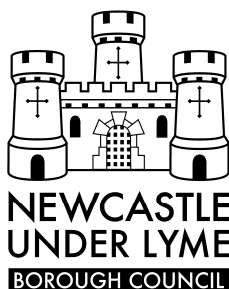


Public Document Pack



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

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

Dear Sir/Madam,

You are summoned to attend the meeting of the Borough Council of Newcastle-under-Lyme to be held in the **Council Chamber, Civic Offices, Merrial Street, Newcastle-under-Lyme, Staffordshire, ST5 2AG** on **Wednesday, 27th November, 2013** at **7.00 pm**.

BUSINESS

1 MINUTES (Pages 1 - 6)

To approve as a correct record the minutes of the meeting held on Wednesday 11th September 2013.

2 Mayor's Announcements (Pages 7 - 10)

3 MEMORANDUM OF UNDERSTANDING BETWEEN PM TRAINING AND THE COUNCIL (Pages 11 - 12)

The Memorandum of Understanding between PM Training and The Council, sets out the intention of the Council to work together with PM Training and the wider Aspire Group.

4 Proposed Retail-Led Redevelopment of Land at Ryecroft (Pages 13 - 26)

5 Motions of Members (Pages 27 - 28)

6 REPORT OF THE LEADER OF THE COUNCIL

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

7 REPORTS OF THE CHAIRS OF THE OVERVIEW AND SCRUTINY COMMITTEES (Pages 29 - 32)

- a) Overview and Scrutiny Co-ordinating Committee
- b) Transformation and Resources Overview and Scrutiny Committee
- c) Active and Cohesive Communities Overview and Scrutiny Committee
- d) Cleaner, Greener and Safer Overview and Scrutiny Committee
- e) Economic Development and Enterprise Overview and Scrutiny Committee
- f) Health Scrutiny Committee

8 REPORTS OF THE CHAIRS OF THE STATUTORY COMMITTEES (Pages 33 - 34)

- a) Planning Committee
- b) Licensing Committee
- c) Public Protection Committee
- d) Audit and Risk Committee
- e) Standards Committee (minutes attached)

9 QUESTIONS TO THE MAYOR, CABINET MEMBERS AND COMMITTEE CHAIRS

In accordance with Procedure Rule 11, questions must be submitted at least 24 hours in advance of the meeting. Any questions considered urgent will only be accepted with the agreement of the Mayor prior to the meeting.

10 Report from the HS2 Working Group (Pages 35 - 48)

11 Localised Council Tax Reduction Scheme (Pages 49 - 56)

12 RECEIPT OF PETITIONS

To receive from Members any petitions which they wish to present to the Council pursuant to Standing Order 17.

13 STANDING ORDER 18 - URGENT BUSINESS

To consider any communications which pursuant to Standing Order No18 are, in the opinion of the Mayor, of an urgent nature and to pass thereon such resolutions as may be deemed necessary.

Yours faithfully



Chief Executive

NOTICE FOR COUNCILLORS

1. Fire/Bomb Alerts

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

Fire exits are to be found either side of the rear of the Council Chamber and at the rear of the Public Gallery.

On exiting the building Members, Officers and the Public must assemble at the front of the former Hubanks store opposite to the Civic Offices. DO NOT re-enter the building until advised to by the Controlling Officer.

2. Attendance Record

Please sign the Attendance Record sheet, which will be circulating around the Council Chamber. Please ensure that the sheet is signed before leaving the meeting.

3. Mobile Phones

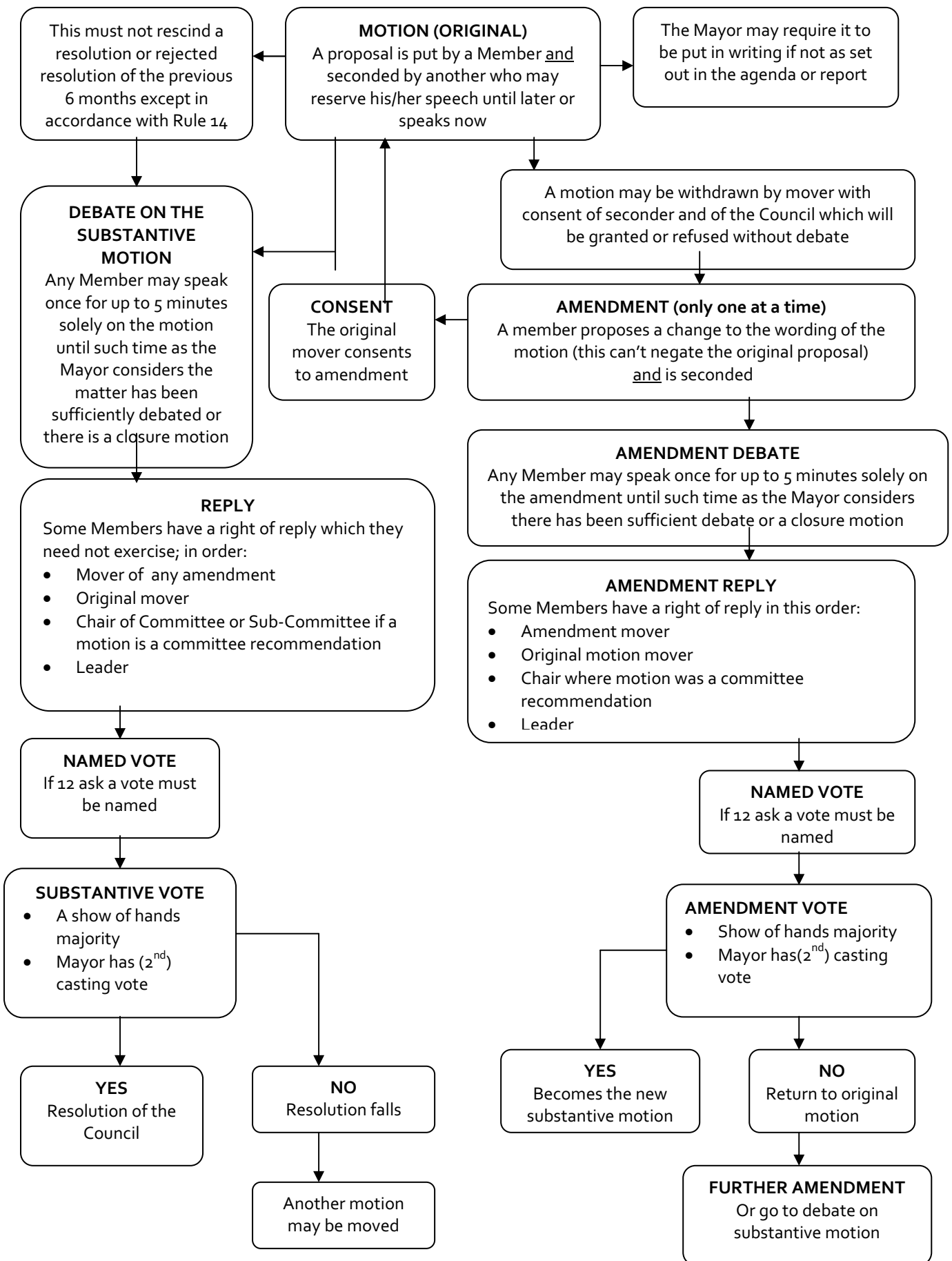
Please switch off all mobile phones before entering the Council Chamber.

4. Tea/Coffee

Refreshments will be available at the conclusion of the meeting, or in the event of a break occurring, during that break.

5. Notice of Motion

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



COUNCIL

Wednesday, 11th September, 2013

Present:- Cllr Edward Boden – in the Chair

Councillors Miss Walklate, Mrs Heames, Mrs Cornes, Welsh, Mrs Johnson, Studd, Mrs Burnett, Clarke, Cooper, Mrs Beech, Bannister, Hambleton, Cairns, Boden, Matthews, Olszewski, Mrs Hambleton, Wemyss, Wilkes, Mrs Williams, Williams, Allport, Eagles, Kearon, Taylor.J, Waring, Miss Olszewski, Loades, Holland, Bailey, Miss Cooper, Jones, Miss Reddish, Robinson, Mrs Shenton, Mrs Simpson, Mrs Heesom, Snell, Sweeney, Tagg, Mrs Bates, White, Miss Mancey, Mrs Burgess, Eastwood, Plant, Stringer, Stubbs, Taylor.M, Turner, Mrs Winfield and Rout

1. APOLOGIES

Apologies were received from Cllrs Howells, Mrs Astle, Miss Baker, Mrs Peers, Mrs Hailstones, Hailstones and Fear.

2. DECLARATIONS OF INTEREST

Declarations of interest regarding the Motion relating to Royal Mail were received from Cllr Wilkes (pecuniary interest), Cllr Mrs Beech (personal interest) and Cllr Turner (personal interest).

3. MINUTES

Resolved: That the minutes of the meeting held on 10th July 2013 be agreed as a correct record.

4. MAYORS ANNOUNCEMENTS

The Mayor informed members that this year's Local Democracy Week would be taking place from the 14th to 20th October. A programme had been circulated to all Members. The Week was aimed at younger people aged 18 and under. Assistance in identifying people to attend the various events was required and Members were requested to put the word around.

The Mayor stated that there would be a memorial service for former Cllr John Tatton on 9th October at 7.30pm at St Barnabas Church, Bradwell.

5. REPORT OF THE LEADER OF THE COUNCIL

A report was submitted to provide an update to the Council on the actions, activities and decisions of Cabinet that had taken place since the last Full Council Meeting.

A question was raised regarding progress in the setting up of the Kidsgrove CIC. The Leader stated that the Portfolio Holder would provide a written response in relation to this.

Resolved: That a written response be provided regarding progress in the setting up of a Kidsgrove CIC.

6. REPORTS OF THE CHAIRS OF THE OVERVIEW AND SCRUTINY COMMITTEES

Verbal updates were received from the Chairs of the Overview and Scrutiny Committees on work undertaken since the last meeting of the Council.

Resolved: That the updates be received and the work undertaken noted.

7. REPORTS OF THE CHAIRS OF THE STATUTORY COMMITTEES

Verbal updates were received from the Chairs of the Statutory Committees on work undertaken since the last meeting of the Council.

A question was raised regarding reasons for the delimitation of Hackney Carriage vehicles and it was suggested that a written question be provided regarding this for the next meeting of the Council if an answer was still required.

Resolved: That the updates be received and the work undertaken noted.

8. MINUTES OF THE MEETING OF THE LICENSING COMMITTEE HELD ON 3RD JULY 2013

Resolved: That the Council confirm the recommendations made by the Licensing Committee at its meeting on 3rd July 2013 regarding the Council's scheme of delegation in relation to the licensing of sexual entertainment venues.

9. QUESTIONS TO THE MAYOR, CABINET MEMBERS AND COMMITTEE CHAIRS.

The following questions were submitted and responses given:

1. As a result of the councils inability to demonstrate a five year supply of deliverable housing sites we now have a situation in the village of Baldwins Gate where a planning application has been submitted for 117 houses. The houses are to be crushed into a small plot resulting in increased danger for all local residents using the dangerous A53 as well as unacceptable pressures on the current infra-structure. What does the leader intend to do to stop our villages being blighted by developers in this case and in the future. **(Submitted by Cllr Loades).**

Response from Cllr Snell:

Cllr Snell stated that that care had to be taken not to prejudice any future planning committee discussion and that should residents wish to make representations then these would have to be made to the relevant planning committee.

Supplementary question from Cllr Loades and response from Cllr Snell:

Cllr Loades asked the Leader if he now regretted the decision of the Cabinet to disregard the findings of the working group regarding the removal of the 7 sites?

Cllr Snell stated that even with the removal of the 7 sites changes made by the Government had still left the Council short of suitable land and that successful applications exacerbated the situation. If changes were required then representations needed to be made to central government.

2. Can the portfolio holder update the council on the community centre review? **(Submitted by Cllr Sweeney)**

The Portfolio Holder stated that members and officers were currently working hard to understand the current situation. All community centres had been consulted and the results fed back to the management committee.

Supplementary question from Cllr Sweeney and response from Cllr Williams:

Can the Portfolio Holder still say that no community centres will shut?

Cllr Williams stated that this was still the case.

3. Can the leader advise me when the Police and Crime Commissioner is making his presentation to the Full Council. **(Submitted by Cllr Sweeney)**

Cllr Snell stated that the Commissioner was due to attend the next Cabinet meeting to make a presentation and that if the Council wished, an invitation could be extended to invite him to a future meeting of the Council.

The Mayor stated that an invitation would be issued to the Commissioner to attend a future Council meeting.

4. Can the portfolio holder update the council on the current situation concerning the Ryecroft **(submitted by Cllr David Loades).**

The Portfolio Holder stated that he was working closely with Officers to find the best way forward regarding the Ryecroft. At the moment there were various options available and care was being taken to ensure that any solution was delivered within the financial parameters. Once an affordability case had been completed then a strategy would be prepared and the Council could go out to the market with a solid business case.

5. Does the leader intend to write expressing his disappointment to the representative from HS2 Ltd who withdrew from attending the Economic Development scrutiny Committee when he found out public were to be present. **(Submitted by Cllr David Loades).**

Cllr Snell stated that he was happy to write to the representative to rearrange the meeting if this was what Members wanted.

10. MOTIONS OF MEMBERS

MOTION 1

Staffordshire NHS Foundation Trust Special Administrator Consultation.

The Leader Moved an amendment to the original motion after the Trust Special Administrator informed the Council that it was legally unable to coordinate consultation events outside of the Mid Staffordshire Trust catchment area.

The amendment to the motion was seconded by Cllr Kearon.

The Amendment to the motion that had previously been submitted by the Liberal Democrat Group was withdrawn following discussions as it was agreed that the correct forum for the content of the amendment would be the consultation meeting proposed by the Labour amendment to the original motion that was due to be held on 23rd September.

A vote was taken regarding the amendment and all were in favour, the amendment became the substantive motion.

A vote was taken regarding the substantive motion and all were in favour.

Resolved: The Council agreed the following consultation plan in order to provide a voice to Newcastle residents.

Consultation Plan

Wednesday, 11 September – press release following Full Council announcing our consultation and the public meeting on 23 September.

Wednesday, 11 September and Thursday, 12 September – media activity.

Thursday, 12 September to Wednesday, 25 September

- Press release available on the flash banner on the council's website.
- Weblink to the administrators' response form and a box where residents can submit extra comments for inclusion in our submission document.
- Copies of the consultation form will be available at the Civic Offices, Guildhall, Jubilee2, Newcastle Library, Kidsgrove Town Hall, The Borough Museum and Art Gallery and the Madeley Centre during this time.

Tuesday, 17 September – Stoke-on-Trent Healthwatch meeting in Hanley.

Monday, 23 September – public meeting in the Council Chamber at the Civic Offices at 6pm to be attended by Mark Hackett, Chief Executive of the University Hospital of North Staffordshire, is attending along with Steve Allen, Director of Strategy, and either Robert Courtney-Harris or Gavin Russell who are both medical directors. Copies of the consultation form will be handed out and collected afterwards.

Thursday 26, Friday 27, Monday 30 September – the submission document, including supporting statements from the leader and MPs, will be collated by officers at Newcastle Borough Council and submitted to the Trust Special Administrators.

MOTION 2

Cllr Tony Kearon proposed a motion regarding the opposition to the privatisation of Royal Mail.

The motion was seconded by Cllr Terry Turner.

Cllr Steven Sweeney moved an amendment to the motion which was seconded by Cllr Mark Holland.

The Council voted on the amendment with 11 in favour of the amendment and 36 against.

The amendment fell and discussion returned to the original motion.

A named vote was requested and was as follows:

**34 For
10 Against
2 Abstained**

D. ALLPORT	FOR	P. HAILSTONES	Absent	MRS E. SHENTON	FOR
MRS M. ASTLE	Absent	MRS S. HAMBLETON	FOR	MRS S SIMPSON	FOR
R.BAILEY	FOR	T HAMBLETON	FOR	G. SNELL	FOR
MISS S BAKER	Absent	MRS A. HEAMES	AGAINST	D STRINGER	FOR
J. BANNISTER	Absent	MRS G. HEESOM	AGAINST	M STUBBS	FOR
MRS E BATES	FOR	M. HOLLAND	AGAINST	R. STUDD	FOR
D BECKET	Absent	A. HOWELLS	Absent	S. SWEENEY	AGAINST
MRS A. BEECH	ABSTAIN	MRS H. JOHNSON	FOR	S. TAGG	AGAINST
MRS S BURGESS	FOR	N. JONES	FOR	J. TAYLOR	FOR
MRS G. BURNETT	FOR	T. KEARON	FOR	M TAYLOR	FOR
G. CAIRNS	FOR	D. LOADES	AGAINST	T TURNER	FOR
M. CLARKE	FOR	MISS C MANCEY	AGAINST	MISS J. WALKLATE	Absent
J. COOPER	AGAINST	I. MATTHEWS	AGAINST	P. WARING	FOR
MISS J. COOPER	AGAINST	M. OLSZEWSKI	FOR	B. WELSH	Absent
MRS D. CORNES	FOR	MISS S. OLSZEWSKI	FOR	A. WEMYSS	Absent
T. EAGLES	Absent	MS T PEERS	Absent	S WHITE	Absent

C EASTWOOD	FOR	G PLANT	FOR	I. WILKES	ABSTAINED
A. FEAR	Absent	MISS M. REDDISH	FOR	MRS G. WILLIAMS	FOR
MRS L. HAILSTONES	Absent	K. ROBINSON	FOR	J. WILLIAMS	FOR
E. BODEN	FOR	Ms A C ROUT	FOR	MRS J WINFIELD	FOR

Resolved:

This council mandates the Leader to write to Michael Fallon MP, Vince Cable MP and Joe Swinson MP expressing its objection to the privatisation of Royal Mail.

This council further mandates that the Leader write to the 4 Members of Parliament representing the Borough and urge them to vote against any privatisation plans.

11. IMPLEMENTING THE COUNCIL PLAN: A CO-OPERATIVE COUNCIL DELIVERING HIGH QUALITY, COMMUNITY DRIVEN SERVICES.

Resolved: That the presentation be received.

12. TREASURY MANAGEMENT ANNUAL REPORT 2012-2013

Resolved: a) That the Treasury Management Annual Report for 2012/13 be received.

b) That the Actual Prudential Indicators contained within the report be approved.

13. RECEIPT OF PETITIONS

There were no petitions.

14. SCRAP METAL DEALER ACT 2013

Resolved: a) That the power to set fees under the Scrap Metal Dealers Act 2013 be delegated to the Licensing Committee.

b) That authority to grant applications received under the Act where there are no questions relating to the suitability of the applicant be delegated to Licensing Officers.

c) That where questions do arise regarding the suitability of the applicant, the application be referred to the Licensing Committee or Licensing Sub Committee.

COUNCILLOR EDWARD BODEN
Chair

THE BOROUGH COUNCIL OF NEWCASTLE UNDER LYME
EXECUTIVE MANAGEMENT TEAMS REPORT TO FULL COUNCIL

Date: 27th November 2013

Appointment of Town Crier

Submitted by: Chief Executive – John Sellgren

Portfolio: Communications, Transformations and Partnerships

Ward(s) affected: All

Purpose of the Report

To consider the appointment of a Town Crier for Newcastle-under-Lyme Town.

Recommendations

That the Council appoints Gordon Brayford as the Town Crier for Newcastle-under-Lyme Town on a voluntary basis on the terms contained in the report.

Reasons

Should it be considered appropriate the Council may either appoint or give its approval to the appointment of a Town Crier if he is to be managed by another organisation.

1. **Background**

In 1590 Elizabeth I (in what was the largest on Newcastle Towns Charters) re-confirmed the privileges already held by the Town in the Charter of Incorporation. Previous Charters were confirmed and ancient customs ratified such as the established form of local government consisting of the Mayor, two bailiffs and twenty four “assistants” or capital burgesses. New privileges included the “incorporation” of the town and the method by which certain elections were held.

The Charter also appeared to have stimulated the appointment of a supervisor to oversee and regulate all of the Towns markets. The official appointed to this task was the Bellman or Town Crier.

Subsequently, the Town Crier was authorised to collect toll on all corn and grain bought for sale in the town and retain it for his own use. For this privilege he had to pay a toll to the Towns Muniment chest.

In 1670 the Council decided to appoint a common scavenger to, amongst other things, cart away the town’s refuse but none filled the office until 1682. It was not until 1723 that the Town Crier was made responsible for cleansing the streets. In the early decades of the nineteenth century, filth and rubbish was still being dumped in the streets and alleyways.

The Town Crier or Bellman was also an officer of the court who made public pronouncements as required by the court and to make public announcements in the streets. Criers, by tradition dating back to the 18th century dressed elaborately and carried a hand-bell to attract peoples' attention by shouting the well known works "Oyez Oyez Oyez!" before making public announcements which was a call for silence and attention.

Historically only Councils, the church and the Lord of the Manor could appoint a Town Crier or, with their approval and consent, another organisation could employ one.

When the need for a Town Crier disappeared the position passed into folklore.

Informal and later formal Town Crier competitions were held from the late 20th Century and subsequently some cities and towns reinstated the post purely for ceremonial purposes.

2. **Issues**

- 2.1 On the 12th September the Newcastle Town Centre Partnership advertised a competition for a Town Crier to be held on 21st September with demos from criers as far afield as Halifax.
- 2.2 Devlin Hobson (Kingsgrove Town Crier) judged the competitors for volume and clarity – "to be heard as clear at 50 feet as two feet away and to maintain a constant volume throughout the proclamation and not to let the voice trail off to a low volume"
- 2.3 Adrian Holmes (Sandwell Town Crier) judged confidence and bearing – "to be able to command attention from a large crowd and keep their attention".
- 2.4 Les Cutts (Halifax Town Crier) judged diction and inflection – "to be able to raise and lower the tone where needed in a proclamation".
- 2.5 Julie Cutts and Janet Parsons (Town Crier lady escorts) did the 'interrogation' of the contestants to find their views, commitment and thoughts of what being a town crier would involve.
- 2.6 The overall winner of the competition was Gordon Brayford who maintained in the "cry off" a strong and clear voice with no interruption or faltering of the voice. The "news" was read smoothly and one hundred per cent correct.
- 2.7 On the 11 October, Matt Taylor (the Town Centre Manager) met with the Civic Society who agreed to liaise with the Nantwich Town Crier with a view to the provision of the necessary regalia for the Town Crier, should one be appointed by the Council.
- 2.8 Both the Town Centre Partnership and the Civic Society considered that as the Council will wish to make use of a Town Crier for civil engagements then he would be best managed by the Borough Council.
- 2.9 It is permissible for the Borough Council to appoint a Town Crier and - should it be minded to do so - it is considered that, as the civil engagements will be limited, the Borough Council's most suitable and flexible option would be for the Town Crier to remain self employed and for the Council to enter into a contract for services with him for him in order to undertake official functions as and when required, subject to all approved expenses being reimbursed. This would leave him free to advertise his services for public weddings, openings etc; from which he would be able to derive additional income.

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

Creating a Borough of Opportunity

Local people are able to access opportunities for personal development and growth

4. **Legal and Statutory Implications**

Only those contained in the report.

5. **Equality Impact Assessment**

No issues have been identified

6. **Financial and Resource Implications**

If a Town Crier is appointed as referred to and a contract for services entered into with him it would be reasonable to reimburse expenses. This is quite normal in such appointments. Consideration may also need to be given as to who maintains and repairs the Town Crier's regalia in the future.

7. **Major Risks**

None identified

8. **Key Decision Information**

This is not a key decision and was not included in the forward plan.

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MEMORANDUM OF UNDERSTANDING

BETWEEN

PROJECT MANAGEMENT (STAFFORDSHIRE) Ltd.,

of College Road, Stoke-on-Trent, ST1 4DQ (hereinafter referred to as “PM Training”)

AND

THE BOROUGH COUNCIL OF NEWCASTLE-UNDER-LYME

**of Civic Offices, Merrial Street, Newcastle-under-Lyme, Staffordshire, ST5 2AG
(hereinafter referred to as “the Council”)**

1. “PM Training” is part of Enterprising Futures, the Aspire Group Social Enterprise arm. It is one of the largest Social Enterprises in the country providing high quality training and employment opportunities. Its primary focus is on tackling worklessness among young people. Established in 1982, PM have supported over 15,000 individuals and worked with over 800 companies to become the leading training provider in Staffordshire.
2. PM training’s work currently has five segments of activity:
 - Pre-16 vocational education
 - Preparing people for work
 - Apprenticeships
 - Workforce development
 - Direct services: Homeworks, Artworks, Officeworks
3. This Memorandum of Understanding between PM Training and The Council, sets out our intention to work together with PM Training and the wider Aspire Group in relation to the following areas of activity.
 - Supply chain management - the Council and PM Training to continue to promote the partnership throughout the Boroughs supply chain.
 - Procurement link to Social Value Act – the Council to highlight PM Training as an exemplar organisation in achieving desired outcomes in relation to training and employment

- Joint procurement with the Aspire Group – investigate opportunities to jointly procure goods and services
- Work experience opportunities – investigate opportunities to provide structured work experience placements
- Support for Social Enterprise West Midlands (SEWM) – the Council to seek to promote SEWM to its stakeholders and supply chain and consider becoming a Social Enterprise supporter of SEWM

4.

4.1 This Memorandum of Understanding is not legally binding nor does it represent a contract between the two parties but rather sets out the framework within which the parties hereto will endeavour to work together.

4.2 PM Training and The Council will act in good faith and in an efficient manner at all times.

4.3 Following the signing of this Memorandum of Understanding, The Council will seek, whenever possible, (subject to compliance with its Standing Orders) opportunities for work via PM Training either directly or via its list of suppliers of services, sector firms and other third parties.

4.4 Following such appointments, PM Training will seek to secure maximum local community benefit from the concerned project/s through the provision of training, supply of apprentices and other activities referred to above.

4.5 Both parties, in signing this Memorandum of Understanding, are mindful of, and seek to act within the "small lots" provisions contained within EU Procurement Rules up to a ceiling value of 20% (subject to a limit of £69,574 in relation to Service Contracts, and £869,670 in relation to Works Contracts) of total contract values, to encourage Small to Medium Enterprises and Social Enterprises within defined neighbourhoods, and also to encourage innovation in the training and supply of local labour.

Signed on behalf of:

The Council

PM Training

Date

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO COUNCIL

27th November 2013

**PROPOSED RETAIL-LED REGENERATION AND REDEVELOPMENT OF
LAND AT RYECROFT COMPRISING SITES OF THE FORMER
SAINSBURY'S SUPERMARKET AND THE CIVIC OFFICES**

Submitted by Executive Director, Regeneration and Development

Portfolio: Planning, Regeneration and Town Centres

Ward(s) affected: All (but primarily Town)

Purpose of the Report

To update Members on actions and next steps required to secure a retail-led regeneration and redevelopment of land in the Ryecroft area of the town centre and to seek approval for key actions required to enable progress to be made on the redevelopment plans.

Recommendations

1. That officers be authorised in liaison with its Joint Venture partner, Staffordshire County Council to commission the demolition of the former Sainsbury's store on the basis set out in the report, including the seeking of necessary consents.
2. Subject to in-principle approval being given to relocate from the Civic offices, officers be authorised to proceed with the formal marketing of the Ryecroft redevelopment opportunity, with the aim of securing a preferred developer/investor.
3. That approval is given, in principle, for officers to work with key partners in the preparation of a full business case for the relocation of the Civic Offices based upon the broad principles set out in the report in order to facilitate the comprehensive retail-led redevelopment of the Ryecroft area and to contribute towards broader regeneration objectives for the town centre.
4. That officers be authorised in liaison with its Joint Venture partner, Staffordshire County Council to commission the demolition of the former Sainsbury's store on the basis set out in the report, including the seeking of necessary consents.
5. That provision of up to £75,000 revenue funding be made available from the Revenue Investment Fund and up to £50,000 of funding be allocated from the Capital Programme to support the actions set out in the report.
6. That officers report back to Members the outcomes of items 1 and 2 at the earliest available opportunity in order that the next key decision can be made.

Reasons

To facilitate the comprehensive and timely retail-led regeneration and redevelopment of the Ryecroft area of the town centre for the benefit of the town centre economy and on the basis that the provision of replacement offices for the Council can be achieved in a more cost-efficient manner than continuing with the current provision.

1. Introduction and background

- 1.1 As Members will know from previous reports in this matter (notably in July 2010 and June 2011), the Borough Council, together with its partner the County Council, is taking steps to bring forward a significant retail-led investment in Newcastle Town Centre in order to stem the decline that has taken place in the town's fortunes over the past two decades and to provide the opportunity to introduce new retailers into the town in the expectation that it will bolster footfall and custom thereby improving the long-term sustainability of the centre.
- 1.2 Following expert planning and commercial advice received from Broadway Malyan and Cushman & Wakefield in 2009, an area in the northern part of the town centre known as Ryecroft (the key components of which were the former Sainsbury's store site and the Civic Offices site) was identified as the only location within the ring road that had the potential to provide a site for major new retail-led, mixed use development, aiding the regeneration of the wider town centre.
- 1.3 In order to assess site capacity, the specialist advisors, produced indicative sketch plans with varying mix and scale of accommodation and these were tested against likely demand and economic viability.
- 1.4 The recommended scheme was for a retail-led development – focussed upon the sites of the former Sainsbury's store and the current Civic Offices – comprising around 15,000 sq m (160,000 sq. ft.) of new retail floorspace (including a medium-size Department Store) together with complementary food / drink uses and a 750 space multi-storey car park. The expert reports made clear that the Civic Offices site was required to improve the commercial viability of the scheme and to enable any such scheme to deliver the required step-change in the retail offer within the town centre, thereby enhancing the attractiveness to shoppers of the wider town centre. It was this work that provided this Council and the County Council with the justification to acquire the former Sainsbury's supermarket site and, subsequently, to re-commission Cushman & Wakefield with a brief to help the Councils to secure a development partner for the scheme. Following resolutions made by the Council at a meeting in June 2011, the acquisition of the former Sainsbury's site was completed on 26 July 2011 with all associated costs being met in the ratio; Borough Council 25% - Staffordshire County Council 75%.
- 1.5 Ryecroft Redevelopment - Key objectives;
 - To create modern and efficient retail units within the town centre that will attract national retail (and complementary) operators to strengthen the current retail offer
 - To reduce the current leakage of local expenditure by creating a more viable and attractive overall shopping experience for local people
 - Increase the capacity of the retail sector to strengthen the wider town centre economy
 - job creation; up to 700 new jobs
 - effective integration of the former Sainsbury's site into the core of the town centre by inclusion of the Civic offices
 - an assembled site providing for the desired quantum of development.
 - to achieve the regeneration of a strategically important town centre site

- 1.6 As indicated above previous decisions in respect of this matter were predicated upon the assumption that the Civic Offices site would be required to create an overall site of sufficient size to achieve the desired quantum and scale of retail development (to create a more credible retail offer in the town centre). To that end officers were authorised by a specific resolution of the Council in July 2010 as follows:

That the officers investigate the Council's own future occupational requirements and to establish whether there is a business case to relocate to alternative premises to facilitate the site assembly for the Ryecroft redevelopment.

2. Issues

This regeneration project has reached a stage where decisions need to be made in respect of a number of key issues in order to achieve the objectives stated at paragraph 1.5. These are:

2.1 Land assembly

- 2.1.1 In terms of land assembly the main consideration is the land owned by the two councils with a recognition that there may be scope for a developer to consider incorporating land in third party ownership. The Council's expert advisors remain of the view that the assembly of critical land components is a key consideration for potential investors / developers because it helps to de-risk any scheme and enhance its delivery prospects.

- 2.1.2 Taking the joint council-owned land first, the Council's specialist retail advisors have indicated that before the overall Ryecroft site can be marketed, prospective developers will need assurance that the Borough Council is capable of, and committed to, relocating from the present Civic Offices within an identifiable timescale (and as stated above the previous decisions made by the Council in this matter acknowledges this point of principle – see section 2.4 for further exploration of the outline business case in this regard). It remains the view of the expert advisor that the Civic Offices site is an essential ingredient that will enable achievement of the scale of retail-led regeneration and redevelopment that the town centre requires to arrest its potential long term decline.

- 2.1.3 The advice was based upon a viability options appraisal prepared by the specialist retail advisors in 2009/10 which demonstrated the optimum land requirement for a comprehensive retail-led regeneration scheme; the up-to-date advice of Cushman & Wakefield remains consistent with that previously given in order to deliver the outcomes set out in paragraph 1.5.

- 2.1.4 Moving on to the second land assembly issue, whilst the majority of the land required for a comprehensive scheme is in the ownership of the two Councils, there remains a number of properties in third party ownership which prospective developers may consider need to be acquired to achieve the optimal size and shape of site and in order to integrate most effectively with the existing primary retail corridors of the town centre. It is envisaged that these additional properties would be acquired by agreement. It is however entirely possible that not all properties can be acquired in this way and it may be necessary to acquire these by way of securing and implementing a Compulsory Purchase Order (CPO); a previous resolution has been passed by the Council in this regard (29 June 2011).

2.2 Securing a development partner for the scheme:

- 2.2.1 Specialist retail consultants, Cushman & Wakefield (C&W) have been appointed to work with the Councils with a view to securing a suitable development partner for the Ryecroft development (based upon the core site areas shown on the plan at Appendix). For several months C&W has been engaged in 'soft market testing' this development opportunity with the development industry and have been awaiting instructions to begin formally marketing

the site. C&W have prepared particulars which, in general terms, set out the development objectives for the project.

2.2.2 It is proposed that the developer selection process is in two stages, an expression of interest stage, leading to the short-listing of developers who would then be required to provide more detailed information on their proposed scheme content and design, likely retail anchor tenants and their financial offer. A preferred developer would then be nominated and detailed work undertaken on scheme drawings, the preparation of a development agreement (between the Councils and developer) and the firming up of the key occupiers. The developer would be responsible for funding the acquisition of any additional properties required for the scheme but not yet in public ownership. A planning application for the scheme might be expected by mid to late 2014, by which time the key anchor tenants should have been bound into the scheme by the development partner through contractual obligations.

2.2.3 With this broad programme in mind, authority is now sought for officers to proceed with the next stage of marketing the redevelopment opportunity with the aim of securing a preferred developer / investor as detailed above.

2.3 Holding costs of the former Sainsbury's store:

2.3.1 As members will recall from previous decisions, the rationale for acquiring the former Sainsbury's store site was to assemble a credible and much-needed overall retail-led redevelopment opportunity, as explained earlier. It was envisaged that at some point in time the former store would be demolished in order to facilitate such a scheme. There was never any intention to re-use the former store in the long term although there was a hope of securing some form of interim use whilst a development partner was found to prepare and execute long-term redevelopment plans.

2.3.2 Further to the above there was also a real concern that the redevelopment of the former Sainsbury's store site in isolation would add little to the wider town centre economy because of its relatively peripheral location, poor connectivity into the town centre and self-sufficiency regarding on-site car parking provision. Inclusion of the current Civic Offices site enables not only the greater critical mass for redevelopment but it facilitates better integration with the core of the town centre.

2.3.3 At the time of the acquisition the purchase price reflected market value taking account of the condition of the buildings (both the former store and the multi-storey car park). In view of the earlier comments, members understood that it would have been unjustifiable to expend significant capital funds on maintaining or improving the fabric of the building so over the past two years only essential works have been undertaken to ensure compliance with Health and Safety requirements. Consequently the fabric of the building and the interior of the store will continue to deteriorate thereby exposing the Councils to risk and rendering the building less capable of beneficial use. At present the former supermarket premises is costing the two Councils around £280,000 p.a. in empty property rates, insurance, maintenance costs and security (a quarter of which is having to be met by the Borough Council).

2.3.4 The vacant premises have been marketed, by both a retained national commercial agency and locally by the Borough Council, for almost two years on a short term to-let basis. Throughout this period the agents have advised there to have been only minimal interest expressed and none resulting into an offer to lease the building. Realistically, therefore, demolition is the only effective way of minimising the holding cost. It is noteworthy that in broad terms the estimated cost would be recouped from resultant holding cost savings within 12 months of demolition (see below).

- 2.3.5 Any decision to proceed with the demolition would need to be agreed with the County Council as joint owner of the property, but it is understood that they too have a desire to mitigate costs as soon as possible and therefore are supportive to this course of action.
- 2.3.6 There are a number of factors to be considered;
- the cost of demolishing the buildings and securing the site set against the on-going adverse impact of holding costs on the respective council's revenue budgets;
 - the potentially negative public perception of the town by having a large empty building on the edge of the ring road, as opposed to a cleared site awaiting redevelopment.
 - the store has a notional value to the Council (and any investor/developer) because, theoretically, the building is capable of being refurbished and brought back into use (possibly in a sub-divided form). Accordingly a purpose may be served in retaining the building for valuation negotiation reasons until the anticipated outcome of the developer selection process is known.
 - the demolition of the building now would reduce the future liabilities and costs of both the Councils (and any prospective developers) particularly from the viewpoint of having to keep under review the deteriorating condition of the buildings.

Demolition costs of former Sainsbury's store and multi-storey car park buildings

- 2.3.7 Officers have approached a local demolition company who have provided a budget cost estimate as follows:-
- To demolish the supermarket alone - £95,000
 - To demolish the multi storey car park (MSCP) to ground floor slab - £68,000
 - To demolish supermarket and MSCP together - £158,000 (preferred option)
 - To remove 2 ground floor slabs from the MSCP storey - £19,000
- 2.3.8 The supermarket demolition proposal assumes that the structure would be taken down to a height of 1.2 metres (with the void filled with the demolition material); this will enable the containment of the material for future use as hardcore in any redevelopment scheme (rather than be taken to a landfill site). Hence officers have not obtained the cost of removing the slab from the supermarket. Whilst an estimate has been obtained for removal of the floor slabs to the MSCP this may not be practical because of ground level differences between the retained surface car parking areas.
- 2.3.9 The demolition works contract period would be about 16 weeks for which a road and pavement closure would be required. A formal application for Demolition Consent would need to be submitted to the local planning authority and planning permission may be required for interim use and/or any operational development. Also it will be necessary to arrange for various items of street furniture to be moved, together with the full disconnection of electricity and gas services. Therefore the likely total project time would be about 20 weeks.

Interim use options

- 2.3.10 Officers have reviewed a range of options for site treatment and interim use following the demolition of the two main building structures and concluded that the most appropriate option, balancing financial considerations with visual amenity, would be to secure the site boundaries with 2.4m high hoardings adorned with artwork or similar; it is estimated that this would cost about £25,000.
- 2.3.11 The option of some form of interim soft end use such as public open space would be costly to construct and result in ongoing maintenance/management liabilities which would be difficult to justify on a short-term basis.
- 2.3.12 The other main option was to consider establishing additional car parking. However, due to ground levels it would be extremely difficult and costly to make the site into a level surface

car park (likely to be in excess of £100,000). Furthermore there exists a significant amount of surplus capacity in other town centre car parks so there is no justification to provide more in the foreseeable future.

Conclusion

2.3.13 On balance it is considered appropriate to proceed with demolition as soon as practically possible and to secure the site with 2.4m hoardings in order to minimise capital costs and future holding cost liabilities. It would be prudent to provide a budget sum of £50K to meet the Council's 25% contribution in this regard.

2.4 Civic offices re-provision

2.4.1 Further to the previous resolution of Council in July 2010 and associated resolutions in relation to this project, your officers have been working with those of the County Council on a number of potential accommodation options at an outline business case level. Additional context for this piece of work was provided in early 2011 / 2012 when a range of public sector partners across Staffordshire came together to commission a piece of work which reviewed the Public Sector estate across the County with a view to establishing the potential for (i) driving efficiencies out of the overall estate and (ii) facilitating service improvements through co-location and re-aligned service delivery. In the case of Newcastle Borough the Ryecroft / Civic Offices scheme was identified as a strategic priority. Consequently both Councils have considered their current and future service accommodation needs and requirements and have looked into a number of potential options, including relocation and remaining in the current Civic Offices in order to satisfy their and potential partner(s) needs. Set out below is a summary of this work.

2.4.2 Underpinning main considerations for future accommodation requirements;

- Partners should be located within the Town Centre ring road in order to optimise financial benefit to the town centre economy and to enhance accessibility of public services.
- In order to ensure that a realistic financial assessment is made each outline business case has been prepared on the basis of a 60 year whole-life costing approach (this is consistent with the HM Treasury "Green Book" methodology).
- Premises must be compliant with all aspects of Health & Safety and the Disability Discrimination Act
- Premises to provide sufficient accommodation for the service needs of the partners.
- Premises to provide more efficient accommodation and avoid wasteful or under-utilisable areas (such as general circulation space or single-purpose rooms) thereby saving running costs in the long term.
- The provision of 7 desk spaces for every 10 Full-Time Equivalent employees (FTEs).
- Each FTE to have 1 linear metre of storage space (on the assumption of off-site long term storage and greater use of electronic storage).

2.4.3 An assessment (condition, age, obsolescence, size, suitability, etc) of each of the partners existing premises has been undertaken, which for the Borough Council (NBC) included;

- Civic Centre, Merrial Street (Freehold)
- 3-10 St. Georges Chambers, Merrial Street (first floor) (Freehold)
- Newcastle Registrars (NBC Freehold, SCC Leasehold)

NB. Members are advised that the Guildhall has been excluded from this exercise on the assumption that it will remain in public use.

And for the County Council (SCC) the premises in scope included;

- The Seabridge Centre (Freehold)
- Newcastle Library (Freehold)
- The Orme Centre (Freehold)
- The Brackenberry Centre (Freehold)

2.4.4 Accommodation options explored included:

1. Remaining in Civic offices – undertaking all necessary maintenance and repairs with only modest essential refurbishments/improvements including legislative compliance.
2. Remaining in Civic offices – remodelling the building to medium quality office standards.
3. Vacating Civic offices, relocating partner(s) into new build accommodation.
4. Vacating Civic offices, relocating NBC only into new build accommodation.
5. Vacating Civic offices, relocating NBC only into other freehold owned offices.
6. Vacate Civic offices, relocating NBC only into third party owned leasehold offices.

Note:

- i) Re options 1-3; This information has been summarised from an extensive and detailed piece of modelling based on a 60-year whole life costing approach as outlined in paragraph 2.1.4.
- ii) Re options 4-6; the evaluation exercise for these options has been undertaken at a desk top level only including, where possible, assumptions used in the exercise for options 1-3.
- iii) The estimated timescale for delivery of options 2, 3 or 4 via an OJEU-complaint procedure would be about 3 years.

2.4.5 Specialist property advisors have undertaken a comprehensive site evaluation / selection study and identified the former St. Giles & St. Georges school site, Barracks Road as the most suitable for a new build. This property is owned on a freehold basis by the Borough Council. Attempts to secure a purchaser/lessee in recent years suggest that it is not commercially viable to reuse the existing building.

2.4.6 A financial summary of the Civic offices options analysis is included later in this report which indicates that the evaluated outcome of these being that the most financially advantageous, based on property costs alone, is for NBC to relocate with its partner(s) into new build accommodation on the site of the former St Giles & St Georges school, Barracks Road. The analysis indicates that a new-build option for the Council on its own is also an affordable option and Members may wish to assess this option further.

2.4.7 The benefits of this accommodation option proposal would provide;

- A town centre location with good public transport connections.
- Flexible accommodation which is designed to enable multi agency working and alternative uses.
- A new building having good standards of spatial efficiency and low energy requirements.
- Modern, fit-for-purpose, premises that are better suited to future public service delivery
- Simplified access to services.
- “One front door” for service users requiring face to face contact, enabling a highly responsive customer service focused on prevention which will minimise the need for acute services and improve customer satisfaction.
- Extensive collaborative working opportunities.
- The integrated services should deliver long term efficiency savings thereby protecting public services.
- Concentration of staff and visitors into the town centre will help increase commercial activity.

- Increased Town centre footfall.
- Release of surplus property for development, e.g. retail, housing, etc.

2.4.8 Whilst it might be acknowledged that an in-principle decision to re-locate from the Civic Offices has been taken previously – in order to facilitate the retail-led regeneration and redevelopment of the Ryecroft site – it will be necessary for members to receive a full and detailed business case in order for a final decision to be made on proceeding with such action.

2.4.9 Having undertaken the outline business case and identified a preferred option, authority is now sought for officers to work with the County Council and other key partners in the preparation of a detailed business case for the relocation of the Civic Offices to the identified site. This piece of work would be commissioned alongside the active marketing of the Ryecroft site with a view to members receiving the outcome of both processes so that the inter-dependency between the decisions can be properly and fully informed. In summary, the trigger for proceeding with the relocation of Civic Offices provision would be a clear indication from the preferred development partner that the current Civic Offices site is required to facilitate the optimum redevelopment scheme.

2.4.10 That business case will include a consideration of the benefits of the Ryecroft development scheme to the town as well as the capital and revenue costs that would be incurred. There would of course be a contribution toward this cost derived from the sale of the Ryecroft site and it is expected that ongoing revenue savings would be made through the typical range of premises-related efficiencies; (see Section 8).

3. Options for the regeneration scheme

1) Do nothing

- a) This is not a realistic option. Despite the efforts of the Town Centre Partnership the town centre economy is likely to decline further if no action is taken to introduce a significant amount of modern retail floorspace (to meet the needs of both potential customers and retailers).
- b) Additionally the vacant former supermarket premises will continue to deteriorate if no viable use can be found for it thereby exposing the Councils to risks and ongoing liabilities.
- c) Whilst with regard to the Civic Offices premises – given the advice of the Council's specialist retail advisor (see Section 2.1) and the previous substantive decisions of both this Council and the County Council, taken together with the age and condition of the building (and with a significant maintenance backlog) – the Council must take steps to consider the long term options for office provision.

2) Dispose of the former Sainsbury's store in isolation

Whilst this would not accord with the Council's vision for the wider Ryecroft redevelopment it should be acknowledged that with regard to the former Sainsbury's store there may be some interest from investors in an option to refurbish, break-up and let the current building in view of the site's location and provision of on-site car parking. Equally a redevelopment of the site for new retail is likely to be of interest to investors and end users.

However, either of the above scenarios would be unlikely to deliver significant added value to the wider town centre economy in view of the relatively isolated nature of the site and the modest scale of development that could be achieved. In particular the quantum of development would not enable the required step-change in retail floor space to be

achieved and there would be no scope to integrate the site into the fabric of the existing town centre.

3) Comprehensive retail-led redevelopment of overall Ryecroft site

It remains the view of the Council's specialist retail advisor that the inclusion of the current Civic Offices site with the former Sainsbury's site would create a more commercially viable and attractive investment opportunity. Additionally the larger site area would enable:-

- a greater quantum of retail floorspace that would enhance the attractiveness of the overall town centre as a retail centre of choice for the local catchment population;
- greater opportunities to integrate the overall development site into the core of the town centre thereby improving the long term sustainability of the centre.

Of course the consequence of this option is that the Civic Offices premises would have to be sacrificed; hence the reason why the outline business case has been prepared to demonstrate that this could be achieved on an affordable basis that represents value for money in the long term for the use of increasingly scarce public resources.

4. Preferred option

4.1 Option 3 is the preferred option because of the likely long term economic regeneration benefits that would accrue to the town centre.

4.2 By pursuing this option and the recommendations set out above it will allow the two Councils to really test the level of appetite and interest from investors/developers in undertaking the comprehensive redevelopment scheme. That process would be twin-tracked with the commissioning of a full business case for future provision of premises for the Councils and their tenants away from the current Ryecroft site.

4.3 It is envisaged that both of these processes would take about 6 months to complete and the outcomes would be reported back to Members prior to making any firm commitment to proceed with a particular option.

5. Outcomes Linked to Corporate Priorities

5.1 The project aligns with the Borough Council priorities for

- Borough of opportunity – bringing significant new private sector investment into the town centre; in support of existing town centre shops and businesses
- A Cleaner, greener and safer borough
 - environment - replacing a derelict site (the former Sainsbury's store) with new development, and
 - sustainability – supporting investment in a location which is both brownfield and accessible to all (in contrast with our of centre retail development)
- Co-operative Council – The delivery of high quality services through co-location with partners and achieving a more effective and efficient customer experience

6. Legal and Statutory Implications

6.1 The Council has a duty under S.123 of the Local Government Act 1972 (as amended) to achieve best consideration in the disposal of assets. Additionally the Local Government Act 2000 (as amended) introduced powers for Councils to undertake activities to improve the economic, environmental and/or social well-being of their communities.

7. Equality Impact Assessment

7.1 The project is intended to counter the differential impact caused by the market-led out of centre retail pattern of retail investment to which the less mobile sections of the community are less able to access and benefit from.

8. Financial and Resource Implications

8.1 The construction costs associated with the retail development itself will be met by the private sector developer, as will the acquisition of any additional land over and above the two landholdings (Civic Offices and the former Sainsbury store) which are already in local authority ownership.

8.2 The cost of demolishing the former Sainsbury's, MSCP and post site treatment (including fees for any consents) would be met by the two Councils, proportionate to their ownership share ratios (i.e. a contribution of about £50K from this Council).

8.3 The cost of marketing the Ryecroft redevelopment opportunity, as described above is already met within the overall budget for Cushman & Wakefield's commission.

8.4 The table below provides a summary-level interpretation of the options analysis undertaken in respect of future Civic Offices provision.

<u>Option</u>	<u>Average annual cost over 60 year (whole) life*</u> <u>£,000s</u>
1. Remain in the Civic offices – undertaking all necessary maintenance and repairs with only modest essential refurbishments/improvements including legislative compliance.	867
2. Remain in Civic offices – remodelling the building to medium quality office standards.	629
3. Vacate the Civic offices, relocating partner(s) into new build energy-efficient accommodation, on the preferred site, former St Giles & St Georges, off Barracks Road.	484
<i>Re options 1-3 above; This information has been summarised from an extensive and detailed piece of modelling work.</i>	
4. Vacate the Civic offices, relocating NBC only into new build accommodation.	555
5. Vacate the Civic offices, relocating NBC only into other freehold owned offices.	745
6. Vacate the Civic offices, relocating NBC only into third party owned leasehold offices.	660
<i>Re options 4-6; The evaluation exercise for these options has been undertaken at a purely <u>desk top level</u> including, where possible, assumptions used in the exercise for options 1-3.</i>	
Current budget	538

* These figures relate to the Borough Council cost expenditure only.

8.5 From the above it can be seen that the most cost effective option, taken over a 60 year life, is for the partners to relocate into a new build partnership Hub (i.e. option 3) whilst option 4 (NBC only new build) would also appear to represent relatively good value for money in the event that the Borough Council chose to pursue an independent option.

- 8.6 At this point in time a decision is only required in principle to moving forward with the development of a detailed business case. It will only be after this has been undertaken that a decision will be required to either proceed with the new build partnership Hub or embark upon an alternative accommodation strategy.
- 8.7 It will be necessary to commission specialist advisors to undertake a detailed (fully evaluated & appraised) business case study for the Civic accommodation re-location (for which authorisation is sought) and the council will be expected to contribute towards related fees along with the County Council and any other partners. This next stage piece of work would clarify the affordability and actual cost of any finally preferred option. On the assumption that two options should be modelled it would be prudent to budget £75,000 at this stage.
- 8.8 The costs associated with the construction, relocation and fitting out of a replacement Civic Hub building would be met by the partners, the precise monetary split depending upon occupational floor area and the fit out requirements of service users. It is anticipated that the primary cost would be met from receipts derived from the disposal of the vacated (and therefore surplus) buildings / premises. Any shortfall between costs and receipts and that of any interim financing could be secured by receipts derived from other land/property disposals or from borrowing. The financial model demonstrates that the funding of such should however ultimately be realised from saving efficiencies made / arising from the occupation of a new modern, energy efficient building.
- 8.9 The estimated total revenue costs for the council arising from the matters described above is in the region of £75,000 whilst the council's capital contribution could be about £50,000. It is recommended that the £75,000 revenue costs are funded from the Revenue Investment Fund and that a sum of £50,000 is included in the Capital Programme.

9. Major Risks

- 9.1 The major risks attached to the decisions to be made in this report are;
- being unable to offer a land area of sufficient size resulting in an inability to secure a development partner for the scheme
 - continuing to pay the ongoing holding costs of retaining the former Sainsbury's store
 - loss of the notional value of the Sainsbury's property once it is demolished (or loss of potential rental value in the event that the Council or developer was prepared to refurbish and re-let the property)
 - delays caused by a protracted CPO process.
 - a cost for replacement Civic Offices which members were not prepared or able to support
- 9.2 These issues are assessed in a comprehensive risk log for the scheme and mitigation measures are put in place to meet these (risk log available upon request).

10. Key Decision Information

- 10.1 Significant expenditure is involved in the decisions to be taken.
- 10.2 This report has been included in the Forward Plan.

11. Appendices

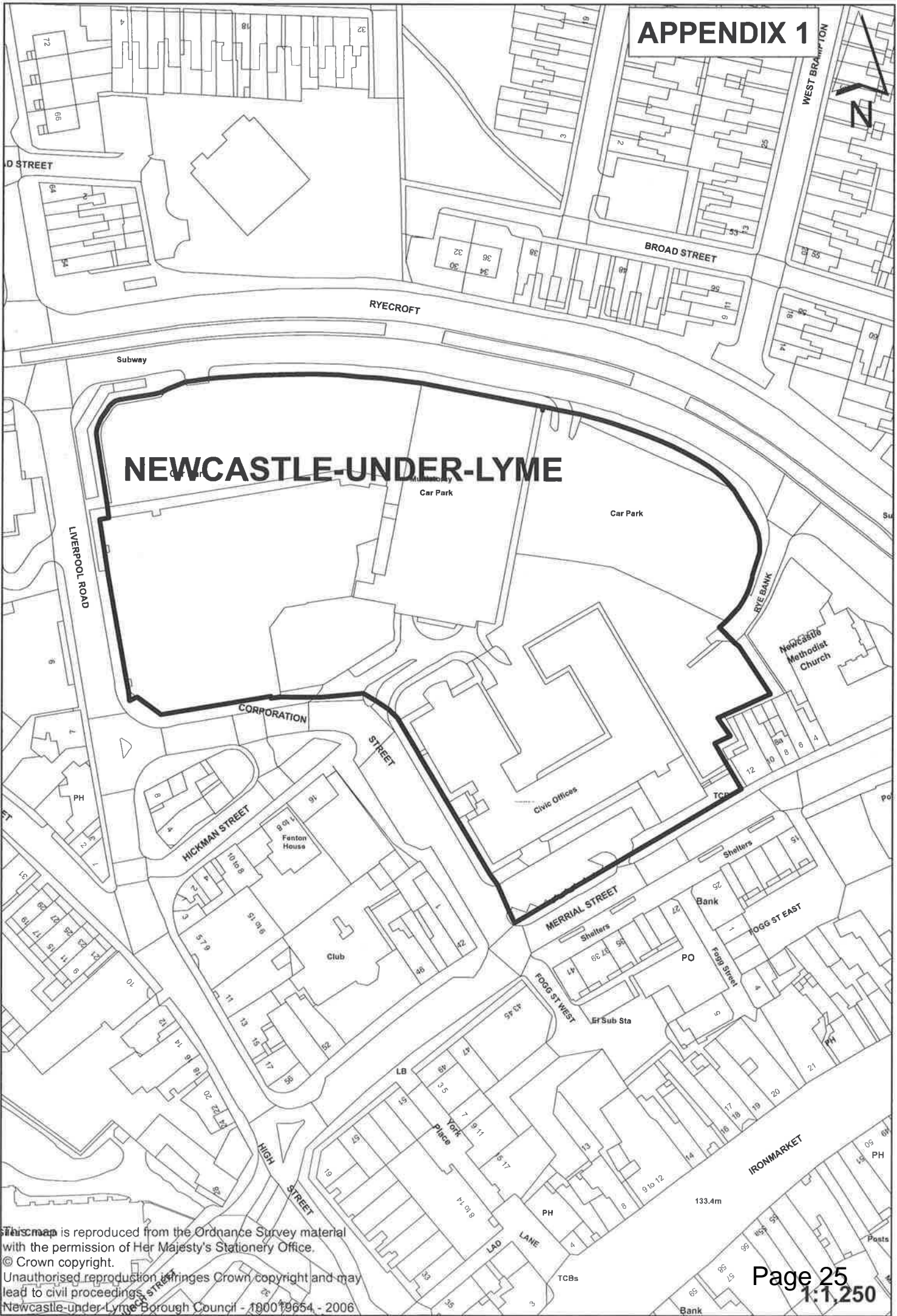
1. Ryecroft site plan indicating extent of land to be marketed.

12. Background Papers

1. Up-to-date commercial advice from Cushman and Wakefield.
2. Staffordshire Public Sector Estate Review

13. Earlier Cabinet Resolutions

- Report to Council 28.07.2010, 'Freehold acquisition of land & property, no's 10 – 16 Liverpool Road, Newcastle (Sainsbury's)'
- Report to Council 23.03.2011 – Strategic site acquisition and Town Centre Regeneration Partnership
- Report to Council 29.06.2011 – 'The freehold acquisition of the former Sainsbury's site at 10-16 Liverpool Road, Newcastle.'
- Report to Cabinet 14.03.2012 - Progress report regarding the Ryecroft scheme and appointment of Retail Specialist Consultants



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Kidsgrove Railway Station – A Bridge to Equality.

Proposed: Cllr Kyle Robinson

Seconded: Cllr Terry Turner

This Council notes:

1. The Department for Transport has renewed the funding scheme, Access for All. This fund is a pot of £100 million to cover improvements to accessing stations in England, Wales and Scotland between 2014-2019.
2. Award winning Kidsgrove Railway Station is the only fully operational Railway Station in the Borough of Newcastle-under-Lyme.
3. Kidsgrove Railway Station has a footbridge to platforms 2, 3 and 4 but cannot be accessed by people with certain disabilities, rendering travel to certain UK cities from Kidsgrove for people with disabilities impossible.

This Council believes:

1. Kidsgrove Railway Station is a valuable asset to the people of Newcastle-under-Lyme.
2. Public transport should be accessible to all including the disabled, elderly, physically impaired and passengers with pushchairs.
3. The Department for Transport should grant funding to install a ramp at Kidsgrove Railway Station so that everyone in the Borough can access platforms 2, 3 and 4 without hindrance.

This Council resolves:

- 1 To support campaign efforts by Joan Walley MP and Kidsgrove Town Council to secure funding to provide accessibility improvements for Kidsgrove Railway Station.
2. That the Leader of the Council write to the Secretary of State for Transport, Patrick McLoughlin MP, to ask that Kidsgrove Railway Station is made a priority for funding in the Access for All scheme this year.

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Transformation & Resources Scrutiny – Report to Full Council 27 November 2013

The last meeting of the Transformation & Resources Scrutiny Committee was on 6th November. I thought that it was a very constructive meeting, with good debate around the table.

Agenda items included:

Capital Strategy 2014-2017

The committee considered the draft Capital Strategy. This will be coming to Full Council in February for approval by all members. There was some discussion about the future prospects for Right to Buy Receipts and Asset Management. (The committee will of course be scrutinising the financial aspects of the Asset Management Strategy at our December meeting.)

Medium Term Financial Strategy

This report had already been approved by Cabinet and came to the committee for any additional comments. There was a very constructive debate around issues that could influence the MTFs such as HS2 and JCB. In addition there was discussion about the growth agenda, with suggestions put forward by members to help develop the economy of the local area.

Financial & Performance Management Report

This was the second time that the new style report had been received by the committee and it was pleasing to note that many of the recommendations over style and format had now been incorporated into the document. When discussing the revenue budget position the committee considered variances and discussed the position regarding Kidsgrove Sports centre. When considering the performance indicators themselves the committee suggested a few additional changes to the report, and also queried how some of the data is collected - such as recording of volunteer hours. It is worth noting by all members that a 'Guide to Performance Reports' has been produced, with the aim of helping members to understand the terms, headings and definitions used. If any councillor would like a copy of this guide then please let me know.

Next Meeting

The committee next meets on Tuesday 3rd December, and agenda topics include an update on the Budget Consultation process and our first Portfolio Holder question time, which will be the committee's opportunity to question the Council Leader.

CIr Elizabeth Shenton
Chair, Transformation & Resources Scrutiny

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Cleaner, Greener and Safer Overview and Scrutiny Committee.

We met on Sept.4th.

We had a very detailed update from Trevor Smith on the Purple Flag Scheme we are putting in for in our Town Centre followed by a detailed discussion with the committee.

Sara Moore gave us a verbal update on the problems we are encountering with anti-social behaviour caused by mini motors in the Borough and gave us some positive answers to our questions.

Councillor Ann Beech and Cllr Tony Kearon gave us a briefing on their priorities and work objectives for the next 6months and we had a question and answer session afterwards.

We discussed and updated the work plan to reflect current scrutiny topics.

We will be looking at what current powers we have in relation to vacant and derelict buildings.

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STANDARDS

Monday, 11th November, 2013

Present:- Councillor Mrs Sandra Hambleton – in the Chair
Councillors Mrs Beech, Cairns, Cooper, Mrs Heesom and Olszewski

12. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

13. **MINUTES OF THE PREVIOUS MEETING**

The chair welcomed Cllr John Cooper back to the meeting.

It was noted that Cllr Olszewski had been in attendance at the previous meeting even though his had not been recorded.

Resolved: That the minutes of the meeting held on Tuesday 23 July be agreed as a correct record.

14. **APPLICATION FORM FOR INDEPENDENT PERSON EGP**

Resolved: That Mr G Payne be appointed as an Independent Member.

15. **APPLICATION FORM FOR INDEPENDENT PERSON HK**

Resolved: That Mrs Helen Kent be appointed as an Independent Member.

16. **STANDARDS - INVESTIGATION REPORT (1)**

Resolved: That the report be received.

17. **STANDARDS - INVESTIGATION REPORT (2)**

Resolved: That the report be received.

18. **URGENT BUSINESS**

There was no urgent business.

COUNCILLOR MRS SANDRA HAMBLETON
Chair

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THE BOROUGH COUNCIL OF NEWCASTLE UNDER LYME

HS2 WORKING GROUP REPORT TO FULL COUNCIL

Date: 27th November 2013

Preliminary Report from the HS2 Working Group

Submitted by: David Stringer – Chairman of the HS2 Working Group

Ward(s) affected: All

Purpose of the Report

To consider the preliminary report of the HS2 Working Group (Appendix 1).

Recommendations

That the Council considers the recommendations of the HS2 Working Group.

Reasons

For the Council to form an overall view on HS2 which will assist in the formulation of the formal consultation response to the proposed route which is due on the 31 January 2014.

1. Background

The HS2 Working Group was set up to explore the arguments for and against the proposed High Speed Rail link between the North of England and London. The preliminary report of the working group is attached as appendix 1.

2. Issues

The cross-party group decided that it would concentrate on how the proposal would affect North Staffordshire rather than the United Kingdom as a whole in relation to:

- Environmental impact
- Compensation
- Economic benefits

It was also determined that the preferred method of obtaining the relevant information would be to offer all stakeholders the opportunity to present their case to a meeting of the Working Group. A wide range of stakeholders gave evidence to the Working Group including Members of Parliament, local Authorities, representatives of local Chambers of Trade and Commerce, Keele University, protest groups and HS2 Ltd itself. Those unable to attend a meeting were invited to present a written submission. A number of meetings have taken place of the Working Group where the latest information available on HS2 has been discussed.

HS2 are currently consulting on the preferred route for HS2 with a formal response required by 31 January 2014.

The report from the Working Group recommends that the Council should oppose the HS2 proposals and in so doing it should join forces with Staffordshire County and the other Councils within Staffordshire to establish a joint policy of opposition, but not necessarily link in with any national protest movement.

However in the event that the scheme is given assent in Parliament the following recommendations are made by the Working Group:-

- The Council should work with the relevant parties to ensure that the environmental impact is kept to a minimum. Wherever possible land should be restored to its original condition after the completion of construction.
- The Council should work with the relevant parties to ensure that compensation is full and fair with particular reference to those who live outside the area where compensation is automatic and those who are owners of agricultural land.
- The Council should work with Network Rail to ensure that the provision of train services to London from Stoke are as frequent as possible. Also that quality commuter services are initiated at the earliest possible opportunity.
- The Council should continue to seek opportunities to enhance the development of business and employment that may arise from the rail network.

The Economic and Development Enterprise Scrutiny Committee on the 4th November received the HS2 Working Group Report and endorsed their recommendations.

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

If HS2 is to go ahead it will have a wide ranging impact on a number of the Council's current Corporate Priorities. These are alluded to within the report from the Working Group.

4. **Legal and Statutory Implications**

HS2 is not yet at the Hybrid Bill stage. The full legal and statutory implications will become apparent in the future.

5. **Equality Impact Assessment**

Not applicable at this stage.

6. **Financial and Resource Implications**

HS2 will have a substantial economic impact on the Borough, information which the working group has obtained to date forms part of their report.

7. **Major Risks**

HS2 will have a direct impact on a significant number of residents within the Borough and indirectly every resident within the Borough. Associated risks are detailed within the report from the Working Group attached at Appendix 1.

PRELIMINARY REPORT FROM THE HS2 WORKING GROUP

The HS2 Working Group was set up to explore the arguments for and against the proposed High Speed Rail link between the North of England and London. The findings of the Working Group are to inform the Cabinet in order that a stance by the Borough Council towards the proposed rail network can be determined.

At its initial meeting under its expanded membership the cross-party group decided that it would concentrate on how the proposal would affect North Staffordshire rather than the United Kingdom as a whole in relation to:

- Environmental impact
- Compensation
- Economic benefits

It was also determined that the preferred method of obtaining the relevant information would be to offer all stakeholders the opportunity to present their case to a meeting of the Working Group. A wide range of stakeholders were invited to attend including Members of Parliament, Local Authorities, representatives of Local Chambers of Trade and Commerce, Keele University, protest groups and HS2 Ltd itself. Those unable to attend were invited to present a written submission. This meeting was arranged for August 13 2013 when the submissions of the stakeholders were heard. Stoke-on-Trent City Council accepted an invitation to attend at a later date and a number of written submissions were received. HS2 were invited to a closed meeting of the Working Group which took place on the 31 October 2013. A summary note of that meeting is attached at appendix 2.

During the time that the Working Group has been in existence there have been a number of negative statements regarding HS2. With a background of negative publicity from Continental Europe regarding the economic viability of similar rail schemes and an accident that produced considerable loss of life, prominent figures at Westminster and in the business world have voiced their doubts regarding the scheme.

However at the time of writing- and despite the comments from the Shadow Treasury team- all three main national political parties remain broadly in support of the scheme. In addition there have been warnings from several quarters that the cost of the venture is set to spiral upwards. These forecasts have been contested by HS2 Ltd

The Route

The proposed route would run for 11.3 kilometres within the Borough's boundaries passing through the settlements of Baldwins Gate, Whitmore and Madeley. The line would consist of a series of tunnels, cuttings and embankments. When fully operational it is envisaged that there would be up to eleven trains per hour on a frequent basis. There is no envisaged station to service the proposed line within Staffordshire.

The protest groups concede that in their opinion the proposed route is by and large the best route but they do not support it because they do not see the economic benefits it will bring.

It has to be noted that Stoke-on-Trent has employed a firm of consultants in order to ascertain their stance to the Public Consultation process. The consultants are looking at a number of alternative proposals. Although it seems unlikely that these alternative proposals will be seriously considered it has to be recognised that if some of these were to come to fruition then there would be consequences for the Kidsgrove area of the Borough.

There are also plans to explore the possibility of two further alternatives that would give residents of North Staffordshire access to HS2 services. The first of these is the construction of a spur off the HS2 route at Colwich that would allow "Classic Compatibility" stock to use the existing line from Stoke and then join the high-speed network. If this were to be economically viable it should be pursued. The second alternative is the construction of an intermediate station within Staffordshire. This will be discussed later in this document.

Environmental impact

The scheduled route would pass through a largely rural area and the impact on the environment is likely to be huge both in the construction phase and during its operational life. The settlements are largely serviced by a road network that is already heavily used at peak times and/or is unsuitable for the movement of the type of construction traffic that is likely to be required. The residents are nervous of the disruption to their normal life that is likely to occur during the construction phase.

Should construction go ahead the Council should do all within its powers to persuade the developers to use the route under construction for the importation of manpower and material and the removal of minerals and waste. The current road network should be used as little as possible. Following construction –notwithstanding the use of cuttings and tunnels -there will be a massive impact on the visual environment, particularly where the lines will be laid on embankments and viaducts.

Whilst approval for the acquisition of the necessary land and the construction of the line would be achieved via a Hybrid bill through Parliament, certain relatively minor details would still require approval, and subject to the Council as a Local Planning Authority agreeing to certain standards of performance (in terms of the handling of applications), it could have a future role in the consideration of these minor details.

There is also the noise pollution likely to be caused as trains exit from the tunnels. Residents are unconvinced by the assertions that noise levels would be acceptable and would like further evidence to prove HS2's case. They also have concerns about the impact on livestock.

It has to be stressed at this point that should Stoke-on-Trent win its case for a change of route then the Working Group feels that the impact on the urban areas of Kidsgrove would bring into serious doubt any support that NULBC could give to the project.

Compensation

Although it would be impossible to quantify the emotional losses to a family that will lose a home that has been lovingly maintained maybe over several generations, it is accepted that in financial terms there is adequate compensation available. It is also favourably noted that this Council has worked alongside others to enhance the Compensation scheme to look favourably on those who may have to vacate their property before the allotted time.

There does remain two areas of uncertainty that need to be addressed. The first of these concerns residents who currently reside outside the area that qualifies for automatic compensation. The current situation is that they will not be able to apply for compensation until a period of twelve months after the commencement of the HS2 service. This in reality means a period in excess of twenty years. There is anecdotal evidence that these residents are already experiencing a sharp fall in the value of their property. Given the demographics of the settlements many of the owners or their families will over the course of the construction period need to vacate for purposes of downsizing, serious illness or death. Residents are extremely concerned that they will be in a lose-lose situation as they face maintaining residences that are unable to be marketed at a reasonable commercial level.

The second area of uncertainty is with regard to agricultural land. There is at least one farm that would be economically unviable due to the proportion of its area that will be lost to HS2. The Working Group is unsure of how the loss of agricultural land and the employment associated with it will be compensated. Clarification is required.

Economic Benefits

It has to be stated at the beginning of this section of the report that no evidence was found to suggest that the proposed HS2 would bring economic benefit to the area of North Staffordshire. This is despite the fact that the Working Group made great efforts to find any such evidence. The recent KPMG report on the effects on regions shows Stoke and North Staffordshire as one of the areas that would lose out

The bodies representing local trade and commerce stated that they broadly supported the proposals and urged local councils to be innovative and grasp the initiative. However most of the support hinged on the provision of a new stopping point to serve the conurbation of North Staffordshire.

As already stated there is currently no provision for such a station but there are moves to propose sites close to the M6 motorway. The first of these would be near to Stafford Services and the second close to Junction 16, but this would require a different route through the Borough.

There would be possible plusses for Newcastle if either of these should happen. In addition to a link to the High Speed system there would be a need for the respective councils to finally sit down and discuss a properly-integrated transport system. This could take some pressure off the existing road network and help to regenerate areas with the Borough should a tramway system be evolved.

Kidsgrove possesses the only rail station in the Borough with lines to Crewe and Manchester and the Town Council has outline permission from the County Council to turn the existing car park into a turning circle for buses and coaches plus facilities for taxis. The adjoining wasteland would then be available for a Park and Ride scheme.

There are significant doubts to cast against the proposal for an interim station. Financially there is no provision for such a scheme within the HS2 budget meaning that the local councils would have to find an estimated £600 million for its construction.

The fact that trains would need five minutes to slow down and five minutes to regain their optimum speed in addition to the time for passengers to depart and board would mean a possibly unacceptable increase in journey time. There would also be problems accompanied with the planning of effectively a new town in Green Belt land.

It is doubtful that the general public has any stomach for the spending of such large amounts on this scheme with public opinion turning against the scheme. Opponents have a myriad of ways in which the £50 billion pounds could be better used to improve our rail infrastructure. It would take too long to mention all of the proposals but two that are seen as ideal solutions locally would be an operational station at Etruria and a new station at Trentham serving the Britannia Stadium.

The crumbs of comfort for those in support of HS2 were provided recently by the Minister of State For Transport. Although all of the main direct financial benefits mentioned would go to the nodes on the network, he did state that there would be benefits to the non-users of HS2. These would include the increased availability for freight and the provision of quality commuter services due to the released capacity on the existing West Coast Main Line.

The ability to despatch freight by rail could have a twofold benefit to the area. Firstly the reduction of HGV movements on our local motorway and trunk roads would have a positive impact on all other users of our road system through less CO2 emissions and easier movement owing to less congestion. Secondly the former railway goods sidings within the Borough could be brought back into operation to the aid of our thriving warehousing and distribution businesses.

The provision of quality commuter services to Manchester and Birmingham could see our Borough thrive as a sustainable commuter base. It could certainly be argued that such a situation would allow the extended provision of quality housing and an increased prosperity to the Borough. However the rail services to London may be seriously curtailed, The worst-case scenario is that there would be just eleven services daily from Stoke-on-Trent to London with just three of these being provided by the current Virgin franchise. The remainder would be operated by the current London Midland route. One of the difficulties the working group has had is the conflicting and complexity of information from various sources on this matter.

Recommendation

The information obtained by the Working Group leads them to recommend to Council that it should oppose the HS2 proposals. In so doing, they should join forces with Staffordshire County and the other Councils within Staffordshire to establish a joint policy of opposition but not necessarily link in with any national protest movement

However in the event that the scheme is given assent in Parliament the following recommendations are made:

- The Council should work with the relevant parties to ensure that the environmental impact is kept to a minimum. Wherever possible land should be restored to its original condition after the completion of construction
- The Council should work with the relevant parties to ensure that compensation is full and fair with particular reference to those who live outside the area where compensation is automatic and those who are owners of agricultural land
- The Council should work with Network Rail to ensure that the provision of train services to London from Stoke are as frequent as possible. Also that quality commuter services are initiated at the earliest possible opportunity.
- The Council should continue to seek opportunities to enhance the development of business and employment that may arise from the rail network.

Conclusion

There has been some criticism that the above recommendations could have been made some months ago. However the Working Group are satisfied that the process employed has allowed it to make an informed decision that would stand the test of an external audit.

Councillor Dave Stringer

Chair

HS2 Working Group

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**Summary of the Informal Meeting of the HS2 Working Group
with the Community Stakeholder Manager for HS2**

**31 October 2013, 6pm - 7.10pm
Civic Offices, Newcastle-under-Lyme**

Present

Cllr David Becket
Cllr George Cairns
Cllr David Stringer (Chairman)
Cllr Robin Studd
Mr Terry Stafford (Community Stakeholder Manager – HS2)
Ms Siobhan Edmund (Stakeholder Advisor – HS2)
Mr Guy Benson (Head of Planning)
Mr Martin Stevens (Democratic Services Officer)

Apologies – Cllr David Loades & Cllr Tracey Peers

Summary of Meeting

After the initial introductions and summary by the Chairman as to the current views of the Working Group, Terry Stafford, Community Stakeholder Manager – HS2 was invited to comment. He complimented the Working Group on their open minded approach to their work. He believed the report to be a reasonable response to the information the group had ascertained to date. His role was to encourage constructive relationships with stakeholders and to promote understanding. He had access to specialists in a wide range of areas such as economics and engineering. HS2 was currently in its first public stage of consultation, which had commenced in July 2013. There were a number of other stages to go through such as the Property Consultation stage, before it reached the Hybrid Bill stage. HS2 was not expected to be completed until the year 2033. There had been several public information events held in the County of Staffordshire. There were two more to be held. There had quite often been negative feedback at these events. The matter of property compensation was a particularly sensitive area and one which caused people anxiety.

Mr Stafford stated that there was a lack of understanding in the general public regarding how connected the proposed route was to the existing network. There were dozens of journey time savings to be made. The benefits were not solely about train travel, people who never used a train could feel a benefit to their area of living. The released capacity created by HS2 could have significant benefits. He was aware of the information circulating regarding a reduced service from Stoke to London. He believed the future of this to be still undetermined. There were a number of potential options including the potential for more freight to be delivered to the area. The Service could potentially stay the same or evolve. Potentially there were hosts of benefits.

The confirmed route of HS2 was not due to be finalised until October, 2014 at this time there would be a clearer idea about the released capacity created.

Mr Stafford urged the Council to use the consultation to its advantage. He emphasised that it should give consideration to the potential of released capacity, the route and potential stations. He stressed the need for the Council to think about how best they could use these three consideration points for the benefit of the Borough. When considering the final location of stations, there were a number of factors which would be taken into account. There had to be a balance of these connecting factors. The three main factors were cost, environmental impact and the likely demand. The decisions on the locations of stations to date had been made pre-consultation. One of the primary aims of the consultation was to obtain more information which could potentially change the current proposals. If the Council believed there was a better performing route and if a station could be justified then it should use the consultation to submit supporting evidence. He stated that North Staffordshire was not too far from the proposed station at Crewe, which could potentially bring benefits to the area.

Mr Stafford stated that the initial preferred route was the result of two and a half years work. It did however have no legal status and was subject to change. It was a genuine public consultation and so if there was a compelling case for a change in the route, then the Secretary of State would consider the change. The Chairman stated that he believed Newcastle-under-Lyme Borough Council would join with the other local Council's in the North Staffordshire area to give a joint response to the Consultation. He asked at what point the Council would know about the extent of the released capacity. In response Mr Stafford stated that HS2 had always been about capacity with the extra speed an added benefit. It was a national, long-term scheme with 20 years of cost but 120 years of benefit. It was a response to the growing capacity need within the nation. He would however not know the extent of the released capacity on the standard lines until at least the route had been finalised. The Chairman stated that it was important to have a definitive timescale in order for the Council to plan for the future and to be able to inform the public about any potential benefit.

A Member stated that the people of North Staffordshire did not believe that a station at Crewe would benefit them. The accessibility to Crewe was not good. The journey time from Stoke to Crewe by train was slow at 30 minutes on a single track line. The recent KPMG economic report on HS2 stated that the Staffordshire region would benefit from £420 million in productivity. A Freedom of Information Request had recently revealed that Stoke would suffer a deficit of £78 million. He believed that HS2 had been economic with the truth, as this figure had not been revealed to him when he submitted some questions to HS2 regarding the economic benefit. He stressed the need for transparency. He believed the best option for the area would be a direct train from Stoke to London every hour using classic compatibility. He thought that the speed of 250 miles an hour was too fast and was merely appealing to the ego of the engineer. A slower train would allow for more options. The

disruption in building HS2 could not be underestimated and they needed to be transparent about the true extent of the works required.

Mr Stafford stated that in the current proposals there was a twice hourly train going from Crewe to London. He did not deny the extent of the disruption that would be caused during the construction phase but he also emphasised that the alternatives to HS2 were not free of cost and disruption. It was his understanding that the economic figures were best understood as a region rather than as individual areas. They became less reliable once there was a focus on a particular area. This was probably why the figure regarding Stoke was not revealed in the Member's original questions to HS2. The speed of HS2 had a huge economic benefit due to the reduced journey time. Analysis had shown that people were more likely to day trip on HS2 rather than staying overnight. He advised that if the Council believed a case could be made for a spur to Stoke then it could form part of the Council's consultation response. In doing so he believed the following areas to be important when making a case, cost, technical difficulty, demand and environmental impact.

The Chairman stated that in the future there could potentially be three different ways to travel to London by train, London Midland, Virgin Trains and HS2. He asked Mr Stafford what train services would run from Stoke Station. In response Mr Stafford stated that no one presently knew the answer to the question as it would depend on a number of factors and future negotiation with interested parties. The Chairman stated that a spur to Stoke would seem a favorable option for the area.

A Member stated that if HS2 did go ahead, several villages within the Borough would be affected during the construction of the tracks. There was currently no construction plan. In response Mr Stafford stated that they would be looking at how best to minimize disruption and the best road routes to use. Much of this work would be carried out during the environmental impact assessment.

The Chairman stated that people were concerned about the compensation arrangement and people were already experiencing a fall in the value of their land and property. Mr Stafford described some of the work taking place on the compensation arrangements for phase 1. He hoped that these arrangements would help reassure people. The compensation arrangements for HS2 had not yet been fully finalised and he was aware of the public confusion.

The Chairman asked if it was true that local planning authorities could have a minor input into some of the development arrangements for HS2. Mr Stafford stated that he believed this was the case but he would come back to the group with more detailed information.

A Member commented that he was concerned that HS2 would cause a north / south shift. He believed London would benefit more than the north causing a shift in the country's economic profile. Another Member added that people would be less inclined to visit Stoke which was already suffering from a

decline in business and industry. There was a belief that some businesses would re-locate to Crewe from Stoke. The fact that Stoke was not well connected to Crewe meant long travel times. Only significant investment in the transport infrastructure would make the journey from Stoke to Crewe more appealing.

Mr Stafford concluded by stating that HS2 was able to mitigate against certain factors in a way that traditional train travel could not. He suggested that the Council should talk to Kent County Council about their experience of High Speed Railway. He believed that the noise had not affected livestock in the area in any significant negative way. He encouraged people to listen to the demonstration sound of the High Speed Trains in the booths at the public events. He encouraged the Council to talk to other Local Authorities, including Cheshire East who were particularly positive about achieving the most from HS2 in their area. HS2 offered an innovative way of increasing capacity and reliability for train travel in the future. He hoped that people would attend the public consultation events. There was one being held in Madeley on the 6 November from 12pm – 8pm and one at the Staffordshire Showground on the 10 December, 12pm -8pm.

Mr Stafford suggested two minor corrections to the draft report on HS2 from the Working Group. The report referenced 18 trains an hour, this was the capacity, but in the identified area it was proposed for there to be 11 trains an hour, 6am to Midnight. The report also referred to a journey penalty time of ten minutes, but it was only five minutes.

The Working Group thanked Mr Stafford and Siobhan Edmund for their attendance and they in turn thanked the Working Group for the opportunity of talking to the Group.

Summary of Evidence Considered

The HS2 Working Group in coming to their views considered direct evidence from the following sources:-

Terry Stafford (Community Stakeholder Manager HS2) and Siobhan Edmund (Stakeholder Advisor HS2) (Informal meeting of HS2 Working Group)

HS2 Preferred Route Consultation Documents

HS2 Formal Response to Questions from Cllr David Becket

Stoke-on-Trent City Council (Written and Verbal Submission to a meeting of the HS2 Working Group)

HS2 Project Manager, Staffordshire County Council (Written and Verbal Submission)

Mr Bill Cash MP – Member of Parliament for Stone (Written and Verbal Submission)

Mr Paul Farrelly MP – Member of Parliament (Written Submission)

Joan Walley MP – Member of Parliament for Stoke-on-Trent North (Written Submission)

Newcastle Chamber of Trade and Enterprise (Written Submission)

Stoke and Staffordshire Local Enterprise Partnership (Written Submission)

Keele University (Written Submission)

Whitmore & Baldwins Gate HS2 Action Group (Written and Verbal Submission)

Madeley HS2 Action Group & Madeley Parish Council (Written and Verbal Submission)

Whitmore Parish Council (Written and Verbal Submission)

Note: All written submissions are available on request.

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COUNCIL 27 NOVEMBER 2013

1. LOCALISED COUNCIL TAX REDUCTION SCHEME

Submitted by: Head of Revenues & Benefits

Portfolio: Finance and Resources

Ward(s) affected: All

Purpose of the Report

To approve a Local Council Tax Reduction Scheme for the borough area for the financial year 2014/15.

Recommendations

That the Local Council Tax Reduction Scheme for the Newcastle-under-Lyme Borough Council area as detailed is adopted for the financial year 2014/15.

Reasons

The Welfare Reform agenda replaced Council Tax Benefit with Localised Council Tax Reduction with effect from 1 April 2013. Localised schemes need to be approved by the 31 January before the start of the new financial year to which the scheme applies.

1. **Background**

- 1.1 Section 13A of the Local Government Finance Act 1992, substituted by section 10 of the Local Government Finance Act 2012 requires each billing authority in England to make a Localised Council Tax Reduction scheme, specifying the reductions which are to apply to amounts of Council Tax payable by persons or classes of person whom the authority consider are in financial need.
- 1.2 Any scheme needs to be approved by the 31 January before the start of a new financial year or a default scheme prescribed by regulations will be imposed by the Secretary of State for Communities and Local Government. A default scheme would involve expenditure at a higher level than the available central government funding.

2. **Issues**

- 2.1 Payments made by local authorities under Council Tax Benefit regulations were fully funded by central government and paid via the Department of Work and Pensions to local authorities. Localised Council Tax Reduction has been the responsibility of the Department for Communities and Local Government since April 2013 when funding for localised schemes was cut by approximately 10% of the previous amounts available. Funding levels have been set centrally for the first two years of Council Tax Reduction, so there is no increase in 2014/15 for inflationary factors over and above 2013/14.
- 2.2 In 2011/12, the last full year for which figures were available to make the calculation for the first year of a Localised Council Tax Reduction Scheme, £8,348,768, was paid in Council Tax Benefit to residents of the borough, the cost of which was attributed proportionately as follows:

• Staffordshire County Council	70.5%
• Staffordshire Police Authority	12.2%
• Newcastle-under-Lyme Borough Council	12.1%
• S-o-T & Staffordshire Fire Authority	4.6%
• Parish Councils	0.6%

The value of Council Tax Benefit paid in respect of Newcastle-under-Lyme Borough Council in 2011/12 was therefore £1,010,201. The proposed 10% reduction in funding would therefore cost this Council in the region of £100,000. The other bodies will be affected in proportion as shown above. Overall, a 10% reduction for all these organisations equates to approximately £835,000.

- 2.3 Although termed a 'localised scheme', central government still stipulate in respect of certain classes of claimant the level of entitlement they should receive. For example, claimants of pension age must continue to receive assistance at the same level under the Localised Council Tax Reduction Scheme to that which they received under the previous Council Tax Benefit scheme. Newcastle has a 51% pensioner caseload meaning the cost of any reductions made within the local scheme will fall on the remaining none protected claimants.
- 2.4 To avoid making cuts in other service provisions to finance the budget shortfall between the old Council Tax Benefit scheme and the proposed local scheme, savings were made in the amounts of help some claimants received in 2013/14 and this will need to be continued in 2014/15.
- 2.5 Before establishing a local scheme, billing authorities were required to consult with major precepting bodies and other interested organisations and individuals. If any fundamental changes were to be considered in year two of the local scheme compared to year one, there would be the need for further consultation, either on the change if it were fairly minor or on any proposed new scheme if the changes were complex or wide ranging.
- 2.6 At a fairly late stage in the process of drawing up and consulting on a draft localised scheme for 2013/14, the Secretary of State for the Department of Communities and Local Government announced the availability of a one off grant for that financial year only. This was for authorities implementing schemes designed to comply with some additional restrictive requirements. This authority did not avail itself of the grant at that time because of the difficulties it would have created with the consultation process which was already underway at the time of the announcement of the grant and the further budget restrictions it would have created for any qualifying proposed scheme. Central government are currently resolute in that there will be no additional funding available in year two of the local schemes. However, the whole Welfare Reform agenda is an evolving situation and there have been several amendments to plans in other areas in recent months. This Council meeting is the last scheduled meeting to obtain approval for a local scheme for 2014/15. Should there be any material announcements around this subject area following this meeting, in consultation with the portfolio holders, there would be the opportunity to convene a further special meeting prior to the 31 January deadline if required to further review the position.

3. **Options Considered**

- 3.1 You will recall that as far as possible the original intention had been to introduce a common reduction scheme across the whole of Staffordshire including Stoke-on-Trent. Unfortunately, the different demographics of the various city and district councils meant this was not achieved. However, a framework of options for individual authorities to choose those areas best suited to their own requirements was devised.

- 3.2 From this framework, officers considered the impact of each option for claimants within the borough area and a scheme was established that offered a package of measures that generated the required budgetary savings whilst impacting as little as possible on claimants and offering the necessary incentives to encourage claimants back into work.
- 3.3 In considering a scheme for the 2014/15 financial year the Council is able to continue with a similar scheme to 2013/14, to modify it by either relaxing some of the qualifying criteria or introducing further restrictions on entitlement. Finally, the Council could consider adopting the central government default scheme but this option would be at significant extra cost because it would not recoup any of the 10% cut in central government funding.

4. **Proposal**

- 4.1 At the time of compiling this report, Council Tax Reduction had been operational for just over six months. Expenditure was running at 95% of anticipated maximum capacity. In such a short timescale it is difficult to form any firm conclusions and any conclusions that can be drawn would obviously not currently reflect any normal seasonal variations in claimant demand.
- 4.2 The scheme approved for 2013/14 was based on sound principles following analysis of previously held Council Tax Benefit data and an extensive consultation exercise around exactly what was possible within the financial limits available.
- 4.3 Elements of assessment criteria are based around central government applicable amounts. Applicable amounts are elements of benefit entitlement to cover various specific claimant circumstances based on essential core needs. These are normally linked to increases in the Consumer Price Index but are currently limited to 1%.
- 4.4 The proposal for 2014/15 would therefore be to continue with the 2013/14 scheme with the updated applicable amounts. The outline of the proposed 2014/15 scheme is shown at Appendix A to this report.

5. **Reasons for the Preferred Solution**

- 5.1 To make fundamental changes to the scheme would entail further consultation. The extent of any further consultation would be a judgement call based to the level of change anticipated. In conjunction with other Staffordshire authorities, legal opinion has been sought that the proposal at 4.4 above would not need any further consultation.
- 5.2 Based on information currently available, the modest increase in applicable amounts would still be affordable within the financial constraints of reduced central government funding and current claimant levels.
- 5.3 Whilst representing a significant change for many claimants, the introduction of Council Tax Reduction has not seen the widespread challenges to its introduction that were anticipated. Many claimants have pro-actively adjusted their circumstances by entering in payment arrangements to cover any shortfall in assistance to that previously given. Obviously, there have been increases in claimant contact to facilitate this but with sympathetic treatment, the majority of people are aware of the wider welfare reform agenda and are attempting to adapt. For those who have some underlying grievance, there are two appeal routes available, these are by the Tribunal Service where a claimant thinks an assessment has been made contrary to the adopted scheme regulations and through the courts by means of judicial review where a claimant believes the scheme is incorrect in some material way. So far, only one claimant is challenging the 2013/14 scheme and this is via the Tribunal Service route. This is in line with previous appeals traffic considered under Council Tax Benefit

regulations which would indicate there are no major points of concern with the 2013/14 scheme within the environment claimants now find themselves.

- 5.4 The statistical information available to date does not indicate the need to make any significant alterations to the 2013/14 scheme. The scheme is within budget and is running at a capacity that still provides a small margin of resilience.
- 5.5 Continuing with a basically unaltered local Council Tax Reduction Scheme for 2014/15 enables a degree of stability for claimants in what is very much a changing environment for the wider welfare reform agenda.
- 5.6 Central government funding constraints do not allow for any relaxation in the sums available for Council Tax Reduction for 2014/15. The funding situation for 2015/16 is currently unknown. When these details do become known, a better picture will emerge on any changes that will then be required. It is worth noting that future funding is unlikely to become more generous than that currently available. This may mean further constraints on entitlement levels.

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

- 6.1 A Localised Council Tax Support Scheme contributes towards creating a healthy and active community.

7. **Legal and Statutory Implications**

- 7.1 Section 13A of the Local Government Finance Act 1992, substituted by section 10 of the Local Government Finance Act 2012 requires each billing authority in England to make a Localised Council Tax Support scheme.

8. **Equality Impact Assessment**

- 8.1 In designing our Council Tax Support scheme, consideration was given to the implications for vulnerable people, with particular attention to
 - Equality and Diversity
 - Child poverty
 - Homelessness
 - Disability
- 8.2 A detailed Equality Impact Needs Assessment identified any adverse implications for particular groups. It was recognised that the introduction of the Council Tax Reduction Scheme would have an impact on some of the most vulnerable households in the district. This impact continues to be monitored.

9. **Financial and Resource Implications**

- 9.1 Localised Council Tax Support is treated as a discount on the Council Tax bill, much like Single Persons Discounts. This means that the Council Tax base will be smaller than would otherwise be the case. In order to avoid significant increases in the Band D figure arising from having a smaller tax base, the government funding will be treated as income that reduces the amount to be raised from Council Tax. However, this government funding will be 10% lower than the equivalent amount received under previous Council Tax Benefit regulations.

- 9.2 Recouping amounts outstanding generated by the lower funding levels in the design of a local scheme is likely to impact on Council Tax collection rates and costs, with more small value bills needing to be administered, resulting in additional pressures on the Revenues and Benefits Section. So far, this has manifested itself by way of increased claimant contact. Significant recovery measures have not so far been considered for the majority of claimants but this is likely to impact over the next few months.
- 9.3 Central government have provided funding under its new burdens scheme for Localised Council Support. Payments have already been made to local authorities and will continue over the first two financial years of Council Tax Reduction Schemes.
- 9.4 There are no plans for central government to repeat the grant offered for 2013/14 to approve a Local Council Tax Reduction Scheme which was compliant with Department of Communities and Local Government restrictions on where budget savings could be made.

10. **Major Risks**

- 10.1 Any scheme which does not fully pass on the loss of government grant to claimants will require the Council to identify alternative funding. The choice of scheme could, therefore, impact on the Council's future budget plans.
- 10.2 Council Tax payers could see their bills increase if the funding loss is not passed on to claimants.
- 10.3 Any increase in the number of Council Tax accounts to be administered could result in additional administrative costs, particularly in relation to debt recovery. This could have a knock on effect on the overall Council Tax collection rate.
- 10.4 Failure to adopt a Localised Council Tax Support scheme by the 31 January 2014 will result in the default scheme being imposed, resulting in financial loss to the Council and all its precepting bodies.

11. **Key Decision Information**

- 11.1 Not applicable.

12. **Earlier Cabinet/Committee Resolutions**

- 12.1 Cabinet 19 September 2012:
- (a) That the draft Newcastle-under-Lyme Council Tax Support Scheme be approved for consultation purposes.
 - (b) That the Executive Director – Resources and Support Services be authorised to initiate the statutory consultation process.
- 12.2 Cabinet 12 December 2012:
- (a) That the consultation results be noted and used to help formulate the Localised Council Tax Support scheme for the borough area.
 - (b) That it be recommended that protection be drawn into the final scheme regarding protection for recipients of War Disablement Pensions, War Widows Pensions and Armed Forces Compensation Scheme payments.
- 12.3 Council 23 January 2013:

That the Local Council Tax Support Scheme for the Newcastle-under-Lyme Borough Council area as detailed is adopted for the financial year 2013/14.

13. **Recommendations**

13.1 That the Local Council Tax Support Scheme for the Newcastle-under-Lyme Borough Council area as detailed is adopted for the financial year 2014/15.

14. **List of Appendices**

14.1 Appendix A – Newcastle-under-Lyme Borough Council Tax Reduction Scheme Summary

15. **Previous Reports**

15.1 Cabinet 19 September 2012 – Localised Council Tax Support

15.2 Cabinet 12 December 2012 - Localised Council Tax Support Consultation

15.3 Council 23 January 2013 – Localised Council Tax Reduction Scheme

Appendix A

Newcastle-under-Lyme Borough Council

Local Council Tax Reduction Scheme for 2014/15

Claim Type	Council Tax Support Scheme
Pensioner Claimants	
No scope for changes within LCTS	Up to 100% of Council Tax Bill
Working Age Claimants	
Claims will be based on a max of 80% Council Tax Liability (unless in a protected group)	Up to 80% of Council Tax Bill
Properties in bands higher than Band D will be based on 80% Band D Council Tax	Up to 80% of band D rate
Second Adult Rebate will not be retained in the Local Scheme	Nil
Capital Cut off at £6K (non-passported)	No Council Tax Support if capital exceeds £6K
Earnings Disregards	Flat rate of £25 if claimant working.
Claimants who are eligible to Severe Disability Premium (SDP)	
May allow up to 100% LCTS as protected group	Up to 100% of Council Tax Bill
Claimants who are eligible to receive War Disablement Pensions, War Widow's Pensions and Armed Forces Compensation Scheme Payments	
May allow up to 100% LCTS as protected group	Up to 100% of Council Tax Bill

Discretionary Payments

The Council has discretion to award Council Tax Support, in excess of the amounts determined by this framework, where it is satisfied that exceptional circumstances exist.

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