funding and manage this and Green Deal across the North Staffordshire region and West Cheshire. A tendering exercise led by Cheshire West is in progress.

It is proposed to allocate £20,000 in addition to the £60,000 allocated in 2013/14 which will be carried forward to deliver the new service.

- Bringing **empty properties** back into use is a priority for the Council and residents affected by living next to empty properties the Council could consider allocating funding to bringing empty homes back into use. The current programme includes £30,000 which has been used to cover a proportion of the staffing costs; these costs have been mainstreamed as part of a service restructuring exercise. The number of properties empty for more than 2 years has decreased from 1049 (2007) to 679 (2012). Officers are actively dealing with approximately 80 properties of which approximately 10 are problematic and may require more targeted enforcement activity. Some Local Authorities continue to support giving small scale grants to owners of empty homes to bring them back into use. As part of the Council’s adoption of the Empty Homes Strategy 2013-18 the Council moved to an approach of providing encouragement and support to owners of empty homes to bring them back into use and using appropriate enforcement action to bring empty homes back into use. This could be backed up by offering small loans to owners to help with disrepair issues that prevent occupation. This will have a positive impact on the blight caused by empty homes, help increase housing availability, plus homes brought back into use contribute to the new homes bonus so this would create additional income to the Council. Funding of £20,000 could be used to assist bringing 4 homes back into use.

- The **Accredited Landlords** scheme has been very successful and landlords pay a 2 year membership fee. Officers recommend that the Council continues to be part of the North Staffs scheme with the majority of the costs met from membership fees. It is recommended that this partnership approach continues and officers are authorised to make in-year adjustments to any schemes in line with other partner contributions which are not yet committed at the time of writing this report. There are currently 154 Accredited Landlords in the Borough managing 505 properties; this number fluctuates as landlords buy and sell property. The Council inspects all properties where complaints are made or concerns arise alongside a 10% sample of other properties on an annual basis. It is recognised that many vulnerable people live in private rented accommodation and landlords should be supported to offer good accommodation; in the past, a small capital grants fund has incentivised owners to implement improvements to a good standard. Whilst this is the case, it is recognised that the provision of safe accommodation is the legal responsibility of the landlord and should unsafe accommodation be provided then the Council can take enforcement action in order to ensure that defects are repaired. It is therefore recommended that the Council continues to take enforcement action against serious disrepair but also considers utilising match funding grants to encourage landlords to meet better standards in line with good licensing principles. An allocation of £32,000 would enable match funding support of £2,000 for the return to use of 16 homes.
- The current economic climate continues to bring challenges to households in meeting the financial costs of their current home with some households facing repossession, the Council needs to support the strategic housing enabling role to provide additional **affordable homes** that meet the needs of the community. The Council has previously utilised capital funding in the Housing Capital Programme to kick start development or match fund schemes. Schemes have included Lymebrook at Lower Milehouse and Beasley Place, Chesterton. The allocation of a modest level of capital could enable the Council to support “at-risk” schemes or another initiative could be to consider support for the development of a site capable of holding one or two properties. Due to competing Council priorities it is however not recommended to allocate funding but to direct Registered Providers to the Homes and Communities Agency and to discuss with Registered Providers the development potential on Council sites as part of the Assets Management Strategy (see separate agenda item). It is proposed to allocate up to £100,000 of land assets to support the delivery of affordable housing. In addition it is intended that a similar approach should be taken for the current financial year to avoid the need for committing the approved allocation of £65,000 for such purposes. Going forward the Council should seek the active disposal of assets including land to facilitate the delivery of affordable housing.
- It is important that the Council is able to develop strategies and policies based on evidenced local needs. The last Housing Market Assessment and Stock Condition Survey was produced in 2008 and it is accepted that these are valid for 5 years. The Council could therefore consider commissioning new studies, however with limited financial resources it is worth considering to what extent the studies and updated policies will deliver outcomes if the resources to actual schemes are unlikely to increase greatly. The Strategic Housing Market Assessment could be considered as more important than the Stock Condition Survey as this contributes to the affordable housing policies and the development of the Local Plan. The need for this is therefore to be considered as part of the development of the Local Plan and indicatively £15,000 of the Housing Research revenue is allocated to this for 2014/15. Members could however allocate funding for this from the Housing Capital Programme and could consider allocating £50,000 for a Stock Condition Survey.

5. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

5.1 The delivery of these housing programmes contributes to the corporate priorities of Creating Active and Healthier Communities, Creating a Cleaner, Safer and Sustainable Borough, Creating a Healthy and Active Community.

6. **Legal and Statutory Implications**

6.1 The housing capital programme will assist the Council in meeting its statutory duties to disabled residents and to households living in unsafe homes.

6.2 The housing capital programme will fund the assistance in the Housing Renewal Assistance Policy adopted by the Council in accordance with the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 and enable the Council to meet its statutory obligations in the Home Energy Conservation Act 1995

7. **Equality Impact Assessment**

7.1 The Equality Impact Assessments on the Housing Renewal Assistance Policy has been completed.

8. **Financial and Resource Implications**

8.1 The provisional New Homes Bonus allocation for 2014/15 is £1,273,000. Taking into consideration the objectives of the NHB funding, the capital and revenue requirements, it is considered appropriate to allocate £515,000 from the NHB allocation to fund housing-related schemes.

8.2 The table below shows proposed schemes supported by Scrutiny for 2014/15 utilising the planned £515,000 from the New Homes Bonus together with land to the value of £100,000 to be disposed of for the express purpose of delivering affordable housing, to give a total investment value of £615,000.

| Scheme   | 2013/14<br>NHB funding for<br>the Housing<br>Capital<br>Programme<br>£000s | Scrutiny<br>Recommended<br>2014/15<br>Funding for the<br>Housing Capital<br>Programme<br>£000s |
|--|--|--|
| Priority Schemes   |  |  |
| DFGs<br>Match funded the Government grant<br>of £514,000 to make a total budget<br>of £864,000 in 2014/15. | 350  | 350  |
| Health and Safety  | 50   | 50   |
| Home Improvement Agency  | 40   | 13   |
| Optional Schemes   |  |  |
| Additional support for Health and<br>Safety  |  | 30   |
| Energy Efficiency measures through<br>the Energy Service Provider  | 60   | 20   |
| Empty Homes  | 30   | 20   |



|   |     |      |
|---|-----|------|
| Accredited and Licensed Landlords Support | 5   | 32   |
| Affordable housing                        | 65* | 100* |
| Stock Condition Survey                    | 0   | 0    |
| Total                                     | 600 | 615  |

\*To allocate land assets up to the value of £165,000 to assist in the delivery of affordable housing (including the £65,000 from the 2013/14 allocation).

- 8.3 The Scrutiny Committee recognised that there are opportunities for the Council to bid for external funding and to take a partnership approach to seeking funding especially in relation to the energy efficiency agenda. Where possible officers seek external funding to assist residents prior to utilising Council emergency repairs funding. To reflect this the Scrutiny Committee recommended that the Cabinet approve the overall Housing Capital Programme and endorse the approach of viring between the schemes so that the maximum number of vulnerable residents can be assisted (the latter to be done in consultation with the relevant Portfolio Holders). Your officers support the latter approach.

9. **Major Risks**

- 9.1 Without the proposed modest level of investment in the housing programme it will leave many vulnerable people living in unsatisfactory and importantly, potentially unsafe homes. With no options available to repair homes occupation may need to be restricted, leading to an increase in boarded up empty homes, which will make the area less sustainable and may increase antisocial behaviour. Additionally the general health and wellbeing of our most vulnerable residents may be adversely affected.

10. **Key Decision Information**

- 10.1 The Housing Capital Programme is available to assist in meeting the housing needs of vulnerable residents in all wards and involves committing significant resources.

11. **Earlier Cabinet/Committee Resolutions**

- 11.1 The 2013/14 Housing Capital Programme was approved by Cabinet on 16<sup>th</sup> January 2013.
- 11.2 The Economic Development and Enterprise Overview and Scrutiny Committee considered the draft Housing Capital Programme on 17<sup>th</sup> December 2013.

12. **List of Appendices**

- 12.1 None.

13. **Background Papers**

- 13.1 None.

This page is intentionally left blank

# Agenda Item 9

|                                |   |
|--------------------------------|---|
| <b><u>HEADING:</u></b>         | <b>Charging for the control of rats at residential properties</b> |
| <b><u>Submitted by:</u></b>    | <b>Nesta Henshaw – Head of Environmental Health Services</b>      |
| <b><u>Portfolio:</u></b>       | <b>Environment &amp; Recycling</b>                                |
| <b><u>Ward(s) affected</u></b> | <b>All</b>  |

## **Purpose of the Report**

To seek approval to charge for the treatment of rats at residential properties.

## **Recommendations**

- a) That a subsidised fixed charge of £30 for up to 4 visits should be applied for the treatment of rats at residential properties, subject to a fee wavier being available to applicants who can demonstrate their eligibility of the range of benefit entitlements listed in the report.
- b) That the final value of the charge be approved through the fees and charges approval process.
- c) That officers monitor the effectiveness and efficiency of the charging regime and report back to Cabinet any need for modification or refinement.

## **Reasons**

Making a charge should help secure the continued provision of popular in-house pest control services for residents, whilst considering the Councils ever decreasing budget and resources to continue to offer 'free' or fully subsidised service. This will therefore achieve the requirements of the Medium Term Financial Strategy 2014/15 to 2018/19 and take into account the current operational capacity to deliver the service.

## **1. Background**

- 1.1. The Borough Council currently operates an in-house pest control service which delivers a range of pest control treatments to residents and business across the borough. The team currently resolve about 2,500 complaints, making approximately 5,000 treatment visits each year.
- 1.2. Over the last 10 years the service has adjusted its charges to ensure that the majority of its services are offered on a 'full cost recovery' basis. The service currently charges £65 for the treatment of insect pests such as wasps, ants or fleas. A subsidised service is offered for the treatment of mice at £25 for 3 visits. There is also a commercial service undertaken
- 1.3. It is anticipated that the pest control service will generate an income of £77,000 +VAT during the current financial year.
- 1.4. Income has been used to subsidise some specialist 'public health' treatments. Ensuring that these treatments remain affordable
- 1.5. Charges were introduced for the control of mice in January 2011. It is proposed to end free rat treatment for residential clients from April 2014

## **2. Issues**

- 2.1. Environmental Health Services, in line with all other parts of the authority, needs to review how it can reduce its expenditure or increase its income, to meet the requirements of the Medium Term Financial Strategy 2014/15 to 2018/19 and the Councils reducing budgets.

- 2.2. Currently the team receive about 1,000 requests each year to treat rats at domestic properties. This accounts for about 3000 to 3500 of the team's treatment visits.
- 2.3. It is anticipated that team resources will be reduced; accordingly the current volume of free rat control is unsustainable.
- 2.4. At present 7 of the 9 Staffordshire districts continue to provide pest control services. Of these 2 have contracted their service and 5 continue to deliver services through local authority staff. It is understood that 3 of the Councils which deliver services in house, including Newcastle, have a free rat treatment service in 2013/14.
- 2.5. Nationally an increasing number of authorities make some charge for rodent control. Most operate a set tariff structure, with the fee being agreed in advance of the treatment commencing.
- 2.6. There are valid public health arguments for continuing to maintain an in house pest control service which supports both residents and businesses. Guidance from the Chartered Institute of Environmental Health, the professional body which represents Environmental Health Officers recommends: "*public health arguments prevail over financial considerations... ..when considering the imposition of charges and their scale*":

### 3. **Options Considered**

#### 3.1 **Option One: Retain Free Services**

| Advantages   | Disadvantages   |
|--|---|
| <ul style="list-style-type: none"> <li>• Popular. Residents currently expect these service to be delivered at no charge</li> <li>• Accessible. Ensures services are available to all residents, irrespective of ability to pay</li> <li>• Minimal administration required</li> </ul> | <ul style="list-style-type: none"> <li>• Unsustainable with current resource constraints.</li> <li>• Would potentially impact on ability to deliver chargeable services reducing income and increasing net cost of service</li> </ul> |

#### 3.2 **Option Two: Charge a subsidised fee (unit charge)** [Recommended Option] e.g. £30 for a treatment of up to 4 visits

| Advantages  | Disadvantages   |
|---|---|
| <ul style="list-style-type: none"> <li>• Straight forward to administer</li> <li>• Charge can be paid in advance, avoiding invoice processing</li> <li>• Affordable service – with charges equating to the costs of residents purchasing poisons themselves</li> <li>• Fixing a charge for a set number of visits encourages residents to take additional action themselves to ensure problem quickly resolved</li> <li>• Will encourage residents to attempt to resolve minor infestations themselves</li> </ul> | <ul style="list-style-type: none"> <li>• Reduced satisfaction with services provided, increased numbers of complaints about service delivery</li> <li>• Increased administration. 'Ownership' issues with residents unwilling to pay for services resulting from the actions/inactions of others.</li> <li>• Increased enforcement activity with resource implications</li> <li>• Potential for inappropriate and unsafe DIY treatments placing residents / pets / wildlife at risk</li> <li>• Likelihood that client will not seek assistance until infestation has grown</li> </ul> |

#### 3.3 **Option Three: Charge for service at full cost recovery** e.g. charge calculated and invoiced at end of treatment

| Advantages   | Disadvantages  |
|--|--|
| <ul style="list-style-type: none"> <li>• Ensures the authority generates income, at the market rate, for the professional services delivered.</li> </ul> | <ul style="list-style-type: none"> <li>• Significant dissatisfaction with services provided, with associated service complaints</li> </ul> |

|  |  |
|--|--|
| <ul style="list-style-type: none"> <li>Residents pay for exactly the service they have received</li> </ul> | <ul style="list-style-type: none"> <li>Complex to determine appropriate charge (officer time, travel and materials required vary with each case)</li> <li>Client can not be reliably advised of cost of work when placing request</li> <li>Charge may not be affordable to many clients. Anticipated charge would be approx £100 for typical treatment</li> <li>Increased likelihood that infestations will go untreated and problems escalate to affect other residents</li> <li>Potential for inappropriate and unsafe DIY treatments placing residents / pets / wildlife at risk</li> <li>Risk that clients may select other service providers, who may exploit vulnerabilities</li> <li>Significantly increased enforcement activity with resource implications</li> <li>Would require cases to be individually priced and invoiced on conclusion of treatment</li> <li>Likelihood that large number of charges would remain unpaid with associated recovery costs incurred</li> </ul> |
|--|--|

#### 4. Proposal and Reasons for Preferred Solution

4.1 The views of Public Protection committee have been sought and the committee discussed the accessibility of the service, in particular to those families on low income and how this could be simply assessed and administered by the Council (without incurring disproportionate costs), the committee recommended to Cabinet that **‘subject to a discretion to remit the fee in whole or in part in respect of low income families a charge of £30 for up to 4 visits to be made’** and that the final value of the charge be approved through the fees and charges approval process. Officers consider that there should be scope for introducing a process whereby a fee waiver could be offered based upon applicants demonstrating their eligibility of an appropriate range of benefit entitlements. To that end officers have reviewed the operating practices of a number of other Local Authorities in the area and consider that the following list of benefit entitlements would be appropriate at this stage:

- Council Tax Benefit
- Housing Benefit
- Income Support
- Job Seekers Allowance
- Pension Credit

The above list provides clarity about the eligible benefits at this time although it is not necessarily exhaustive and should be kept under review in consultation with the relevant Portfolio Holders. Additionally it should be noted that in order to minimise the potential cost burden of administering the service it is intended to introduce a simple procedure for payment / assessment of the fee waiver. It would be prudent for officers to monitor the overall effectiveness and efficiency of the charging procedure and to report back to Cabinet should any refinement be needed.

- 4.2 Making a charge should help secure the continued provision of popular in-house pest control services for residents, whilst achieving the requirements of the Medium Term Financial Strategy 2014/15 to 2018/19.
- 4.3 Cabinet is requested to support option 2:
- a). That a subsidised fixed charge of £30 for up to 4 visits should be applied for the treatment of rats at residential properties, subject to a fee waiver being available to applicants who can demonstrate their eligibility of an appropriate range of benefit entitlements, the latter to be agreed with the relevant Portfolio Holder.
  - b). That the final value of the charge be approved through the fees and charges approval process.

## **5. Outcomes Linked to Sustainable Community and Corporate Priorities**

- 5.1 Ensuring that the authority has the resources to assist residents with the control of rats in and around their homes is a fundamental public health role, which aligns directly with the council's priority to maintain a clean, safe and sustainable borough

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

- 6.1 Although a local authority is not legally required to provide a pest control service, the Prevention of Damage By Pests Act 1949 (PDP Act) imposes a duty on councils to "take such steps as may be necessary to secure as far as practicable that their district is kept free from rats and mice," and in particular to keep the local authority's own land, and land the Local Authority occupies, free from rats and mice and to enforce the duties of owners and occupiers of land under the PDP Act.
- 6.2 Offering a treatment service is more cost effective than achieving compliance through enforcement activities.

## **7. Equality Impact Assessment**

- 7.1 No issues have been identified

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

- 8.1 It is anticipated that the proposed charge will produce approximately £10,000 inc vat of additional income.
- 8.2 The current demand for the service is likely to reduce once charges are adopted. This will enable the service to be delivered by 2FTE.

## **9. Major Risks**

- 9.1 There is a potential reputation risk to the authority if adopted charges are not affordable.
- 9.2 It is likely that many residents will attempt to resolve infestations themselves in the first instance. There are associated safety risk for them and the possibility that inappropriate use of poisons, or inaction, may make infestations harder to control.
- 9.3 A risk assessment has been undertaken and is available upon request.

## **10. Sustainability and Climate Change Implications**

- 10.1 Service usage trend data suggest that there are significant numbers of rodents within the borough and that their numbers are rising.
- 10.2 If not appropriately managed rodent populations can adversely affect human health, damage building and crops, and impact adversely on other animals.

**11. Key Decision Information**

- 11.1 Agreeing, to make a charge for rat control at residential properties is a key decision as it will affect all wards within the Borough.

**12. Earlier Cabinet / Committee Resolutions**

- 12.1 Public Protection considered this matter on 12<sup>th</sup> November 2013. Their recommendations are as 4.1 above.

**13. List of Appendices**

- 13.1 None

This page is intentionally left blank



## MEETING BEING SUBMITTED TO: CABINET

1. **HEADING** Calculation of the Council Tax Base 2014/15

**Submitted by:** Head of Revenues & Benefits

**Portfolio:** Finance and Resources

**Ward(s) affected:** All

### **Purpose of the Report**

To approve the Council Tax Base to be used to calculate the 2014/15 levies for the Borough Council, the County Council, the Police Authority, the Fire Authority and each Town and Parish Council.

### **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:-

|                                 | <b><u>Band D equivalent properties</u></b> |
|---------------------------------|--|
| Newcastle Borough Council       | 34,890                                     |
| Kidsgrove Town Council          | 6,349                                      |
| Audley                          | 2,437                                      |
| Loggerheads                     | 1,845                                      |
| Balterley, Betley and Wrinehill | 564  |
| Chapel and Hill Chorlton        | 186  |
| Keele                           | 330  |
| Madeley                         | 1,416                                      |
| Maer                            | 244  |
| Silverdale                      | 1,348                                      |
| Whitmore                        | 803  |

### **Reasons**

To enable the Borough Council, the County Council, the Police Authority, the Fire Authority and each Town and Parish Council to calculate the Council Tax applicable to their approved budgetary requirements.

1. **Background**

Legislation requires that the "Council Tax Base" for the Authority and for each of the areas covered by Town and Parish Councils is calculated and notified to these precepting bodies, before 31<sup>st</sup> January for the following new financial year.

2. **Issues**

Sections 33 and 34 of the Local Government Finance Act 1992 formerly required the Council to calculate the "Council Tax Base" for the Authority and for each of the areas covered by

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 2014/15 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 2014/15 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 the County Council, Police Commissioner, the Fire 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       | 34,890                              |
| Kidsgrove Town Council          | 6,349                               |
| Audley                          | 2,437                               |
| Loggerheads                     | 1,845                               |
| Balterley, Betley and Wrinehill | 564                                 |
| Chapel and Hill Chorlton        | 186                                 |
| Keele                           | 330                                 |
| Madeley                         | 1,416                               |
| Maer                            | 244                                 |
| Silverdale                      | 1,348                               |
| Whitmore                        | 803                                 |

14. **List of Appendices**

Appendix A - Council Tax Base calculation

15. **Background Papers**

Not applicable

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>                   |        |       |
| <b>Risk Implications Discussed and Agreed</b>                        |        |       |
| <b>Legal Implications Discussed and Agreed</b>                       |        |       |
| <b>H.R. Implications Discussed and Agreed</b>                        |        |       |
| <b>ICT Implications Discussed and Agreed</b>                         |        |       |
| <b>Report Agreed by:<br/>Executive Director/<br/>Head of Service</b> |        |       |

Appendix A

**Council Tax Base Calculation 2014/15**

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

|                                 | Relevant Amounts | Council Tax Base |
|---------------------------------|------------------|------------------|
| Newcastle Borough Council       | 35,602           | 34,890           |
| Kidsgrove                       | 6,479            | 6,349            |
| Audley                          | 2,487            | 2,437            |
| Loggerheads                     | 1,882            | 1,845            |
| Balterley, Betley and Wrinehill | 576              | 564              |
| Chapel and Hill Chorlton        | 190              | 186              |
| Keele                           | 336              | 330              |
| Madeley                         | 1,445            | 1,416            |
| Maer                            | 249              | 244              |
| Silverdale                      | 1,376            | 1,348            |
| Whitmore                        | 819              | 803              |

This page is intentionally left blank

## **ASSET MANAGEMENT STRATEGY 2014-2017**

**Submitted by:**        **Assets Manager**

**Portfolio:**            **Economic Development, Regeneration, and Town Centres**

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

### **Purpose of the Report**

To seek Cabinet approval for the Asset Management Strategy (2014–2017).

### **Recommendation**

**That Members approve the Asset Management Strategy (2014- 2017).**

### **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.

#### **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     The Transformation and Resources Overview and Scrutiny Committee at its meeting on 3<sup>rd</sup> December 2013 considered a report which outlined the finance and resource implications of the Strategy. Following discussions the members of the Committee were informed that they would be provided with a copy of the draft Strategy when it was sent to the Members of the the Economic Development and Enterprise Overview and Scrutiny Committee. This Committee reviewed the Strategy on 17<sup>th</sup> December 2013 the comments of which will be provided when available.

#### **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     Finally, it refers to the Council's need to proactively generate its own capital through the identification and disposal of surplus assets. An assessment of all Council owned land has taken place to identify land that is considered to have a better alternative use. These sites

fall into one of the following categories:

- Brownfield sites.
- Green 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.
- Sites identified in the Green Space Strategy which form a small part of a larger site and the removal of which would not impact on the green space.

The sites are listed in Appendix 1. They are potential residential development sites. Approval is being sought, through the Asset Management Strategy, to explore options for the alternative use of these sites in order to contribute towards the funding of the work/schemes identified in the Capital Strategy/Capital Programme to assist the Council in achieving its corporate and service objectives. Clause 12.7 of the draft Capital Strategy 2014/17 states the following:

*“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 will be insufficient resources available to fund all of these requirements in 2014/15 and for several years thereafter. 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”.*

In view of the above members might acknowledge the importance of securing receipts through the disposal of land and property which no longer serves any purpose to the Council. It is estimated (subject to the granting of planning permission and to the sites selling at open market value) that the capital receipts likely to be generated in respect of these sites for 2014/2015 is circa £700,000 and circa £7.4m in respect of 2015/2017.

### 3. **Options Considered**

#### 3.1 **Option 1 – Do nothing**

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.

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

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.

### 4. **Proposal**

#### 4.1 Option 2 is proposed.

#### 4.2 That Members approve the Asset Management Strategy 2014-2017 following receipt of comments from the Transformation and Resources Overview and Scrutiny Committee and the Economic Development and Enterprise Overview and Scrutiny Committee.



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.

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.

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.

10. **Major Risks**

- 10.1 The main risk is 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).

11. **Key Decision Information**

- 11.1 The report is referred to in the Forward Plan.

12. **List of Appendices**

Asset Management Strategy/Plan

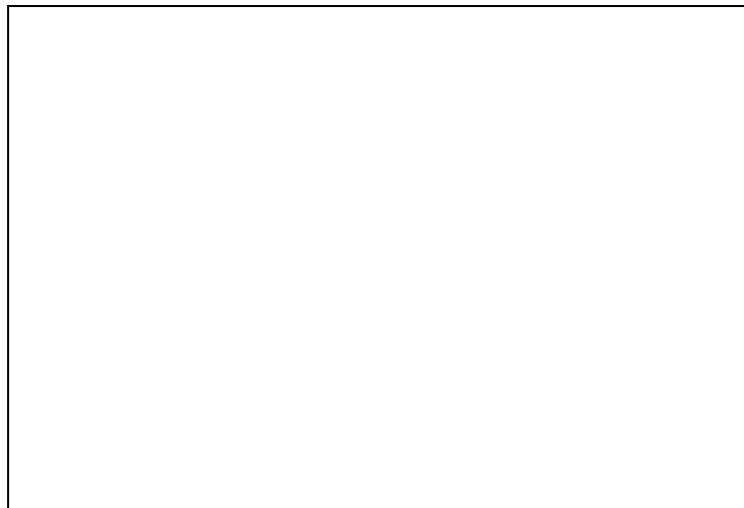
13. **Background Papers**

Various reports and guidance documents from Government and the Audit Commission relating to Asset Management.

Strategic Housing Land Availability Assessment 2012/13

This page is intentionally left blank

# **NEWCASTLE-UNDER-LYME BOROUGH COUNCIL ASSET MANAGEMENT STRATEGY 2014-2017**



Version – 02/01/14

## **CONTENTS**

### **1.0 INTRODUCTION**

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

#### 2.1 Context

#### 2.2 Main Elements of Good Estate Management

#### 2.3 Benefits of Good Asset Management

#### 2.4 Asset Management in Practice – Office rationalisation programme

#### 2.5 Developing a clear Property Strategy for Newcastle

#### 2.6 Asset Management Policies

#### 2.7 Property-related Asset Management Objectives

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

#### 3.1 The national context:

- Government policy
- Statutory responsibilities

#### 3.2 The local context:

- Links to Council plan
- Performance Management Context.
- Partner organisations
- Staffordshire and SOT Local Enterprise Partnership (LEP)
- Newcastle Town Centre Partnership
- Disposal to Third Sector
- Capital Programme and Stock Condition
- Current planned maintenance / improvement
- Structures – Bridges, Watercourses etc
- Carbon Reduction/Energy Efficiency
- Strategic Property Review

### **4.0 THE CURRENT ESTATE**

### **5.0 PROGRAMMES**

#### 5.1 Asset Reviews

- Strategic Housing Land Availability Assessment and Local Plan
- Future Disposal of Surplus Land
- Surplus Assets Disposal Programme and Consultation
- Staffordshire Strategic Property Review
- Car Parks
- Commercial Portfolio
- Community Centres Review

#### 5.2 Partnership and Collaborative Working

- Public sector GIS based database
- Regeneration
- Newcastle Town Centre Redevelopment
- Newcastle Town Centre Public Realm
- Shared Accommodation/Public Sector Hub
- Facilitating Community Assets
- 

### **6.0 ARRANGEMENTS FOR ASSET MANAGEMENT PLANNING**

#### 6.1 Corporate Management Structure regarding Asset Management

#### 6.2 Asset management data and information systems

#### 6.3 Health and Safety

**APPENDICES**

Appendix 1 – Proposed/approved disposal programme

Appendix 2 – Summary of consultation approach

Appendix 3 – List of Structures – Bridges, Watercourses etc

Appendix 4 –Asset management planning reporting structure

## **1.0 INTRODUCTION**

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.

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.

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**

### **2.1 CONTEXT**

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, but there is an extensive rural area in the west.

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.

There have been big reductions in funding provided to local authorities, central government and its agencies, arising from the need to restrain public expenditure owing to the ongoing economic recession and to rebalance public finances. At the same time, the Council's own resources available to finance capital projects have diminished and will need replenishing before any substantial further capital investments can be made. Services are therefore under increased pressure to reduce costs and it is particularly important to keep fixed outgoings such as property related costs under review. The Council has initiated an Assets Disposal Programme (details set out in Appendix 1). However given the current economic climate and the virtual stagnation of the property market, it will be important to balance the desire to dispose of surplus property assets with recognition of local prevailing market conditions. Each case should therefore be considered on its own merits.

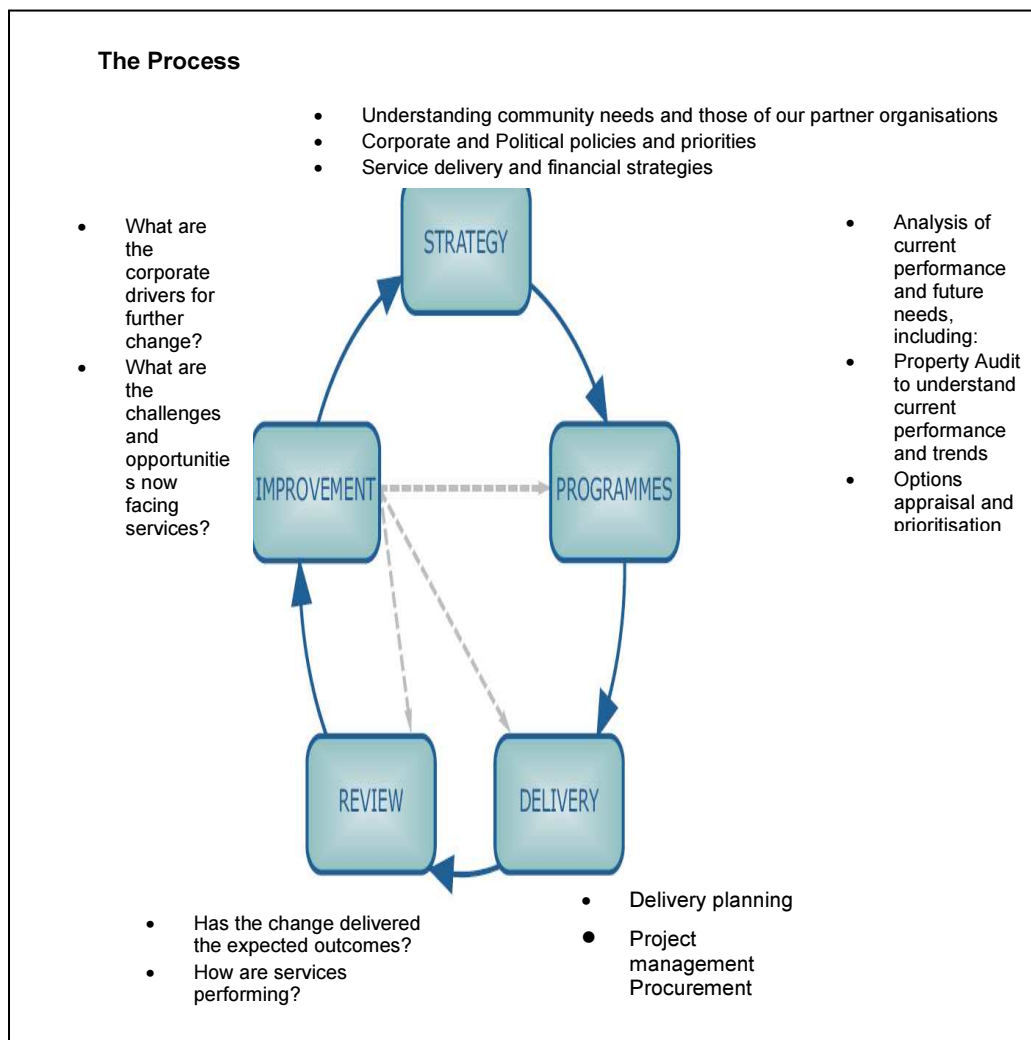
### **2.2 MAIN ELEMENTS OF GOOD ESTATE MANAGEMENT**

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 – last year's scrutiny review process of a proposed surplus land disposal programme demonstrated the importance of this element.

- 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.

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 adopt a similar 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 surplus property.

## 3. Delivery

Delivery of agreed programmes is the vital ingredient that translates the strategy into action and recent experiences of managing capital projects, such as the building of the new Jubilee 2 centre, demonstrate the importance of good project management and effective procurement.

## 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.

### 2.3 **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

### 2.4 **ASSET MANAGEMENT IN PRACTICE**

#### **Office rationalisation programme**

The Council has reviewed 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 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**

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. Council owned land opposite the depot on Silverdale Road (see Appendix 1) has been identified as a possible requirement for future operational purposes.

### **Green Space Audit and Strategy**

The Council has conducted an audit of green space in the Borough and assessed the needs of the community to ensure that it is adopting the right approach to green space provision, management and maintenance. The North Staffordshire Green Space Strategy (jointly commissioned with Stoke on Trent City Council) has been developed and a playing fields and sports pitches strategy has been commissioned with a view to completion April 2014. These strategies will 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.

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

### **Scale of Activities**

Newcastle-under-Lyme 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.

As at March 2013 the Council's property assets were in the Asset Register at £73,048,019.43. The properties are valued in accordance with RICS Appraisal and Valuation Standards ("Red Book"). This involves a variety of valuation methods dependant 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

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.

Examples include the newly built Jubilee 2 Health and Wellbeing Centre, the Civic Offices which is a 1960s building providing some 6,500 sq.m of administrative and civic space in the town centre and the works depot, located on the edge of the town, which provides workshops, stores and garaging for the Council's direct works departments.

The Council no longer holds social housing stock but still owns and maintains significant land holdings within these neighbourhoods.

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.

(b) Commercial Portfolio

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 as opposed where possible 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.

This Portfolio comprises 120 freehold buildings and 13 leasehold units: offices, town centre retail, a multiplex cinema and 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 to Staffordshire County Council.

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.

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 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. In the last 6 months these premises have been successfully let to JCB. In addition the Council has granted JCB an option to purchase adjacent land which will facilitate future expansion on this site.

## **2.6 ASSET MANAGEMENT POLICIES**

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:

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

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

- Support improvements in service delivery
- Achieve optimum utilisation of property assets
- Invest available funding in areas of greatest need or opportunity
- Raise awareness of spending on properties occupied by the Authority
- Formulate an "asset challenge" to Service Directorates
- Minimise the opportunity cost of holding land and property assets
- Minimise the environmental impacts of the portfolio
- Optimise capital receipts from disposal of surplus land/property to provide funds for capital programme expenditure
- Optimise income from the Commercial Portfolio
- Engagement with local community and third sector organisations
- Property should support the achievement of wider objectives e.g. social inclusion and regeneration

## **3.0 THE WIDER POLICY CONTEXT**

### **3.1 THE NATIONAL CONTEXT:**

#### **Government Policy**

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**

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

- Disability Discrimination Act 1998  
Management of the risks associated with property assets  
Including regular maintenance and servicing to address matters such as:
- Legionella – A managed programme of water testing is carried out
- Asbestos – An on-going programme of surveys provided a register  
of the presence of asbestos across the portfolio
- Fire Safety – The Authority undertakes Fire Risk Assessments in respect of its properties and tests fire safety equipment e.g. alarms  
etc on an annual basis
- Gas Safety – Inspections and services are carried out on an annual basis
- Electrics - An ongoing programme of periodic tests is carried out along with Portable Appliance Testing.
- Lifts, pressure vessels, safety line, chimney maintenance -  
Checks are carried in accordance with best practice
- Lightning Conductors – checked in accordance with best practice
- Inspection and repair/maintenance of assets including tree stock, playground stock, railings and structures, footpaths and roads etc

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

### 3.2 THE LOCAL CONTEXT

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

A Sustainable Community Strategy 2008-2020

Council Plan – 2013/14 to 2015/16

Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy 2006-2026

Medium Term Financial Strategy 2013/14-2015/16

Capital Strategy 2012-2015

Revenue Budget 2013-2013

North Staffordshire Green Space Strategy 2007

Economic Development Strategy 2012-2017

Housing Strategy 2011-2016

Strategic Housing Land Availability Assessment 2012/13

Carbon Management Plan 2011

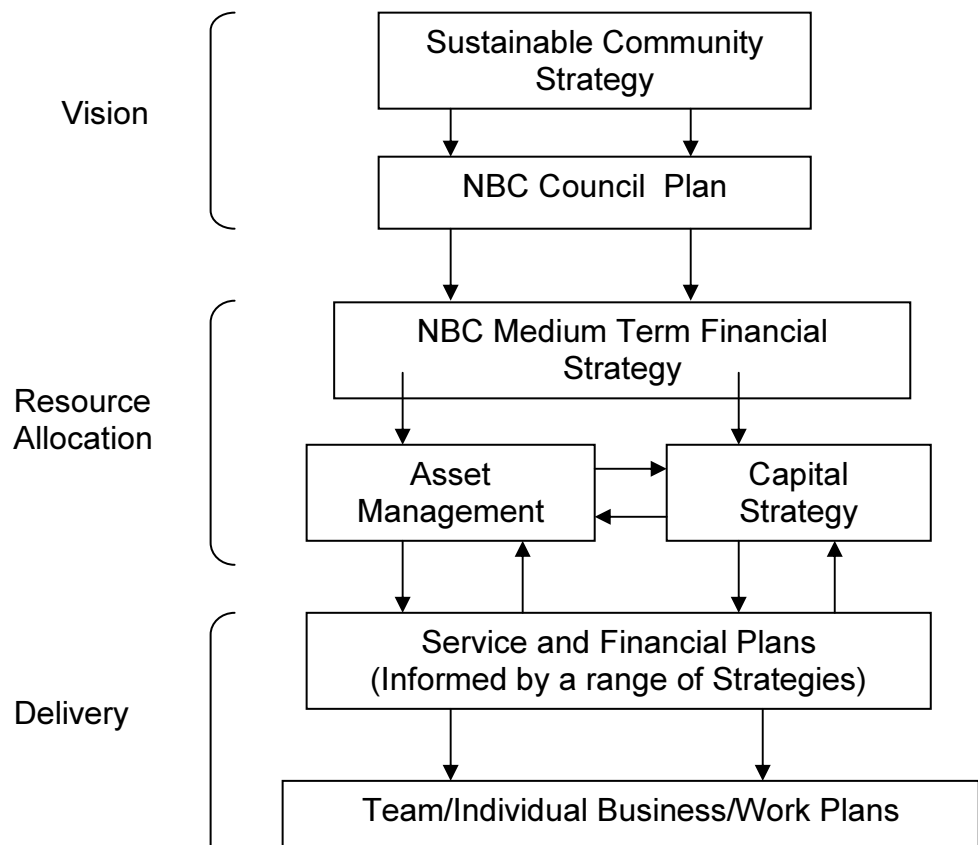
The Staffordshire Compact and Third Sector Commissioning Standards 2009-2012

Safe and Stronger Community Strategy 2012-2017

Health and Wellbeing Strategy (emerging)

Contaminated Land Strategy 2007

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



### **Links to Council Plan**

The Council Plan (2013/14 to 2015/16) has four main priority areas which are:

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

It in turn sets out a number of key actions which the Authority will take to ensure that best use is made of its property assets which included:

- Aim for optimal use of the Council's asset portfolio
- Develop the Council's role in the Staffordshire and S-O-T Local Enterprise Partnership (LEP) with the aim of seeking funding for regeneration
- Make the Town Centre vibrant and attractive
- Promote high quality facilities for those who live, work or visit the Borough
- Ensure sustainable initiatives for the community and the environment

### **Performance Management Context**

The performance of the Authority's estate is subject to scrutiny by the Economic Development and Enterprise Overview and Scrutiny Committee with oversight, in respect of the financial elements of the strategy, also being provided by the Transformation and Resources Overview and Scrutiny Committee.

Review of assets is an ongoing job for officers. Such reviews will inform the budget setting process as an ongoing matter but recognition of the effects of the property market on timing and amounts of capital receipts have to be allowed for.

The action logs of the Assets Review Group are reported to the Executive Management Team. Significant decisions re 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 Projects Review Group when capital expenditure over £20,000 may be required on a property or parcel of land.

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

A number of other performance indicators have recently been introduced in relation to the performance of contractors employed by the Council.

### **Partner Organisations**

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)**

The Local Enterprise Partnership is a public and private sector partnership which will focus on enterprise and innovation initiatives which unlock the potential of the private sector to create employment and wealth to begin growing, restructuring or sustaining the local economy. It is anticipated that the Council will be increasingly expected to adopt an approach to the disposal of surplus land to facilitate economic growth and/or house building (consistent with Government policy).

### **Newcastle Town Centre Partnership**

Newcastle Town Centre Partnership is a public and private sector partnership, which has been established to bringing together local businesses and the Council to support the development of the town centre. The Council has provided funding to employ a Town Centre Manager who is a key driver in this initiative.

### **Disposals to Third Sector**

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.

The Council seeks to access and support these strengths for the benefit of the community 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, to a "stewardship" role for the community where volunteers or Friends Groups provide an input and influence to the Council's management decisions.

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

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

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 refurbishment of the Sports Centre in the Lyme Valley.

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

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 as part of the Council's Capital Programme and a longer term programme will be the subject of a refreshed survey in 2012-14. Provision is made in the Council's General Fund Revenue Programme annually to meet the ongoing costs relating to land and property maintenance

A stock condition survey is reviewed at regular intervals 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 and assets which require urgent attention due to health and safety will be flagged to ensure that the Council complies with its Statutory requirements.

A stock condition review has been carried out again in 2013 and moving forward the repairs identified have been categorised as Red (urgent repairs required to meet Health and Safety obligations or similar imperative), Amber (repairs which can be left in abeyance for a 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 accounting planning.

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 2014/17**

| <b>2014/15</b>  | <b>2015/16</b>    | <b>2016/17</b>    |
|-----------------|-------------------|-------------------|
| <b>£193,000</b> | <b>£1,795,400</b> | <b>£2,315,650</b> |

**Current planned maintenance / improvement**

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 the Council has adopted a targeted approach to investment for 2014/15 and into 2015/16 as follows:

- Former St. Giles and St. George's School - Maintain whilst seeking appropriate end use.
- Clayton Sports Ground - work has commenced on 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. The cost is to be financed by various grant funds exploited by the Council in conjunction with the cricket and badminton club and the scheme is currently waiting for final sign off by Sport England.

- Newcastle Town Centre Street Market - Procure and place new market stalls on site (target for completion Easter 2014)
- Hassell Street pedestrianisation - complete scheme Easter 2014
- Civic Offices - essential works to upgrade the electrical system will be undertaken in 2013/14 and this will continue in the following two years.
- 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.
- Silverdale Community Facility - Completion of the construction of outdoor sports pitches/parking facilities and commencement on construction of the community building (funded entirely through developer contributions) on course for completion in November 2013 (i.e at the time of writing this strategy).
- Clayton Community Centre - External cladding work has been completed to the main part of the building to considerably improve its appearance. The cladding used is specialist insulating which will also considerably improve the heat loss/carbon emissions' from the building. A new central heating system is also to be installed in November together with new UPVC windows.
- Croft Road Industrial Estate - Through a collaborative approach between the Council and 4 new tenants 6 industrial units have been let by identifying essential items of repair and maintenance. By granting a rent free period, the work has been carried out by the tenants and as a result, industrial units which were previously incapable of occupation due to their poor state of repair are now income producing.
- Essential works will be undertaken during 2013/14 at Red Street community centre together with partial refurbishment.
- Further improvement works proposed to other community centres and potential tenanted properties to preserve the assets and enhance potential rental income.

As with the capital programme, due to limited availability of revenue funds, planned maintenance work has continued at minimum levels for 2013/14 and a more reactive approach has been adopted and this will continue into 2014/15. 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**

An asset register of all structures for which the Council are responsible has been prepared. A full inspection programme will be implemented to monitor the condition of the structures and identify any repairs during 2014/15 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 then be undertaken.

It is already known that there is a partial retaining wall collapse at which will require substantial rebuilding for Health and Safety reasons during 2014 and this is reflected in the stock condition survey.

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.

A list of these structures is contained in Appendix 3.

### **Carbon Reduction/Energy Efficiency**

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.

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, near term projects and medium to long term projects.

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 as follows:

- 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.

- Bathpool Ski/Rugby Clubs - Cavity wall insulation.
- Museum - Low Energy Lighting & double glazing.
- Knutton Depot offices - Cavity Wall insulation.
- Knutton Depot - Lighting controls.
- Alexandra Road Changing rooms - Cavity wall insulation.
- Kidsgrove public offices - Cavity Wall insulation.
- Crematorium, House, Toilets, Canteen area - Cavity Wall insulation.
- Merrial Street Toilets - Installation of low energy hot water system.
- St Georges Chambers - Lighting controls, Cavity wall and loft insulation.
- Midway - Controls to close for overnight parking so lighting is turned off
- Civic Offices - Lighting controls

As a result of the installation of AMR's to a number of sites, the Borough Council have developed a robust web based energy management data base which has energy consumption automatically uploaded from the information supplied by AMR's and half Hourly meters which allows us to monitor 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 provided a firm framework to enable a pro active energy management in identifying peak and unusual usage and eliminating waste or unnecessary usage.

Together with the installation of PIR's in a number of sites this has contributed to a reduction in the overall consumption of electricity by 31% during 2012/13 as compared to 2011/12.

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

Birchinwood Pavilion where a combination of PIR's 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.

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 reduce the Council's carbon footprint and save both energy and costs.

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**

It is essential that the Council has an efficient property assets approach to ensure that all opportunity to maximise use, rental income, resources and management are taken.

Each property asset from both portfolios will in the next 12 months 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.

## 4.0 THE CURRENT ESTATE

The Council owns an eclectic mix of over 180 properties (buildings) ranging from crematoria to sports centres to industrial premises. As previously indicated (section 2.5) the Council's property assets are divided into two portfolios – the operational and commercial portfolio – see below:-

### **Operational assets**

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.

This category includes (not exhaustive list):

- Civic Offices
- Guildhall Customer Contact Centre
- Kidsgrove Town Hall Customer Contact Centre
- Knutton Lane depot
- Jubilee Baths and Knutton Recreation Centre\*
- 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
- Fee paying car parks
- Structures bridges, watercourses etc
- CCTV infrastructure

\*These 2 assets are now surplus following completion and hand over of Jubilee 2 in December 2011.

### **Commercial Assets**

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 include (list not exhaustive):-  
Commercial land and property, leased/rented to other parties and generating income which include:

- Town Centre Retail Premises
- Industrial Units
- Offices
- Keele Golf Centre
- Ground Leases including the multiplex cinema
- Market
- Town Centre Car Parks
- Former Sainsbury's supermarket (owned in conjunction with Staffordshire Council for regeneration purposes)

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

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**

### **5.1 ASSET REVIEWS**

Any responsible organisation will continuously challenge its use of resources, and the Authority has instituted a programme of reviews of its operational property portfolio, which is used to deliver services.

Property can be expensive drain on both capital and revenue budgets, and is slow to change. It is essential that the organisation has the right type of premises in the right locations, and 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.

#### **Strategic Housing Land Availability Assessment and Local Plan**

On the 16 October, 2013 the Council resolved to suspend work on the Site Allocations and Policies Local Plan (Plan). This decision took into consideration a number of serious issues which had arisen in relation to the 'soundness' of the plan making process. A key issue was the evidence in the Council's Strategic Housing Land Availability Assessment (SHLAA), which indicated that there was an insufficient supply of identified, available and deliverable sites to build enough new homes to meet the Core Strategy target of 5,700 dwellings by 2026. Furthermore, there was a shortage of commercially attractive and viable employment sites. As a consequence it would not be possible to implement or deliver the objectives of the adopted Core Strategy.

A report will be considered by the Council's Cabinet on the 11th December seeking a resolution to formally withdraw the Site Allocations and Policies Local Plan and to proceed to prepare a joint full Local Plan in partnership with Stoke-on-Trent City Council. If it is agreed to collaborate with Stoke-on-Trent City Council the process of preparing and adopting the joint Local Plan could take between 3 - 5 years.

The SHLAA will continue to be updated and will be used to inform and contribute to the background evidence for the joint Local Plan. The purpose of the SHLAA is to help identify land suitable and available to meet future housing requirements

#### **Surplus Assets Disposal Programme and Consultation**

Each year operational managers are challenged to ensure that any underutilised/surplus space is identified and where appropriate allocated for disposal. Disposals in 2012/13 included the sale of a former plant nursery site at Clough Hall Kidsgrove and retail premises which required significant expenditure on the structure of the building.

A Green Space Audit and Strategy was undertaken in 2007 which identified those sites which are key to providing for the needs of the community and also those which are not required to meet the adopted local standards for green space.

An assessment of all Council owned land has taken place to identify land that is considered to have a better alternative use. These sites fall into one of the following categories:

- Brownfield sites.
- Green 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.
- Sites identified in the Green Space Strategy which form a small part of a larger site and the removal of which would not impact on the green space.

The sites are listed in Appendix 1. They are potential residential development sites. Approval is being sought, through the Asset Management Strategy, to explore options for the alternative use of these sites in order to contribute towards the funding of the work/schemes identified in the Capital Strategy/Capital Programme to assist the Council in achieving its corporate and service objectives.

The informal views of the Planning Service have also been taken into consideration.

The capital receipts generated from any disposal of these assets would fund the works/schemes identified in the Capital Strategy 2014/17 and the Capital Programme which in turn assists the Council in achieving its corporate and service objectives.

In addition the releasing of these sites for residential development will go some way to reducing the shortage in the 5 year housing supply.

It is estimated (subject to planning permission being granted and to the sites selling at open market value) that the capital receipts likely to be generated in respect of the sites listed in Appendix 1 for 2014/15 is circa £700,000 and 2015/17 is circa £7.4m.

Finally, within the Appendix 1 is a list of sites which it is proposed be offered to Registered Housing Providers to redevelop.

A detailed scrutiny process was undertaken during 2011 in respect of proposals to dispose of surplus land. The Overview and Scrutiny Committee report made a number of recommendations as to the way the disposal programme was dealt with, in particular with respect to public consultation. The Council's Cabinet has taken these

recommendations into account and resolved that the Asset Management Strategy will be amended to reflect these recommendations (see Appendices 2).

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.

### **Staffordshire Strategic Property Review**

Staffordshire County Council invited all District Councils across the County, along with Stoke-on-Trent City Council and other public bodies including the NHS and the Police to participate in a project to review the public sector estate within Staffordshire.

The project had the following two main objectives:

- Comprehensive identification of the Public Sector Estate across Staffordshire
- Analysis of the information to promote the most effective and efficient use of the combined assets.

External consultants were engaged to co-ordinate/manage the project. The report to identify the findings of this project was published in February 2012. One of the primary aims of the review was to identify specific rationalisation opportunities. There were three joint development opportunities identified within Newcastle Borough which are now the subject of joint delivery arrangements to take the schemes forward. These are:

- The rationalisation of the office estate within the Newcastle area
- Newcastle Town Centre redevelopment (Ryecroft, the former Sainsburys and the Civic Offices sites)
- Knutton urban village (site of the former Knutton Recreation Centre and adjacent land and buildings)

### **Car Parks**

In view of the Council's aspirations for strengthening the Town Centre economy it will be important to keep these car parks under review with a view to either optimising their use or to facilitate regeneration.

### **Commercial Portfolio (income generation)**

The commercial portfolio (including the Market) in 2012/13 generated a gross income circa £1.1 million and provides business accommodation for over 200 small to medium sized businesses.

### **Community Centres Review**

The Council's Cabinet has agreed to the establishment of a dedicated Community Centre commissioning and capacity building team to review and modernise community centre provision; there are currently 15 such centres with the Borough.

The aim is to develop options for the long term sustainability and management of the Community Centres in partnership with the community and voluntary sector and by April 2014 to review the management arrangements linked to these options and implement the proposals.

## **5.2 PARTNERSHIP AND COLLABORATIVE WORKING**

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

Staffordshire County Council is working in conjunction with Newcastle Borough Council and the other District Authorities to develop an intranet database which holds the land ownership details of all the Councils and other public bodies such as Police and Fire Authority etc.

### **Regeneration**

The Authority has worked with various public sector partners to bring about the regeneration of various sites throughout the Borough. Examples of this include the regeneration of a redundant industrial site on Lower Milehouse Lane, Newcastle which has had a catalytic effect on the wider area, along with investment in a number of housing-led initiatives in the wider area.

### **Newcastle Town Centre Redevelopment**

In 2011 the Borough Council in partnership with Staffordshire County Council purchased the former Sainsbury's 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. The potential development site includes the current Civic Offices. The Borough Council at its meeting on 27<sup>th</sup> November 2013 approved the following:

- The commissioning of the demolition of the former Sainsbury's property.
- The commencement of formal marketing of the Ryecroft site. Consultants have been appointed to undertake this work.

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

The Borough Council is working in partnership with Staffordshire County Council to bring about the following improvements to the Town Centre:

- A new taxi rank has been created by the Queens Gardens on the Ironmarket and the disabled parking has been modernised.

- A new bus lane has been created on Barracks Road and the bus station has been re-aligned to take buses out of Hassell Street
- A daytime taxi rank has been created in lower High Street .
- The market will be realigned to follow the pedestrian flow in the Town Centre with new stalls in place by Easter 2014

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

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

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 Community Assets**

- 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

## **5.3 Funding and Investment Strategy**

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 which is aligned with communities needs and requirements.

## 6.0 ARRANGEMENTS FOR ASSET MANAGEMENT PLANNING

### 6.1 CORPORATE MANAGEMENT STRUCTURE REGARDING ASSET MANAGEMENT

The diagram at Appendix 4 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**

Asset Management falls within the portfolio of the Cabinet member with responsibility for Planning, Regeneration and Town Centres Development.

#### **Corporate Property Officer**

The Corporate Property Officer (CPO) is the Head of Assets who reports directly to the Executive Director of Regeneration and Development (a member of the Executive Management Team).

#### **Assets Review Group**

The Assets Review Group is chaired by the Executive Director of Regeneration and Development with the CPO as Vice Chair, and meets once every three months (or more frequently if required). The overall objective of the Group is to review the performance of and provide strategic management for, the Authority's portfolio.

#### **Capital Programme Review Group**

The Capital Programme Review Group (CPRG) meets monthly and is chaired by the Executive Director (Resources and Support Services), with the CPO as Vice Chair. This group controls capital expenditure.

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.

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).

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.

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).

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**

The Head of Assets 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.

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

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.

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.

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.

## **6.3 HEALTH AND SAFETY**

In 2010 the Council purchased a computerised health and safety system (BS Target 100). This system along with the CAPS 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.

**Land and Property Disposals - Approved and ongoing 2014**

| SHLAA No | Address                           | Site Area acres | Site Area (Ha) | Position Statement  | Site to Market |
|----------|-----------------------------------|-----------------|----------------|---|----------------|
|          | Plot D Apedale Road<br>Chesterton | 4.5             | 1.82           | Land is being marketed for industrial development purposes. No interest at present time.  |                |
|          | Lyme Valley Road Newcastle        | 0.26            | 0.1            | Former playground site which is currently being marketed for commercial uses and investigations ongoing re possible residential use. Current market interest.   | 2014/15        |
|          | Former Jubilee Baths              |                 |                | Terms agreed for disposal for commercial/residential purposes subject to planning permission  | 2014/15        |
|          | Silverdale Road Newcastle         | 1.38            | 0.56           | 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. |                |
|          |                                   |                 |                |   |                |

**Land and Property Disposals to Facilitate Regeneration objectives – Approved and ongoing 2014**

|  |  |      |      |  |  |
|--|--|------|------|--|--|
|  | Former St Giles and St Georges School Newcastle  |      |      | The site is the preferred location for the new civic hub subject to the outcome of the redevelopment of the current Civic Offices and the former Sainsbury's site.   |  |
|  | Former Sainsbury's Supermarket, Liverpool Road and Civic Offices Merrial Street, Newcastle | 6.4  | 2.59 | The Borough Council have entered into a Joint Venture Agreement with Staffordshire County Council and purchased the former Sainsbury's supermarket, in order to assemble a site for a comprehensive retail led scheme of development. Specialist retail consultants, Cushman & Wakefield have been appointed to find a development partner |  |
|  | High Street Knutton,<br>(Recreation Centre site)   | 5.31 | 2.15 | The disposal of this site has been approved. Site specific constraints to be overcome prior to formal marketing  |  |



| <b>Land and Property Disposals - Under investigation and subject to approval</b>   |                            |                        |                       |   |                       |
|--|----------------------------|------------------------|-----------------------|---|-----------------------|
| <b>2014/2015 - Anticipated Disposal Date</b>                                       |                            |                        |                       |   |                       |
| <b>All the sites listed below are to be considered for residential development</b> |                            |                        |                       |   |                       |
| <b>SHLAA No 2012/13</b>  | <b>Address</b>             | <b>Site Area acres</b> | <b>Site Area (Ha)</b> | <b>Current Situation/Position</b>   | <b>Site to Market</b> |
| 116D   | Riley's Way Bignall End    | 0.38                   | 0.15                  | grassed area within village envelope not in Green Space Strategy. Footpath to be retained   | 2014/15               |
|  | Gloucester Road, Kidsgrove | 0.41                   | 0.17                  | disused garage site within urban area, not in Green Space Strategy  | 2014/15               |
| 128  | Bower End Lane, Madeley    | 0.94                   | 0.38                  | Former depot site outside but attached 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. | 2014/15               |
| 131  | 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 and it is separated from the Recreation Ground by a watercourse.                                | 2014/15               |
| <b>2015/2017 - Anticipated Disposal Date</b>                                       |                            |                        |                       |   |                       |
| 413  | St Edmunds Ave, Porthill   | 0.59                   | 0.24                  | Abandoned playground within the urban area and not in the Green Space strategy  | 2014/15               |

Classification: NULBC UNCLASSIFIED Organisational

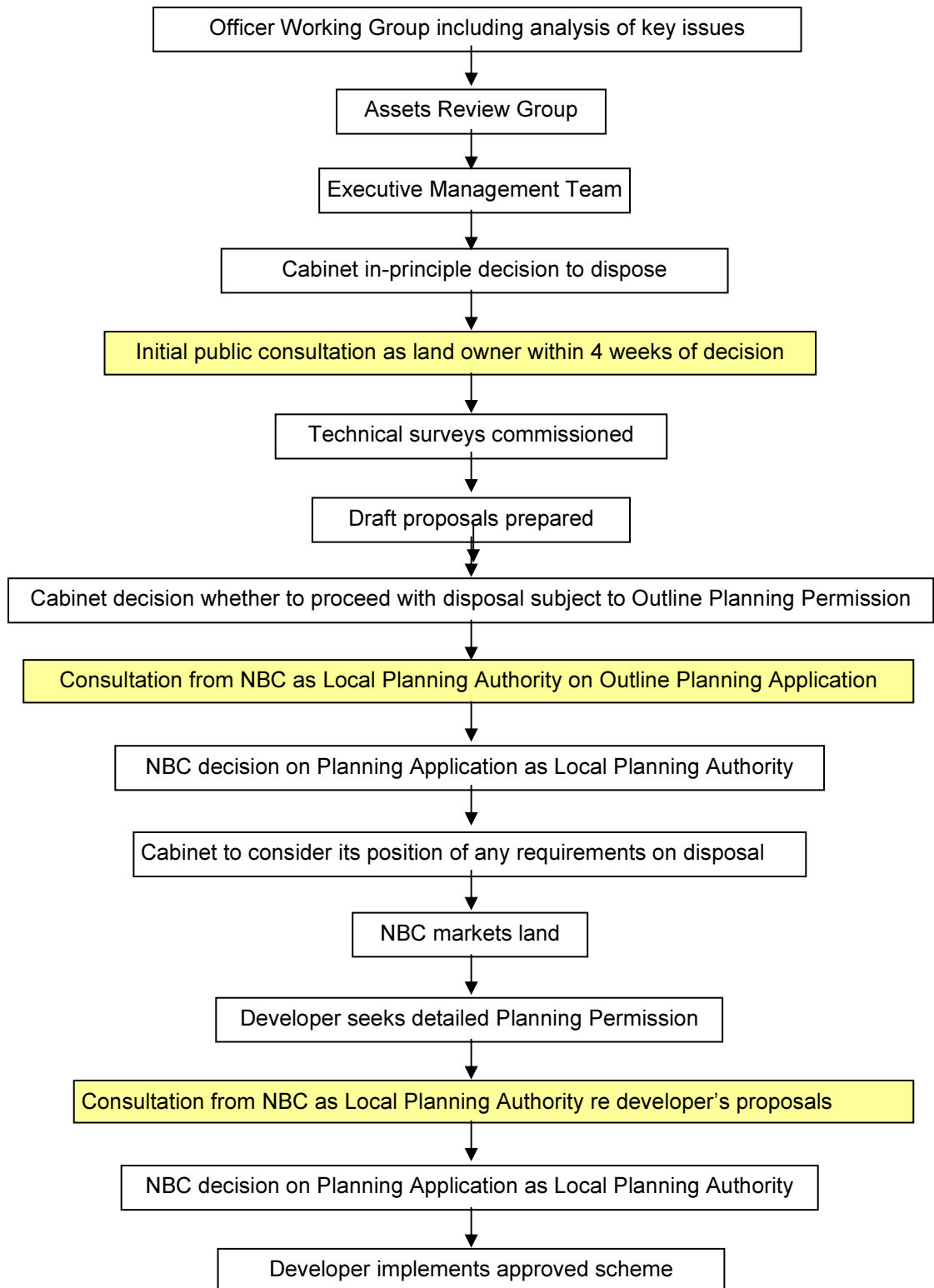
|     |  |       |      |  |         |
|-----|--|-------|------|--|---------|
| 282 | Sandy Lane/Brampton Road,<br>May Bank            | 2.22  | 0.90 | grassed area within Conservation area and urban area. The Green Space Strategy identifies this land as a site where its use / maintenance regime should be considered i.e site is considered to have a better alternative use.   | 2014/15 |
| 307 | Church Lane, Knutton                             | 1.63  | 0.66 | grassed area within the 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  | 2014/15 |
|     | Wedgwood Ave Westlands<br>(adj Community Centre) | 0.27  | 0.11 | Currently part of the car park of the Community Centre within urban area. Identified in Green Space Strategy as part of the Westlands tennis ground but this area is not currently utilised for sport. Any disposal would be subject to a car parking survey.                | 2015/16 |
| 97  | Market Drayton Road,<br>Loggerheads              | 11.50 |      | grassed area adjacent to the village envelope and not in Green Space Strategy. Currently let on farm business tenancy.   | 2014/15 |
| 111 | Eccleshall Road,<br>Loggerheads                  | 5.56  |      | grassed area close to the village envelope and not in Green Space Strategy. Currently let on grazing licence.  | 2014/15 |
| 247 | Gallowstree Lane, Westlands                      | 0.71  | 0.29 | grassed area with footpath in urban area. In Green Space Strategy but has little to contribute to the main parkway therefore disposal could be considered from green space perspective. Footpath to be retained.   | 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 therefore disposal could be considered from green space perspective if contribution was made to improve quality of other green space to mitigate loss. | 2015/16 |
|     |  |       |      |  |         |

Classification: NULBC UNCLASSIFIED Organisational

| <b>Sites to be offered to Registered Housing Providers</b> |                             |      |      |  |  |
|--|-----------------------------|------|------|--|--|
|  | Kinnersley Street Kidsgrove | 1.61 | 0.65 | grassed area within urban area and not in Green Space Strategy   |  |
| 308  | Cotswold Ave, Knutton       | 0.67 | 0.27 | 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 |  |
|  | Heathcote Street Kidsgrove  | 0.73 | 0.30 | Currently used for informal car parking within urban area and not in Green Space Strategy.   |  |
|  |                             |      |      |  |  |

**APPENDIX 2**

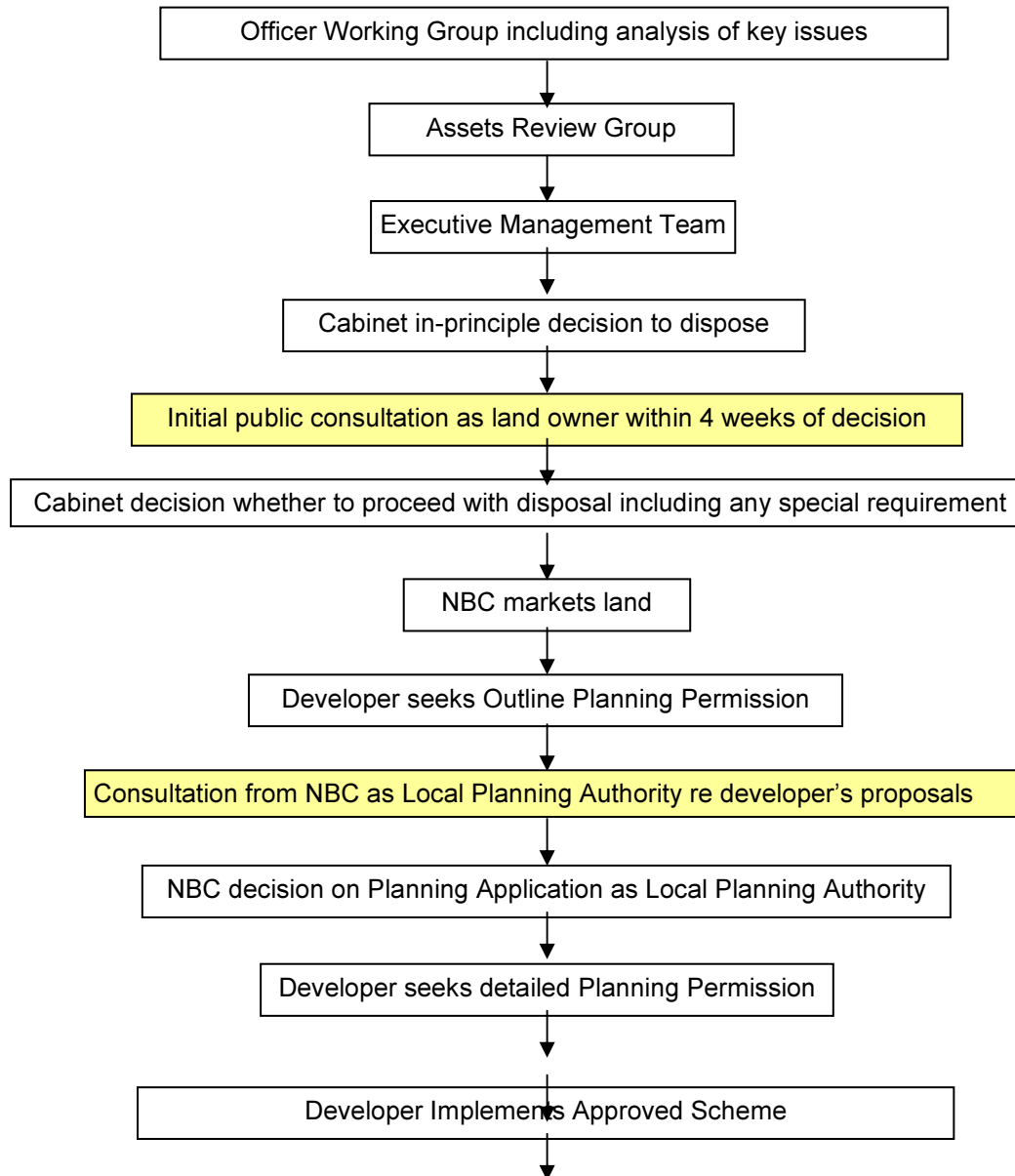
**Typical consultation approach in cases where unclear planning policy and Newcastle Borough Council seeking Planning Permission prior to disposal**



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

**APPENDIX 2**

**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.**

| <b>Structure Inventory</b> |  |
|----------------------------|--|
| <b>SITE</b>                | <b>FEATURE</b>   |
|                            |  |
| Audley F.C.                | Wall around tennis courts  |
| Audley Walkway             | Bridges ( I understand they are not highways) - retaining walls (various)  |
| Basford Allotments         | Toilets - Association shed   |
| Bateswood                  | Bridge off Red Hall Lane - mining memorials - retaining walls  |
| Bathpool Park              | Retaining wall at bottom of ski slope - Pump house and covered reservoir - overflow chamber - bridges over railway (?)                     |
| Bear Pit                   | Retaining walls - Wall under railing   |
| Birchenwood                | Pavilion - external wall facing Kidsgrove Bank - wall by car park outside pavilion & bowling greens  |
| Birchenwood                | Retaining wall facing Ravenscliffe Road  |
| Bradwell Crem              | Machinery shed ( leased to Glendale?) - Walls around the Shed yard - other buildings such as Chapel etc                                    |
| Bradwell Park              | Bowls pavilion - Old Toilet Building - Retaining Walls round Tennis Court - Retaining Walls at boundary of Park and top of Porthill Bank - |
|                            | Retaining Walls and bed structures at Car Park entrance and exit   |

|                             |  |
|-----------------------------|--|
| Brampton Park               | Aviary - stone wall - railway building - bandstand - rear wall (Granville Ave entrance)  |
| Chesterton Cemetery         | Small mess room / toilet   |
| Chesterton Park             | Pavilion (s) - Garage - Icehouse - retaining wall to Castle street retaining walls inside site   |
| Church Lane Knutton         | Retaining wall at bottom of bank   |
| Clayton Road                | Retaining wall (below Three Parks path)  |
| Clough Hall Park            | Pavilions - retaining wall by path between Pavilions - bridge over streamway - walls around bowling greens - wall by car park edging streamway - brick gates supports by castle street - Miners memorial |
| First Avenue                | Retaining wall in wooded area opp Boathorse Road   |
| Guernsey Drive (open space) | Bridge - Culvert   |
| Holy Trinity Churchyard     | Retaining wall facing Church Walk  |
| Kids Wood                   | Retaining wall facing The Avenue   |
| Kidsgrove Loop Line         | Railway tunnel - retaining walls along loop line - bridge  |
| Lyme Valley                 | Bridges (x2) - Entrance pillars (Buckmaster Ave)   |
| Lymewood Grove              | Retaining wall by woodland   |
| Madeley Heath               | War memorial   |
| Nelson Place                | Fountains  |
| Newcastle Cemetery          | Office - Toilets - Chapel - War Memorial - Mess/Store rooms - Entrance wall  |

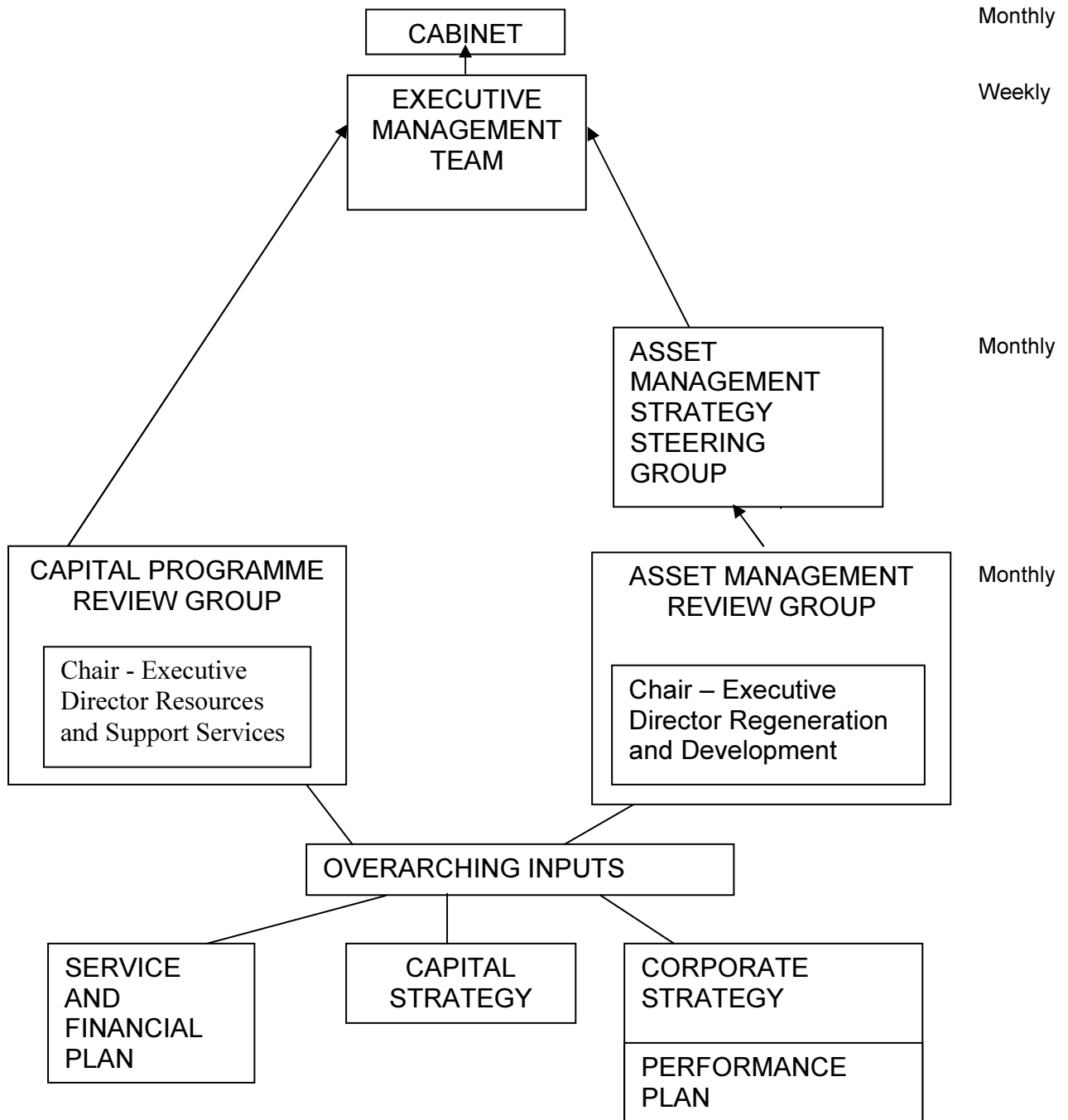
|                                   |   |
|-----------------------------------|---|
| Nelson Place                      | Fountains   |
| Newcastle Cemetery                | Office - Toilets - Chapel - War Memorial - Mess/Store rooms - Entrance wall |
| Pool Dam Marshes                  | Bridges (x3)  |
| Priory Road                       | Retaining walls   |
| Queen Elizabeth Park              | Pavilion  |
| Queens Gardens                    | Statue - Bandstand - Fence Pillars  |
| Roe Lane                          | Changing rooms - garage / mess room - CRS garage                            |
| Silverdale Cemetery               | Toilets Block   |
| Silverdale Mill Street            | Mining Memorial statue  |
| Silverdale Park                   | Main pavilion - Old Garage building   |
| St Georges Church                 | Retaining walls   |
| St Giles Church                   | Retaining walls   |
| St James Churchyard, Audley       | External wall to front - Walls to rear                                      |
| St Mary's Church                  | Retaining walls   |
| St Thomas's Churchyard, Kidsgrove | Wall by Woodside Avenue - walls inside & external to site                   |
| St Thomas's Churchyard, Mow Cop   | Retaining walls   |



|  |   |
|--|---|
| Station Walks                              | Retaining wall - Entrance wall - tunnel         |
| Stubbs Walks                               | Retaining wall(playground)                      |
| Tadgedale / Chestnut Rd o.s. (Loggerheads) | Bridges(x2) - Culvert                           |
| The Avenue                                 | Wall on perimeter                               |
| Thisleberry Parkway                        | Bridges (x2) - Culvert - wall (adj Keele road)  |
| Three Parks                                | Wall-(near Cemetery entrance)                   |
| Town Centre                                | Brick Planters(?) - War memorial - Market cross |
| Townfields Close                           | Retaining walls by entrance                     |
| Westbury Park o.s.                         | Bridges (x2)                                    |
| Westcliffe Avenue                          | Culvert   |
| Westlands Sports Ground                    | Main pavilion - bowls pavilion - retaining wall |
| Wolstanton Park                            | Bowls pavilion - Small bowls shed               |

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

Appendix 4



## **Capital Strategy**

**Submitted by:** Head of Finance

**Portfolio:** Finance and Resources

**Wards Affected:** All

### **Purpose**

To consider the Capital Strategy 2014 to 2017.

### **Recommendations**

- 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 16 January 2013 and Full Council on 27 February 2013. It covered the period 2013 to 2016. 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 2014 to 2017. It will serve as a useful point of reference when determining or reviewing the Council's Capital Programme.

## **2. Issues**

- 2.1 The 2014 to 2017 Capital Strategy is appended to this report at Appendix 1. It has already been considered by the Transformation and Resources Overview and Scrutiny Committee at their meeting on 6 November 2013.
- 2.2 Following consideration by Cabinet the Strategy will be submitted to Council on 26 February 2014 for approval, incorporating any amendments which you may wish to make.
- 2.3 The principles set out in the Capital Strategy 2014 to 2017 are largely unchanged from the previous Strategy. However, some changes have been made to Section 5 (resources available to finance capital investment) and Section 11 (future capital programme). These are to reflect the current financial situation at the Council, which has seen a decline in resources available for capital investment since the previous Strategy was produced, although it should be noted that the previous Strategy

predicted that this would occur. There are also changes to Section 1 (Introduction) and Section 4 (external influences, partners and consultation with stakeholders).

2.4 The main changes are summarised below, referenced to the paragraph number concerned:

1.2. The current Capital Programme amounts have been included. The approved Capital Programme over two years is £7,963,400 with £2,458,200 programmed for 2013/14. The revised 2013/14 Programme is £5,352,500. The corresponding amounts in the previous Strategy were: £18,480,800, £4,457,200 (2012/13) and £5,418,300 (revised 2012/13).

6.2. The amount of usable capital receipts in hand at 1 April 2013 is £2.7m compared to £2.4m at 1 April 2012

6.5. The balance on the ICT Development Fund at 1 April 2013 is £0.5m compared to £0.7m at 1 April 2012. The inclusion of £0.05m in the Medium Term Financial Strategy 2014/15 to allow annual contributions to top-up the Fund is also referred to. The balance on the New Initiatives Fund at 1 April 2013 is unchanged compared to 1 April 2012.

A number of additional items have been included, as follows:

- A new Section 3 setting out the drivers for the capital programme.
- Two charts are now included at 6.3 and 6.4 to show the pattern of Right to Buy and Capital Receipts over the past seven years.
- 10.6. An additional paragraph, which refers to government proposals to permit capital receipts to be used to finance revenue expenditure.
- Two charts are now included at 12.2 to show the fleet replacement profile over the next four years and possible building maintenance costs over the next three years.

The following have been deleted:

- Paragraph 6.5. Reference to the Large Scale Voluntary Transfer Capital Fund (LSVT Capital Fund) as this is now exhausted.

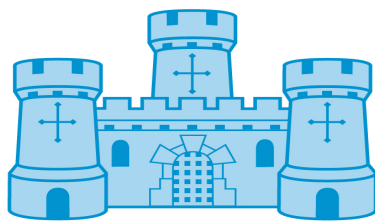
### **3. Financial and Resource Implications**

3.1 There are none deriving directly from the Strategy.

### **4. Appendices**

Appendix 1: Capital Strategy 2014 to 2017.

# **CAPITAL STRATEGY 2014 to 2017**



**NEWCASTLE  
UNDER LYME  
BOROUGH COUNCIL**

## CONTENTS

1. INTRODUCTION

2. KEY OBJECTIVES AND PRIORITIES

3. DRIVERS FOR THE CAPITAL PROGRAMME

4. LINKS WITH OTHER STRATEGIES, POLICIES AND PLANS

5. EXTERNAL INFLUENCES, PARTNERS AND CONSULTATION WITH STAKEHOLDERS

6. RESOURCES AVAILABLE TO FINANCE CAPITAL INVESTMENT

7. REVENUE IMPLICATIONS

8. APPRAISAL OF INVESTMENT PROPOSALS

9. MONITORING ARRANGEMENTS AND PROJECT MANAGEMENT

10. STATUTORY FRAMEWORK

11. PROCUREMENT

12. FUTURE CAPITAL PROGRAMME

## 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 27 February 2013. This programme provides for £7,963,400 of investment over the two-year period in projects across all of the Council's priority areas, of which £2,458,200 was programmed to be spent in 2013/14. Since then, programmed expenditure for 2013/14 has been reviewed, resulting in a revised 2013/14 outturn figure of £5,352,500 being agreed. This takes account of slippage coming forward from 2012/13. and is summarised below, showing the constituent categories of projects:

| Project Categories                                  | Planned Expenditure £m |
|---|------------------------|
| Regeneration, Planning and Town Centres Development | 1.02                   |
| Housing Related Projects                            | 1.84                   |
| Safer Communities                                   | 0.04                   |
| Culture and Leisure                                 | 1.33                   |
| Environment and Recycling                           | 0.13                   |
| Operational Equipment                               | 0.67                   |
| ICT Development Fund                                | 0.22                   |
| General Projects                                    | 0.1                    |
| Total   | 5.35                   |

- 1.3 Full Council will consider a capital programme to continue investment beyond 2013/14 on 26 February 2014.
- 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, 2012/13 to 2013/14. This included only £0.615m of new projects in 2013/14 funded from the Council's own resources, all of which were essential to maintain operational continuity.

## 2. KEY OBJECTIVES AND PRIORITIES

2.1 The Council's Priorities contained in its (2013/14 to 2015/16) 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 Regular reviews of the property portfolio will be carried out by the Assets Review Group, chaired by the Executive Director (Regeneration and Development). This action has identified 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. However, because of the currently poor market conditions arising from the economic downturn it is unlikely that significant sales will take place in the short term, both because of lack of demand and the need to obtain the best sale price.

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. DRIVERS FOR 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:

| INTERNAL  | EXTERNAL  |
|---|---|
| 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 (emerging)                                |
| 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 Capital investment proposals are contained in the Service and Financial Plans produced as part of the annual budget cycle. Some of these proposals may be included in the Capital Programme.
- 4.5 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.
- 4.6 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.
- 4.7 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.
- 4.8 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 largely consists of grant payments to partially meet the cost of disabled facilities grants payable to eligible applicants.
- 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.

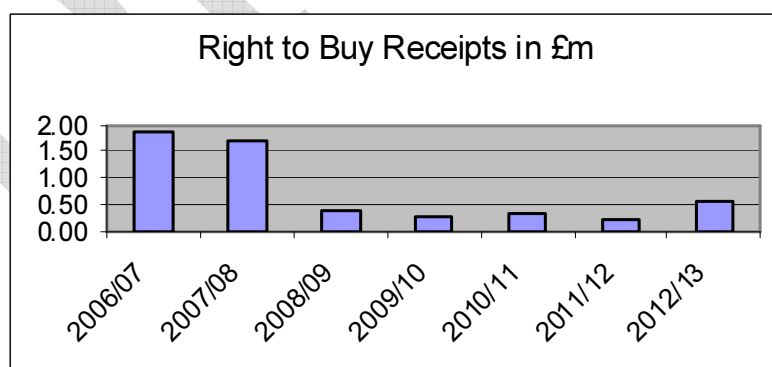
| INTERNAL                          | EXTERNAL                                 |
|-----------------------------------|--|
| Capital Receipts in Hand          | Government Grants                        |
| Reserves                          | Other Grants, e.g. Heritage Lottery Fund |
| Contribution from 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

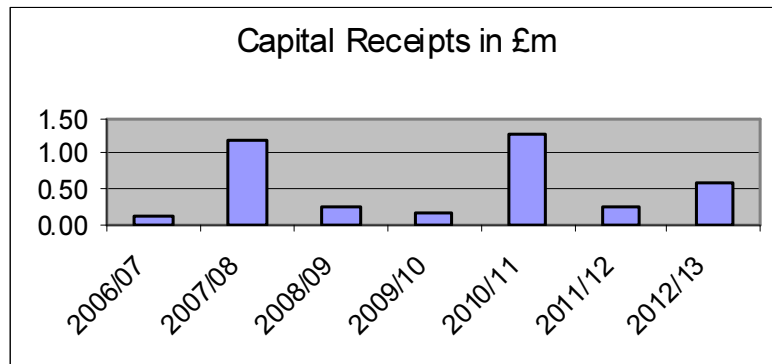
More details of these funding sources are given in the following paragraphs.

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 2013 was £2.7m. 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, 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 is continuing 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 Reserves currently held which are available to finance capital investment are as follows:

- ICT Development Fund
- New Initiatives Fund

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 2013 was £0.5m. This balance is fully committed to financing projects included in the current ICT Development Programme plus certain ongoing revenue costs. Accordingly, the Medium Term Financial Strategy 2014/15 to 2018/19 provides for annual contributions of £0.05m to be made to the Fund commencing in 2014/15 in order to replenish it.

The New Initiatives Fund's purpose is to finance new initiatives, both capital and revenue, not currently provided for in the Council's budgets. The balance on the Fund at 1 April 2013 was £0.1m, all of which will be required to meet the cost of ongoing revenue account initiatives or earmarked for covering costs which may arise if the Council suffers the loss of its exempt VAT status for a period.

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 less than 1.0% (rates available in the market currently pay a premium of up to an additional 0.5% above the base rate of 0.5%), every £100,000 of such capital receipts or reserve balances used will cost £1,000 to the revenue account on an ongoing basis. The use of capital receipts and reserves to finance the Capital Programme 2012/13 to 2013/14 was taken account of in the Medium Term Financial Strategy and in the 2013/14 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, the Council apply New Homes Bonus grant in a 50/50 proportion, half in support of the revenue budget and half to finance housing capital projects included in the housing investment element of the capital programme, in accordance with the 2013/14 budget report considered by Full Council on 27 February 2013.

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 2013/14, approved by Council on 27 February 2013, 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.
- 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 the Benefits Management Model process, whereby a business case will be made out for the proposal based on whole life costing, its fit with corporate priorities will be demonstrated, outcomes detailed, and project milestones set out. The process will consider the availability of resources to fund the project 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. Monitoring will also take place as part of the Benefits Management Model process, whereby reports will be completed for any projects which deviate from planned progress.

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.

10.6 The government is consulting authorities on proposals to permit capital receipts to be used to finance certain classes of revenue expenditure, in particular where these are related to the cost of restructuring and reforming services in order to make longer term savings. Given the Council's present shortage of capital receipts it is unlikely that this option will be deployed.

## **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.

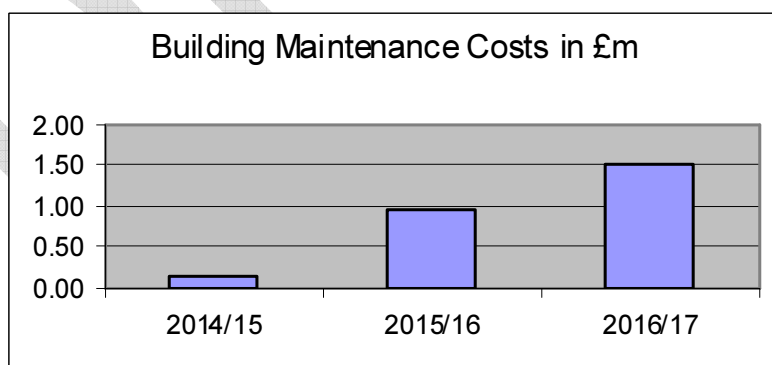
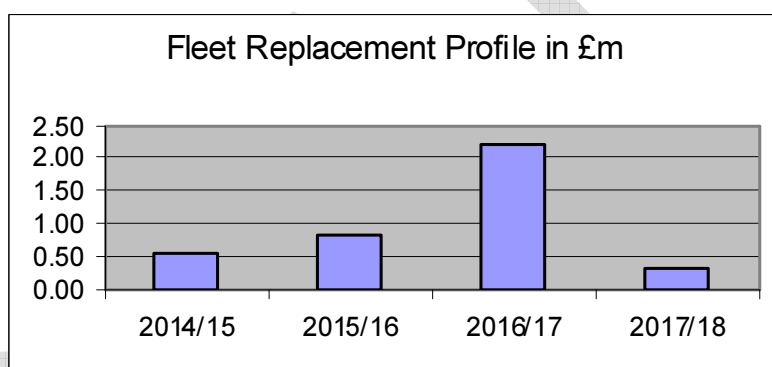
11.3 Standing Orders relating to contracts will apply to all contracts proposed to be let in relation to capital projects, together with Financial Regulations and the provisions of the Council's scheme of Delegation.

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.

## 12.0 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 may 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; officers are in the process of refreshing the stock condition surveys to 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 Funding for additional projects not essential to operational continuity will depend on capital receipts from asset sales. Appendices to the Asset Management Strategy 2013-2016 set out the assets which will be available for disposal during this period and the

arrangements to be adopted for public consultation concerning their disposal. Additionally, the appendices indicate a larger number of potential assets for disposal towards and beyond the end of the said strategy. It is intended that the planning merits of those assets be determined during the preparation of the Council's next Local Plan.

12.4 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.

12.5 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.

12.6 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.

12.7 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 will be insufficient resources available to fund all of these requirements for several years. 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.

**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.

This page is intentionally left blank

## 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 2014.

### **Recommendations**

**(a) That the fees and charges proposed to apply from 1 April 2014, as set out in Appendix 1 be approved and be submitted to the Transformation and Resources Overview and 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 and to establish the amounts to be included in the 2014/15 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 2014 and remain in force until 31 March 2015.
- 1.2 The Council has an approved Charging Policy, which is followed when fees and charges are proposed and agreed. This sets out the criteria that should be taken into consideration when determining the amounts to be charged.

## **2. Issues**

- 2.1 The preparation of the 2014/15 budget assumes an overall 2.0% increase in the amount of income raised from fees and charges in 2014/15 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. The proposals have been drawn up taking account of this requirement. However, this does not mean that each charge has been increased by 2.0%, rather that charges have been amended selectively in order to achieve the desired increase in income, a great number of charges are, in fact, recommended to be frozen at their current levels.
- 2.2 Most of the fees and charges are inclusive of VAT but in some cases no VAT is chargeable. The VAT status of individual fees and charges is shown on the attached schedule, Appendix 1.
- 2.3 When considering the level of fees and charges the principles contained in the Charging Policy should be followed. In drawing up the proposed charges for 2014/15 these have been considered and evidenced by the completion of a simple pro-forma

document indicating the answers to a series of questions linked to the Charging Policy principles, principally in relation to those set out below:

- The income which is being collected at current charging levels and whether this is in line with budget forecasts
- The cost of service provision compared to the charges being made
- The use being made of the service, including by classes of user, and whether this shows they are using the service to the extent intended or if any are being deterred from using it
- Whether concessions are being taken up by the people at whom they are targeted
- The impact of charges on local people
- Where the charges are set to either encourage or deter activity, whether this is happening
- Comparisons with charges being made by neighbouring or similar councils or by other organisations providing similar services

2.4 It is perfectly 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 young people or the unemployed, or to encourage particular forms of behaviour by charging less than cost. However, 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 are shown in full, for reference, at Appendix 2.

2.5 The Scale of Fees and Charges at Appendix 1 shows the current and proposed fees for 2014/15 and indicates those which have been frozen at current levels.

2.6 There are a number of new charges proposed for 2014/15 whilst some charges previously made are proposed for deletion. The tables below set out the more significant of these changes.

### **New Charges**

| Description of Charge  | Proposed Fee/Charge 2014/15 |
|--|-----------------------------|
|  | £ p                         |
| <b>CEMETERIES AND CREMATORIUM</b>  |                             |
| Memorial Benches - Maintenance By Request (Cleaning & Staining)              | 150.00                      |
| Cremation Fees - 16 years and over 9.20 a.m. service time only               | 400.00                      |
| Crematorium - Use of TV for DVD photographs or 3-5 min films during services | 20.00                       |
| Entries in Book of Remembrance instead of standard charge per line (£26.00)  |                             |
| 4 lines  | 90.00                       |
| 5 lines  | 116.00                      |
| 6 lines  | 142.00                      |
| 7 lines  | 168.00                      |
| 8 lines  | 194.00                      |
| <b>ENVIRONMENTAL HEALTH</b>  |                             |
| Fixed Penalty Notice - Failure to comply with a dog control order            |                             |

|  |        |
|--|--------|
| Reduced penalty if paid within 10 days                                     | 50.00  |
| Payable within 14 days   | 75.00  |
| Noise monitoring service for housing providers                             | 200.00 |
| <b>Environmental Health Licences</b>                                       |        |
| Zoo - first licence  | 550.00 |
| Zoo - renewal  | 550.00 |
| <b>JUBILEE 2</b>   |        |
| Climbing Courses - Juniors under 18: 6 x 45 min sessions                   | 30.00  |
| Climbing Courses - Adults: 3 x 45 min sessions                             | 24.00  |
| ClubLyme Membership Charges:   |        |
| Three day pass, week gym pass  | 9.00   |
| If joined in week get reduced registration                                 | 11.00  |
| Young Persons Membership - Off Peak 6 mth minimum contract                 | 15.00  |
| Health Check 4 per year (pay and play usage)                               | 10.00  |
| Studio Classes Adult - Off Peak  | 3.70   |
| <b>TENNIS CLASS A (WESTLANDS, WOLSTANTON)</b>                              |        |
| Summer junior ticket August only per person                                | 15.00  |
| Monthly ticket adult   | 25.00  |
| Monthly ticket junior/60+  | 20.00  |
| <b>LICENCES</b>  |        |
| Scrap metal dealer site licence  | 200.00 |
| Scrap metal dealer collectors licence                                      | 200.00 |
| Private Hire/Hackney Carriage  |        |
| DBS (CRB)  | 44.00  |
| Retest   | 33.00  |
| <b>PEST CONTROL</b>  |        |
| Treatment of rats (domestic properties) prepayment by card, cheque or cash | 30.00  |
| Treatment of rats (domestic properties) payment by invoice                 | 48.00  |
| Works in default - first hour (invoiced at end of treatment)               | 83.00  |
| Works in default per additional 1/4 hour (invoiced at end of treatment)    | 20.00  |

The majority of the new charges are to be made where no charge was previously made for the service concerned. However, a number 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. Examples of the latter are the new charges proposed for books of remembrance and tennis.

In respect of Jubilee 2 a number of new charges are recommended together with a number of deletions. These are predominantly to encourage greater take up of certain activities following an evaluation of current user numbers and also to simplify certain pricing structures, e.g. in respect of the climbing wall.

### **Deleted Charges**

| Description of Charge         | Fee/Charge<br>2013/14<br>£.p |
|-------------------------------|------------------------------|
| <b>GARDEN WASTE RECYCLING</b> |                              |
| 80 litre sacks (roll of 10)   | 10.00                        |
| <b>JUBILEE 2</b>              |                              |
| Climbing:                     |                              |

|   |        |
|---|--------|
| Registration/Induction:   |        |
| Adult - Lyme Card   | 10.00  |
| Concession - Lyme Card  | 8.00   |
| Junior - Lyme Card  | 6.00   |
| Pay & Play Entry Fees:  |        |
| Adult Belay Only-Lyme Card  | 2.50   |
| Adult 30 Day Pass-Lyme Card   | 35.00  |
| Junior 30 Day Pass-Lyme Card  | 20.00  |
| Adult 12 Session Pass (pay for 10)-Lyme Card                          | 45.00  |
| Junior 12 Session Pass (pay for 10)-Lyme Card                         | 30.00  |
| Equipment Hire - Shoes - Lyme Card                                    | 3.00   |
| Instructed Activities: Have-a-Go Abseil session per descent Lyme Card | 1.00   |
| Instructed Sessions - Parties 90 mins - Up to 18                      | 180.00 |
| Instructed Groups - Up to 8   | 76.00  |
| Instructed Groups - Up to 16  | 152.00 |
| Instructed Groups - Up to 24  | 228.00 |
| Junior Clubs  |        |
| Limestones (Age 4-7) single visit                                     | 9.50   |
| Limestones (Age 4-7) Half term session (multiply by no.weeks)         | 8.00   |
| J2 Climb Team (age 7+) single visit                                   | 9.50   |
| J2 Climb Team (age 7+) (multiply by no.weeks)                         | 8.00   |
| R:Rock (Age 14+) single visit   | 9.50   |
| R:Rock (Age 14+) (multiply by no.weeks)                               | 8.00   |
| Beginners (3 x 45 mins)   | 30.00  |
| Partners in Climb (3 x 45 mins) (2 people)                            | 50.00  |
| Junior Course (3 x 45 mins)   | 5.00   |
| ClubLyme Membership Charges Adults - Studio Hire Tae Kwondo           | 20.00  |
| <b>PRIVATE SECTOR HOUSING</b>   |        |
| Fee to change or vary a house in multiple occupation licence          | 58.00  |
| <b>MUSEUM AND ART GALLERY</b>   |        |
| Reproduction prints of items in collection - 7"x 5"                   | 5.00   |
| Reproduction prints of items in collection - 8"x 6"                   | 7.50   |
| Reproduction prints of items in collection - 10"x 8"                  | 12.50  |
| Reproduction prints of items in collection - 12"x 10"                 | 17.50  |

- 2.7 The Council recognises the need to promote and maintain economic activity within its town and district centres. The provision of car parking facilities and the level of charges made for parking are factors which influence the number of visitors, particularly to Newcastle town centre. Accordingly, fees charged at all of the Council operated car parks available for use by visitors to Newcastle town centre are recommended to be frozen at their current levels.
- 2.8 Market stall charges have been reviewed in advance of the introduction of new stalls of a different design to the present ones. The basic charge for a stall has been fixed at £20.00. This compares to the current basic charge of £17.80. However, currently most stall holders pay an additional £3.45 in respect of extensions to the basic stall, making a total charge of £21.25. Once the new stalls are in use most will not require an extension, so will in fact see a reduction to the amount they pay. In a few cases an extension charge may still be payable so this charge remains for 2014/15 at its current rate of £3.45. The charges for stalls on Wednesdays have been reduced because attendance on this day has been significantly less than other days and lower charges



may encourage better take-up. Additionally, stallholders are offered discounted rates to encourage attendance during the winter months.

- 2.9 It is proposed to commence charging for the control of Rats. There is a separate report about this elsewhere on your agenda.
- 2.10 Appendix 3 sets out a report in relation to Pre-Planning Application Advice Fees. These were introduced for the first time in 2013/14. Cabinet requested information on the implementation of these charges, the feedback received and the impact of them.
- 2.11 Bus Station departure charges have been increased from 12p to 16p to cover the cost of supervision of activities at the bus station.
- 2.12 Some Leisure charges, applying at Jubilee 2, Kidsgrove Sports Centre and to Football Development are proposed to be based on “market forces”, rather than cost plus a percentage.
- 2.13 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. **Options Considered**

- 3.1 No price increase, increase in line with inflation or increase above inflation.

### 4. **Proposal**

- 4.1 To increase income from fees and charges for 2014/15 sufficiently to result in additional income in line with the assumptions in the Medium Term Financial Strategy (MTFS). This can be achieved by selectively varying individual charges, freezing some which are sensitive to customer demand and introducing some new charges.

### 5. **Reason for Preferred Solution**

- 5.1 Applying selective increases to fees and charges so that overall an increase in income equivalent to the 2.0% assumption contained in the MTFS will contribute to the delivery of a sustainable budget for 2014/15 and later years and should help to keep them in line with the cost of service provision.

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

- 6.1 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 fees are set in accordance with a statutory requirement to balance income with expenditure. All the other charges may be set by the Council in accordance with its Charging Policy.

### 7. **Equality Impact Assessment**

- 7.1 In compiling the proposed fees and charges for 2014/15, service managers have considered the differential impact, if any, upon users of Council services, for example between adults and young persons.

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

- 8.1 The approved levels of fees and charges will be incorporated in the General Fund Budget for 2014/15.
- 8.2 The Medium Term Financial Strategy (MTFS) assumes increased income of £96,000 in total from fees and charges, based on an average increase of 2.0 per cent across the existing range of fees and charges.
- 8.3 An assessment has been made of whether the application of the proposed fees and charges will achieve the amount of income assumed in the MTFS for 2014/15. Overall, it appears that this should happen but this depends upon the level of activity not reducing significantly in 2014/15 in relation to the major sources of income. As the last few years have shown, the current economic situation makes it difficult to predict with any degree of confidence what the likely trends in income will be.

9. **Major Risks**

- 9.1 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.

10. **Key Decision Information**

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

11. **Earlier Cabinet/Committee Resolutions**

- 11.1 Last reviewed at Cabinet meeting on 16 January 2013.

12. **List of Appendices**

Appendix 1 listing proposed charges from 1 April 2014.

Appendix 2 charging principles included in Charging Policy.

Appendix 3 Report in relation to Pre-Planning Application Fees

Appendix is 4 Restricted.

**Scale of Fees and Charges 2014/15****INDEX**

| <b>Type of Fee/Charge</b>              | <b>Page No's</b> |
|--|------------------|
| Allotments                             | 1                |
| Bulky Recycling Service                | 1                |
| Bus Departure Charges                  | 1                |
| Car Parks                              | 1-2              |
| Cemeteries                             | 2-3              |
| Crematorium                            | 3-4              |
| Circuses and Fairs                     | 4                |
| Copy Charges                           | 4                |
| Copyright Mapping                      | 4                |
| Covenant Consents                      | 4                |
| Data Protection                        | 4                |
| Dog Warden Service                     | 4                |
| Elections                              | 4-5              |
| Environmental Health                   | 5-8              |
| Garden Waste Recycling                 | 8                |
| Hire of Rooms                          | 8-9              |
| Land Charges                           | 9-10             |
| Lease Licences                         | 10               |
| Leisure Charges                        | 10-16            |
| Licences                               | 16-17            |
| Markets                                | 17               |
| M.O.T                                  | 17               |
| Museum and Art Gallery                 | 17-18            |
| Naming/Numbering of Streets/Properties | 18               |
| Pest Control                           | 18-19            |
| Planning Services                      | 19-20            |
| Private Sector Housing                 | 20               |
| Removal of Domestic Animal Carcasses   | 20               |
| Sale of Sandbags                       | 20               |
| Street Trading                         | 20               |
| Town Centre Displays                   | 20               |
| Tree Preservation Orders               | 20               |
| Waiver Permits (Parking)               | 20               |

| Page 1   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments                                     | VAT<br>Status  |
|--|----------------------------------|--|------------------------------|---|--|
| <b>ALLOTMENTS</b><br><i>Sites available:- Basford, Blackbank, Dimsdale, Jason Street, Loomer Road, Park Road, The Acre, Thistleberry</i><br>Rent (per annum) full plot 57.50 59.00 1.50<br>Rent (per annum) half plot 28.75 29.50 0.75<br>Rent (per annum) Lyme Valley Organic Allotment site. (No concessions) 60.00 60.00 Freeze<br><b>Note: 50% concession for Junior/60+/Unemployed at other sites</b>   |                                  |  |                              | Cabinet   | No VAT   |
| <b>BULKY RECYCLING SERVICE</b><br>(service provided by the "Furniture Mine")<br><b>Standard Collection</b><br>One to Three Items non reusable/waste items 29.00 35.00 6.00<br>Four to Six Items non reusable/waste items 46.00 55.00 9.00<br>Seven to Nine Items non reusable/waste items 58.00 70.00 12.00<br>Additional Items non reusable/waste items 8.50 10.00 1.50<br>Reusable items Free  |                                  |  |                              | Cabinet   | No VAT   |
| <b>BUS DEPARTURE CHARGES</b><br>Fee per departure 0.12 0.16 0.04   |                                  |  |                              | Note this increase to be used to fund supervision of bus departures |  |
| <b>CAR PARKS</b><br><b>Charges for Infringements</b><br>Wheel Clamping Release Fee 50.00 50.00 Freeze<br>Civic Parking Enforcement - Higher Charge 70.00 70.00 Freeze<br>Civic Parking Enforcement - Lower Charge 50.00 50.00 Freeze<br><b>Bankside</b><br>Season Ticket - per quarter 150.00 150.00 Freeze<br><b>Blackfriars (Zone C)</b><br>Up to 1 hour 0.80 0.80 Freeze<br>Up to 2 hours 1.50 1.50 Freeze<br>Up to 3 hours 2.00 2.00 Freeze<br>Up to 4 hours 2.50 2.50 Freeze<br>Up to 6 hours 3.00 3.00 Freeze<br>6 hours to 24 hours 3.50 3.50 Freeze<br>Season Ticket - per quarter 150.00 150.00 Freeze<br><b>Cherry Orchard (Zone B)</b><br>Up to 1 hour 1.00 1.00 Freeze<br>Up to 2 hours 1.90 1.90 Freeze<br>Up to 3 hours 2.80 2.80 Freeze<br>Up to 4 hours 4.00 4.00 Freeze<br>4 hours to 24 hours 5.20 5.20 Freeze<br>Season Ticket - per quarter 230.00 230.00 Freeze<br><b>Civic Offices - Saturdays Only (Zone A)</b><br>Up to 1 hour 1.00 1.00 Freeze<br>Up to 2 hours 1.90 1.90 Freeze<br>Up to 3 hours 2.80 2.80 Freeze<br>Up to 4 hours 4.00 4.00 Freeze<br><b>Corporation Street/Merrial Street (Zone A)</b><br>Up to 1/2 hour 0.80 0.80 Freeze<br>Up to 1 hour 1.50 1.50 Freeze<br><b>Goose Street (Zone B)</b><br>Up to 1 hour 1.00 1.00 Freeze<br>Up to 2 hours 1.90 1.90 Freeze<br>Up to 3 hours 2.80 2.80 Freeze<br>Up to 4 hours 4.00 4.00 Freeze<br>4 hours to 24 hours 5.20 5.20 Freeze<br>Season Ticket - per quarter 230.00 230.00 Freeze<br><b>Hassell Street (Zone B)</b><br>Up to 1 hour 1.00 1.00 Freeze<br>Up to 2 hours 1.90 1.90 Freeze<br>Up to 3 hours 2.80 2.80 Freeze<br>Up to 4 hours 4.00 4.00 Freeze |                                  |  |                              | Cabinet<br><br>Parking Board<br>Parking Board                       | No VAT<br><br>VAT Inc<br>*see note<br><br>VAT Inc<br>*see note<br><br>VAT Inc<br>*see note<br><br>VAT Inc<br>*see note<br><br>VAT Inc<br>*see note<br><br>VAT Inc<br>*see note |

| Page 2  | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments | VAT<br>Status        |
|---|----------------------------------|--|------------------------------|---------------------------------|----------------------|
| 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>  |                                  |  |                              |                                 | VAT Inc<br>*see note |
| Season Ticket - per quarter   | 150.00                           | 150.00                                       | Freeze                       |                                 |                      |
| <b>King Street (Zone C)</b>   |                                  |  |                              |                                 | VAT Inc<br>*see note |
| 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>  |                                  |  |                              |                                 | VAT Inc<br>*see note |
| 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>  |                                  |  |                              |                                 | *see note            |
| 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>   |                                  |  |                              |                                 | VAT Inc<br>*see note |
| 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>   |                                  |  |                              |                                 | VAT Inc<br>*see note |
| 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                       |                                 |                      |
| Resident Permit - per quarter   | 50.00                            | 50.00  | Freeze                       |                                 |                      |
| <b>Windsor Street (Zone B)</b>  |                                  |  |                              |                                 | VAT Inc<br>*see note |
| 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                       |                                 |                      |
| *HMRC guidance states, off street car parking provided by local authorities is subject to VAT. This is currently the subject of a legal challenge |                                  |  |                              |                                 |                      |
| <b>CEMETERIES</b>   |                                  |  |                              | Cabinet                         | No VAT               |
| <b>Interment Fees</b>   |                                  |  |                              |                                 |                      |
| Under 16 years of age   | Free                             | Free   |                              |                                 |                      |
| 16 years & over   | 735.00                           | 750.00                                       | 15.00                        |                                 |                      |
| Woodland Burial -Keele Cemetery (allows for 1 full interment only in each grave)  | 400.00                           | 400.00                                       | Freeze                       |                                 |                      |
| Cremated remains at 2ft   | 322.00                           | 328.00                                       | 6.00                         |                                 |                      |
| Woodland Burial cremated remains at 2ft - Keele Cemetery (allows for 4 interments in each grave)  | 322.00                           | 322.00                                       | Freeze                       |                                 |                      |
| Additional depth for cremated remains over 2 ft   | 115.00                           | 117.00                                       | 2.00                         |                                 |                      |
| Additional depth over 6 ft per foot   | 124.00                           | 126.00                                       | 2.00                         |                                 |                      |

| Page 3   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments | VAT<br>Status |
|--|----------------------------------|--|------------------------------|---------------------------------|---------------|
| <b>Purchase of Graves</b><br>(Inclusive of right to erect a memorial for a single grave)                       |                                  |  |                              |                                 |               |
| Lawn graves  | 991.00                           | 1,011.00                                     | 20.00                        |                                 |               |
| Woodland Grave-Keele Cemetery (allows for 1 full interment in each grave + memorial tree)                      | 745.00                           | 745.00                                       | Freeze                       |                                 |               |
| Cremated remains graves  | 490.00                           | 500.00                                       | 10.00                        |                                 |               |
| Woodland Grave Cremated remains at 2ft -Keele Cemetery (allows for 4 interment in each grave + memorial shrub) | 500.00                           | 500.00                                       | Freeze                       |                                 |               |
| Reservation of lawn graves   | 991.00                           | 1,011.00                                     | 20.00                        |                                 |               |
| Reservation of Woodland Graves -Keele Cemetery (allows for 1 full interment in each grave + memorial tree)     | 745.00                           | 745.00                                       | Freeze                       |                                 |               |
| Reservation of cremated remains graves   | 490.00                           | 500.00                                       | 10.00                        |                                 |               |
| Reservation of Shrubbery Cremated Remains Grave - Keele Cemetery (allows for 1 full interment + shrub)         | 500.00                           | 500.00                                       | Freeze                       |                                 |               |
| Renewal of Exclusive Right of Burial & Memorialisation (Full Graves)   | 500.00                           | 500.00                                       | Freeze                       |                                 |               |
| Renewal of Exclusive Right of Burial & Memorialisation (Cremated Remains Graves)                               | 250.00                           | 250.00                                       | Freeze                       |                                 |               |
| Transfer of Ownership of Exclusive Rights of Burial & Memorialisation  | 81.00                            | 83.00  | 2.00                         |                                 |               |
| Duplicate Deed of Exclusive Rights of Burial & Memorialisation   | 40.00                            | 41.00  | 1.00                         |                                 |               |
| <b>Erection of Memorials Where no Prior Right Was Given</b>  |                                  |  |                              |                                 |               |
| Memorial not exceeding 3ft in height   | 121.00                           | 123.00                                       | 2.00                         |                                 |               |
| Replacement memorial   | 41.00                            | 42.00  | 1.00                         |                                 |               |
| <b>Use of Chapel &amp; Community Room</b>  |                                  |  |                              |                                 |               |
| Newcastle cemetery chapel  | 70.00                            | 70.00  | Freeze                       |                                 |               |
| Keele community room - service   | 70.00                            | 70.00  | Freeze                       |                                 |               |
| Keele community room - Full day hire   | 100.00                           | 100.00                                       | Freeze                       |                                 |               |
| Keele community room - Half day hire   | 50.00                            | 50.00  | Freeze                       |                                 |               |
| Keele community room - Per Hour hire   | 15.00                            | 15.00  | Freeze                       |                                 |               |
| Keele community room-Evening hire per hour   | 20.00                            | 20.00  | Freeze                       |                                 |               |
| <b>Private Maintenance of Grave (Non-Lawn)</b>   |                                  |  |                              |                                 |               |
| Turfing  | 40.00                            | 41.00  | 1.00                         |                                 |               |
| Spring/summer planting & maintenance   | 84.00                            | 86.00  | 2.00                         |                                 |               |
| <b>Sundry Items</b>  |                                  |  |                              |                                 |               |
| Single abstract information from registrar   | 57.00                            | 58.00  | 1.00                         |                                 |               |
| Family History Research  | 19.00                            | 19.00  | Freeze                       |                                 |               |
| Caskets  | 69.00                            | 70.00  | 1.00                         |                                 |               |
| Wooden Cross   | 35.00                            | 40.00  | 5.00                         |                                 |               |
| Memorial Benches   | 600.00                           | 612.00                                       | 12.00                        |                                 |               |
| Memorial Benches - Maintenance By Request (Cleaning & Staining)  | 0.00                             | 150.00                                       | 150.00                       |                                 |               |
| Memorial Trees   | 300.00                           | 306.00                                       | 6.00                         |                                 |               |
| Barrier Fob Replacements   | 10.00                            | 10.00  | Freeze                       |                                 |               |
| <b>CREMATORIUM</b>   |                                  |  |                              | Cabinet                         | No VAT        |
| <b>Cremation Fees</b>  |                                  |  |                              |                                 |               |
| Under 16 years of age  | Free                             | Free   |                              |                                 |               |
| 16 years & over 9.20am service time only   | 0.00                             | 400.00                                       | 400.00                       | Agreed at stakeholders          |               |
| 16 years and over from 10.00am   | 553.00                           | 564.00                                       | 11.00                        |                                 |               |
| Cremation Environmental Charge   | 58.00                            | 59.00  | 1.00                         |                                 |               |
| Use of TV for DVD photographs or 3-5 min films during services   | 0.00                             | 20.00  | 20.00                        | Agreed at stakeholders          |               |
| Burial of remains cremated elsewhere   | 170.00                           | 173.00                                       | 3.00                         |                                 |               |
| Chapel Hire - Additional Use to Cremation Service  | 69.00                            | 70.00  | 1.00                         |                                 |               |
| <b>Urns &amp; Containers</b>   |                                  |  |                              |                                 | VAT Inc       |
| Oak casket   | 69.00                            | 70.00  | 1.00                         |                                 |               |
| Postage & package  | Cost                             | Cost   | NA                           |                                 |               |
| <b>Memorialisation</b>   |                                  |  |                              |                                 | VAT inc       |
| Book of remembrance per line   | 25.00                            | 26.00  | 1.00                         |                                 |               |
| Book of remembrance for 4 lines  | 0.00                             | 90.00  | 90.00                        |                                 |               |
| Book of remembrance for 5 lines  | 0.00                             | 116.00                                       | 116.00                       |                                 |               |
| Book of remembrance for 6 lines  | 0.00                             | 142.00                                       | 142.00                       |                                 |               |
| Book of remembrance for 7 lines  | 0.00                             | 168.00                                       | 168.00                       |                                 |               |
| Book of remembrance for 8 lines  | 0.00                             | 194.00                                       | 194.00                       |                                 |               |
| Simple floral emblem   | 76.00                            | 77.00  | 1.00                         |                                 |               |
| Coat of arms, badges, ornate floral emblem   | 106.00                           | 108.00                                       | 2.00                         |                                 |               |
| Additional Lines of Inscription for Cards/Books  | 25.00                            | 26.00  | 1.00                         |                                 |               |

| Page 4   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments | VAT<br>Status               |
|--|----------------------------------|--|------------------------------|---------------------------------|-----------------------------|
| <b>Plaques</b>   |                                  |  |                              |                                 | VAT inc                     |
| 12" x 4" new plaque & 10 year hire   | 293.00                           | 299.00                                       | 6.00                         |                                 |                             |
| Each succeeding 10 year hire   | 117.00                           | 119.00                                       | 2.00                         |                                 |                             |
| 12" x 8" new plaque & 10 year hire   | 587.00                           | 599.00                                       | 12.00                        |                                 |                             |
| Each succeeding 10 year hire   | 235.00                           | 240.00                                       | 5.00                         |                                 |                             |
| 24" x 8" each succeeding 10 year hire  | 460.00                           | 469.00                                       | 9.00                         |                                 |                             |
| 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>  |                                  |  |                              |                                 | VAT inc                     |
| Memorial Benches   | 600.00                           | 612.00                                       | 12.00                        |                                 |                             |
| Memorial Benches maintenance by request (cleaning & staining)  | 0.00                             | 150.00                                       | 150.00                       |                                 |                             |
| Memorial Vases   | 300.00                           | 300.00                                       | Freeze                       |                                 |                             |
| Each succeeding 5 year hire  | 180.00                           | 180.00                                       | Freeze                       |                                 |                             |
| Planters   | 631.00                           | 644.00                                       | 13.00                        |                                 |                             |
| Each succeeding 5 year hire  | 262.00                           | 267.00                                       | 5.00                         |                                 |                             |
| Trees  | 539.00                           | 550.00                                       | 11.00                        |                                 |                             |
| Each succeeding 10 year hire   | 280.00                           | 286.00                                       | 6.00                         |                                 |                             |
| Additional plaques   | 69.00                            | 70.00  | 1.00                         |                                 |                             |
| Shrubs (Inclusive of Aluminium Vase)   | 300.00                           | 306.00                                       | 6.00                         |                                 |                             |
| Each succeeding 5 year hire  | 128.00                           | 131.00                                       | 3.00                         |                                 |                             |
| <b>CIRCUSES &amp; FAIRS</b>  |                                  |  |                              | Cabinet                         | No VAT                      |
| Hire rate per day of site presence (based on an 8 hour day - 1 day to set up & 1 day to dismantle free of charge)          | 250.00                           | 500.00                                       | 250.00                       |                                 |                             |
| Returnable deposit - cleaning  | 800.00                           | 800.00                                       | Freeze                       |                                 |                             |
| Returnable deposit - damage  | 800.00                           | 800.00                                       | Freeze                       |                                 |                             |
| <b>COPY CHARGES</b>  |                                  |  |                              | Cabinet                         | VAT inc                     |
| A4 - Copies in multiples of 5  | 2.50                             | 2.50   | Freeze                       |                                 |                             |
| A3 - Copies in multiples of 5  | 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 X A4/A3 1:1250 Mapping   | 22.00                            | 25.00  | 3.00                         |                                 |                             |
| Up to 4 X A4/A3 1:500 Mapping  | 22.00                            | 25.00  | 3.00                         |                                 |                             |
| Up to 4 X A4/A3 1:1250 Aerial Photo  | 43.00                            | 45.00  | 2.00                         |                                 |                             |
| <b>COVENANT CONSENTS</b>   |                                  |  |                              |                                 | No VAT                      |
| Covenant consents (officer approval required)  | 105.00                           | 105.00                                       | Freeze                       |                                 |                             |
| <b>DATA PROTECTION</b>   |                                  |  |                              | Statutory                       | No VAT                      |
| Subject Access Request   | 10.00                            | 10.00  | Freeze                       |                                 |                             |
| <b>DOG WARDEN SERVICE</b>  |                                  |  |                              | Cabinet                         | No VAT<br>No VAT<br>VAT inc |
| Recovery of stray dogs (during normal working hours) - reclaim fee   | 66.00                            | 70.00  | 4.00                         |                                 |                             |
| Recovery of stray dogs - daily kennelling fees   | Actual Cost                      | Actual Cost                                  | NA                           |                                 |                             |
| Dog Training Equipment Loan  | 15.00                            | 20.00  | 5.00                         |                                 |                             |
| Microchipping service  | 10.00                            | 10.00  | Freeze                       |                                 |                             |
| <b>ELECTIONS</b>   |                                  |  |                              | Statutory                       | No VAT                      |
| <b>Rule 9(1) Parliamentary Election Reg's &amp; Rule 9 (1) European Parliamentary Election Reg's - Candidates Deposits</b> |                                  |  |                              |                                 |                             |
| Parliamentary election candidate   | 500.00                           | 500.00                                       | Freeze                       |                                 |                             |
| European parliamentary election candidate/party  | 5,000.00                         | 5000.00                                      | Freeze                       |                                 |                             |
| <b>Regulations 48 &amp; 49 Representation of the People Reg's 2001</b>   |                                  |  |                              |                                 |                             |
| 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                       |                                 |                             |

| Page 5  | Fee/<br>Charge<br>2013/14<br>£.p         | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p              | Committee Approval/<br>Comments | VAT<br>Status |
|---|--|--|---|---------------------------------|---------------|
| <b>Inspection &amp; Copies of Documents</b><br>Regulation 10 representation of the people regulations 2001 -<br>inspection of candidates election expenses<br>Copies (A4)   | 5.00<br>0.45                             | 5.00<br>0.45                                 | Freeze<br>Freeze                          |                                 |               |
| <b>ENVIRONMENTAL HEALTH</b><br><b>Works in default of statutory notice</b><br>Calculated in accordance with the following formula -<br>a) Contractor costs<br>b) Officer costs (per hour at actual rate)<br>c) Car mileage & subsistence<br>d) On costs (b+c) + 25%<br>e) Disbursements (e.g. warrant application, postage, printing, cost of<br>invoice etc)<br>Total =a+d+e+ interest on outstanding balance as determined by<br>council at start of financial year | Case<br>dependant                        | Case<br>dependant                            |   | Cabinet                         | No VAT        |
| <b>Environmental Offences - Fixed Penalty Notices</b><br>Offences in relation to waste receptacles - Section 47ZA(2)<br>Reduced Penalty if paid within 10 days<br>Payable within 14 days  | 75.00<br>100.00                          | 75.00<br>100.00                              | Freeze<br>Freeze                          |                                 |               |
| Failure to produce authority (waste transfer notes) - section 5B2<br>Control of Pollution (Amendment Act) 1989  | 300.00                                   | 300.00                                       | Freeze                                    |                                 |               |
| Failure to furnish documentation (waste carrier's licence) - Section<br>34(2) Environmental Protection Act 1990   | 300.00                                   | 300.00                                       | Freeze                                    |                                 |               |
| Litter - Section 88(1) Environmental Protection Act 1990<br>Reduced Penalty if paid within 10 days<br>Payable within 14 days  | 50.00<br>75.00                           | 50.00<br>75.00                               | Freeze<br>Freeze                          |                                 |               |
| Street Litter Control Notices & Litter Clearing Notices - Section<br>94A(2) Environmental Protection Act 1990<br>Reduced Penalty if paid within 10 days<br>Payable within 14 days   | 75.00<br>100.00                          | 75.00<br>100.00                              | Freeze<br>Freeze                          |                                 |               |
| Graffiti & Fly Posting - S43 Anti Social Behaviour Act 2003<br>Reduced Penalty if paid within 10 days<br>Payable within 14 days   | 75.00<br>100.00                          | 75.00<br>100.00                              | Freeze<br>Freeze                          |                                 |               |
| Nuisance Vehicles - Section 6(1) Clean Neighbourhoods &<br>Environment Act 2005<br>Abandoning a vehicle - Section 2A Refuse Disposal (Amenity Act<br>1978)  | 100.00<br>200.00                         | 100.00<br>200.00                             | Freeze<br>Freeze                          |                                 |               |
| Unauthorised distribution of literature on designated land - Schedule<br>3A, para 7(2) Environmental Protection Act 1990<br>Reduced Penalty if paid within 10 days<br>Payable within 14 days  | 50.00<br>75.00                           | 50.00<br>75.00                               | Freeze<br>Freeze                          |                                 |               |
| Failure to comply with a dog control order in respect of dog fouling,<br>dogs on leads, dogs on leads by direction, dog exclusion.<br>Reduced penalty if paid within 10 days<br>Payable within 14 days  |  | 50.00<br>75.00                               | 50.00<br>75.00                            |                                 |               |
| <b>Environmental Protection Act 1990 - Part 1 Pollution Prevention<br/>&amp; Control Act 1999 Register of Permits</b><br>Copy of list of applications received<br>Copy of a register entry<br>Copy of tape/CD recorded interviews<br>Environmental Information Regulations 1992 (requests for<br>information)<br>Noise monitoring service for housing providers   | 14.00<br>65.00<br>13.00<br>85.00         | 15.00<br>70.00<br>13.00<br>110.00<br>200.00  | 1.00<br>5.00<br>Freeze<br>25.00<br>200.00 |                                 |               |
| <b>Register of Food Premises (electronic copies available)</b><br>Whole register<br>Per entry<br>Single classification<br>Per entry<br>Hard copy per entry  | 235.00<br>1.10<br>62.50<br>1.10<br>14.00 | 235.00<br>1.25<br>65.00<br>1.25<br>15.00     | Freeze<br>0.15<br>2.50<br>0.15<br>1.00    |                                 |               |



| Page 6  | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments  | VAT<br>Status |
|---|----------------------------------|--|------------------------------|--|---------------|
| <b>Environmental Health Licences</b>  |                                  |  |                              |  |               |
| Pet shop - first licence  | 267.00                           | 275.00                                       | 8.00                         |  |               |
| Pet shop - renewal  | 105.50                           | 115.00                                       | 9.50                         |  |               |
| Dog breeding establishment - first licence  | 267.00                           | 275.00                                       | 8.00                         |  |               |
| Dog breeding establishment - renewal  | 105.50                           | 115.00                                       | 9.50                         |  |               |
| Animal boarding establishment - first licence   | 267.00                           | 275.00                                       | 8.00                         |  |               |
| Animal boarding establishment - renewal   | 105.50                           | 115.00                                       | 9.50                         |  |               |
| Riding establishment - first licence  | 466.00                           | 500.00                                       | 34.00                        |  |               |
| Riding establishment - renewal  | 260.00                           | 275.00                                       | 15.00                        |  |               |
| Dangerous wild animals - first licence  | 435.00                           | 450.00                                       | 15.00                        |  |               |
| Dangerous wild animals - renewal  | 217.00                           | 250.00                                       | 33.00                        |  |               |
| Zoo - first licence   |                                  | 550.00                                       | 550.00                       | Report to go to Public<br>Protection as enquiries<br>from zoo in borough |               |
| Zoo - renewal   |                                  | 550.00                                       | 550.00                       |  |               |
| Registration of Premises for: acupuncture, tattooing, cosmetic<br>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<br/>Prevention Control Act</b>  |                                  |  |                              | * Statutory - To be<br>advised by DEFRA Feb<br>2014                      |               |
| <b>Application Fees:</b>  |                                  |  |                              |  |               |
| Standard process  | 1,579.00                         |  | *                            |  |               |
| Additional fee, operating without a permit  | 1,137.00                         |  | *                            |  |               |
| Reduced fee activities (except VRs)   | 148.00                           |  | *                            |  |               |
| PVR I & II combined   | 246.00                           |  | *                            |  |               |
| Vehicle refinishers (VRs)   | 346.00                           |  | *                            |  |               |
| Reduced fee activities: Additional fee for operating without a permit   | 68.00                            |  | *                            |  |               |
| Mobile plant (e.g. screening & crushing/ cement batching etc.)  | 1,579.00                         |  | *                            |  |               |
| for the third to seventh applications   | 943.00                           |  | *                            |  |               |
| for the eighth & subsequent applications  | 477.00                           |  | *                            |  |               |
| <i>Where an application for any of the above is for a combined Part B &amp;<br/>waste application, add an extra £297 to the above amounts</i> |                                  |  |                              |  |               |
| <b>Annual Subsistence Charge:</b>   |                                  |  |                              |  |               |
| Standard process Low  | 739.00                           |  | *                            |  |               |
| Standard process Medium   | 1,111.00                         |  | *                            |  |               |
| Standard process High   | 1,672.00                         |  | *                            |  |               |
| Combined Part B & Waste Installation:   |                                  |  |                              |  |               |
| Standard process Low  | 838.00                           |  | *                            |  |               |
| Standard process Medium   | 1,260.00                         |  | *                            |  |               |
| Standard process High   | 1,870.00                         |  | *                            |  |               |
| Reduced fee activities:   |                                  |  |                              |  |               |
| Low   | 76.00                            |  | *                            |  |               |
| Medium  | 151.00                           |  | *                            |  |               |
| High  | 227.00                           |  | *                            |  |               |
| PVR I & II combined:  |                                  |  |                              |  |               |
| Low   | 108.00                           |  | *                            |  |               |
| Medium  | 216.00                           |  | *                            |  |               |
| High  | 326.00                           |  | *                            |  |               |
| Vehicle refinishers:  |                                  |  |                              |  |               |
| Low   | 218.00                           |  | *                            |  |               |
| Medium  | 349.00                           |  | *                            |  |               |
| High  | 524.00                           |  | *                            |  |               |
| Mobile screening & crushing plant, for first & second permits:  |                                  |  |                              |  |               |
| Low   | 618.00                           |  | *                            |  |               |
| Medium  | 989.00                           |  | *                            |  |               |
| High  | 1,484.00                         |  | *                            |  |               |
| for the third to seventh permits:   |                                  |  |                              |  |               |
| Low   | 368.00                           |  | *                            |  |               |
| Medium  | 590.00                           |  | *                            |  |               |
| High  | 884.00                           |  | *                            |  |               |
| eighth & subsequent permits:  |                                  |  |                              |  |               |
| Low   | 189.00                           |  | *                            |  |               |
| Medium  | 302.00                           |  | *                            |  |               |
| High  | 453.00                           |  | *                            |  |               |
| Late payment fee (applies when an invoice remains unpaid 8 weeks<br>from the date the invoice was issued)                                     | 50.00                            |  | *                            |  |               |
| <b>Note: Where a Part B installation is subject to reporting under the E-<br/>PRTR Regulation, add an extra £99 to the above amounts</b>      |                                  |  |                              |  |               |

| Page 7  | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments | VAT<br>Status |
|---|----------------------------------|--|------------------------------|---------------------------------|---------------|
| <b>Transfer &amp; Surrender:</b>  |                                  |  |                              |                                 |               |
| Standard process transfer   | 162.00                           |  | *                            |                                 |               |
| Standard process partial transfer   | 476.00                           |  | *                            |                                 |               |
| New operator at low risk reduced fee activity   | 75.00                            |  | *                            |                                 |               |
| Surrender: all Part B activities  | Nil                              |  | *                            |                                 |               |
| Reduced fee activities: transfer  | Nil                              |  | *                            |                                 |               |
| Reduced fee activities: partial transfer  | 45.00                            |  | *                            |                                 |               |
| <b>Temporary Transfer for Mobiles:</b>  |                                  |  |                              |                                 |               |
| First transfer  | 51.00                            |  | *                            |                                 |               |
| Repeat following enforcement or warning   | 51.00                            |  | *                            |                                 |               |
| <b>Substantial change:</b>  |                                  |  |                              |                                 |               |
| Standard process  | 1,005.00                         |  | *                            |                                 |               |
| Standard process where the substantial change results in a new PPC activity   | 1,579.00                         |  | *                            |                                 |               |
| Reduced fee activities  | 98.00                            |  | *                            |                                 |               |
| <b>LAPPC Mobile Plant Charges:</b>  |                                  |  |                              |                                 |               |
| Application Fee:  |                                  |  |                              |                                 |               |
| 1 to 2 Permits  | 1,579.00                         |  | *                            |                                 |               |
| 3 to 7 Permits  | 943.00                           |  | *                            |                                 |               |
| 8 Permits & Over  | 477.00                           |  | *                            |                                 |               |
| <b>Subsistence Fee:</b>   |                                  |  |                              |                                 |               |
| 1 to 2 Permits:   |                                  |  |                              |                                 |               |
| Low   | 618.00                           |  | *                            |                                 |               |
| Medium  | 989.00                           |  | *                            |                                 |               |
| High  | 1,484.00                         |  | *                            |                                 |               |
| 3 to 7 Permits  |                                  |  |                              |                                 |               |
| Low   | 368.00                           |  | *                            |                                 |               |
| Medium  | 590.00                           |  | *                            |                                 |               |
| High  | 884.00                           |  | *                            |                                 |               |
| 8 Permits & Over  |                                  |  |                              |                                 |               |
| Low   | 189.00                           |  | *                            |                                 |               |
| Medium  | 302.00                           |  | *                            |                                 |               |
| High  | 453.00                           |  | *                            |                                 |               |
| <b>LA - IPPC Charges:</b>   |                                  |  |                              |                                 |               |
| <i>NB - every subsistence charge listed below includes the additional £99 charge to cover Local Authority extra costs in dealing with reporting under the E-PRTR Regulation.</i>  |                                  |  |                              |                                 |               |
| Application   | 3,218.00                         |  | *                            |                                 |               |
| Additional fee, operating without a permit  | 1,137.00                         |  | *                            |                                 |               |
| Annual Subsistence:   |                                  |  |                              |                                 |               |
| Low   | 1,384.00                         |  | *                            |                                 |               |
| Medium  | 1,541.00                         |  | *                            |                                 |               |
| High  | 2,233.00                         |  | *                            |                                 |               |
| Late payment fee (applies when an invoice remains unpaid 8 weeks from the date the invoice was issued)  | 50.00                            |  | *                            |                                 |               |
| Substantial Variation   | 1,309.00                         |  | *                            |                                 |               |
| Transfer  | 225.00                           |  | *                            |                                 |               |
| Partial transfer  | 668.00                           |  | *                            |                                 |               |
| Surrender   | 668.00                           |  | *                            |                                 |               |
| <b>Notes:</b>   |                                  |  |                              |                                 |               |
| <i>The fees are published by the relevant government department (DEFRA). <a href="http://www.defra.gov.uk/environment/quality/industrial/las-regulations/charges-risk">http://www.defra.gov.uk/environment/quality/industrial/las-regulations/charges-risk</a></i>  |                                  |  |                              |                                 |               |
| <i>Subsistence charges can be paid in four equal quarterly instalments paid on 1/4, 1/7, 1/10 &amp; 1.1. Where paid quarterly the total amount payable to the local authority will be increased by £36.</i>   |                                  |  |                              |                                 |               |
| <i>Reduced fee activities are; Service Stations, Vehicle Refinishers, Dry Cleaners &amp; Small Waste Oil Burners under 0.4MW</i>  |                                  |  |                              |                                 |               |
| <i>Newspaper adverts may be required under EPR at the discretion of the Local Authority (LA) as part of the consultation process when considering an application (see Chapter 9 of the General Guidance Manual). This will be undertaken &amp; paid for by the LA &amp; the charging scheme contains a provision for the LA to recoup its costs</i> |                                  |  |                              |                                 |               |
| <b>Factual Statements (Food Safety Act, Health &amp; Safety at Work Act, Environmental Protection Act)</b>  |                                  |  |                              | Cabinet                         |               |
| Charge for factual statements - additional time   | 120.00                           | 120.00                                       | Freeze                       |                                 |               |

| Page 8  | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments | VAT<br>Status |
|---|----------------------------------|--|------------------------------|---------------------------------|---------------|
| Charge for factual statements - disclosure of documents   | 62.50                            | 62.50  | Freeze                       |                                 |               |
| <b>Private Water Supplies</b>   |                                  |  |                              | Statutory                       |               |
| Risk Assessment   | 14.50 hr +<br>Mileage            | 14.50 hr +<br>Mileage                        | Statutory<br>cost            |                                 |               |
| 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                       |                                 |               |
| - during check monitoring   | 100.00                           | 100.00                                       | Freeze                       |                                 |               |
| - during audit monitoring   | 500.00                           | 500.00                                       | Freeze                       |                                 |               |
| <b>Swimming Pools</b>   |                                  |  |                              | Cabinet                         |               |
| 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                         |               |
| CIEH Level 2 - Food Safety in Catering  | 70.00                            | 70.00  | Freeze                       |                                 |               |
| CIEH Level 2 - Health & Safety in the 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 (charge for businesses booking 5 employees on the same course)   | 280.00                           | 280.00                                       | Freeze                       |                                 |               |
| <b>GARDEN WASTE RECYCLING (ADDITIONAL)</b>  |                                  |  |                              | Cabinet<br>Deleted              | No VAT        |
| 80 litre sacks (roll of 10)   | 10.00                            | 0.00   | -10.00                       |                                 |               |
| Sticker for 240 litre bin - (with 6 week Winter Shut down) if purchase sticker between March & June     | 35.00                            | 36.00  | 1.00                         |                                 |               |
| Sticker for 240 litre bin - (with 6 week Winter Shut down) if purchase sticker between July & September | 25.00                            | 26.00  | 1.00                         |                                 |               |
| Sticker for 240 litre bin - (with 6 week Winter Shut down) if purchase sticker between October & March  | 15.00                            | 16.00  | 1.00                         |                                 |               |
| <b>HIRE OF ROOMS</b>  |                                  |  |                              | Cabinet                         | No VAT        |
| <b>Hire of Civic Suite Rooms</b>  |                                  |  |                              |                                 |               |
| 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 – per day  | 45.00                            | 45.00  | Freeze                       |                                 |               |
| Hire of Committee Room 1 – per half day   | 25.00                            | 25.00  | Freeze                       |                                 |               |
| Hire of Committee Room 2 – per day  | 45.00                            | 45.00  | Freeze                       |                                 |               |
| Hire of Committee Room 2 – per half day   | 25.00                            | 25.00  | Freeze                       |                                 |               |
| <b>Hire of Civic Offices Rooms</b>  |                                  |  |                              |                                 |               |
| Standard Rates:   |                                  |  |                              |                                 |               |
| Room 1 – per day  | 15.50                            | 15.50  | Freeze                       |                                 |               |
| Room 1 – per half day   | 8.00                             | 8.00   | Freeze                       |                                 |               |
| Room 3 – per day  | 15.50                            | 15.50  | Freeze                       |                                 |               |
| Room 3 – per half day   | 8.00                             | 8.00   | Freeze                       |                                 |               |
| Room 4 – per day  | 25.50                            | 25.50  | Freeze                       |                                 |               |
| Room 4 – per half day   | 13.00                            | 13.00  | Freeze                       |                                 |               |
| Room 6 – per day  | 25.50                            | 25.50  | Freeze                       |                                 |               |
| Room 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 1 – per half day   | 5.50                             | 5.50   | Freeze                       |                                 |               |
| Room 3 – per day  | 6.50                             | 6.50   | Freeze                       |                                 |               |
| Room 3 – per half day   | 5.50                             | 5.50   | Freeze                       |                                 |               |
| Room 4 – per day  | 9.50                             | 9.50   | Freeze                       |                                 |               |
| Room 4 – per half day   | 5.50                             | 5.50   | Freeze                       |                                 |               |
| Room 6 – per day  | 11.50                            | 11.50  | Freeze                       |                                 |               |
| Room 6 – per half day   | 5.50                             | 5.50   | Freeze                       |                                 |               |

| Page 9  | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments | VAT<br>Status |
|---|----------------------------------|--|------------------------------|---------------------------------|---------------|
| <b>Hire of Training Rooms</b>   |                                  |  |                              | Cabinet                         |               |
| 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                       |                                 |               |
| Rooms can be booked by the hour at pro rata rates subject to a minimum booking charge of £5 |                                  |  |                              |                                 |               |
| <b>Hire of Guildhall Rooms</b>  |                                  |  |                              |                                 |               |
| 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                       |                                 |               |
| Rooms can be booked by the hour at pro rata rates subject to a minimum booking charge of £5 |                                  |  |                              |                                 |               |
| <b>Hire of Kidsgrove Rooms</b>  |                                  |  |                              |                                 |               |
| Standard Rates:   |                                  |  |                              |                                 |               |
| Room 1 per day  | 15.50                            | 15.50  | Freeze                       |                                 |               |
| Room 1 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                       |                                 |               |
| Room 5 per day  | 15.50                            | 15.50  | Freeze                       |                                 |               |
| Room 5 per half day   | 8.00                             | 8.00   | 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 1 per half day   | 5.50                             | 5.50   | Freeze                       |                                 |               |
| Room 2 per day  | 9.50                             | 9.50   | Freeze                       |                                 |               |
| Room 2 per half day   | 5.50                             | 5.50   | Freeze                       |                                 |               |
| Room 5 per day  | 5.50                             | 5.50   | Freeze                       |                                 |               |
| Room 5 per half day   | 5.50                             | 5.50   | Freeze                       |                                 |               |
| Rooms can be booked by the hour at pro rata rates subject to a minimum booking charge of £5 |                                  |  |                              |                                 |               |
| <b>LAND CHARGES</b>   |                                  |  |                              | Cabinet                         | No VAT        |
| Residential * LLC1 – Local Land Charges Register only                                       | 31.00                            | 31.00  | Freeze                       |                                 |               |
| Commercial ** LLC1 – Local Land Charges Register Only                                       | 82.00                            | 82.00  | Freeze                       |                                 |               |
| Residential * Con 29R (required form)   | 61.00                            | 61.00  | Freeze                       |                                 |               |

| Page 10  | Fee/<br>Charge<br>2013/14<br>£.p   | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p   | Increase/<br>Decrease<br>£.p   | Committee Approval/<br>Comments | VAT<br>Status |
|--|--|--|--|---------------------------------|---------------|
| Commercial ** Con 29R (required form)<br>Residential * full standard search (LLC1 + Con 29R)<br>Commercial ** full standard search (LLC1 + Con 29R)<br>Con 290 (optional form) each enquiry<br>Each additional enquiry (your own question, per hour)<br>Additional parcel of land  | 178.00<br>92.00<br>260.00<br>18.00<br>Actual cost<br>37.00                                     | 178.00<br>92.00<br>260.00<br>18.00<br>Actual cost<br>37.00                                     | Freeze<br>Freeze<br>Freeze<br>Freeze<br>NA<br>Freeze                         |                                 |               |
| <b>LEASE LICENCES</b><br>Silverdale Angling Club - Boggs Wood Pool, Keele Road<br>(3 years from 12/6/00, reviewed annually on 12 <sup>th</sup> June)<br>Kidsgrove Angling Club - Bathpool Lake, Clough Hall Lake, Target Lake<br>(10 years from 1/9/03, reviewed annually on 1st April)<br>Mrs SJ Hancock - Oaklands Park Pool, Bradwell<br>(3 years from 1/3/02, reviewed annually on 1st March)<br>Newcastle & Hartshill Cricket Club - Lilleshall<br>(20 years from 1/4/92, reviewed annually on 1st April)<br>Audley & District Football Club - Townsfield, Audley<br>(5 years from 1/4/05, reviewed every 5 years on 1st April)<br>Redgate Clayton Football Club - Northwood Lane, Clayton<br>(5 years from 1/7/97, reviewed annually on 1st July)<br>Kidsgrove Athletic Football Club - Clough Hall Park<br>(20 years from 1/4/05, reviewed annually on 1st April)<br>Newcastle Rugby Union Football Club - Lyme Valley<br>(25 years from 1/11/06, reviewed every five years on 1st November)<br>Newcastle Track Cycling Association - Lyme Valley (n.b. this fee is paid to Newcastle Town F.C.)<br>(1 year from 1/4/08, reviewed annually on 1st April)  | 85.00<br>830.00<br>85.00<br>1,920.00<br>1,240.00<br>732.00<br>2,450.00<br>1,970.00<br>1,768.00 | 87.00<br>850.00<br>87.00<br>1,960.00<br>1,240.00<br>750.00<br>2,500.00<br>2,010.00<br>1,804.00 | 2.00<br>20.00<br>2.00<br>40.00<br>Freeze<br>18.00<br>50.00<br>40.00<br>36.00 | Cabinet                         | No VAT        |
| <b>LEISURE CHARGES</b><br><b>Sport &amp; Football Development</b><br>Mini Soccer per session<br>Sports development courses - market forces in consultation with Portfolio Holder<br><br><b>NHS Commissioned Coaching Charges</b><br>One day coaching<br>One day coaching Family (maximum 2 siblings)<br>Two day coaching<br>Two day coaching Family (maximum 2 siblings)<br>Three day coaching<br>Three day coaching Family (maximum 2 siblings)<br>Football fun weeks<br>Football fun weeks Family (maximum 2 siblings)<br>Player development sessions<br>Just Play per session<br>Girls Coaching per session<br>Mini Kickers per block<br><br><b>Knutton Recreation Centre</b><br><b>Astroturf</b><br>Astroturf pitch-adult full pitch<br>Astroturf pitch-junior full pitch<br>Astroturf pitch-youth fee full pitch-(under 16s) (Mon-Fri 4-6pm, Sat-Sun 3-5pm)<br>Astroturf pitch-adult (per court)<br>Astroturf pitch-junior (per court)<br>Astroturf pitch-youth fee (per court)-(under 16s) (Mon-Fri 4-6pm, Sat-Sun 3-5pm)<br><br><b>Kidsgrove Sports Centre</b><br><b>Equipment Resale</b><br>Saleable items - market forces in consultation with Portfolio Holder<br><br><b>Lyme Card Concession Scheme</b><br>Lyme Card Concession Scheme Membership<br><br><b>Astroturf</b><br>Astroturf Pitch – adult (per court)<br>Astroturf play area – junior (per court)<br><br><b>Fitness Classes</b><br>Trampoline class per hour | 3.00<br>Cost +25%  | 3.10   | 0.10<br>NA   | Cabinet                         | No VAT        |
|  |  |  |  |                                 | VAT inc       |
|  |  |  |  |                                 | VAT inc       |
|  |  |  |  |                                 | VAT inc       |
|  |  |  |  |                                 | No VAT        |

| Page 11   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments                             | VAT<br>Status |
|---|----------------------------------|--|------------------------------|---|---------------|
| Fitness Class - Standard  | 5.00                             | 5.20   | 0.20                         | In line with J2   | No VAT        |
| Fitness Class - Lyme Card   | 4.50                             | 4.70   | 0.20                         | In line with J2   | No VAT        |
| Fitness Class - Concession  | 3.60                             | 3.70   | 0.10                         | In line with J2   | No VAT        |
| Fitness Class - Junior 12 - 17  | 2.50                             | 2.60   | 0.10                         | In line with J2   | No VAT        |
| <b>Climbing Wall</b>  |                                  |  |                              |   |               |
| Climbing Wall (per hour)  | 10.60                            | 11.00  | 0.40                         |   | VAT inc       |
| <b>Health Suite</b>   |                                  |  |                              |   | VAT inc       |
| Sauna/steam – Adult (18+) - Lymecard  | 6.00                             | 6.10   | 0.10                         |   |               |
| Sauna/steam – Adult (18+) - Concession scheme   | 4.30                             | 4.40   | 0.10                         |   |               |
| <b>Gym</b>  |                                  |  |                              |   |               |
| <b>Pay &amp; Play Entry Fees</b>  |                                  |  |                              |   | VAT inc       |
| Adult - Lyme Card   | 4.50                             | 4.70   | 0.20                         |   |               |
| Concession - Lyme Card  | 3.60                             | 3.70   | 0.10                         |   |               |
| Junior - Lyme Card  | 3.00                             | 3.10   | 0.10                         |   |               |
| <b>Membership Charges - (Includes Gym, Swim, Sauna, Classes)</b>                      |                                  |  |                              |   | VAT inc       |
| Direct debit monthly payments-new single member (Three months notice)                 | 16.99                            | 16.99  | Freeze                       | Due to condition of the facility propose to freeze the fees |               |
| Direct debit monthly payments - single member (No contract)                           | 21.99                            | 21.99  | Freeze                       |   |               |
| <b>Equipment Hire/Sale</b>  |                                  |  |                              |   |               |
| Hire  | 1.50                             | 1.50   | Freeze                       |   | VAT inc       |
| Deposit (fully refundable)  | 2.00                             | 2.00   | Freeze                       |   | No VAT        |
| <b>Sports Halls</b>   |                                  |  |                              |   | VAT inc       |
| Sports hall hire (peak)   | 44.00                            | 45.50  | 1.50                         |   |               |
| Sports hall hire (off peak)   | 33.00                            | 34.00  | 1.00                         |   |               |
| Sports hall hire (off peak) - Educational use/socially excluded group use             | 24.30                            | 25.00  | 0.70                         |   |               |
| Badminton (per 55 minutes booking) – peak per court                                   | 8.80                             | 9.10   | 0.30                         |   |               |
| Badminton (per 55 minutes booking) - off peak per court                               | 6.60                             | 6.80   | 0.20                         |   |               |
| Badminton court - per person (Concession minimum of 2 people - Weekends Only)         | 2.00                             | 2.10   | 0.10                         |   |               |
| Table Tennis (per table, per hour)  | 5.00                             | 5.20   | 0.20                         |   |               |
| Spectators  | 1.00                             | 1.00   | Freeze                       | In line with J2   |               |
| <b>Studio Hire</b>  |                                  |  |                              |   |               |
| Studio hire – weekdays (peak)   | 17.00                            | 18.00  | 1.00                         |   | VAT inc       |
| Studio hire – weekends (off peak)   | 13.75                            | 14.80  | 1.05                         |   | VAT inc       |
| Instructional courses - market forces in consultation with Portfolio Holder           | Cost + 25%                       |  | NA                           |   | No VAT        |
| <b>Swimming Fees</b>  |                                  |  |                              |   |               |
| <b>Swimming</b>   |                                  |  |                              |   | VAT inc       |
| Adult swim entry fee - standard   | 4.00                             | 4.10   | 0.10                         |   |               |
| Adult swim entry fee - Lyme Card  | 3.60                             | 3.70   | 0.10                         |   |               |
| Lyme Card Concession Adult Swim   | 2.20                             | 2.40   | 0.20                         |   |               |
| Junior swim entry fee - standard  | 2.20                             | 2.30   | 0.10                         |   |               |
| Junior swim entry fee - Lyme Card   | 2.00                             | 2.10   | 0.10                         |   |               |
| Children 3 years & under  | Free                             | Free   | NA                           |   |               |
| Spectators - standard   | 1.00                             | 1.00   | Freeze                       |   |               |
| Spectators - Lyme Card  | Free                             | Free   | NA                           |   |               |
| Keele University Card   | 2.00                             | 2.40   | 0.40                         |   |               |
| <b>Family Swimming (standard fees only)</b>   |                                  |  |                              |   | VAT inc       |
| Family Swim 1 Adult & 1 Child   | 5.90                             | 6.10   | 0.20                         |   |               |
| Family Swim 1 Adult & 2 Children  | 8.00                             | 8.30   | 0.30                         |   |               |
| Family Swim 1 Adult & 3 Children  | 10.10                            | 10.50  | 0.40                         |   |               |
| <b>Swimming Instruction</b>   |                                  |  |                              |   |               |
| <b>Swimming Lessons</b>   |                                  |  |                              |   | No VAT        |
| Adult swimming lesson (per 45 minutes) - Lyme Card                                    | 12.00                            | 9.00   | -3.00                        | Local competition & low uptake                              |               |
| Junior swimming lesson (per 30 minutes) - Lyme Card - includes free swim to the child | 5.00                             | 5.10   | 0.10                         |   |               |
| <b>Private Lessons</b>  |                                  |  |                              |   |               |
| 1:1 lesson (per 30 minutes) - Lyme Card   | 20.00                            | 20.40  | 0.40                         |   |               |
| Additional Person - Lyme Card   | 8.00                             | 8.15   | 0.15                         |   |               |

| Page 12   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments  | VAT<br>Status |
|---|----------------------------------|--|------------------------------|--|---------------|
| <b>Pool Courses</b>   |                                  |  |                              |  |               |
| Rookie Lifeguards (per 2 hour session) - Lyme Card  | 6.00                             | 6.50   | 0.50                         |  |               |
| Other Courses - Lyme Card - market forces in consultation with Portfolio Holder                               | Cost + 25%                       |  | NA                           |  |               |
| <b>Fitness Classes Pool</b>   |                                  |  |                              |  |               |
| Aqua fit - standard   | 5.00                             | 5.20   | 0.20                         |  |               |
| Aqua fit - Lyme Card  | 4.50                             | 4.70   | 0.20                         |  |               |
| Aqua fit - concession   | 3.60                             | 3.70   | 0.10                         |  |               |
| <b>Swimming Pool Hire</b>   |                                  |  |                              |  | VAT inc       |
| Teaching Pool Hire  | 42.50                            | 43.50  | 1.00                         |  |               |
| Main Pool Lane Hire - (6 lane)  | 14.00                            | 14.30  | 0.30                         |  |               |
| Additional Staff for pool hire (per staff member)   | 20.00                            | 21.00  | 1.00                         |  |               |
| Sub Aqua Main Pool Hire per hour  | 52.50                            |  | -52.50                       | Negotiable with the Portfolio Holder                                       |               |
| <b>Jubilee 2</b>  |                                  |  |                              |  |               |
| <b>Equipment Resale</b>   |                                  |  |                              |  |               |
| Saleable items - market forces in consultation with Portfolio Holder  | Cost + 60%                       |  | NA                           |  | VAT inc       |
| <b>Lyme Card Concession Scheme</b>  |                                  |  |                              |  |               |
| Lyme Card Concession Scheme yearly membership   | 3.50                             | 3.60   | 0.10                         |  | VAT inc       |
| <b>Aqua Sauna (includes access to swimming pool)</b>  |                                  |  |                              |  | VAT inc       |
| Adult-Lyme Card   | 9.00                             | 9.50   | 0.50                         |  |               |
| Concession (18+) - Lyme Card  | 6.00                             | 6.50   | 0.50                         |  |               |
| <b>Climbing Registration/Induction</b>  |                                  |  |                              |  | No VAT        |
| Adult - Lyme Card   | 10.00                            |  | -10.00                       | Delete - market forces show these are acting as a barrier to participation |               |
| Concession - Lyme Card  | 8.00                             |  | -8.00                        |  |               |
| Junior - Lyme Card  | 6.00                             |  | -6.00                        |  |               |
| <b>Pay &amp; Play Entry Fees - (Must have Lyme Card &amp; be registered &amp; have had a competency test)</b> |                                  |  |                              |  | VAT inc       |
| Adult - Lyme Card   | 4.50                             | 4.70   | 0.20                         |  |               |
| Concession - Lyme Card  | 3.60                             | 3.70   | 0.10                         |  |               |
| Junior under 16 - Lyme Card   | 3.00                             | 3.10   | 0.10                         |  |               |
| Adult Belay Only-Lyme Card  | 2.50                             |  | -2.50                        | Delete   |               |
| Group Adult (minimum 4 people) - Lyme Card  | 4.00                             | 4.20   | 0.20                         |  |               |
| Group Junior (minimum 4 people) - Lyme Card   | 2.50                             | 2.80   | 0.30                         |  |               |
| Student Club Climbing per session   | 2.00                             | 2.50   | 0.50                         |  |               |
|   |                                  |  |                              |  |               |
| <b>Prepay Rates</b>   |                                  |  |                              |  | VAT inc       |
| Adult 30 Day Pass-Lyme Card   | 35.00                            |  | -35.00                       | Delete   |               |
| Junior 30 Day Pass-Lyme Card  | 20.00                            |  | -20.00                       | Delete   |               |
| Adult 12 Session Pass (pay for 10)-Lyme Card  | 45.00                            |  | -45.00                       | Delete   |               |
| Junior 12 Session Pass (pay for 10)-Lyme Card   | 30.00                            |  | -30.00                       | Delete   |               |
| <b>Equipment Hire</b>   |                                  |  |                              |  | VAT inc       |
| Belay-Lyme Card   | 1.00                             | 1.00   | Freeze                       |  |               |
| Shoes-Lyme Card   | 3.00                             |  | -3.00                        | Delete   |               |
| Harness-Lyme Card   | 2.00                             | 2.00   | Freeze                       |  |               |
| <b>Climbing - (Instructed Activities)</b>   |                                  |  |                              |  |               |
| <b>Have-a-go Abseil Session</b>   |                                  |  |                              |  | VAT inc       |
| Per descent-Lyme Card   | 1.00                             |  | -1.00                        | Delete   |               |
| <b>Instructed Sessions</b>  |                                  |  |                              |  | No VAT        |
| <b>Parties 90 mins</b>  |                                  |  |                              |  | VAT inc       |
| Up to 6   | 60.00                            | 65.00  | 5.00                         |  |               |
| Up to 12  | 120.00                           | 120.00                                       | Freeze                       |  |               |
| Up to 18  | 180.00                           |  | -180.00                      | Delete   |               |
| <b>Instructed Groups</b>  |                                  |  |                              |  | No VAT        |
| Up to 8   | 76.00                            |  | -76.00                       | Delete   |               |
| Up to 16  | 152.00                           |  | -152.00                      | Delete   |               |
| Up to 24  | 228.00                           |  | -228.00                      | Delete   |               |
| <b>Courses</b>  |                                  |  |                              |  | No VAT        |
| Juniors u18 6 x 45 min sessions   |                                  | 30.00  | 30.00                        | New  |               |
| Adults 3 x 45 min sessions  |                                  | 24.00  | 24.00                        | New  |               |

| Page 13   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments | VAT<br>Status |
|---|----------------------------------|--|------------------------------|---------------------------------|---------------|
| <b>Junior Clubs</b>   |                                  |  |                              |                                 | VAT inc       |
| Limestones (Age 4-7) single visit   | 9.50                             |  | -9.50                        | Delete                          |               |
| Limestones (Age 4-7) Half term session (multiply by no.weeks)   | 8.00                             |  | -8.00                        | Delete                          |               |
| J2 Climb Team (age 7+) single visit   | 9.50                             |  | -9.50                        | Delete                          |               |
| J2 Climb Team (age 7+) (multiply by no.weeks)   | 8.00                             |  | -8.00                        | Delete                          |               |
| R:Rock (Age 14+) single visit   | 9.50                             |  | -9.50                        | Delete                          |               |
| R:Rock (Age 14+) (multiply by no.weeks)   | 8.00                             |  | -8.00                        | Delete                          |               |
| Beginners (3 x 45 mins)   | 30.00                            |  | -30.00                       | Delete                          |               |
| Partners in Climb (3 x 45 mins) (2 people)  | 50.00                            |  | -50.00                       | Delete                          |               |
| Junior Course (3 x 45 mins)   | 5.00                             |  | -5.00                        | Delete                          |               |
| Taster Session Adult (18+) 1/2 hour session   | 6.00                             | 7.00   | 1.00                         |                                 |               |
| Taster Session Junior (4 - 17) 1/2 hour session   | 3.00                             | 3.50   | 0.50                         |                                 |               |
| <b>Private Instruction</b>  |                                  |  |                              |                                 | No VAT        |
| One to One per hour   | 20.00                            | 20.40  | 0.40                         |                                 |               |
| Per additional person (maximum 8) per hour  | 8.00                             | 8.20   | 0.20                         |                                 |               |
| <b>Gym Only</b>   |                                  |  |                              |                                 |               |
| <b>Pay &amp; Play Entry Fees (Must have Lyme Card &amp; have had an induction)</b>  |                                  |  |                              |                                 | VAT inc       |
| Adult - Lyme Card   | 4.60                             | 4.80   | 0.20                         |                                 |               |
| Concession - Lyme Card  | 3.60                             | 3.80   | 0.20                         |                                 |               |
| Junior - Lyme Card  | 3.00                             | 3.10   | 0.10                         |                                 |               |
| <b>ClubLyme Membership Charges Junior 4-11 years (including swim, climbing) or can be combined with adult membership fees to form Family Membership</b>       |                                  |  |                              |                                 | VAT inc       |
| Junior Activity Membership - Joining Fee (includes inductions) (4-11 years) free to existing Jets Members. One off fee.                                       | 5.00                             | 5.00   | Freeze                       |                                 |               |
| Junior Membership - 4-11 years minimum up front 2 months - monthly DD   | 10.00                            | 10.00  | Freeze                       |                                 |               |
| Junior Membership - 4-11 years 5 months payment for 6 months  | 50.00                            | 50.00  | Freeze                       |                                 |               |
| <b>ClubLyme Membership Charges Junior 12-15 years (including gym, swim, climbing) or can be combined with adult membership fees to form Family Membership</b> |                                  |  |                              |                                 | VAT inc       |
| Junior Activity Membership - Joining Fee (includes inductions) (12-15 years) free to existing Jets Members. One off fee.                                      | 10.00                            | 10.00  | Freeze                       |                                 |               |
| Junior Membership - 12-15 years minimum up front 2 months - monthly DD  | 15.00                            | 15.00  | Freeze                       |                                 |               |
| Junior Membership - 12-15 years 5 months payment for 6 months   | 75.00                            | 75.00  | Freeze                       |                                 |               |
| <b>ClubLyme Membership Charges Adults (including gym, classes, swim, climbing, aqua sauna)</b>  |                                  |  |                              |                                 | VAT inc       |
| Joining fee (includes inductions) 16+ One off fee   | 20.00                            | 20.00  | Freeze                       |                                 |               |
| Off Peak (Mon-Fri 6.30am to 5pm & weekends) 6 month minimum contract. Payment monthly by direct debit.  | 21.00                            | 21.00  | Freeze                       |                                 |               |
| Off Peak (Mon-Fri 6.30am to 5pm & weekends) Prepayment (receive 1 month free when pay up front for a year)  | 231.00                           | 231.00                                       | Freeze                       |                                 |               |
| Peak (Mon-Fri 6.30am to 11pm, Sat 8am to 8pm, Sun 8am to 10pm) 6 month minimum contract. Payment monthly by direct debit.                                     | 28.50                            | 28.50  | Freeze                       |                                 |               |
| Peak (Mon-Fri 6.30am to 11pm, Sat 8am to 8pm, Sun 8am to 10pm) Prepayment (receive 1 month free when pay up front for a year)                                 | 313.50                           | 313.50                                       | Freeze                       |                                 |               |
| No contract - Peak (price per month)  | 34.00                            | 34.00  | Freeze                       |                                 |               |
| No contract - Off Peak (price per month)  | 26.00                            | 26.00  | Freeze                       |                                 |               |
| Corporate Membership (minimum of 5) Peak (price per month)  | 27.00                            | 27.00  | Freeze                       |                                 |               |
| Corporate Membership (minimum of 5) Off Peak (price per month)  | 20.00                            | 20.00  | Freeze                       |                                 |               |
| Three day pass, week gym pass   |                                  | 9.00   | 9.00                         | New                             |               |
| If joined in week (above) get reduced registration  |                                  | 11.00  | 11.00                        | New                             |               |
| <b>Young Persons Membership (16 to 23 yrs in full time education or on a nationally recognised training programme i.e. modern apprentice)</b>                 |                                  |  |                              |                                 |               |
| Off Peak (Mon-Fri 6.30am to 5pm & weekends) 6 month minimum contract. Payment monthly by direct debit.  |                                  | 15.00  | 15.00                        | New                             |               |
| Health Check (free to direct debit & annual members ) 4 per year, pay and play usage  |                                  | 10.00  | 10.00                        | New                             |               |
| Junior Membership Day Pass  | 5.00                             |  | -5.00                        | Delete                          |               |
| Technogym Key Deposit   | 10.00                            | 10.00  | Freeze                       |                                 |               |
| Technogym Key Refund (Fully refundable on return of Key)  | -10.00                           | -10.00                                       | Freeze                       |                                 |               |
| Technogym Key Buy Back (Old Jubilee Pool Members)   | -3.00                            | -3.00  | Freeze                       |                                 |               |



| Page 14   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments  | VAT<br>Status |
|---|----------------------------------|--|------------------------------|----------------------------------|---------------|
| <b>Hire</b>   |                                  |  |                              |                                  | VAT inc       |
| Activity Zone   | 16.00                            | 17.00  | 1.00                         |                                  |               |
| Studio 1  | 21.00                            | 22.00  | 1.00                         |                                  |               |
| Studio 2  | 21.00                            | 22.00  | 1.00                         |                                  |               |
| Multi Activity Space (both studios)   | 42.00                            | 44.00  | 2.00                         |                                  |               |
| Party Set/Clean up  | 10.00                            | 11.00  | 1.00                         |                                  |               |
| Tae Kwondo  | 20.00                            |  | -20.00                       | Delete                           | No VAT        |
| <b>Classes</b>  |                                  |  |                              |                                  | No VAT        |
| Adult-standard  | 5.00                             | 5.20   | 0.20                         |                                  |               |
| Adult-Lyme Card   | 4.50                             | 4.70   | 0.20                         |                                  |               |
| Adult - Concession Scheme   | 3.60                             | 3.70   | 0.10                         |                                  |               |
| Adult - Off Peak  |                                  | 3.70   | 3.70                         | New                              |               |
| Junior Class - Lyme Card  | 2.50                             | 2.60   | 0.10                         |                                  |               |
| Osteo Class - Adult only  | 2.20                             | 2.40   | 0.20                         |                                  |               |
| Anti-natal - Teaching Pool  | 4.50                             | 4.70   | 0.20                         |                                  |               |
| Post-natal - Teaching Pool  | 4.50                             | 4.70   | 0.20                         |                                  |               |
| <b>Pre Payment classes</b>  |                                  |  |                              |                                  | No VAT        |
| Adult-Lyme Card (Buy 10 get 1 free)   | 45.00                            | 47.00  | 2.00                         |                                  |               |
| Junior/Concession-Lyme Card (Buy 10 get 1 free)                                 | 36.00                            | 37.00  | 1.00                         |                                  |               |
| Junior - Lyme Card (Buy 10 get 1 free)  | 25.00                            | 26.00  | 1.00                         |                                  |               |
| <b>Swimming Fees</b>  |                                  |  |                              |                                  | VAT inc       |
| <b>Swimming Pay &amp; Play</b>  |                                  |  |                              |                                  |               |
| Adult swim - standard   | 4.00                             | 4.10   | 0.10                         |                                  |               |
| Adult swim - Lyme Card  | 3.60                             | 3.70   | 0.10                         |                                  |               |
| Adult swim - Concession   | 2.20                             | 2.40   | 0.20                         |                                  |               |
| Junior swim - standard  | 2.20                             | 2.30   | 0.10                         |                                  |               |
| Junior swim - Lyme Card   | 2.00                             | 2.10   | 0.10                         |                                  |               |
| Children 3 years & under  | Free                             | Free   | NA                           |                                  |               |
| Spectators - standard   | 1.00                             | 1.00   | Freeze                       |                                  |               |
| Spectators - Lyme Card  | Free                             | Free   | NA                           |                                  |               |
| Keele University Card   | 2.00                             | 2.40   | 0.40                         |                                  |               |
| <b>Family Swimming - Standard Only</b>  |                                  |  |                              |                                  |               |
| Family Swim 1 Adult & 1 Child   | 5.90                             | 6.10   | 0.20                         |                                  |               |
| Family Swim 1 Adult & 2 Children  | 8.00                             | 8.30   | 0.30                         |                                  |               |
| Family Swim 1 Adult & 3 Children  | 10.10                            | 10.50  | 0.40                         |                                  |               |
| <b>Swimming Instruction</b>   |                                  |  |                              |                                  | No VAT        |
| <b>Swimming Lessons</b>   |                                  |  |                              |                                  |               |
| Adult swimming lesson (per 45 minutes) - Lyme Card                              | 12.00                            | 9.00   | -3.00                        | Local competition & low uptake   |               |
| Junior swimming lesson (per 30 minutes) - Lyme Card                             | 5.00                             | 5.10   | 0.10                         |                                  |               |
| <b>Private Lessons</b>  |                                  |  |                              |                                  |               |
| 1:1 lesson (per 30 minutes) - Lyme Card   | 20.00                            | 20.40  | 0.40                         |                                  |               |
| Additional person - Lyme Card   | 8.00                             | 8.20   | 0.20                         |                                  |               |
| <b>Pool Courses</b>   |                                  |  |                              |                                  |               |
| Rookie Lifeguards (per 2 hour session) - Lyme Card                              | 6.00                             | 6.50   | 0.50                         |                                  |               |
| Other Courses - Lyme Card - market forces in consultation with Portfolio Holder | Cost + 25%                       | Cost + 25%                                   | NA                           |                                  |               |
| <b>Fitness Classes Pool</b>   |                                  |  |                              |                                  |               |
| Aqua gym - standard   | 5.00                             | 5.20   | 0.20                         |                                  |               |
| Aqua gym - Lyme Card  | 4.50                             | 4.70   | 0.20                         |                                  |               |
| Aqua gym - concession   | 3.60                             | 3.70   | 0.10                         |                                  |               |
| Aqua fit - standard   | 5.00                             | 5.20   | 0.20                         |                                  |               |
| Aqua fit - Lyme Card  | 4.50                             | 4.70   | 0.20                         |                                  |               |
| Aqua fit - concession   | 3.60                             | 3.70   | 0.10                         |                                  |               |
| <b>Swimming Pool Hire</b>   |                                  |  |                              |                                  | VAT inc       |
| Teaching Pool Hire  | 42.50                            | 43.50  | 1.00                         |                                  |               |
| Main Pool Hire - (8 lane) (per lane per hour)                                   | 14.00                            | 14.30  | 0.30                         |                                  |               |
| Pool Party - Teaching Pool  | 62.50                            | 63.90  | 1.40                         |                                  |               |
| Additional staff for pool hire (per staff member)                               | 20.00                            | 21.00  | 1.00                         |                                  |               |
| Newcastle Amateur Swimming Club - per lane - Coaching                           | 7.00                             |  | -7.00                        | Negotiable with Portfolio Holder | No VAT        |
| Shelton Therapy Club 1 hr session - teaching pool                               | 53.00                            | 54.10  | 1.10                         | Block booking                    | No VAT        |
| Octopush 1.5 hr session   | 84.00                            |  | -84.00                       | Negotiable with Portfolio Holder | No VAT        |

| Page 15  | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments   | VAT<br>Status                                    |
|--|----------------------------------|--|------------------------------|---|--|
| Set Up Fee Galas   | 20.00                            | 21.00  | 1.00                         |   |  |
| Time Equipment Hire per gala   | 20.00                            | 21.00  | 1.00                         |   |  |
| <b>Bowls</b>   |                                  |  |                              | Cabinet   | VAT inc  |
| Adult  | 3.80                             | 3.90   | 0.10                         |   |  |
| Junior/60+   | 2.00                             | 2.00   | Freeze                       |   |  |
| Summer season ticket - adult   | 52.00                            | 53.00  | 1.00                         |   |  |
| Summer season ticket - junior/60+/unemployed                                       | 34.00                            | 35.00  | 1.00                         |   |  |
| Joint with Stoke-on-Trent City Council   | 66.50                            | 68.00  | 1.50                         |   |  |
| Winter season ticket   | 11.50                            | 12.00  | 0.50                         |   |  |
| Summer & winter season ticket - adult  | 60.50                            | 62.00  | 1.50                         |   |  |
| Summer & winter season ticket - Junior/60+/Unemployed                              | 43.00                            | 44.00  | 1.00                         |   |  |
| Merit competition per player - per hour  | 6.00                             | 6.25   | 0.25                         |   |  |
| Greenage fees for prebooking (plus playing fee per person)                         | 8.25                             | 8.50   | 0.25                         |   |  |
| Reissues of season ticket  | 25% of<br>ticket price           | 25% of<br>ticket price                       | NA                           |   |  |
| <b>Tennis Class A (Westlands, Wolstanton)</b>                                      |                                  |  |                              | Cabinet   | VAT inc  |
| Adult 1 hr (group ticket 4 adults)   | 12.00                            | 12.00  | Freeze                       |   |  |
| Family Ticket 1 hr (up to 4 adults & or 4 children with 2 adults)                  | 8.00                             | 8.00   | Freeze                       |   |  |
| Family ticket (1/2 adults, 2/3 children)   | 5.00                             | 5.00   | Freeze                       |   |  |
| 1 hour ticket (per person) – adult   | 4.00                             | 4.00   | Freeze                       |   |  |
| Junior 60 + unemployment 1 hr group ticket   | 6.00                             | 6.00   | Freeze                       |   |  |
| 1 hour ticket (per person) - junior/60+/unemployed                                 | 2.00                             | 2.00   | Freeze                       |   |  |
| 1/2 hour ticket (per person) – adult   | 2.00                             | 2.00   | Freeze                       |   |  |
| 1/2 hour ticket (per person) - junior/60+/unemployed                               | 1.00                             | 1.00   | Freeze                       |   |  |
| Annual tickets (per person) – adult  | 90.00                            | 92.00  | 2.00                         |   |  |
| Annual tickets (per person) - junior/60+/unemployed                                | 65.00                            | 66.50  | 1.50                         |   |  |
| Summer junior ticket August only per person  |                                  | 15.00  | 15.00                        | New charge to<br>encourage youth play                                     |  |
| Monthly ticket adult   |                                  | 25.00  | 25.00                        | New charge to<br>encourage youth play                                     |  |
| Monthly ticket junior/60+  |                                  | 20.00  | 20.00                        | New charge to<br>encourage youth play                                     |  |
| <b>Tennis Class B (Chesterton, Silverdale, Birchenwood, Bradwell, Clough Hall)</b> |                                  |  |                              |   |  |
| 1 hour ticket (per person) - adult   | Free                             | Free   | Freeze                       |   |  |
| 1 hour ticket (per person) - junior/60+/unemployed                                 | Free                             | Free   | Freeze                       | No charge due to low<br>usage &<br>disproportionate cost of<br>collection |  |
| 1/2 hour ticket (per person) - adult   | Free                             | Free   | Freeze                       |   |  |
| 1/2 hour ticket (per person) - junior/60+/unemployed                               | Free                             | Free   | Freeze                       |   |  |
| Annual tickets (per person) - adult  | Free                             | Free   | Freeze                       |   |  |
| Annual tickets (per person) - junior/60+/unemployed                                | Free                             | Free   | Freeze                       |   |  |
| <b>Football (Alternate weekly use per season)</b>                                  |                                  |  |                              | Cabinet   |  |
| Birchenwood  | 700.00                           | 715.00                                       | 15.00                        |   | No VAT   |
| Roe Lane   | 700.00                           | 715.00                                       | 15.00                        |   | VAT inc  |
| Wye Road/Black Bank/Clough Hall  | 620.00                           | 633.00                                       | 13.00                        |   | No VAT   |
| Wolstanton Marsh Pavilion  | 486.00                           | 496.00                                       | 10.00                        |   | No VAT   |
| All other pitches  | 335.00                           | 342.00                                       | 7.00                         |   | No VAT   |
| Junior pitch   | 60% of pitch<br>fee              | 60% of<br>pitch fee                          | NA                           |   | No VAT<br>except<br>Roe Lane<br>which inc<br>VAT |
| Mini soccer pitch (unmarked)   | 196.00                           | 200.00                                       | 4.00                         |   | No VAT   |
| Mini soccer pitch (marked)   | 274.00                           | 280.00                                       | 6.00                         |   | No VAT   |
| <b>Football (Casual use per match)</b>   |                                  |  |                              |   |  |
| Roe Lane/Birchenwood   | 80.00                            | 80.00  | Freeze                       |   | VAT inc  |
| <b>Rugby (Alternate weekly use per season)</b>                                     |                                  |  |                              |   |  |
| Bathpool   | 680.00                           | 694.00                                       | 14.00                        |   | No VAT   |
| Lyme Valley  | 368.00                           | 375.00                                       | 7.00                         |   | No VAT   |
| <b>Rugby (Casual user per match)</b>   |                                  |  |                              |   |  |
| Roe Lane/Bathpool  | 80.00                            | 80.00  | Freeze                       |   |  |
| <b>Concessionary Licences</b>  |                                  |  |                              |   |  |
| Brampton Park ice cream sales  | 700.00                           | 700.00                                       | Freeze                       |   |  |
| Brampton Park use of bouncy castle   | 700.00                           | 700.00                                       | Freeze                       |   |  |
| 4 Large Parks Northern Section of Borough ice cream sales                          | 600.00                           | 600.00                                       | Freeze                       |   |  |
| 4 Large Parks Southern Section of Borough ice cream sales                          | 600.00                           | 600.00                                       | Freeze                       |   |  |

| Page 16   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments               | VAT<br>Status |
|---|----------------------------------|--|------------------------------|---|---------------|
| <b>Community Events</b>   |                                  |  |                              |   |               |
| Wedding Photos within a Park Setting  | 15.00                            | 25.00  | 10.00                        |   |               |
| Advertising within Parks  | 10.00 to<br>5000.00              | 10.00 to<br>5000.00                          | NA                           |   |               |
| Hire of Display Boards including delivery, setting up & collection  | 25.00                            | 25.00  | Freeze                       |   |               |
| Hire of Gazebos including delivery, setting up & collection   | 75.00                            | 75.00  | Freeze                       |   |               |
| Hire of Trailer Stage including delivery, setting up & collection   | 150.00                           | 150.00                                       | Freeze                       |   |               |
| Hire of Tables and Chairs (2 tables and 2 chairs) including delivery, setting up & collection                         | 15.00                            | 20.00  | 5.00                         |   |               |
| Booking Large Events which take more than 6 months planning through the section (Midsummer Mayhem)                    | 150.00                           | 150.00                                       | Freeze                       |   |               |
| Booking Medium Events which take more than 6 months planning through the section (firework displays, carnivals etc)   | 75.00                            | 75.00  | Freeze                       |   |               |
| Booking Small Events which take more than 6 months planning through the section (competitions, fun days, picnics etc) | 25.00                            | 25.00  | Freeze                       |   |               |
| <b>LICENCES</b>   |                                  |  |                              | Statutory                                     | No VAT        |
| <b>General</b>  |                                  |  |                              |   |               |
| Sex establishments - application fee  | 3,000.00                         | 3,000.00                                     | Freeze                       |   |               |
| Sex establishments - annual fee   | 2,000.00                         | 2,000.00                                     | Freeze                       |   |               |
| Scrap metal dealer site licence   |                                  | 200.00                                       | 200.00                       |   |               |
| Scrap metal dealer collectors licence   |                                  | 200.00                                       | 200.00                       |   |               |
| <b>Gambling Act 2005</b>  |                                  |  |                              |   |               |
| 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 - application to vary   | 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 - application to vary   | 1,250.00                         | 1,250.00                                     | Freeze                       |   |               |
| Track betting - application to 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 - application to vary  | 1,500.00                         | 1,500.00                                     | Freeze                       |   |               |
| Betting premises - application to 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 - application to vary   | 1,000.00                         | 1,000.00                                     | Freeze                       |   |               |
| Family entertainment centre - application to 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 - application to vary   | 1,000.00                         | 1,000.00                                     | Freeze                       |   |               |
| Adult gaming centre - application to transfer   | 1,200.00                         | 1,200.00                                     | Freeze                       |   |               |
| <b>Private Hire/Hackney Carriage</b>  |                                  |  |                              | Cabinet<br>Charges subject to<br>consultation |               |
| Private hire operators (plus £100 per additional vehicle up to a maximum 50 vehicles)                                 | 82.00                            | 150.00                                       | 68.00                        |   |               |
| Hackney carriage - drivers badge (3 years)  | 184.00                           | 210.00                                       | 26.00                        |   |               |
| Private hire - drivers badge (3 years)  | 184.00                           | 210.00                                       | 26.00                        |   |               |
| Replacement badge   | 11.00                            | 13.00  | 2.00                         |   |               |
| DBS (CRB)   |                                  | 44.00  | 44.00                        |   |               |
| Hackney carriage - vehicles   | 235.00                           | 300.00                                       | 65.00                        |   |               |
| Private hire - vehicles   | 225.00                           | 290.00                                       | 65.00                        |   |               |
| Private hire - vehicles 8+ seats  | 235.00                           | 300.00                                       | 65.00                        |   |               |
| Transfer of vehicle   | 36.00                            | 36.00  | Freeze                       |   |               |
| Failure to attend for vehicle test  | 41.00                            | 97.00  | 56.00                        |   |               |
| Retest  |                                  | 33.00  | 33.00                        |   |               |
| Replacement plate & carrier - front   | 23.00                            | 23.00  | Freeze                       |   |               |
| Replacement plate & carrier - rear  | 33.00                            | 33.00  | Freeze                       |   |               |
| <b>Licensing Act 2003 - New Application</b>   |                                  |  |                              | Statutory                                     |               |
| Premise Licence, band A (rateable value of up to £4,300)  | 100.00                           | 100.00                                       | Freeze                       |   |               |
| Premise Licence, band B (rateable value of £4,301 to £33,000)   | 190.00                           | 190.00                                       | Freeze                       |   |               |
| Premise Licence, band C (rateable value of £33,001 to £87,000)  | 315.00                           | 315.00                                       | Freeze                       |   |               |
| Premise Licence, band D (rateable value of £87,001 to £125,000)   | 450.00                           | 450.00                                       | Freeze                       |   |               |
| Premise Licence, band E (rateable value of £125,001 and above)  | 635.00                           | 635.00                                       | Freeze                       |   |               |
| Additional fee (number of patrons 5,000 to 9,999)   | 1,000.00                         | 1,000.00                                     | Freeze                       |   |               |
| Additional fee (number of patrons 10,000 to 14,999)   | 2,000.00                         | 2,000.00                                     | Freeze                       |   |               |

| Page 17   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments | VAT<br>Status  |
|---|----------------------------------|--|------------------------------|---------------------------------|--|
| Additional fee (number of patrons 15,000 to 19,999)                                   | 4,000.00                         | 4,000.00                                     | Freeze                       | Statutory                       |  |
| Additional fee (number of patrons 20,000 to 29,999)                                   | 8,000.00                         | 8,000.00                                     | Freeze                       |                                 |  |
| Additional fee (number of patrons 30,000 to 39,999)                                   | 16,000.00                        | 16,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 40,000 to 49,999)                                   | 24,000.00                        | 24,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 50,000 to 59,999)                                   | 32,000.00                        | 32,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 60,000 to 69,999)                                   | 40,000.00                        | 40,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 70,000 to 79,999)                                   | 48,000.00                        | 48,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 80,000 to 89,999)                                   | 56,000.00                        | 56,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 90,000 & above)                                     | 64,000.00                        | 64,000.00                                    | Freeze                       |                                 |  |
| <b>Licensing Act 2003 - Annual Fee</b>  |                                  |  |                              |                                 |  |
| Premise Licence, band A (rateable value of up to £4,300)                              | 70.00                            | 70.00  | Freeze                       |                                 |  |
| Premise Licence, band B (rateable value of £4,301 to £33,000)                         | 180.00                           | 180.00                                       | Freeze                       |                                 |  |
| Premise Licence, band C (rateable value of £33,001 to £87,000)                        | 295.00                           | 295.00                                       | Freeze                       |                                 |  |
| Premise Licence, band D (rateable value of £87,001 to £125,000)                       | 320.00                           | 320.00                                       | Freeze                       |                                 |  |
| Premise Licence, band E (rateable value of £125,001 & above)                          | 350.00                           | 350.00                                       | Freeze                       |                                 |  |
| Additional fee (number of patrons 5,000 to 9,999)                                     | 500.00                           | 500.00                                       | Freeze                       |                                 |  |
| Additional fee (number of patrons 10,000 to 14,999)                                   | 1,000.00                         | 1,000.00                                     | Freeze                       |                                 |  |
| Additional fee (number of patrons 15,000 to 19,999)                                   | 2,000.00                         | 2,000.00                                     | Freeze                       |                                 |  |
| Additional fee (number of patrons 20,000 to 29,999)                                   | 4,000.00                         | 4,000.00                                     | Freeze                       |                                 |  |
| Additional fee (number of patrons 30,000 to 39,999)                                   | 8,000.00                         | 8,000.00                                     | Freeze                       |                                 |  |
| Additional fee (number of patrons 40,000 to 49,999)                                   | 12,000.00                        | 12,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 50,000 to 59,999)                                   | 16,000.00                        | 16,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 60,000 to 69,999)                                   | 20,000.00                        | 20,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 70,000 to 79,999)                                   | 24,000.00                        | 24,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 80,000 to 89,999)                                   | 28,000.00                        | 28,000.00                                    | Freeze                       |                                 |  |
| Additional fee (number of patrons 90,000 & above)                                     | 32,000.00                        | 32,000.00                                    | Freeze                       |                                 |  |
| <b>Licensing Act 2003 - Miscellaneous Fees (Application or Notice)</b>                |                                  |  |                              | Statutory                       |  |
| Section 25 (theft, loss, etc. of premises licence or summary)                         | 10.50                            | 10.50  | Freeze                       |                                 |  |
| Section 29 (application for a provisional statement where premises being built, etc.) | 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 etc. of licence holder)          | 23.00                            | 23.00  | Freeze                       |                                 |  |
| Section 79 (theft, loss etc. of certificate or 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>                |                                  |  |                              |                                 |  |
| 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 etc. 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 etc. 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 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                                | 17.80                            | 20.00  | 2.20                         |                                 |  |
| Open market - second stall (per day) Monday, Friday, Saturday                         |                                  | 10.00  | 10.00                        |                                 |  |
| Open market - stall (per day) Wednesday   |                                  | 10.00  | 10.00                        |                                 |  |
| Open market - additional space (per day) Wednesday                                    |                                  | 10.00  | 10.00                        |                                 |  |
| Open market - extension to stall (per day)  | 3.45                             | 3.45   | 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>M.O.T.</b>   |                                  |  |                              | Cabinet                         | No VAT   |
| M.O.T. – car  | 40.00                            | 40.00  | Freeze                       |                                 |  |
| M.O.T. for discounted partner   | 35.00                            | 35.00  | Freeze                       |                                 |  |
| M.O.T. – 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                         | Prices as Staffordshire<br>Prints - various options<br>not only size but type of<br>paper, framing etc |
| Reproduction prints of items in collection - 7"x 5"                                   | 5.00                             |  | -5.00                        |                                 |  |
| Reproduction prints of items in collection - 8"x 6"                                   | 7.50                             |  | -7.50                        |                                 |  |
| Reproduction prints of items in collection - 10"x 8"                                  | 12.50                            |  | -12.50                       |                                 | VAT inc  |

| Page 18  | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments  | VAT<br>Status |
|--|----------------------------------|--|------------------------------|--|---------------|
| Other prints not on www.staffordshire.org.uk   | Cost +100%                       | Cost<br>+100%                                | 70% of<br>cost               |  | VAT inc       |
| Photocopies (per A4 sheet) black & white   | 0.50                             | 0.50   | Freeze                       |  | VAT inc       |
| Photocopies (per A3 sheet) black & white   | 0.70                             | 0.70   | Freeze                       |  |               |
| Colour photocopy (per A4 sheet)  | 1.50                             | 1.50   | Freeze                       |  |               |
| Colour photocopy (per A3 sheet)  | 2.00                             | 2.00   | Freeze                       |  |               |
| Scanned images A4  | 4.75                             | 5.00   | 0.25                         |  | VAT inc       |
| CD Rom image/emailed image - one image on CD/emailed                                 | 10.00                            | 12.50  | 2.50                         |  |               |
| Subsequent images each   | 3.00                             | 3.50   | 0.50                         |  |               |
| Community publication  | 12.50                            | 13.00  | 0.50                         |  | VAT inc       |
| Additional   | 5.00                             | 5.00   | Freeze                       |  | VAT inc       |
| Commercial publication   | 35.00                            | 40.00  | 5.00                         |  | VAT inc       |
| Additional   | 10.00                            | 10.00  | Freeze                       |  | VAT inc       |
| Regional TV, film & video (per item)   | 65.00                            | 70.00  | 5.00                         |  | VAT inc       |
| UK network TV (per item)   | 90.00                            | 95.00  | 5.00                         |  | VAT inc       |
| Overseas TV (per item)   | 175.00                           | 185.00                                       | 10.00                        |  | VAT inc       |
| Commission of picture sales from exhibitions   | 30% of<br>Price                  | 30% of<br>Price                              | Freeze                       |  | Plus VAT      |
| Education Session (per pupil) Half Day - Borough schools (school rates harmonised)   | 2.75                             | 2.75   | Freeze                       |  | No VAT        |
| Education Session (per pupil) - Full day - Borough schools (school rates harmonised) | 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                             | 1.50   | Freeze                       |  | No VAT        |
| Mini makes   | 0.75                             | 0.10   | -0.65                        |  | No VAT        |
| Adult history courses (10 weeks)   | 70.00                            | 75.00  | 5.00                         |  | No VAT        |
| Adult history courses (10 weeks) - Concession  | 65.00                            | 70.00  | 5.00                         |  | No VAT        |
| Adult object handling/remembrance sessions (per hour)                                | 25.00                            | 25.00  | Freeze                       |  | VAT inc       |
| Outreach Fee (new)   | 25.00                            | 25.00  | Freeze                       |  | No VAT        |
| Outreach education – schools (per session) (previously per hour)                     | 50.00                            | 50.00  | Freeze                       |  | No VAT        |
| Hire of meeting room (per half day)  | 20.00                            | 22.50  | 2.50                         |  | No VAT        |
| Refreshment Charges (tea/coffee & biscuits, per head)                                | 0.90                             | 1.00   | 0.10                         |  | VAT inc       |
| Education Item Loan  | 10.00                            | 10.00  | Freeze                       |  | No VAT        |
| Saleable items   | Market Val.                      | Market Val.                                  | NA                           |  |               |
| Open Art Registration (per item)   | 4.00                             | 4.00   | Freeze                       |  | VAT inc       |
| Open Art Registration (three items)  | 10.50                            | 10.50  | Freeze                       |  | VAT inc       |
| Open Art Registration - Concession (per item)  | 3.50                             | 3.50   | Freeze                       |  | VAT inc       |
| Open Art Registration - Concession (three items)                                     | 9.00                             | 9.00   | Freeze                       |  | VAT inc       |
| <b>Event Fees:</b>   |                                  |  | Freeze                       |  |               |
| Craft Fairs per Table - One Day  | 15.00                            | 15.00  | Freeze                       |  | VAT inc       |
| Hall Gallery weekly charge (non Newcastle artists/organisations)                     | 10.00                            | 10.00  | Freeze                       |  | VAT inc       |
| <b>NAMING/NUMBERING OF STREETS/PROPERTIES</b>  |                                  |  |                              | Cabinet  | No VAT        |
| <b>New or Redevelopment</b>  |                                  |  |                              |  |               |
| Charge for naming of a street  | 150.00                           | 157.50                                       | 7.50                         |  |               |
| Charge for naming of a commercial building   | 75.00                            | 79.00  | 4.00                         |  |               |
| Single residential property on an existing street                                    | 100.00                           | 105.00                                       | 5.00                         |  |               |
| Number / name 2-5 properties   | 150.00                           | 157.50                                       | 7.50                         |  |               |
| plus - per plot  | 50.00                            | 52.50  | 2.50                         |  |               |
| Number / name 6-25 properties per phase  | 150.00                           | 157.50                                       | 7.50                         |  |               |
| plus - per plot  | 40.00                            | 42.00  | 2.00                         |  |               |
| Number / name >25 properties per phase   | 150.00                           | 157.50                                       | 7.50                         |  |               |
| plus - per plot  | 30.00                            | 31.50  | 1.50                         |  |               |
| Change to layout after notification  | 200.00                           | 210.00                                       | 10.00                        |  |               |
| plus - per plot  | 25.00                            | 26.00  | 1.00                         |  |               |
| <b>Existing Properties/Streets</b>   |                                  |  |                              |  |               |
| Adding or alteration of a house / building name                                      | 50.00                            | 52.50  | 2.50                         |  |               |
| Renaming of a Street   | Price on<br>application          | Price on<br>application                      |                              |  |               |
| House or building renumbering (inc. sub division to flats)                           | 200.00                           | 210.00                                       | 10.00                        |  |               |
| Confirmation of Postal Address   | 30.00                            | 31.50  | 1.50                         |  |               |
| Requests not included in above fees  | 30.00 per hr                     | 31.50 per<br>hr                              | 1.50 per hr                  |  |               |
| <b>PEST CONTROL</b>  |                                  |  |                              | Cabinet<br>Subject to approval at<br>Public Protection &/or<br>Cabinet |               |
| Treatment of rats (domestic properties) prepayment by card, cheque or cash           | Free                             | 30.00  | 30.00                        |  |               |
| Treatment of rats (domestic properties) payment by invoice                           | Free                             | 48.00  | 48.00                        |  |               |
| Treatment of mice (domestic properties) – prepayment by card, cheque or cash         | 25.00                            | 30.00  | 5.00                         |  | VAT inc       |

| Page 19   | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments | VAT<br>Status |
|---|----------------------------------|--|------------------------------|---------------------------------|---------------|
| Treatment of mice (domestic properties) – payment by invoice  | 43.00                            | 48.00  | 5.00                         |                                 | VAT inc       |
| Treatment of pests of public health significance (domestic properties) e.g. bed bugs & cockroaches – prepayment by card, cheque or cash   | 50.00                            | 50.00  | Freeze                       |                                 | VAT inc       |
| Treatment of pests of public health significance (domestic properties) e.g. bed bugs & cockroaches – payment by invoice   | 68.00                            | 68.00  | Freeze                       |                                 | VAT inc       |
| Insect control treatments (including wasps, ants & fleas) - prepayment by card, cheque or cash  | 65.00                            | 65.00  | Freeze                       |                                 | VAT inc       |
| Insect control treatments (including wasps, ants & fleas) - payment by invoice  | 83.00                            | 83.00  | Freeze                       |                                 | VAT inc       |
| 3 treatment scheme (3 for 2 offer) – prepayment by card, cheque or cash   | 130.00                           | 130.00                                       | Freeze                       |                                 | VAT inc       |
| 3 treatment scheme (3 for 2 offer) – payment by invoice   | 148.00                           | 148.00                                       | Freeze                       |                                 | VAT inc       |
| Pest control & commercial (other) - first hour  | 75.00                            | 83.00  | 8.00                         |                                 | VAT inc       |
| Pest control & commercial (other) - per 1/4 additional hour (inc. VAT)  | 18.75                            | 20.00  | 1.25                         |                                 | VAT inc       |
| Mole & Rabbit control (per treatment visit) - prepayment rate (inc. VAT)  | Quotation on request             | 160.00                                       | NA                           |                                 | VAT inc       |
| Mole & Rabbit control (per treatment visit) - payment by invoice (inc. VAT)   | Quotation on request             | 178.00                                       | NA                           |                                 | VAT inc       |
| Squirrel Control - first hour (invoiced at end of treatment)  | 93.00                            | 83.00  | -10.00                       |                                 |               |
| Squirrel Control - per additional 1/4 hour  | 18.75                            | 20.00  | 1.25                         |                                 |               |
| Advice Visit (no treatment) - payment by card, cheque or cash   | 30.00                            | 30.00  | Freeze                       |                                 |               |
| Advice Visit (no treatment) - payment by invoice  | 48.00                            | 48.00  | Freeze                       |                                 |               |
| Fixed term pest control treatment agreements (commercial premises) - actual cost (minimum one hour)   | from 275.00                      | Quotation on request                         | NA                           |                                 | VAT inc       |
| Works in default (Prevention of Damage by Pests Act 1949) first hour (invoiced at end of treatment)   |                                  | 83.00  | 83.00                        |                                 |               |
| Works in default (Prevention of Damage by Pests Act 1949) per additional 1/4 hour (invoiced at end of treatment)  |                                  | 20.00  | 20.00                        |                                 |               |
| <b>PLANNING SERVICES</b>  |                                  |  |                              | Cabinet                         | No VAT        |
| Postage & packing   | 0.65                             | 0.65   | Freeze                       |                                 |               |
| <i>Copies up to £1 are free of charge</i>   |                                  |  |                              |                                 |               |
| Paper copies of Planning decisions & documents - per sheet (A4) (Black & White) - <b>for orders of £1 or more in value</b>  | 0.10                             | 0.10   | Freeze                       |                                 |               |
| Paper copies of Planning decisions & documents - per sheet (A3) (Black & White) - <b>for orders of £1 or more in value</b>  | 0.20                             | 0.20   | Freeze                       |                                 |               |
| Paper copies of Plans - planning files per sheet (A4) (Black & White) - <b>for orders of £1 or more in value</b>  | 0.10                             | 0.10   | Freeze                       |                                 |               |
| Paper copies of Plans - planning files per sheet (A3) (Black & White) - <b>for orders of £1 or more in value</b>  | 0.20                             | 0.20   | Freeze                       |                                 |               |
| Paper Colour Copies of an A4 sheet of planning decision, planning documents or plan from a planning file - <b>for orders of £1 or more in value</b>   | 0.25                             | 0.25   | Freeze                       |                                 |               |
| Paper Colour Copies of an A3 sheet of planning decision, planning documents or plan from a planning file - <b>for orders of £1 or more in value</b>   | 0.50                             | 0.50   | Freeze                       |                                 |               |
| Scanned copies of documents - per sheet - charge per hour of scanning ( <b>where legal to charge</b> )  | 30.00                            | 30.00  | Freeze                       |                                 |               |
| Paper copies of Plans - planning files - each plan (A2)   | 1.75                             | 1.75   | Freeze                       |                                 |               |
| Paper copies of Plans - planning files - each plan (A1)   | 2.75                             | 2.75   | Freeze                       |                                 |               |
| Paper copies of Plans - planning files - each plan (A0)   | 3.85                             | 3.85   | Freeze                       |                                 |               |
| Building Control decisions & documents - per document   | As per Planning documents        | As per Planning document                     | NA                           |                                 |               |
| Building Control decisions & documents - research into archive files  | Actual Cost                      | Actual Cost                                  | NA                           |                                 |               |
| Weekly lists - posted   | 100.00                           | 100.00                                       | Freeze                       |                                 |               |
| Weekly lists - collected  | 75.00                            | 75.00  | Freeze                       |                                 |               |
| Weekly lists - statutory consultees   | Free                             | Free   | NA                           |                                 |               |
| Information/site history - commercial organisations (per hour)  | 65.00                            | 65.00  | Freeze                       |                                 |               |
| Requests for information/site history - private individuals   | Actual Cost                      | Actual Cost                                  | NA                           |                                 |               |
| <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 4 ha or more. Non residential developments over 10,000m2 of floorspace or where floorspace not known, a site area of 2ha or more)  | 400.00                           | 400.00                                       | Freeze                       |                                 | VAT inc       |
| <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 floorspace not known, a site area of between 1ha & 2ha) | 200.00                           | 200.00                                       | Freeze                       |                                 | VAT inc       |

| Page 20  | Fee/<br>Charge<br>2013/14<br>£.p | Proposed<br>Fee/<br>Charge<br>2014/15<br>£.p | Increase/<br>Decrease<br>£.p | Committee Approval/<br>Comments               | VAT<br>Status |
|--|----------------------------------|--|------------------------------|---|---------------|
| <b>Minor Developments</b> (residential developments of between 1 & 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 floorspace not known, a site area of less than 1ha)  | 60.00                            | 60.00  | Freeze                       |   | VAT inc       |
| <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                            | 20.00  | Freeze                       |   | VAT inc       |
| <b>Other Development</b> (excluding householder development but including changes of use, advertisements, prior approval proposals & listed building proposals)  | 30.00                            | 30.00  | Freeze                       |   | VAT inc       |
| <b>Planning Application Fees</b><br><i>Due to the complexity of the fee structure it is not shown here. Details of Fees payable may be obtained from the Planning Section or via the fee calculator available at the Planning Portal website. See link below:</i><br><a href="http://www.planningportal.gov.uk/pins/FeeCalculatorStandalone">http://www.planningportal.gov.uk/pins/FeeCalculatorStandalone</a> | Statutory                        | Statutory                                    | NA                           | Statutory                                     |               |
| Building Control fees (service provided by North Staffs Building Control Partnership)  | As per Partnership Board         | As per Partnership Board                     | NA                           | Partnership Board                             |               |
| George Riley walking guides  | 2.00                             | 2.00   | Freeze                       | Cabinet                                       |               |
| Business directory Newcastle-under-Lyme  | Free                             | Free   | NA                           |   |               |
| Planning & development briefs (as & when prepared)   | Free                             | Free   | NA                           |   |               |
| 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 - Both North & South   | 10.00                            | 10.00  | Freeze                       |   |               |
| Strategic Housing Land Availability Assessment   | 25.00                            | 27.50  | 2.50                         |   |               |
| Colour version Draft Options Report Site Allocations & Policies Local Plan (yet to be published)   | 5.00                             |  | -5.00                        | Draft Options Report will not be prepared now |               |
| <b>PRIVATE SECTOR HOUSING</b>  |                                  |  |                              |   | No VAT        |
| Houses in multiple occupation licence fee  | 540.00                           | 540.00                                       | Freeze                       | Cabinet                                       |               |
| Re-submission of returned applications   | 85.00                            | 85.00  | Freeze                       |   |               |
| Fee to change or vary a house in multiple occupation licence   | 58.00                            |  | -58.00                       | No longer chargeable                          |               |
| Renewal of houses in multiple occupation licence   | 405.00                           | 405.00                                       | Freeze                       |   |               |
| Immigration Inspections  | 100.00                           | 108.00                                       | 8.00                         |   |               |
| Charges for Work in Default Notices - Officer Time   | £22 hour                         | £24 hour                                     | 2.00                         |   |               |
| Travelling Costs   | 65p mile                         | 65p mile                                     | Freeze                       |   |               |
| Management Costs   | £35 hour                         | £35 hour                                     | Freeze                       |   |               |
| Land Registry Fee  | 4.00                             | 4.00   | Freeze                       | Set externally                                |               |
| Inspection by qualified electrician or gas engineers   | As quote                         | As quote                                     | NA                           |   |               |
| Recorded Delivery  | 1.06                             | 1.06   | Freeze                       | Royal Mail cost                               |               |
| Other Costs (stated as per individual case)  | As actual                        | As actual                                    | NA                           |   |               |
| Administration fee (to cover corporate service recharges)  | 12%                              | 12%  | Freeze                       |   |               |
| <b>REMOVAL OF DOMESTIC ANIMAL CARCASSES</b>  |                                  |  |                              |   | VAT inc       |
| Removal of domestic animal carcasses (including VAT)   | 27.00                            | 29.70  | 2.70                         | Cabinet                                       |               |
| <b>SALE OF SANDBAGS</b>  |                                  |  |                              |   | VAT inc       |
| 5 Sand bags  | 26.00                            | 28.60  | 2.60                         | Cabinet                                       |               |
| 10 Sand bags   | 31.00                            | 34.10  | 3.10                         |   |               |
| 15 Sand bags   | 36.00                            | 39.60  | 3.60                         |   |               |
| 20 sand bags   | 41.00                            | 45.41  | 4.41                         |   |               |
| <b>STREET TRADING (OFFICER APPROVAL REQUIRED)</b>  |                                  |  |                              |   | No VAT        |
| Newcastle Town Centre (daily)  | 18.20                            | 20.00  | 1.80                         | Cabinet                                       |               |
| 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                       |   |               |
| Northbound layby A34 (per annum)   | 8,745.00                         | 8,745.00                                     | Freeze                       |   |               |
| <b>TOWN CENTRE DISPLAYS (OFFICER APPROVAL REQUIRED)</b>  |                                  |  |                              |   | No VAT        |
| Market traders & local promotions (per metre)  | 7.00                             | 7.00   | Freeze                       | Cabinet                                       |               |
| Charity & local community groups   | Free                             | Free   | NA                           |   |               |
| National promotions (minimum charge)   | 60.00                            | 60.00  | Freeze                       |   |               |
| <b>TREE PRESERVATION ORDERS</b>  |                                  |  |                              |   | No VAT        |
| Single copy of a tree preservation order   | 30.00                            | 30.00  | Freeze                       | Cabinet                                       |               |
| <b>WAIVER PERMITS</b>  |                                  |  |                              |   | No VAT        |
| Parking waiver permit (day one)  | 15.00                            | 15.00  | Freeze                       | Cabinet                                       |               |
| Parking Waiver Permit (additional days exc Sunday up to 7 days)  | 5.00                             | 5.00   | Freeze                       |   |               |

**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 an initial 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.

## **CHARGING FOR PRE-APPLICATION PLANNING ADVICE**

At its meeting on the 6<sup>th</sup> February 2013 Cabinet received a report on whether or not the Council should agree to introduce charging for planning advice, and the means by which this could be done. Cabinet resolved

- (1) That provision of “free” informal written advice as to whether or not planning permission is required for development proposals be discontinued;
- (2) That, subject to (3) below, the introduction of charging of fees for pre-application advice, as set out in the report be approved;
- (3) That, solely in relation to householder development, the provision one half-hour meeting per case be allowed without charge, but a charge be levied in the event of any further meeting or if written confirmation of the advice given is sought; and
- (4) That the Head of Planning and Development be requested to report back after 6 months on the implementation of these changes, the feedback received and the impact of them

### **The agreed fees**

- **£400 for ‘large scale Major developments’** (for residential developments of over 200 dwellings or, when the number of dwellings is not known, a site area of 4 ha. or more; and for non-residential developments of over 10,000 m<sup>2</sup> of floorspace or, when the floorspace is not known, a site area of 2 ha. or more)
- **£200 for ‘small scale Major developments’** (for residential developments of between 10 and 200 dwellings, or when the number of dwellings is not known, a site area of between 0.5 ha. and 4 ha; and for non-residential developments of between 1,000 and 10,000 m<sup>2</sup> floorspace or, when the floorspace is not known, a site area between 1 ha. and 2 ha.)
- **£60 for ‘Minor’ developments** (for residential developments of between 1 and 9 dwellings or, when the number of dwellings is not known, a site area of less than 0.5 ha., and for non-residential developments of under 1,000m<sup>2</sup> floorspace or, when the floorspace is not known, a site area of less than 1 ha)
- **£20 for ‘householder development’** other than for the holding of one half hour meeting for which there is no fee
- **£30 for all ‘Other development’**, excluding householder developments but including changes of use, advertisements, prior approval proposals, and listed building proposals

### **Implementation of the changes**

The changes agreed by Cabinet were brought into effect as from 1<sup>st</sup> April 2013. The implementation involved several meetings between Planning and Customer Services to ensure that ‘front line’ staff were aware of the changes. Training was also provided for staff within the Planning Service, who provided useful feedback on detailed issues that arose during the implementation of the changes. The principal area that required clarification was the treatment of cases which were already within the system. Officers have worked to ensure that in terms of the speed with which meetings can be set up, the introduction of fees has had a minimal effect.

### **Feedback received**

Very little written feedback regarding the changes has been received from users of the service. In one case where there was initially negative feedback when it was explained what

the giving of pre-application advice was likely to involve the party concerned acknowledged that it was understandable why a fee might have to be charged. One party (a High Street town centre commercial property owner) did express serious concern about the introduction of the £60 charge, expressing the view that the Borough Council should be “straining every sinew to encourage fresh tenants into the town centre not placing handicaps in the way”. No formal complaints have been made concerning the changes. Several agents have indicated that it is understandable why the Council has introduced charging and that they have expressed the view that the Borough Council’s fees are “very reasonable compared with those of neighbouring authorities”.

### **Impact of the changes**

The February 2013 Cabinet report (which recommended the introduction of fees for all enquiries including those concerning householder development) did suggest that a number of questions needed also to be considered

- Would the introduction of charges in this area deter potential applicants from seeking that advice?
- Would less pre-application discussions result in un-discussed and unacceptable proposals, leading to more refusals and appeals as a result?
- Would the proposal result in a drop in customer satisfaction levels in the service overall?
- Would an applicant, having paid for pre-application discussion, be inclined to expect greater certainty and a quicker decision, and would they, therefore, be more aggrieved if their application is refused and ;
- How does the introduction of pre-application charging “fit” with the decision of Cabinet to seek to aspire to obtain the Local Enterprise Planning Charter Mark?

Whether or not the introduction of charges, at the level set last February, has deterred potential applicants from seeking advice is extremely difficult to estimate. Any comparison of the number and type of pre-application enquiries in the 9 months leading up to the change and the 9 months has to be qualified by changes that may have occurred associated with the state of the wider economy, but it can be noted that

- the number of enquiries which are the subject of fees has reduced somewhat, but not significantly so,
- some 59% of enquiries are not the subject of any charge (as a result of Cabinet's decision to exclude initial householder enquiries from the charging regime) and
- the number of applications for certificates of lawfulness has not risen as was expected (with consequential fee implications).

The other impacts are more long term ones and would not yet be apparent.

### **Conclusion and recommendation**

The ‘acceptance’ of the changes by developers, householders (when paying) and agents is strongly determined by the level of the fees. At this point in time the level of the fee feels appropriate and reasonable, particularly bearing in mind that payees are increasingly questioning what they are getting for their money and are expressing concern about the standard of service that is being provided to them. The Service needs now to focus on these aspects. **No change in the level of fees for 2014/15 is accordingly recommended.**

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

## **REVENUE AND CAPITAL BUDGETS 2014/15**

**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 2014/15 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 confirm that no Council Tax increase is proposed in 2014/15.
- (c) That the Transformation and Resources Overview and 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 2014.

### **Reasons**

To enable the Cabinet to recommend a robust and affordable budget for 2014/15 to the Council meeting on 26 February 2014.

## 1. **Background**

- 1.1 The Council is committed to achieving excellence in its service delivery. 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 2014/15 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 Clean, Safe and Sustainable Borough
- A Borough of Opportunity
- A Healthy and Active Community
- A Co-operative Council delivering High-Quality, Community-Driven Services

These four priorities developed alongside the vision within the Council’s outcome-driven Council Plan 2013/14 to 2015/16, 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 and the following notable achievements so far in 2013/14:

- Working collaboratively with other authorities, a new Customer Relationship Management system (CRM) has been implemented by Customer & ICT Services

in June and all other partners moved to the shared web based system at the end of October.

- Replacement of the corporate financial system completed in December and training provided to system users.
- A Town centre manager from the business community of Newcastle was recruited for the Newcastle Town Centre Partnership, established a business plan and a programme of town centre events delivered. This included the Lymelight Music Festival, Global Groove, and a weekend of activities around the Christmas Lights switch on.
- Kidsgrove Town Centre Partnership established.
- Enderley and Bridge Street subways have been fully refurbished in partnership with the county council.
- Progress with engagement of partners in developing key projects such as Lets Work Together continues with a series of training sessions and also events held with partners.
- Another successful Business Boost competition and awards event held at the Keele Sustainability Hub.
- Procurement has worked closely with service areas in taking various approaches to make effective savings through ongoing analysis, and includes collaborative tenders and the use of various purchasing frameworks to ensure cost reductions for post, stationery, cash collection, ICT Hardware, and other tenders which use economies of scale through collective purchasing to identify further areas of savings.
- A Social Value toolkit compiled in conjunction with and support from the Newcastle Partnership. Ongoing support given to embed social value as part of future commissioning/procurement and the establishment of Social value champions within the authority.
- A total of nearly 4,000 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.
- Negotiated a two year price increase freeze with our Green and Food Waste contractor making a saving of £20,000 from the next financial year.
- Recycling & Waste were shortlisted in APSE Performance Awards.
- Introduced a pilot Business Food Waste scheme to support businesses reducing their food waste.
- Development of Memorandum of Understanding (MOU) with Project Management Training (PM) to foster greater collaboration, and support to supplier event with PM generating further apprenticeships within the region.
- 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 in line with the Local Investment Plan.
- Successfully provided three internships for students at Keele University.
- Recruited eleven apprentices to the council after the successful launch of the Shared Apprenticeship Scheme.
- New community centre and facilities delivered at Silverdale.
- The Operations section gained the Gold standard award in Britain in Bloom for 12<sup>th</sup> year running and also Green Flag Awards for nine of its parks and green spaces.
- Delivered a range of measures to address, deter and prevent anti social behaviour e.g. diversionary activities, and co-ordinated a range of activity to support victims of domestic violence and anti social behaviour.
- The Council, alongside a range of partners, finalised the signing of a 20-year agreement with JCB for the Blue Planet building to become a logistics hub creating 300 jobs over the next two years.



- Progress with consolidation of ICT software continues with the removal of legacy software systems to improve efficiencies and integration with the council's mainstream systems. The consolidation of the Network and Telephony contracts resulted in reduced costs and enables the move to more efficient technology as part of a future programme.
- The Council's Committee Services and ICT Team successfully upgraded the Council's Modern.Gov system to offer residents, Councillors and Staff the opportunity to use the Modern.Gov app linked to the Council's public website.
- Remote Access solution has been replaced to ensure the authority has greater resilience in a business continuity situation, whilst enhancing flexible and agile working.
- The Council's accreditation with Public Service Network (PSN) was confirmed in November. The Council is one of approximately 250 authorities who have received compliance to date. Compliance with the new, more stringent requirements allows connection to a secure Government network, as part of the Government's bid to share information between public bodies, and enables services such as Revenues & Benefits to send and receive information from Government departments such as the Department for Works and Pensions securely.
- An ICT Desktop strategy was approved in September and a rollout of Windows 7 and Office 2010 is currently being implemented to all users.
- Customer Services has received the Customer Service Excellence award for the third year running.
- Collaborative commissioning with the County Council to commission projects to be delivered by the Third Sector.

1.4 In 2014/15, whilst continuing to deliver high performing, quality services and ensuring efficiencies in Council operations, there are many activities planned towards achieving Council Plan outcomes, of which examples are set out below:

- Reviews and implementation of new strategies and policies over a wide range of services
- Progress with the Public Realm project will see the replacement of market stalls to be in place by Easter 2014 and Hassell Street pedestrianisation works for Spring.
- Ryecroft subway refurbishment completed by Autumn 2014.
- Business boost competition planned to be held again in October 2014.
- Newcastle Town Centre Partnership and Kidsgrove Town Centre Partnership delivery and implementation of business plans
- Continue to work with the Stoke and Staffordshire Local Enterprise Partnership to secure European funding for the Borough.
- Further development of the CRM system will utilise new applications to improve the customer journey and make efficiencies from back office integration.
- Pledge to undertake a further apprentice recruitment drive and to work with companies and the voluntary sector to offer even more opportunities where possible for young people.
- Plans to work with Keele University again to provide the internship programme and interest shown from Staffordshire University to be involved in 2014/15.
- Implement outcomes of the community centre review
- Work and Development of an Eco/Green Deal brokerage service
- Establish the new procurement portal and continue to progress work where analysis has identified procurement savings.
- In partnership with Keele University Business School, we are looking to develop our trade waste and trade recycling services.

- Marketing to continue 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.
  - Progress with many of the projects commenced in 2013-14 is also planned.
- 1.5 The Council has developed 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.
- 1.6 It should be noted that the MTFS and the draft 2014/15 Budget have been compiled against a continuing national picture of reduced funding from central government for local authorities, particularly district councils.
- 1.7 The draft 2014/15 budget is based upon the assumptions made in the MTFS which was approved by the Cabinet at its meeting on 16 October 2013 and scrutinised by the Transformation and Resources Overview and Scrutiny Committee at their meeting on 6 November 2013.
- 1.8 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. The Council Leader is a group member, together with the Chief Executive and Executive Director of Resources and Support Services and other appropriate finance and corporate support officers. 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 2013/14**

- 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. Kidsgrove Sports Centre and car parking fees) are yielding significantly less compared to what was received prior to the recently experienced recession and continuing low level of economic activity, this situation is no longer as critical a source of adverse budget variances owing to action taken when setting the 2013/14 budget in February 2013, whereby an additional allowance of £300,000 to cover income shortfalls was included in the budget, making a total allowance of £500,000. The amount required in future budgets will be kept under review as the economy begins to move out of recession at some stage and income levels improve.
- 2.3 The savings of £1.783m incorporated in the 2013/14 budget have been achieved. This means that altogether over the six years from 2008/09 to 2013/14 £13.270m 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 |

### 3. Draft Budget 2014/15

- 3.1 The MTFs was approved by the Cabinet on 16 October 2013. This illustrated that the Council would have a shortfall of £2.170m in 2014/15 which could be addressed by a combination of actions, such as efficiency measures, reductions in expenditure, increases in income, support from the Budget Support Fund and the Council Tax Freeze Grant.
- 3.2 The Government notified provisional funding amounts for 2014/15 at the same time that the allocations for 2013/14 were announced. Analysis of the data supplied by the government indicated that there will be a reduction in funding compared to that for 2013/14 of £1.047m. Subsequently, in July 2013, the government published technical consultation relating to the local government finance settlement 2014/15 and 2015/16. Information contained in the consultation document indicated that the Council was likely to suffer a further reduction in 2014/15 of around £0.076m arising from proposed technical changes. The total forecast reduction of £1.123m for 2014/15, which is a 13.6 per cent reduction compared with the 2013/14 amount, has been included in the MTFs. The final funding allocation which was notified on 18 December is £7.121m, which is in line with the forecast reduction included in the MTFs. Notification was also given in respect of the likely level of government funding for 2015/16. This indicates a further reduction of £1.109m or 15.6 per cent. This is in line with the forecast contained in the MTFs.
- 3.3 There have been a small number of changes made to the MTFs since its approval in October, resulting in a reduction in the funding “gap” of £121,000. This means that it now stands at £2.049m for next year. The changes relate to the following items:
- Changes to the Local Government pension scheme mean that superannuation is now required to be paid on non-contractual overtime as from 1 April 2014 (+£50,000)
  - Reduction in Housing Benefits and Local Council Tax Support Administration Subsidy payable in 2014/15 as notified by Department of Work and Pensions and Department for Communities and Local Government (+£90,000). This represents a reduction of 11.3%.
  - Following negotiations with the Actuary and Staffordshire County Council, the increase in the superannuation contribution rate is likely to be less than forecast (-£111,000)
  - Removal of the additional contribution to the Revenue Investment Fund in 2014/15 (-£100,000). This will leave a £100,000 contribution to the Fund for 2014/15.
  - Reduction in the amount required for Contingencies (-£50,000)

The table below shows the factors which give rise to the “gap” for 2014/15:-

| <b>CHANGES TO BASE BUDGET</b>   |              |
|---|--------------|
| <b><u>ADDITIONAL INCOME</u></b>   |              |
|   | <b>£'000</b> |
| Fees and Charges  | 96           |
| <b>TOTAL ADDITIONAL INCOME (A)</b>  | <b>96</b>    |
| <b>ADDITIONAL EXPENDITURE &amp; LOSS OF INCOME</b>  |              |
| Reduction in Government Grant   | 1,123        |
| Provision for Pay Awards  | 134          |
| Incremental Pay Rises for Staff   | 54           |
| Superannuation increase in employers contribution/ changes to the LGPS in relation to non-contractual overtime. | 201          |
| Reduced Vacancy Factor allowance  | 72           |
| Price Increases e.g. energy, fuel, rates, insurances, supplies & services                                       | 100          |

|  |              |
|--|--------------|
| Loss of Investment Interest due to fewer capital receipts and investment rates | 46           |
| Reduction in Housing Benefits and Local Council Tax Support Subsidy            | 90           |
| Adjustments re One-Off items in 2013/14, e.g. Borough elections                | 225          |
| <b>TOTAL ADDITIONAL EXPENDITURE AND LOSS OF INCOME (B)</b>                     | <b>2,045</b> |
| <b><u>OTHER ITEMS</u></b>  |              |
| <b>CONTRIBUTION TO ICT DEVELOPMENT FUND</b>                                    | <b>50</b>    |
| <b>CONTINGENCY (D)</b>   | <b>50</b>    |
| <b>NET INCREASE IN BASE BUDGET (B+C+D-A)</b>                                   | <b>2,049</b> |

- 3.4 The Budget Review Group and your officers have been identifying and considering ways of eliminating this gap. As a result of this work, a number of savings and funding strategies have been identified and agreed with managers as being feasible and sustainable. The proposed savings, totalling £2.049m, are outlined in the table below and set out in detail in Appendix 1.

| <b>Category</b>                              | <b>Amount</b> | <b>Comments</b>  |
|--|---------------|--|
|  | <b>£'000</b>  |  |
| Procurement                                  | 259           | Smarter procurement and reductions in the amount of supplies procured  |
| Additional Income                            | 158           | Includes new sources of income and additional income arising from increased activity. This amount is additional to the amount of £96,000 included in the MTFS in respect of a general 2% increase in fees and charges. |
| Good Housekeeping Efficiencies               | 181           | Various savings arising from more efficient use of budgets   |
| Staffing Efficiencies                        | 488           | No redundancies arise from these proposals.  |
| Better Use of Assets                         | 115           | Demolition of former Sainsburys site and sale of Jubilee1.   |
| New Homes Bonus funding                      | 208           | Contribution to revenue budget from New Homes Bonus funding.   |
| Council Tax Freeze Grant 2014/15             | 70            | See 3.6 below  |
| Alternative Sources of Finance/Other Savings | 570           | Additional Business Rates retained, reduction in grants and contributions to external bodies, effect of forecast Council Tax Base increase.  |
| <b>Total</b>                                 | <b>2,049</b>  |  |

- 3.5 At its meeting on 3 December 2013, the Transformation and Resources Overview and Scrutiny Committee requested further information in respect of four of the items in the appendix, namely:

- P3 - Procurement Savings - £100k
- I1 - Income Generation Project - £60k
- S1 - Vacant Posts - £150k
- S5 - Overtime Review - £100k

Further information in respect of each item is attached at Appendix 2.

- 3.6 It is not proposed to increase the Council tax for 2014/15. The Council would be permitted to increase tax by up to 2.0 per cent, above which it is required to conduct a referendum to determine the views of taxpayers. The government wish to see no increase in Council Tax for 2014/15 and are once more offering to pay a non specific grant to those councils which do not increase their council tax for 2014/15. The grant is payable at a rate equivalent to a 1.0 per cent increase in the authority's 2013/14 basic amount of council tax multiplied by its council tax base. For Newcastle, this would result in a grant of around £70,000 being payable, which is included in the table of proposals to close the budget gap at paragraph 3.4 above. The grant will be payable for two years, 2014/15 and 2015/16, no more payments being made after 2015/16. The grant of £70,000 in respect of the 2013/14 freeze will be paid in 2014/15, consolidated within the overall financial settlement amount, after which it will cease. The grant of £173,000 in respect of the 2011/12 freeze, which was originally payable for four consecutive years, will continue to be paid in 2014/15, after which it will also be consolidated within the overall financial settlement amount. Both of these grants relating to previous years' freezes are included in the base budget, so do not represent additional income. The grant in respect of the 2012/13 freeze is no longer receivable as it was only paid for the one year, 2012/13. The table below summarises the position in relation to these freeze grants over the years they will be received.

| 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*     | 0       | 0       |
| Re 2014/15 Freeze        | 0                                  | 0       | 0       | 70      | 70      | 0       |
| Total Receivable in Year | 173                                | 346     | 243     | 313     | 243     | 173     |

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

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

|                                 | £'000   | Report Reference |
|---------------------------------|---------|------------------|
| Changes to Base Budget          | 2,049   | 3.3              |
| Savings/Increased Income        | (2,049) | 3.4              |
| <b>BUDGET SHORTFALL ('GAP')</b> | -       |                  |

#### 4. Medium Term Financial Strategy - 2015/16 to 2018/19

- 4.1 The MTFs is being continually reviewed for 2015/16 to 2018/19. The current shortfalls are estimated as:

- £1.934m in 2015/16

- £1.390m in 2016/17
- £0.857m in 2017/18
- £0.926m in 2018/19

Because the 2014/15 council tax freeze grant is only payable for two years, 2014/15 and 2015/16, a further £70,000 will have to be added to the shortfall for 2016/17.

- 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. As announced by the Leader in his report to Council on 27 November 2013, work is already ongoing by your officers, working in conjunction with the Budget Review Group, to identify solutions as part of the Newcastle 2020 project.
- 4.3 The Budget Review Group will continue to develop a strategy for bridging the entire 2015/16 gap and for eliminating the shortfalls in respect of the remaining years up to 2018/19. The outcome of this work will be reported to Cabinet upon completion.

5. **Capital Programme 2013/14 - 2014/15**

- 5.1 Attached at Appendix 3 is the updated capital programme 2013/14 to 2014/15 based on current commitments and agreed schemes plus a number of new schemes which are vital to ensure continued service delivery. New schemes total £1,039,000 plus £1,029,000 relating to the Housing Capital Programme, which is the subject of a report elsewhere on the agenda. The remainder of items included in the Programme relate to continuing expenditure on current schemes, funding for which has already been approved. A summary of the new items included in the Programme and how they are proposed to be funded, is set out below:

| Scheme                                    | Cost   | Funding         |                           |                  |
|---|--------|-----------------|---------------------------|------------------|
|   |        | New Homes Bonus | Disabled Facilities Grant | Capital Receipts |
|   | £'000s | £'000s          | £'000s                    | £'000s           |
| <b>Housing Programme</b>                  |        |                 |                           |                  |
| Disabled Facilities Grants                | 864    | 350             | 514                       |                  |
| PSH/Emergency HHSRS Grants/Vulnerable H   | 80     | 80              |                           |                  |
| Empty Homes                               | 20     | 20              |                           |                  |
| Energy Advice Service                     | 20     | 20              |                           |                  |
| Home Improvement Agency                   | 13     | 13              |                           |                  |
| Landlord Accreditation Scheme             | 32     | 32              |                           |                  |
| <b>Replacement Vehicles and Equipment</b> |        |                 |                           |                  |
| Vehicles Replacement                      | 552    |                 |                           | 552              |
| Waste Bins                                | 50     |                 |                           | 50               |
| <b>Stock Condition Works</b>              |        |                 |                           |                  |
| Museum                                    | 15     |                 |                           | 15               |
| Commercial Portfolio                      | 60     |                 |                           | 60               |
| Civic Offices                             | 53     |                 |                           | 53               |
| Car Parks                                 | 20     |                 |                           | 20               |
| <b>Parks and Open Spaces</b>              |        |                 |                           |                  |

|  |              |            |            |            |
|--|--------------|------------|------------|------------|
| Footpath Repairs                       | 50           |            |            | 50         |
| Play Area Refurbishment *              | 50           |            |            | 50         |
| Railings/Structures Repairs            | 25           |            |            | 25         |
| Brampton Park                          | 100          | 85         |            | 15         |
| <b>Other Projects</b>                  |              |            |            |            |
| Cemetery Memorial Survey Works         | 9            |            |            | 9          |
| Ryecroft Site Clearance Costs (net) ** | 45           |            |            | 45         |
| Clayton Sports Centre - Match Funding  | 10           |            |            | 10         |
| <b>TOTAL</b>                           | <b>2,068</b> | <b>600</b> | <b>514</b> | <b>954</b> |

\* Included in Replacement/Repair of Play Equipment in Appendix 3

\*\* Additional resources allocated but expenditure will be in 2013/14

- 5.2 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.
- 5.3 Continuation of the capital programme beyond 2014/15 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.
- 5.4 The Council's overall capital strategy was most recently updated in February 2013. A further updated strategy, covering the period 2014 to 2017, together with an updated asset management strategy, is included elsewhere on your agenda.
- 5.5 The Capital Strategy position is set out in section 12 of the Strategy and it is worth highlighting the points set out in paragraphs 12.1 and 12.3 to 12.7:

*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.*

*12.3 Funding for additional projects not essential to operational continuity will depend on capital receipts from asset sales. Appendices to the Asset Management Strategy 2013-2016 set out the assets which will be available for disposal during this period and the arrangements to be adopted for public consultation concerning their disposal. Additionally, the appendices indicate a larger number of potential assets for disposal towards and beyond the end of the said strategy. It is intended that the planning merits of those assets be determined during the preparation of the Council's next Local Plan.*

*12.4 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.*

12.5 *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.*

12.6 *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.*

12.7 *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 will be insufficient resources available to fund all of these requirements for several years. 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.*

5.6 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. A number of these schemes have been included in the proposed capital programme and are set out in Appendix 3.

## 6. **Balances and Reserves**

6.1 The Council's Balances and Reserves Strategy for 2013/14 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 5 February 2014 and the full Council on 26 February 2014.

6.3 It is not proposed to make any contribution from the Budget Support Fund to support the 2014/15 budget.

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

7.1 The Council is required to set its Council Tax for 2014/15 by 11 March 2014. However, it is planned to approve the final budget and council tax rates on the 26 February 2014.

## 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 2014/15 budget and Council Tax levels is:-

| <b>When</b> | <b>Who</b>                  | <b>What</b>   |
|-------------|-----------------------------|---|
| 14 January  | Scrutiny Café (all members) | Scrutiny of the first draft of the overall budget proposals enabling all members to obtain information about the 2014/15 budget proposals |
| 15 January  | Cabinet                     | Consideration of draft budget proposals   |
| 22 January  | TROSC                       | Scrutiny of the draft budget proposals  |
| 5 February  | Cabinet                     | Final budget proposals to be recommended for approval by Full Council   |
| 26 February | Full Council                | To approve the budget and set council tax levels  |

TROSC - Transformation and Resources Overview and Scrutiny Committee

## 10. **Earlier Cabinet Resolutions**

Medium Term Financial Strategy 2014/15 to 2018/19 - 16 October 2013.

## 11. **List of Appendices**

Appendix 1: Savings and Funding Strategies

Appendix 2: Further information requested by the Transformation and Resources Overview and Scrutiny Committee

Appendix 3: Capital Programme 2013/14 to 2014/15.

**Appendix 1 – 2014/15 Savings and Funding Strategies Being Considered (will require robustness checks and final review)**

| Reference          | Service Area                   | Description   | £000's     | % of Budget Line(s) | Detail   |
|--------------------|--------------------------------|---|------------|---------------------|--|
| <b>Procurement</b> |                                |   |            |                     |  |
| P1                 | Communications                 | Multi Functional Devices  | 38         | 53.7%               | Contract savings for 2014/15 and 2015/16 only - require reinstatement for commencement of new contract from 2016/17  |
| P2                 | Communications                 | Printing and publicity  | 3          | 2.9%                | Savings generated from the centralisation of the Council's print and publicity budgets and the resulting challenges to purchasing                                  |
| P3                 | Business Imp. and Partnerships | Procurement savings not identified in other services                              | 100        | *                   | Procurement savings identified via Procurement Group (grounds maintenance, building cleaning/materials, housing advice)  |
| P4                 | Customer and ICT Services      | ICT Software application purchase and maintenance                                 | 18         | 4.7%                | Continued negotiation, rationalisation and renewal of ICT application/software/hardware contracts  |
| P5                 | Internal Audit                 | Computer audit contract and software  | 5          | 30.8%               | Saving on computer audit contract following annual procurement and reduction in requirement for software   |
| P6                 | Recycling and Fleet            | Contract uplifts  | 66         | 3.8%                | Non application of recycling contract uplifts  |
| P7                 | Recycling and Fleet            | Vehicle costs   | 20         | 13.9%               | Better procurement of parts and reduction in damage  |
| P8                 | Housing                        | Homelessness agreements   | 9          | 11.6%               | Negotiation and reductions in agreements/contracts held  |
|                    |                                |   | <b>259</b> |                     |  |
| <b>Income</b>      |                                |   |            |                     |  |
| I1                 | Various                        | Income Generation Project   | 60         | *                   | Potential income generated from commissioning of Deloitte's income generation exercise (inc. additional advertising income from Council assets and licensing fees) |
| I2                 | Revenues and Benefits          | Summons costs   | 30         | 4.8%                | Alignment of budget to actual income levels received   |
| I3                 | Operational Services           | Large Coffin Cremations   | 10         | 1.3%                | Income generated from amendments made to cremator  |
| I4                 | Leisure and Cultural           | Jubilee 2 reduction in net operating cost - prior to increase in fees and charges | 18         | 3.0%                | Net reduction in Jubilee 2 operating budget as per the approved business plan  |
| I5                 | Recycling and Fleet            | Recycling credits/contractor payments   | 40         | 7.9%                | Net reduction in the variance between the amount paid to recycling contractors and the amounts received in recycling credits and material income                   |
|                    |                                |   | <b>158</b> |                     |  |

**Staffing Related Efficiencies**

|     |                           |   |     |        |  |
|-----|---------------------------|---|-----|--------|--|
| S1  | Various                   | Vacant Posts  | 150 | 1.0%   | Review of current vacant posts contained within the budget   |
| S2  | Assets                    | Assets Restructure  | 50  | 4.5%   | Restructure of Assets Service  |
| S3  | Central Services          | Central Services Restructure  | 50  | 8.3%   | Restructure of Central Services  |
| S4  | Human Resources           | Human Resources Restructure   | 50  | 16.5%  | Minor Restructure of Human Resources   |
| S5  | Human Resources           | Overtime review   | 100 | 36.5%  | Review of overtime in respect of working practices and terms and conditions  |
| S6  | Human Resources           | Car Leasing   | 10  | 6.9%   | Contributions no longer required re. employees leaving the Authority or ending their lease   |
| S7  | Human Resources           | Corporate Training Budget   | 10  | 33.3%  | Reduction in the Councils corporate training budget - efficiencies gained through more electronic courses and sharing costs with other local authorities |
| S8  | Finance                   | Pay Award   | 11  | 1.0%   | Chief Officers and Heads of Services 2013/14. No pay award made, therefore, realignment of base budget   |
| S9  | Operational Services      | Streetscene (Development and Enforcement) restructure                       | 9   | 4.7%   | Flexible retirement of Assistant Environmental Officer - redistribution/reallocation of tasks  |
| S10 | Leisure and Cultural      | Replacement of Sports and Active Lifestyles Manager post with Grade 10 post | 12  | 4.9%   | Minor restructure following Sports and Active Lifestyles Manager post holder leaving the Authority   |
| S11 | Customer and ICT Services | ICT temporary staff   | 15  | 37.5%  | Reduction in requirement for external expertise following negotiation and renewal of ICT contracts   |
| S12 | Customer and ICT Services | IT/Customer Support staff - reduction in hours                              | 13  | 1.8%   | Reduction in hours for 3 employees   |
| S13 | Planning                  | Post entry training   | 4   | 66.7%  | Review of service has deemed there is not a requirement  |
| S14 | Housing                   | Post entry training   | 4   | 100.0% | Review of service has deemed there is not a requirement  |

**488**

**Good Housekeeping**

|    |                                |   |   |       |  |
|----|--------------------------------|---|---|-------|--|
| G1 | Chief Executive                | Expenses, catering and conference/seminars                    | 1 | 31.3% | Reduction in budgetary requirements for general employee and office requirements (e.g. equipment, conference/seminar costs, catering)                |
| G2 | Communications                 | Equipment hire, repair and purchase, postage                  | 3 | 28.7% | Reductions in the levels of equipment hire, repair and purchase, postages and general office supplies in the Print Room, Research and Communications |
| G3 | Business Imp. and Partnerships | Performance   | 5 | 29.8% | Rationalisation of fees paid for external reviews  |
| G4 | Leisure and Cultural           | Community Recreation Service Minibus/Van, in service training | 3 | 24.0% | Reduction in contract payments for minibus/van. Requirement for in service training within Leisure Management has reduced                            |

|                             |                           |   |            |        |  |
|-----------------------------|---------------------------|---|------------|--------|--|
| G5                          | Operational Services      | Administration costs, equipment purchases and rental income | 5          | 33.9%  | Reduction in budgetary requirements for equipment purchases and other fees for services. Reduction in budgetary requirement in the Landscape service for equipment purchases. Income from rents of land and open spaces in excess of the budget set for the previous 2 financial years |
| G6                          | Operational Services      | Improvements, alterations and materials                     | 17         | 14.3%  | Reduction in requirement in Parks, Highways Amenities and Town Centre/Roundabout planting for improvements, alterations and materials. Income from rents of lands and open spaces in excess of the budget set for the 2 previous years   |
| G7                          | Customer and ICT Services | Books and publications, uniforms and scan coin machines     | 6          | 40.0%  | Reduction in requirement for books and publications. Uniforms now only required on a rolling basis. Reduction in maintenance costs of scan coin payment machines   |
| G8                          | Customer and ICT Services | Staffordshire Connects                                      | 7          | 30.4%  | Reduction in the 'core team' element of the Councils contribution to Staffordshire Connects  |
| G10                         | Human Resources           | Corporate subscription, long service awards and recruitment | 5          | 25.6%  | Corporate subscription previously paid no longer utilised. Reduction in long service awards in line with actual spend in 2013/14. Reduction in recruitment requirements, use of internet/intranet sites to advertise   |
| G11                         | Finance                   | VAT advice  | 2          | 40.0%  | Reduction in usage and contract for VAT advice   |
| G12                         | Finance                   | Contribution to SCC   | 5          | 100.0% | End of contribution required to be made to SCC re. partnerships and engagement   |
| G13                         | Revenues and Benefits     | Greater recovery of housing benefit overpayments            | 100        | 74.1%  | Recovery rates from housing benefits overpayments have increased significantly over recent years. Realignment of budget  |
| G14                         | Assets                    | CCTV  | 3          | 5.6%   | Reduction in maintenance costs for CCTV service  |
| G15                         | Assets                    | Electricity and cleaning                                    | 7          | 24.9%  | Savings made on electricity and contract cleaning regarding commercial properties and Kidsgrove Town Hall  |
| G17                         | Assets                    | Civil Contingencies Unit                                    | 8          | 29.6%  | Reduction in support provided  |
| G18                         | Housing                   | Christmas decorations                                       | 4          | 8.5%   | To reflect actual current costs and saving in electricity from revised arrangement   |
|                             |                           |   | <b>181</b> |        |  |
| <b>Better Use of Assets</b> |                           |   |            |        |  |
| B1                          | Assets                    | Ryecroft Site   | 70         | 100.0% | Demolition of ex-Sainsbury's site - savings in business rates and holding costs  |
| B2                          | Assets                    | Sale of Jubilee Baths site                                  | 45         | 100.0% | Revenue savings (business rates, maintenance) from sale of site  |
|                             |                           |   | <b>115</b> |        |  |

| Alternative Sources of Finance/Other           |           |  |              |       |   |
|--|-----------|--|--------------|-------|---|
| C1   | Corporate | Business Rates Retention Scheme            | 450          | **    | Increase in business rates retainable by the Council as per NNDR1 calculations and the new Local Government financial arrangements introduced on 1st April 2013 |
| C2   | Corporate | Funding Review                             | 40           | 10.0% | Review of grants and contributions given by the Council   |
| C3   | Corporate | Council Tax Grant                          | 70           | **    | New Council Tax Freeze Grant  |
| C4   | Corporate | Pericles ICT Development Fund contribution | 35           | **    | 2013/14 is the final year of the agreed contribution to the ICT Development Fund following the purchase of the new system                                       |
| C6   | Corporate | Council Tax Base Adjustments               | 45           | **    | Adjustments to Council Tax base following provision of new homes (per New Homes Bonus) and Council Tax reforms  |
| C7   | Corporate | New Homes Bonus contribution               | 208          | **    | Further additional funding to be received in 2014/15 - to be confirmed  |
| <i>* Unable to determine % at current time</i> |           | <i>**Not applicable</i>                    | <b>848</b>   |       |   |
| <b>Grand Total</b>                             |           |  | <b>2,049</b> |       |   |

**Further Information Requested by the Transformation and Resources Overview and Scrutiny Committee**

**Reference P3 – Procurement Savings - £100k**

This relates predominantly to 3 areas that have been the subject of reports to the cabinet over the last few months:

- a.) Grounds Maintenance – a report to Cabinet on 18 September 2013 considered options for the future procurement of the Bereavement Services Grounds Maintenance Contract. Tender documentation included potential savings in respect of the successful bidder operating from accommodation at the Knutton Lane Depot together with the use of other services and facilities provided by the council ie the garage workshop for fleet servicing and repairs, the fuel pumps and the waste transfer station.
- b.) Corporate Cleaning Services – a report to Cabinet on 16 October 2013 approved proposals for reviewing the current mix of in-house and external cleaning arrangements. Savings are to be made from changes to the cleaning specifications for all council buildings; aggregation of cleaning activities and aggregation of materials purchased.
- c.) Newcastle Housing Advice Service Contract – a report to Cabinet on 18 September 2013 recommended a revised specification and service outline which it is expected will realise 10% savings in the first year.

**Reference I1 – Income Generation Project - £60k**

A study was commissioned from accountancy firm Deloitte to examine the Council's fees and charges, comparing them with those made by a range of other local authorities for whom similar work had been carried out. This was a County-wide project, financed by the West Midlands Improvement and efficiency Partnership. The resulting report identified a number of areas where there appeared to be scope for increasing income from existing charges. In addition it identified some activities for which no charge was being made. A number of these were implemented during 2013/14. These were charging for pre-planning advice, charging developers for the naming of streets and numbering of properties and householders for the naming of dwellings and some new charges relating to bereavement services, specifically in respect of memorial vases and memorial trees and shrubs and for the renewal of exclusive rights of burial.

Another project that is being undertaken is in respect of generating income from advertising opportunities eg from hoardings and car park signage. In addition, a review is being undertaken of how adverts, information and public notices are placed in local newspapers.

**Reference S1 – Vacant Posts - £150k**

A review has been carried out of posts which are currently vacant and it is considered that the following can be frozen but kept under review:

Business Improvement and Partnerships Support Officer (0.5 FTE)  
Communications and Marketing Officer  
Senior Electronic Communications Officer  
Accountancy Assistant (0.8 FTE)  
Administrative Assistant – Creditors (0.5 FTE)  
Streetscene Operative  
Visiting Officer – Revenues and Benefits

### **Reference S3 – Overtime - £100k**

The provisions of the 2005 Single Status Agreement allow for enhancements to employees' plain hourly rate of pay in a range of circumstances for additional hours worked. These can range from single time, time and a half, time and three quarters and double time. Overtime payments are made to a wide range of employees across the Council, with the majority being paid to waste and recycling, Streetscene and Leisure and Cultural Services staff. Whilst some cost reductions have been achieved in recent years by changing working practices and by changing the two previously occasional bank holiday Tuesday holidays into normal working days, the current level of expenditure on overtime payments is in excess of £300k per year. There is an additional cost pressure being put on the Council from April 2014 as it then becomes liable for payment of employers pension contributions on overtime payments at that time. The full year effect of this is in the region of £75k on current overtime levels and payments. It is intended to undertake a fundamental review of overtime working to identify opportunities to achieve reductions through both revised working practices and terms and conditions. It is envisaged that the larger proportion of the target will need to be found from terms and conditions amendments as opposed to changes to working practices, but both will be examined carefully.

## NEWCASTLE-U-LYME BOROUGH COUNCIL CAPITAL PROGRAMME 2013/14 - 2014/15

| Scheme                     | Corporate Priorities | 2013/14 Est Exp | 2014/15 Est Exp | Total Exp     | External Cont | Council Financing |
|----------------------------|----------------------|-----------------|-----------------|---------------|---------------|-------------------|
| <b>Safer Communities</b>   |                      | £               | £               | £             | £             | £                 |
| Parkhouse/Lymedale CCTV    | a b d                | 15,000          |                 | 15,000        |               | 15,000            |
| CCTV Replacement Equipment | a b                  | 25,000          |                 | 25,000        |               | 25,000            |
| <b>Totals</b>              | a b c d              | <b>40,000</b>   | <b>0</b>        | <b>40,000</b> | <b>0</b>      | <b>40,000</b>     |

| Scheme                                 | Corporate Priorities | 2013/14 Est Exp | 2014/15 Est Exp | Total Exp      | External Cont | Council Financing |
|--|----------------------|-----------------|-----------------|----------------|---------------|-------------------|
| <b>Environment &amp; Recycling</b>     |                      | £               | £               | £              | £             | £                 |
| Pool Dam Valley Marshes Nature Reserve | a b                  | 47,000          |                 | 47,000         | 47,000        | 0                 |
| Cemetery Memorial Safety Programme     | a                    | 30,900          |                 | 30,900         |               | 30,900            |
| Cemetery Memorial Survey Works         | a                    |                 | 9,000           | 9,000          |               | 9,000             |
| Low Carbon Works                       | a                    | 4,700           |                 | 4,700          | 4,700         | 0                 |
| Waste Bins                             | a                    | 50,000          | 50,000          | 100,000        |               | 100,000           |
| <b>General Projects</b>                |                      |                 |                 |                |               |                   |
| Asset Disposal Programme               | b                    | 16,000          |                 | 16,000         |               | 16,000            |
| General Contingency                    |                      | 85,300          |                 | 85,300         |               | 85,300            |
| Final Accounts & Retentions Various    |                      |                 |                 | 0              |               | 0                 |
| <b>Totals</b>                          | a b c d              | <b>233,900</b>  | <b>59,000</b>   | <b>292,900</b> | <b>51,700</b> | <b>241,200</b>    |

| Scheme                                | Corporate Priorities | 2013/14 Est Exp  | 2014/15 Est Exp | Total Exp        | External Cont    | Council Financing |
|---------------------------------------|----------------------|------------------|-----------------|------------------|------------------|-------------------|
| <b>Culture &amp; Leisure</b>          |                      | £                | £               | £                | £                | £                 |
| Replacement/Repair of Play Equipment  | a c                  | 135,800          | 50,000          | 185,800          |                  | 185,800           |
| Wolstanton Marsh Improvements         | a c                  | 129,900          |                 | 129,900          | 129,900          | 0                 |
| Silverdale Community Facilities       | a c                  | 781,300          | 50,000          | 831,300          | 831,300          | 0                 |
| Footpath Repairs                      | a c                  | 47,500           | 50,000          | 97,500           |                  | 97,500            |
| Railings/Structures Repairs           | a c                  | 19,100           | 25,000          | 44,100           |                  | 44,100            |
| Brampton Park                         | a c                  |                  | 100,000         | 100,000          | 85,000           | 15,000            |
| Castle Motte Heritage Works           | a                    | 9,200            |                 | 9,200            | 9,200            | 0                 |
| Neighbourhood Park The Wammy          | a c                  | 18,000           |                 | 18,000           | 18,000           | 0                 |
| Clayton Sports Centre - Match Funding | a c                  |                  | 10,000          | 10,000           |                  | 10,000            |
| Stock Condition Works - Museum        | c                    | 15,000           | 15,000          | 30,000           |                  | 30,000            |
| Clayton Community Centre              | c                    | 15,000           |                 | 15,000           |                  | 15,000            |
| Knutton Community Centre              | c                    | 30,000           |                 | 30,000           |                  | 30,000            |
| Red Street Community Centre           | c                    | 75,000           |                 | 75,000           |                  | 75,000            |
| <b>Totals</b>                         | a b c d              | <b>1,275,800</b> | <b>300,000</b>  | <b>1,575,800</b> | <b>1,073,400</b> | <b>502,400</b>    |

| Scheme  | Corporate Priorities | 2013/14 Est Exp  | 2014/15 Est Exp | Total Exp        | External Cont | Council Financing |
|---|----------------------|------------------|-----------------|------------------|---------------|-------------------|
| <b>Operational Equipment/Buildings/ICT Development Fund</b> |                      | £                | £               | £                | £             | £                 |
| ICT PC Replacements   | a d                  | 98,900           |                 | 98,900           |               | 98,900            |
| ICT Replacement Servers                                     | a d                  | 12,600           |                 | 12,600           |               | 12,600            |
| Customer Relationship Management                            | d                    | 64,200           |                 | 64,200           |               | 64,200            |
| ICT Projects  | d                    | 258,000          |                 | 258,000          |               | 258,000           |
| Vehicles  | a d                  | 669,500          | 552,000         | 1,221,500        |               | 1,221,500         |
| Stock Condition Works - Civic Offices                       | d                    | 50,000           | 53,000          | 103,000          |               | 103,000           |
| <b>Totals</b>   | a b c d              | <b>1,153,200</b> | <b>605,000</b>  | <b>1,758,200</b> | <b>0</b>      | <b>1,758,200</b>  |



| Scheme   | Corporate Priorities | 2013/14 Est Exp  | 2014/15 Est Exp  | Total Exp        | External Cont    | Council Financing |
|--|----------------------|------------------|------------------|------------------|------------------|-------------------|
| <b>Regeneration, Planning &amp; Town Centres Development</b> |                      | £                | £                | £                | £                | £                 |
| Empty Homes  | a c                  | 30,000           | 20,000           | <b>50,000</b>    | 50,000           | 0                 |
| PSH/Emergency HHSRS Grants/Vulnerable H                      | a c                  | 53,000           | 80,000           | <b>133,000</b>   | 133,000          | 0                 |
| Energy Advice Service  | a c                  | 60,000           | 20,000           | <b>80,000</b>    | 80,000           | 0                 |
| Home Improvement Agency                                      | a c                  | 40,000           | 13,000           | <b>53,000</b>    | 53,000           | 0                 |
| Accredited Landlords Scheme                                  | a c                  | 5,000            | 32,000           | <b>37,000</b>    | 37,000           | 0                 |
| Fuel Poverty Grants  | a c                  | 45,200           |                  | <b>45,200</b>    | 45,200           | 0                 |
| Disabled Facilities Grants                                   | a c                  | 1,074,200        | 864,000          | <b>1,938,200</b> | 1,938,200        | 0                 |
| Newcastle Town Centre Partnership                            | a b d                | 47,300           |                  | <b>47,300</b>    | 23,700           | 23,600            |
| Newcastle Town Centre Works                                  | a b d                | 446,500          | 50,000           | <b>496,500</b>   |                  | 496,500           |
| Choice Based Lettings  | c                    | 30,500           |                  | <b>30,500</b>    | 30,500           | 0                 |
| Madeley Extracare Contribution                               | b c                  |                  | 115,000          | <b>115,000</b>   | 115,000          | 0                 |
| Midway MSCP Repair Works                                     | a                    | 24,800           |                  | <b>24,800</b>    |                  | 24,800            |
| Ryecroft Development   | b                    | 90,000           |                  | <b>90,000</b>    | 67,500           | 22,500            |
| Ryecroft Site Clearance Costs (net)                          | b                    | 45,000           |                  | <b>45,000</b>    |                  | 45,000            |
| S106 Expenses Lowlands Road                                  | b                    | 256,100          |                  | <b>256,100</b>   |                  | 256,100           |
| Strategic Investment Framework                               | b                    | 13,800           |                  | <b>13,800</b>    |                  | 13,800            |
| Stock Condition Works -                                      |                      |                  |                  |                  |                  |                   |
| Car Parks  | a                    |                  | 20,000           | <b>20,000</b>    |                  | 20,000            |
| Commercial Portfolio   | b                    | 40,000           | 60,000           | <b>100,000</b>   |                  | 100,000           |
| <b>Totals</b>  | a b c d              | <b>2,301,400</b> | <b>1,274,000</b> | <b>3,575,400</b> | <b>2,573,100</b> | <b>1,002,300</b>  |
| <b>GRAND TOTAL</b>   | a b c d              | <b>5,004,300</b> | <b>2,238,000</b> | <b>7,242,300</b> | <b>3,698,200</b> | <b>3,544,100</b>  |

**Notes** - Corporate & Sustainable Communities Priorities -

a Clean, Safe & Sustainable Borough,

b Borough of Opportunity

c A Healthy & Active Community

d Becoming a Co-operative Council which delivers High-Quality Community Driven Services

| Sources of Funding            | 2013/14 Est Exp  | 2014/15 Est Exp  | Total Exp        |
|-------------------------------|------------------|------------------|------------------|
|                               | £                | £                | £                |
| Other Revenue Funds           | 258,000          | 0                | 258,000          |
| Capital Receipts              | 2,327,100        | 959,000          | 3,286,100        |
| External Grants/Contributions | 2,419,200        | 1,279,000        | 3,698,200        |
| <b>Capital Programme</b>      | <b>5,004,300</b> | <b>2,238,000</b> | <b>7,242,300</b> |

This page is intentionally left blank

## CREATING A LOCAL AUTHORITY OWNED TRADING COMPANY

**Submitted by:** Phil Jones, Head of Communications

**Portfolio:** Communications, Policy and Partnerships

**Ward(s) affected:** All

### **Purpose of the Report**

To ask Cabinet to agree in principle to the creation of a local authority company to allow commercial trading in communications activities.

### **Recommendations**

- a) **Cabinet agrees in principle to the establishment of a company which would be limited by shares and owned wholly by the council.**
- b) **Cabinet notes that a further report will be brought forward at the earliest opportunity outlining governance and board membership arrangements as well as a business case for the company before any trading activity commences.**

### **Reasons**

The formation of the company should allow the council to explore trading in a way that optimises the potential of its resources as well as potentially contributing to the medium term financial planning and wider efficiency agenda.

## **1. Background**

- 1.1 Under the Local Authorities (Goods and Services) Act 1970, councils have the power to provide any administrative, professional or technical services, goods or materials, or certain maintenance works, including on a commercial basis, to any “public body” as defined under the Act (for example, local authorities, Government departments).
- 1.2 In addition, councils have the power to do anything which is incidental to the discharge of their functions, and this can include trading spare capacity.
- 1.3 The Local Government Act 2003 allowed local authorities to do for a commercial purpose anything they are authorised to do for the purpose of any of their ordinary functions. The Localism Act 2011 includes a new general power which allows local authorities to do anything that individuals generally do.
- 1.4 This is extended to include doing things for a commercial purpose through a company. Before exercising the powers in the 2003 Act, a business case must be prepared and approved and where the 2003 Act powers are used, the council must recover the costs of any accommodation, goods, services, staff or any other thing that it supplies to the company as part of any agreement or arrangement to facilitate the exercise of the trading power.
- 1.5 It is also important to demonstrate that all costs are recovered and that there is no actual or hidden subsidy so as to avoid any potential challenge by a competitor on the basis that the council is providing State Aid to the company.

- 1.6 A number of local authorities are taking advantage of the opportunities legislation has created. At Ashford for instance there are two companies operating – one is based on a property company and the other is a building consultancy company. Birmingham City Council’s building control services have now been rebranded as Acivico (Building Consultancy) Ltd.
- 1.7 North Yorkshire County Council and its wholly owned company NYNET is responsible for delivering the rural broadband programme for North Yorkshire and rural area around York.
- 1.8 Wokingham Enterprises Ltd is a company wholly owned and set up by Wokingham Borough Council for the purpose of enabling the regeneration of the town centre of Wokingham. The company was set up in 2009 but actually began trading on 24 June 2010. The main trading activity is that of property investment. The income is derived from the assets acquired in June 2010 which comprised a number of retail units collectively known as Peach Place.
- 1.9 Two London councils – Westminster City Council and Lambeth Council – are leading the way in trading activities centred on communications. Westminster for instance provides communications services for a number of other councils across the country on a commercial basis including some in this area.
- 1.10 To ensure a level playing field with the private sector and to avoid breaching State aid rules, any company established by the borough council must not be subsidised by it. This means the local authority is expected to recover the full costs of such things as accommodation, supplies and support services that the company may use. It should also be noted that the company should not be a threat to the local economy.
- 1.11 Where the council wishes to undertake commercial activity, which is not ancillary to its core public service activity, and which does not involve a defined public body, that activity needs to be undertaken through a trading company.
- 1.12 It is proposed that the council establishes a company limited by shares with the council as the only shareholder at this stage. The company will not therefore require an “asset lock” and this will enable any profits to be distributed to the council.
- 1.13 Trading of skills and expertise will be focused around the margins of service delivery at the outset and concentrate on seizing opportunities presented by any instances of spare capacity. Over time, as the borough council changes shape in an effort to meet issues presented by its financial circumstances, this is likely to see demand from the council for core services reduce. This will in turn be reflected in the budgets which are made available to services as the council continues to deliver savings and efficiencies. In areas where trading companies are established, the wholly owned company could step in and take advantage of any additional surplus capacity by generating revenue for the council.

## **2. Issues**

- 2.1 The borough council’s recently published Medium Term Financial Strategy clearly highlights the financial challenges which the council is facing over the coming years. Reductions in Government support for the public sector to help tackle the national debt; pressure on income streams and no increases in Council Tax are all contributory factors which mean many councils are looking to explore new ways of providing services.

2.2 The formation of a wholly owned company will allow the council to explore trading in a way that optimises expertise, skills and resources within the council's current staff. It can also allow services an opportunity to shape their own future in a more proactive way by tapping into new market places to generate revenue. Longer-term, if successful, this could eventually lead to services exploring other development opportunities such as employee led mutuals.

2.3 Moving forward, a number of key factors would have to be resolved to successfully lay the foundations for a wholly owned trading company to survive and then flourish. These are outlined below.

#### 2.4 Service Level Agreement

- a) The company will initially operate by using existing staff resources from the Communications Service at the borough council. Some services will be subject to trading and offered to the private sector, other public sector partners or the third sector. These services will be contracted out on an hourly rate or commission basis between the council and the trading company. This removes the complications around the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) and directly employed staffing (HR, payroll, pensions etc).
- b) It is essential that a robust Service Level Agreement is in place between the Communications Service and the council itself. This will identify very clearly the key corporate objectives and outcomes which the borough council will require delivering with regard to communications activities on a daily, weekly, monthly and annual basis. This agreement will then allow the service to consider what resources are available in terms of taking on work which will generate an income for the wholly owned trading company.
- c) Initially, as outlined earlier in this report, trading will focus on any spare capacity. As the borough council evolves to meet financial, legislative and customer demands, there is likely to be changes in demand levels on services. This will in turn be reflected in the budgets which are made available to services as the council continues to deliver savings and efficiencies. In areas where trading companies are established, the wholly owned company could step in and take advantage of any additional surplus capacity. This would not only generate revenue for the council but could also have a positive impact on employment. To this end, it is important that detailed and achievable Service Level Agreements are in place and are reviewed on an annual basis.

#### 2.5 Governance arrangements

- a) Detailed governance arrangements will be brought back to Cabinet before a company is established.
- b) The risks to the council of creating a company are the risk to the council's reputation and financial consequences. It is therefore essential from the council's point of view, to minimise those risks by ensuring that the council retains sufficient control of the company and that the company is subject to strict governance.
- c) It is likely that the company will be a separate legal entity from the council and will enjoy limited liability. Consequently, any debts accrued by the company will stay with the company and creditors would not have recourse to the council or any of the company directors, save in certain defined cases, for example, fraudulent or wrongful trading.

## 2.6 Tax

- a) Officers from the council's Finance Service have given initial consideration to the tax issues which a trading company and the council could face and they have also been in touch with the council's advisers on such matters.
- b) Further detailed discussions and advice will be sought in the lead up to the commencement of trading but at this stage guidance on VAT and Corporation Tax has been made available and is outlined below.
- c) VAT
  - (i) If the income of the company exceeds £79,000 p.a., it will have to register for VAT, which would mean:-
    - The company would have to charge VAT to its customers where appropriate.
    - The company would have to know when, and when not, to charge VAT - VAT would be applicable to PR work and some types of printing e.g. calendars, business cards and diaries are standard rated; books, magazines and advertising leaflets are zero-rated.
    - VAT invoices would have to be issued by the company where appropriate.
    - The company would be able to reclaim VAT on expenditure relating to its publicity and printing services, assuming it has VAT invoices from its suppliers for those services.
    - The company would have to account for VAT to HMRC and send it a quarterly VAT return.
  - (d) Corporation Tax
    - (i) This is a tax on the taxable profits of limited companies and some organisations including clubs, societies, associations, co-operatives, charities and other unincorporated bodies.
    - (ii) There are currently two rates of Corporation Tax, depending on the company or organisation's taxable profits:-
      - the lower rate - known as the "small profits" rate.
      - The upper rate - known as the "full" rate or "main" rate.
    - (iii) The "small profits" rate is for profits not exceeding £300,000. Tax would be charged at 20 per cent. This is the rate for the current year and previous years. The rate applicable to 01/04/14 has not yet been set.
    - (iv) The "main rate" of Corporation Tax has been reduced from 23 per cent to 21 per cent for 01/04/14, but this is for profits exceeding £1,500,000. If profits fell between £300,000 and £1,500,000 a rate is calculated somewhere between the "small profits" rate and "main rate".

## 2.7 Teckal

- a) This is a trading restriction which is contained in the Public Contracts Regulations 2006 and the underlying European law. The broad objectives of this legislation are to ensure that public bodies award contracts that are above the specified value thresholds only after fair competition and only on the basis of the lowest price or the most economically advantageous offer.

- b) For obvious reasons this can present a difficulty when the contract being let is to a joint company for public sector shared services or to a staff mutual, where the intention is to continue to provide the services from within the public realm rather than outsource it to the private sector.
- c) The Teckal case established that under certain circumstances, a contract let to a third party will not count as a public service contract if the “local authority exercises over the person (i.e. the company) concerned a control which is similar to that which it exercises over its own departments and at the same time, that person carries out the essential part of its activities with the controlling local authority or authorities. These two elements have been called the control and function tests.
- d) These are obviously issues which need to be considered if the eventual path for any wholly owned trading company is to move towards mutualisation and the council would be the main contract for a mutual company. But at this stage the company being considered for Communications Services will be trading around the margins of surplus capacity independently of the council and therefore at this stage Teckal is not a major consideration but needs to be borne in mind in relation to future developments.

### **3. Options Considered**

3.1 There are a number of options which have been considered as part of this report and they are outlined below.

#### *3.2 Option One – take no action*

a) Taking no action and leaving the Communications Service at the council to carry on functioning as it does at present should not be seen as the lesser of any options. The Communications Service at the borough council currently works well with surveys showing residents, and also staff, indicating they feel they are kept informed by the borough council on key events, activities, decisions and services.

b) However, the pressures on the public purse highlighted earlier in this report suggest a more proactive course of action may be preferable for Communications as it bids to shape a future which is not fully reliant on council finance.

#### *3.3 Option Two – Wholly Owned Company*

a) This is the most favoured option. Establishing a local government trading company provides an opportunity for the council to venture into commercial activities which, if successful, could aid and support the council during difficult financial times for the public sector.

b) It will also be an opportunity for staff to develop greater business and associated technical skills which will benefit the council, their careers and promote the professional “can do” attitude which is already widespread within the authority.

c) That isn't to say there aren't risks associated with this venture. For instance, the local economy is still fairly sluggish and business may be difficult to generate for a fledgling company plus there is only limited “private sector” experience within the department. Despite that, the Communications Service at the borough council has a good reputation and this should stand the team in good stead as it bids for work.

d) One of the benefits of establishing a Wholly Owned Company is that there are significantly reduced risks both for the council and the staff involved. As no staff would be directly employed by the company there will be no TUPE issues. Also, if the company fails to be a success then the council would have the option of ceasing to trade without any staffing or asset disposal issues. Staff would continue

to deliver the Service Level Agreement with the council and use any capacity which had been targeted for trading to enhance and develop services within the SLA.

### 3.4 *Option three* – Mutual models

- a) Although this may become a longer-term goal, it is not felt the most appropriate vehicle for Communications at this moment in time.
- b) The term “mutual” is used in a variety of different ways and contexts. For this report it is used as an umbrella term to describe an organisation whose primary purpose is to generate benefits for members. Members of a mutual may consist of employees, service users, communities, the private sector or even a combination of the above.
- c) If the council decided at the outset that mutualisation was the preferred option then the Teckal guidance outlined above does become an issue. And the Cabinet Office, which is currently a champion of mutualisation within the public sector, expects mutual to have a programmed “separation” point. At that point of separation the council would not be able to simply award work in-house and all of its requirements would be met through open procurement.
- d) In the current economic climate and with the limited private sector experience in the department, this is not seem as the most appropriate route at this moment in time. But as experience grows – and council finances continue to diminish – it is worth further consideration at some point in the future.
- e) One of the key plus points for a mutual at some point in future is that it gives staff a greater personal stake in the success and development of any venture as they can benefit directly from growing the business.

3.5 So, the preference at this stage is that the council opts for establishing a local government trading company as this most clearly provides an opportunity for the council to venture into commercial activities which could aid and support the council during difficult financial times for the public sector. It will also be an opportunity for staff to develop greater business and associated technical skills which will benefit the council, their careers and promote the professional “can do” attitude which is already widespread within the authority.

## 4. **Proposal**

4.1 The Local Government Act 2003 requires a full business case to be approved before trading commences. At this stage, this report is simply intended to establish the principles of trading and the company itself with potential governance structures, board membership details and business case information provided in a further report to Cabinet.

4.2 Full business plans setting out detailed proposals for trading activities will be reported back to Cabinet before any trading commences.

4.3 The council has already secured advice from the Cabinet Office and also Local Partnerships, an enterprise jointly owned by HM Treasury and the Local Government Association which provides commercial expertise to the public sector in trading services, about its proposals. This advice has been extremely beneficial and at this stage the emphasis of that advice has been around getting all the building blocks securely in place before progressing further.



- 4.4 In particular, it has been recommended that a significant amount of time be devoted to business case planning, governance and legal issues. Advice in these areas is to be made available but it will have to be assessed and implemented in a way which supports the borough council's plans. Discussions have also taken place about the possibility of a mentor being provided from another public sector organisation who have already progressed down the trading route.
- 4.5 At this stage it is likely that some trading activity will commence in the next financial year. A significant amount of work has already been done in preparing for Cabinet to consider this matter including staff discussions, soft market testing, reviewing potential business opportunities and research on the various models available to the council on service delivery.

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

- 5.1 The formation of a wholly owned company for communication services will allow the authority to explore trading in a way that optimises expertise, skills and resources within the council's current staff.
- 5.2 The preferred solution of establishing a company will also be an opportunity for staff to develop greater business and associated technical skills which will benefit the council, their careers and promote the professional "can do" attitude which is already widespread within the authority.
- 5.3 During the last few years, as the outlook for local government finance has worsened, councils across the country are exploring new and innovative ways to enable them to continue to deliver services to residents. Establishing a wholly owned company to potentially generate income for the council is the option which at this moment in time is deemed most appropriate for communications.
- 5.4 A wholly owned company will initially operate by using existing staff resources from the Communications Service at the borough council. Their services will be contracted on an hourly rate or commission basis between the council and the trading company. This removes the complications around the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) and directly employed staffing (HR. payroll, pensions etc).
- 5.5 As mentioned previously, the council already has the ability to trade without needing to start a Wholly Owned Company. However, there is a potential for this area of work to grow and it is for that reason that this option is being recommended.
- 5.6 Although there is every confidence that the skills and expertise within the Communications Service will enable the company to be a success, if it does not manage to establish itself then it could be wound up with no subsequent losses incurred by the council. If that situation were to arise then there would also be no staffing issues and the Communications Service will simply continue to meet the terms of the Service Level Agreement for the council which is discussed earlier in this report.

## **6. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 6.1 This project is likely to help the council to deliver on two of its corporate priorities. With regards to "a borough of opportunity", if the wholly owned company is a success then it should increase competitiveness in the local market place thus ensuring a wider range of pricing and opportunity for businesses interested in communications services.

- 6.2 There may also be an opportunity for a holistic service to be provided to businesses who take on council land or property for development. As part of any purchase or leasing arrangement, businesses could be offered the council company's services to help them establish and grow their ventures.
- 6.3 And if successful, the company may also consider recruitment which could lead to employment opportunities for local people.
- 6.4 In addition, the proposal is likely to support the council's newest corporate priority of "becoming a co-operative council delivering high quality, community-driven services." The Service Level Agreement between the borough council and the Communications Service – which is an integral part of this proposal - will ensure a real focus on the key outcomes which are important to the council in terms of communications. This will ensure the council's communications continue to be high quality and community focused so residents are involved and informed about council policies, services, events and activities.

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

- 7.1 There are a number of legal and statutory implications which the council needs to be aware of in regards to establishing a wholly owned company for trading purposes.
- 7.2 The Local Government Act 2003 requires a full business case to be approved before trading commences. As mentioned earlier in the report, if Cabinet agrees in principle to the formation of the trading company for communications, work will then proceed to develop an appropriate business case and this will be reported back to Cabinet in due course.
- 7.3 Directors of the company will be subject to the provisions of the Companies Act 2006 Regarding the duties and obligations of Directors. All Directors who are also elected members of the council will be subject to the Code of Conduct which the council has in place and the statutory requirements relating to disclosable pecuniary interests when acting in the capacity of Councillor.

## **8. Equality Impact Assessment**

- 8.1 No differential impacts have been identified in relation to this proposal.

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

- 9.1 There are no additional resource requirements to deliver this programme of work. All activity within the company will fully recover costs. The proposal itself has the potential to develop new income streams for the council. There will be a small cost in setting up the company and in complying with the regulatory framework for limited companies.
- 9.2 The council must recover the full cost of any accommodation, goods, services, employees or anything else it supplies to the company in pursuance of any agreement or arrangement to facilitate the power to trade. The majority of this will be accommodated within the hourly rate charged between the council and the companies.
- 9.3 One of the reasons behind the formation of the trading company, although not the sole reason, is to help secure additional income which will help support the core

function of the council in the longer term. Any commercial activity comes with a degree of financial risk and needs to be managed and understood.

- 9.2 At this stage it is only the principles around the company formation that need to be agreed, the approval process of the detailed business plans will identify the financial risks and potential returns in more detail.
- 9.3 The company will operate using existing borough council staff and where appropriate other external resources rather than having directly employed members of staff. This negates any transfer of undertaking issues, such as TUPE etc. It is not proposed within the initial business plan period to employ staff directly within the company but this may change if it enjoys a measure of success.
- 9.4 The recharging of staff time from the company to the council provides an easy mechanism to ensure that the full costs are applied to the company and that there are no issues around "state aid" or uncompetitive practises being used.
- 9.5 Staff will be involved in developing the business case and assessing trading opportunities. They have also been involved and informed in the discussions leading up to this proposal and there is a recognition at all levels that establishing a trading company is not only an excellent option to secure future work but also to develop not only the service but themselves as well.
- 9.6 The formation of the trading company provides an opportunity for the council to utilise the talents and the good will of its staff to be more creative in the business environment leading to better job satisfaction and career development.

## **10. Major Risks**

- 10.1 The risks associated with the formation of a local authority trading company can be classified into two main areas:-
  - a) Reputational risk associated with trading within and outside of the borough and the wider perception on the success of the venture.
  - b) The operational risks are more around the financial returns and the ability of the business to deliver the expected benefits.
- 10.2. The reputational risk could and should be seen as a positive risk as the borough council will be demonstrating its desire to operate in an entrepreneurial way for the benefit of local Council Taxpayers as well as the wider community.
- 10.2 The detailed business case for the company will contain a risk assessment with details of the risks that have been identified and what mitigation action has been or will be taken to minimise that risk. The financial risk is considered to be limited given the scale and nature of the business during the initial business plan period.
- 10.3 An appropriate exit strategy will need to be developed within the detailed business case showing how the trading activities could cease and the impact that would have upon the future.
- 10.4 Overall it is considered that the risk associated with the actual formation of the company is low and that the trading activities and resultant impact on the council will be beneficial.

This page is intentionally left blank

|                                 |   |
|---------------------------------|---|
| <b><u>Title:</u></b>            | <b>Staffordshire Wide Joint Municipal Waste Management Strategy</b> |
| <b><u>Submitted by:</u></b>     | <b>T Nicoll</b>   |
| <b><u>Portfolio:</u></b>        | <b>Environment and Recycling</b>                                    |
| <b><u>Ward(s) affected:</u></b> | <b>All</b>  |

## **Purpose of the Report**

- To highlight the requirements for a Joint Municipal Waste Management Strategy (JMWMS) for Staffordshire and Stoke-on-Trent.
- To provide a draft copy of the refreshed Joint Municipal Waste Management Strategy.
- To seek approval for adoption of the Joint Municipal Waste Management Strategy.

## **Recommendations**

- That the attached '2013 Refresh of the Joint Municipal Waste Management Strategy for Staffordshire and Stoke-on-Trent (2007 – 2020)' to be adopted, and the Portfolio Holder of the Environment and Recycling agree that this document is approved by the Staffordshire & Stoke-on-Trent Joint Waste Management Board.

## **Reasons**

- Developing the JMWMS as a simple overarching strategy allows individual partner authorities to develop their detailed strategies and delivery plans which take account of the six overarching principles of the JMWMS and allow them to develop their services in a way which reflects the needs and aspirations of individual authority communities.
- The methodology also allows flexibility in providing a structure which allows authorities to work more closely together and potentially share services, where there is mutual benefit to those authorities.

## **1. Background**

The refreshed Joint Municipal Waste Management Strategy (JMWMS) has been developed and produced by the Staffordshire Waste Partnership, which consists of all of the authorities within Staffordshire with a waste function, whether it be collection (WCA), disposal (WDA), or in the case of Stoke-on-Trent, both (UA). For clarification therefore the partnership consists of:-

- Cannock Chase District Council - WCA;
- East Staffordshire Borough Council - WCA;
- Lichfield District Council - WCA;
- Newcastle-under-Lyme Borough Council - WCA;
- South Staffordshire District Council - WCA;

- Stafford Borough Council - WCA;
- Staffordshire Moorlands District Council - WCA;
- Staffordshire County Council - WDA;
- Stoke-on-Trent City Council - UA and
- Tamworth Borough Council - WCA

The partnership has a Joint Waste Management Board (JWMB) which consists of senior officers and Members with responsibility for waste as part of their portfolio. The JWMB meets on a quarterly basis to share best practice, develop new ideas and monitor performance of all the partners. The current JMWMS was last refreshed in 2007 and set out how all ten of the waste authorities in Staffordshire would move towards Zero Waste to Landfill by 2020. With construction of the new Energy from Waste plant (EfW) in the south of the county, known as 'Project W2R' well underway, and completion on target for the end of 2013, the partnership will only landfill a very small amount of the material (less than 5%) collected. As a partnership we are now recycling and composting over 50% of the waste we collect, and therefore the partnership has achieved its core objective as far as practicably possible.

In agreeing to refresh the JMWMS in 2012, the JWMB recognised this milestone had been met, and that the issues surrounding effective and sustainable waste management has changed substantially since 2007.

The Waste Hierarchy needs to be more effectively embedded in the new document, with Waste Prevention at the forefront of our thinking. Commercial and Trade Waste also needs to be incorporated, rather than concentrating on purely household waste as before.

The current JMWMS does not effectively incorporate strategies and policies adopted by individual authorities within the JWMB, and a refreshed document needs to redress the balance more effectively. The proposal therefore is for individual authorities waste and minimisation strategies to be refreshed at the same time therefore allowing the JMWMS to be a simple overarching document which sits above the individual authority documents.

Allowing individual partner authorities to develop their own waste strategies recognises individual authority aspirations and needs of their communities. The process for refreshing Newcastle's Recycling and Waste management strategy is currently in the process of development being led by a cross party group of members via a Cabinet Panel. As Newcastle's strategy develops further updates can be provided to the scrutiny committee as requested.

This will provide a clear framework of infrastructure requirements over the next five to ten years, especially in the north and east of the county, and in particular what we do to replace the current Northern EfW (Hanford) contract which expires in 2020.

Additionally there is a need to understand our neighbouring authorities intentions, again particularly in the North and East of the County, where proposals involving PFI have run into difficulties, as there may be opportunities to provide more effectively positioned infrastructure.

In conclusion therefore the refreshed JMWMS will incorporate the following.

- That we treat waste as a resource, not a problem.
- Include clear recognition of partner authority's waste minimisation and recycling strategies.
- Incorporate a waste minimisation and re-use strategy

- Explore fully the potential to increase work with 3<sup>rd</sup> Sector organisations.
- Incorporate a strategy for dealing with commercial waste
- Set a clear framework for infrastructure requirements which consider a wide range of technologies to ensure we recover the maximum value from the materials we collect.
- Considers options for the north of the County and Stoke-on-Trent when the current contract arrangements for the Hanford EfW plant come to an end in 2020.
- Working in partnership to maximise external funding opportunities.

Development of the refreshed JMWMS 2013 has taken place over the last twelve months, utilising the partnerships own resources. Newcastle under Lyme Borough Council have been the project lead for the refreshed strategy, and the process managed by an officer steering group, consisting of the Chair of the Staffordshire Waste Officers Group (SWOG) the Chair of the Staffordshire Recycling Officers Group (ROG) a lead officer from one of the WCA's, a lead officer from the WDA, and a lead officer from Stoke-on-Trent UA, with the support of an officer on a part time basis from the Staffordshire Waste Partnership.

Events have been undertaken for officers and members of the JWMB to set their vision and aspirations, which has culminated in the adoption of six key principles to which the refreshed strategy will focus.-

- Waste Prevention
- Efficiency Savings
- Resource Recovery
- Carbon Reduction
- Infrastructure & Contracts
- Municipal Waste Household & Commercial (providing more efficient customer focused services)

These key principles have been further developed into a draft delivery plan which was formally approved by the JWMB at its meeting in October 2013.

The strategy has been out to public consultation between 21<sup>st</sup> October and 13<sup>th</sup> December 2013, and comments from this process have been acknowledged within the reviewed document. The strategy was also taken to the December's Cleaner Greener and Safer Communities Overview and Scrutiny Committee.

## **2. Issues**

In developing a refreshed strategy for the partnership it was recognised that account needed to be taken of individual authority's needs and circumstances, particularly in the current economic climate with severe pressure on financial resources. It is also recognised that the different partners within the JWMB offer their residents different collection services and this strategy does not look to change this.

## **3. Proposal**

The proposal is for the attached '2013 Refresh of the Joint Municipal Waste Management Strategy for Staffordshire and Stoke-on-Trent (2007 – 2020)' to be adopted by the Council,

and the Portfolio Holder of the Environment and Recycling should agree that this document is adopted by the Staffordshire & Stoke-on-Trent Joint Waste Management Board.

#### **4. Reasons for Preferred Solution**

Developing the JMWMS as a simple overarching strategy allows individual partner authorities to develop their detailed strategies and delivery plans which take account of the six overarching principles of the JMWMS and allow them to develop their services in a way which reflects the needs and aspirations of individual authority communities. The methodology also allows flexibility in providing a structure which allows authorities to work more closely together and potentially share services, where there is mutual benefit to those authorities.

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

The proposals relate to the effective delivery of high quality collection and treatment arrangements for recycling and waste, which would contribute to the following:

A clean, safe and sustainable borough

- ❖ The negative impacts that the Council, residents and local businesses have on the environment will have reduced.
- ❖ Our streets and open spaces will be clean, clear and tidy.

A Healthy and Active Community

- ❖ Council Services will be influenced by resident engagement, enabling local communities to shape services which directly affect their lives.

A co-operative Council, delivering high quality, community driven, services.

- ❖ High performing services will be delivered for all residents and customers.

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

The Landfill Directive (99/31/EC) required a reduction in bio-degradable waste to be land-filled by 75% by 2010, when compared against the 1995 level. The Government's Waste Strategy required 40% of domestic waste by weight to be recycled by 2010 and 50% by 2020. The waste strategy is designed to increase recycling and therefore meet the legislative requirements without incurring financial penalties from Europe.

Under the Waste and Emissions Trading Act 2003, the local authority had a statutory duty to produce Joint Municipal Waste Management Strategies (JMWMS), unless authorities achieved "excellent" in their Comprehensive Performance Assessment. These exemptions are no longer valid and government is currently consulting local authorities on the statutory duty to produce JMWMS's

#### **7. Equality Impact Assessment**



As this strategy is an overarching document, under which each Council would then develop their own strategy and action plan. It is deemed that during the development these a full equality impact assessment will be undertaken by each Council.

**8. Financial and Resource Implications**

There are limited financial or resources implications in respect of the adoption of this strategy which will be met from existing resources. The strategy will enable the JWMB to move forward to develop and enhance waste management within Staffordshire and Stoke-on-Trent.

**9. Major Risks**

It is deemed that there are no major risks associated with the paper.

**10. Key Decision Information**

The decision is one that would affect all wards for the Council. It has therefore been included on the Forward Plan.

**11. Background Papers**

A copy of the draft '2013 Refresh of the Joint Municipal Waste Management Strategy for Staffordshire and Stoke-on-Trent (2007 – 2020)

This page is intentionally left blank