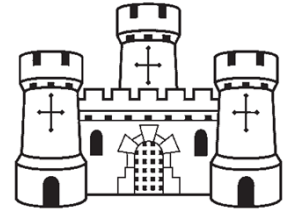


Public Document Pack

Date of meeting Wednesday, 19th September, 2018
Time 2.00 pm
Venue Garden Room - Castle House
Contact Jayne Briscoe 01782 742250



**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

Castle House
Barracks Road
Newcastle-under-Lyme
Staffordshire
ST5 1BL

Cabinet

AGENDA

PART 1 – OPEN AGENDA

- 1 APOLOGIES**
- 2 DECLARATIONS OF INTEREST**
To receive declarations of interest from Members on items included in the agenda.
- 3 MINUTES OF THE LAST MEETING - 18 JULY 2018** (Pages 5 - 8)
To consider the minutes of the previous meeting.
- 4 COUNCIL PLAN** (Pages 9 - 24)
- 5 FUTURE RECYCLING STRATEGY** (Pages 25 - 46)
- 6 KIDSGROVE SPORTS CENTRE** (Pages 47 - 52)
- 7 UNIVERSITY GROWTH CORRIDOR** (Pages 53 - 66)
- 8 ASSET MANAGEMENT STRATEGY** (Pages 67 - 114)
- 9 BUSINESS RATES PILOT AND POOLING ARRANGEMENT** (Pages 115 - 144)
- 10 QUARTER 1 FINANCIAL AND PERFORMANCE MONITORING REPORT** (Pages 145 - 154)
- 11 URGENT BUSINESS**
To consider any business which is urgent within the meaning of Section 100B(4) of the Local Government Act 1972.
- 12 DISCLOSURE OF EXEMPT INFORMATION**

To resolve that the public be excluded from the meeting during consideration of the following reports, because it is likely that there will be disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972.

13 ATTENDANCE AT CABINET MEETINGS

Councillor attendance at Cabinet meetings:

- (1) The Chair or spokesperson of the Council's scrutiny committees and the mover of any motion referred to Cabinet shall be entitled to attend any formal public meeting of Cabinet to speak.
- (2) Other persons including non-executive members of the Council may speak at such meetings with the permission of the Chair of the Cabinet.

Public attendance at Cabinet meetings:

- (1) If a member of the public wishes to ask a question(s) at a meeting of Cabinet, they should serve two clear days' notice in writing of any such question(s) to the appropriate committee officer.
- (2) The Council Leader as Chair of Cabinet is given the discretion to waive the above deadline and assess the permissibility if the question(s). The Chair's decision will be final.
- (3) The maximum limit is three public questions at any one Cabinet meeting.
- (4) A maximum limit of three minutes is provided for each person to ask an initial question or make an initial statement to the Cabinet.
- (5) Any questions deemed to be repetitious or vexatious will be disallowed at the discretion of the Chair.

Members: Councillors S Tagg (Chair), Holland, Johnson, Northcott, Sweeney and J Waring

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

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

FIELD_TITLE

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

NOTE: THERE ARE NO FIRE DRILLS PLANNED FOR THIS EVENING SO IF THE FIRE ALARM DOES SOUND, PLEASE LEAVE THE BUILDING IMMEDIATELY THROUGH THE FIRE EXIT DOORS.

ON EXITING THE BUILDING, PLEASE ASSEMBLE AT THE FRONT OF THE BUILDING BY THE STATUE OF QUEEN VICTORIA. DO NOT RE-ENTER THE BUILDING UNTIL ADVISED TO DO SO.

CABINET

Wednesday, 18th July, 2018
Time of Commencement: 2.00 pm

Present:- Councillor Simon Tagg – in the Chair

Councillors Holland, Johnson, Northcott, Sweeney and J Waring

Officers John Tradewell – Acting Chief Executive Director (Resources and Support Services) - Kelvin Turner, Executive Director Operational Services- David Adams, Executive Director (Regeneration and Development) - Neale Clifton and Jayne Briscoe - Democratic Services Officer

1. **APOLOGIES**

There were no apologies received.

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest stated.

3. **MINUTES**

That the Minutes of the meeting held on 6 June 2018 be agreed as a correct record.

4. **CONTRACT AWARDS FOR THE SUPPLY OF A JCB WASTEMASTER**

A report was submitted which informed Cabinet of the outcome of the procurement exercise undertaken for the supply of a replacement JCB Wastemaster at the Councils Recycling and Waste Transfer Station at the Knutton Lane depot.

The Portfolio Holder for Environment and Recycling explained that the Council currently hired a JCB Wastemaster at a cost of £27,300 a year. This cost would be saved following the purchase of this machine which had a life expectancy in excess of 5 years.

Resolved: That the Council enter into a contract with Watling JCB for the supply, repair and maintenance of a JCB Wastemaster machine in the sum of £66,992.

5. **CONTRACT AWARD FOR TRANSPORTATION OF SKIPS**

A report was submitted which informed Cabinet on the outcome of the procurement exercise for the provision of skips and the transportation of litter, bulky waste, fly-tipped materials and green/grounds maintenance waste from operations connected

with Streetscene and Recycling and Waste Services to designated treatment and disposal sites.

Resolved: That the Council enter into a contract with Browns Recycling Limited in the sum of £39682.00 for a two year period, with the option to extend the contract by two, one year extensions.

6. **BIODIVERSITY AND HABITAT RESTORATION**

Authority was given to support the ERDF SUNRISE grant bid in September 2017. The project is being carried out jointly with the Environment Agency, Groundwork West Midlands, Staffordshire Wildlife Trust and Stoke on Trent City Council and the aim of the project is to improve biodiversity on land and water on a range of sites across the Trent Catchment area including Lyme Valley Parkway, Thistleberry Parkway, Bradwell Woods and Poldam Marshes.

It was pointed out that Ward Councillors were well informed around the environmental issues in their Ward and that it would be advantageous to invite Ward Councillors to a briefing to discuss the project.

Resolved:

- (i) That the secured amount of £46,675 Section 106 monies from two development sites be used as match funding towards the project, and that ERDF funding and support be accepted for project delivery by partners to create environmental improvements to five sites across the Borough.
- (ii) That relevant Ward Councillors be invited to attend a briefing to discuss and contribute their local knowledge of the specific environmental issues in their ward.

7. **KIDSGROVE LEISURE CENTRE PROGRESS REPORT**

Cabinet considered a report which updated members on the work undertaken by the Kidsgrove Community Interest Organisation (CIO), working in alongside the Borough Council and County Council to re-open the former sports centre in Kidsgrove.

A report was submitted to Cabinet which updated members on the progress made by the Community Interest Organisation (CIO), working alongside the Borough Council and County Council (SCC) in looking at the feasibility of re-opening the former sports centre and for it to be managed by the CIO.

The CIO believes that the capital costs of bringing the building back into use is likely to be around £500,000 and the Council, along with other parties, could make a contribution towards this with the CIO taking responsibility for the operating costs of the centre. The Council may also consider a form of bridging finance for the CIO. It is intended that the level of financial contribution will be presented for a decision by the September meeting of the Cabinet and subject to a number of conditions under discussions with the CIO.

The Portfolio Holder for Corporate and Service Improvement, People and Partnerships emphasised the support and collaborative working which was an important part of helping to deliver the project to the Community. The Portfolio Holder went on to explain that the long term plan was for a replacement, modern leisure centre with a swimming pool.

Resolved: That Cabinet and Officers continue to work with partners towards re-providing community run sports facilities at Kidsgrove Sports Centre and that Cabinet receives a further report detailing the financial implications to the Council associated with this by the September Cabinet meeting for a decision.

8. **PUBLIC SPACE PROTECTION ORDERS VARIATION**

The Portfolio Holder for Community Safety and Wellbeing presented an update regarding a review which had been undertaken on the Public Space Protection Order (PSPO) for Newcastle Town Centre. The reason for the review was that it was recognised that the enforcement process could be more proactive in dealing with incidents of anti-social behaviour in Newcastle Town Centre.

Over the last 12 months Newcastle Town Centre has seen an increase in persistent begging and associated anti-social behaviour which has caused complaints from both residents and businesses. The effect of the main change is to streamline the PSPO enforcement process to remove the warning notice stage and to vary the wording of the existing PSPO to include those who are persistently begging.

In supporting the decision the Portfolio Holder for Corporate and Service Improvement, People and Partnerships recognised that begging is an extremely emotive subject and emphasised that support will continue to be offered in the first instance with enforcement activity being employed as a last resort to those persistently and aggressively begging and causing anti-social behaviour in the Town Centre.

Resolved: That Cabinet gives approval to the two proposed variations to the PSPO in Newcastle Town Centre.

9. **CHANGES TO MANDATORY HOUSE IN MULTIPLE OCCUPATION LICENSING FROM 01.10.2018**

The Portfolio Holder for Planning and Regeneration presented this report concerning the expansion of regulations relating to the licensing of houses in multiple occupation. The report also set out an amended licensing fee structure, which will be self-funding, to apply from 1 October 2018. It is hoped that by the inclusion of an incentive into this new fee structure to encourage landlords to sign up to the scheme and to become members of the North Staffs Landlords Accreditation Scheme it would be raising and maintaining standards expected in this area.

Resolved: That Cabinet note the expansion of house in multiple occupation licensing and that the fees proposed to apply from 1 October 2018 as set out in the report now submitted be approved.

10. **URGENT BUSINESS**

There was no Urgent Business.

COUNCILLOR SIMON TAGG
Chair

Meeting concluded at 2.30 pm

COUNCIL PLAN

2018 - 2022



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A Town Centre for All

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OUR VISION

Good local services, a prosperous borough, and safe and welcoming places for all



Leader of the Council
Cllr. Simon Tagg

"This plan sets out an ambitious vision for the borough as a place where people have good jobs, live in vibrant communities, and receive quality services"



Acting Chief Executive
John Tradewell

"The new vision and priorities give a clear focus for our work in the Council to drive growth and prosperity in Newcastle-under-Lyme Borough, and deliver the services that our residents value and need."

Foreword

Welcome to the Newcastle-under-Lyme Borough Council Plan 2018-2022 which details our plans for the next four years. This plan sets out the Council's aspirations and priorities for the next four years. It sets out our new vision, and focuses the work of everyone in the Council on four key priorities:

- Local Services that Work for Local People
- Growing our People and Places
- Healthy, Active and Safe Borough
- A Town Centre for All

This plan sets out how we will work to make the borough an even better place for everyone who lives, works, studies or visits here. Our aims can only be achieved by taking advantage of every opportunity available and developing new ones through innovation and a more collaborative approach.

The Council is committed to strong and sustainable economic growth for the borough, focusing upon opportunities around Keele University, Newcastle Town Centre and Kidsgrove.

Equally the Council is committed to achieving visible improvements in service delivery. The most recent can be seen with the opening of the impressive Castle House, the new home for council and other public services set in Queen's Gardens. This move allows the Council to embrace a new way of working and opportunities for better service delivery both amongst our own teams and with our partners who share the space with us. It also sets the standard for future developments and partnership working in the borough.



OUR PRIORITIES

Priorities for our Borough

The Council has developed four new priorities to deliver the planned outcomes:

Local Services that Work for Local People

This underpins everything we do. Our aim is to be a council that listens to its local residents and communities by being responsive to their needs, and to work with them to deliver first class services.

Growing our People and Places

We aim to build a strong and sustainable economy to ensure opportunities and support are available to everyone to improve their lives.

A Healthy, Active and Safe Borough

We will ensure everyone enjoys a safe environment, and access to a wide range of facilities and activities to support residents and visitors to improve their health and quality of life.

A Town Centre for all

Creating two vibrant town centres in Newcastle and Kidsgrove where everyone can live, work, shop, study and spend their leisure time.

PRIORITY ONE:

Local Services that work for Local People

The Council will continue to look at its finances and resources to see how we can manage with less, but still deliver the services that local people want and need, and at the same time respond to the challenges ahead. Working with local partners, and of course national and regional ones, we will ensure that efficient and effective services are delivered in the borough for all.

The Council, along with partners, have recently moved to Castle House from the Civic Offices, providing opportunities for agile working and changing the way it works.

In order to deliver Local Services for Local People, we will engage with our communities and customers and listen to their views of their services. Using this information, we will:-

- review any service issues for users
- challenge the current service provision
- remove duplication and reduce costs
- improve the quality of the service.

Working Locally

We will work locally and focus on involving local people, organisations and partners in shaping and delivering local services. When people get involved in shaping their neighbourhood, they get the services they want, and it helps to create a stronger sense of community and personal responsibility.

Our Digital Council

Our digital vision is :- *To provide easy-to-use online services for our customers that deliver value and greater independence.*

The use of smartphones and tablets has put technology in the hands of people who would never have used a PC or laptop, and increasingly they expect to be able to do anything, from anywhere, whenever they want. Providing just a website that displays information is no longer enough; hence the shift towards self-serve online options.

The Move to Digital

Currently, the Council has no major services that are entirely digital and intends to exploit the technology to reduce resources and costs. We will embrace digital means to provide efficient end to end services which are beneficial for all our customers and the Council. The first council service to go digital is Recycling and Waste, with other services involved over the next 12 months.

The screenshot displays the 'Online Payments' page on the Newcastle-under-Lyme Council website. The page header includes the council logo, navigation links (Home, A to Z, Accessibility, Contact Us, All Services), and a search bar. The main content area is titled 'Online Payments' and contains a form for making payments. The form includes fields for 'Account Number', 'Name', 'First line of address', 'Second line of address', 'Third line of address', 'Fourth line of address', and 'Postcode'. A green bar highlights the 'Payment For: Council Tax' section. At the bottom of the form, there is a field for 'The amount you wish to pay' with a value of '0.00' and buttons for 'Continue', 'Reset', and 'Back'.

To achieve our key priority we are committed to:

Page 12

- Increasing access to, and the sharing of quality information for, citizens and staff at the right time, regardless of time or location
- Working with partners and residents to develop community-led and community-commissioned services
- Delivering a planned Digital Delivery programme
- Reviewing Recycling and Waste services
- Ensuring the workforce have the right skills, at the right time, in the right place
- Ensuring a robust, integrated Customer Services that is efficient, open and innovative and meets the needs of the community
- Enabling community groups and others to take on initiatives to develop and improve community facilities which better meet their needs
- Continuing to work closely with town and parish councils to improve services for local people
- Working with our partners, we want to sustain local public services in a context of reducing resources
- Working with Staffordshire County Council to enhance co-operation in service delivery within the existing structure of local government in Staffordshire



PRIORITY TWO:

Growing our People and Places

The Council wants to grow the borough's economy and build on what is already good - the borough's identity, its location within the Staffordshire region with good motorway links, education opportunities with our acclaimed Keele University and Newcastle-under-Lyme College, and our strong local communities. Our future depends on how we take up opportunities to raise aspirations and achieve our ambitions.

Our aim is to strive for the borough to be a place where the economy is strong and sustainable, where local people have the skills and opportunities to take up the good jobs with good wages that are created, and where everyone benefits from economic growth. This also means that we need to ensure that there are good homes for everyone, and that every citizen has a safe and secure place to live.

To deliver this we will engage with our partners, locally and regionally, including businesses already in the borough, and work with them to develop their plans and encourage inward investment and the growth of our existing businesses for the benefit of our communities.

External and partner funding

We will continue to work with our partners, including playing an active role in the Staffordshire Local Enterprise Partnership (LEP). We will look for opportunities to secure funding from Growth Deal monies and the Growing Places fund to invest in the local economy. We will work with the Constellation Partnership to ensure that North Staffordshire and South Cheshire secures strategic investment, housing and jobs. We will work with Staffordshire County Council on our four shared priorities of Newcastle Town Centre, Keele, Knutton and Kidsgrove.



University Growth Corridor

Page 14
One of our most exciting opportunities as a borough is the potential for further growth in “high tech” businesses and good quality housing at Keele University - the Keele Deal seeks to unleash the growth potential of the University and its Science and Innovation Park facilitated by emerging plans for expansion through the University Growth Corridor, which is a priority for the partnership.

Enterprise Zone (EZ)

The Chatterley Valley EZ provides incentives to assist companies in locating here and will provide employment opportunities for our communities.

Employment and Skills

For our residents to be ready to seize job opportunities as they arise, we need to make sure there is educational support and apprenticeships available to grow employment prospects for our communities, and ensure they have the right skills to access employment. We will continue to co-ordinate the Newcastle Employment and Skills Group to address key issues around skills across the borough, and work with the Stoke and Staffordshire LEP Education Trust to deliver the Skills Strategy and to better meet employers’ requirements.

Housing and the Joint Local Plan

A Newcastle-under-Lyme and Stoke-on-Trent Local Plan is being prepared jointly by both councils. This will help us plan for the right kind of housing which satisfies the future needs of the population to remain, and encourages movement of working age people into the area. There needs to be affordable and other entry-level housing available for first time buyers to allow people to move up the property ladder, as well as down the property ladder in later life to suitable housing providing independent living.

Place Based Approach (PBA)

The Newcastle Place Based Approach Group, as part of the Newcastle Partnership, has identified three priority areas based on a detailed review of the Early Help Performance Framework to focus its efforts in accessing available funds to support the growth vision for our communities.

The areas of investment proposed are:-

- Emotional and Wellbeing Support
- Support for Financial Inclusion
- Workforce Development



To achieve our priority we are committed to:

- Ensuring growth opportunities and support for our communities
- Focusing on identified areas for economic growth and delivering the Economic Development Strategy 2018-2023, further amplified by targeted interventions to be agreed with Staffordshire County Council
- Delivering a Joint Local Plan to support the sustainable development of our towns and villages
- Supporting local residents in housing need to access appropriate housing and to prevent homelessness
- Working with our partners to provide better job opportunities, employment and skills initiatives and promotion of apprenticeship schemes.
- Promoting the University Growth Corridor development, including completion of a vision for the area jointly commissioned with our key partners at Keele University and Staffordshire County Council
- Continuing to work closely with town and parish councils to improve the area for local people
- Enabling community groups and others to take on initiatives to develop and improve community facilities which better meet their needs
- Seizing opportunities to work in collaboration with new partners to develop better housing opportunities
- Working with the LEP Education Trust Programme group to implement the Skills Strategy 2016-2020





PRIORITY THREE:

A Healthy, Active and Safe Borough

We want communities that are happy, healthy and active and able to enjoy living in a safe environment. We will work with partners to ensure there are opportunities for residents to enjoy an active lifestyle.

Green and Open Spaces

The Council's Open Space Strategy seeks to ensure that our communities have access to high quality open spaces which provide a range of facilities.

We will improve facilities where we can, and will prioritise our resources towards the strategic sites which serve the largest catchment areas to ensure standards are maintained in those locations. We will continue to support our community groups in looking after their neighbourhood streets and open spaces and continue to develop partnerships which assist in keeping the borough clean and attractive.

The borough has been very successful with the Britain in Bloom competition, and the Newcastle in Bloom campaign is a borough-wide partnership which includes residents, businesses, schools, community groups and a wide range of volunteers. Our aim is to get more people involved to help improve their local area. The displays make Newcastle-under-Lyme an attractive place to live, study, work and visit.

Brampton Museum

The Brampton Museum is provided by the Council and is run by Council staff and volunteers. The Brampton Museum is a veritable "jewel in the crown", free to access and attracts many thousands of visitors each year. Through the work of the museum, the people of Newcastle-under-Lyme can be proud of their heritage, history and identity. Brampton Museum is situated on Brampton Park, within the conservation area of Newcastle-under-Lyme.

The New Vic Theatre

The Borough Council is a strong supporter of the New Vic Theatre, which adds hugely to the cultural life of the borough. It draws in significant funding from the Arts Council and other funding partners which allows it to provide a large and varied programme of work throughout the year.

The Philip Astley Project

The Borough Council is a key partner on the Philip Astley Project. This has enhanced the borough's arts and cultural calendar. Thanks to the Philip Astley Project, Newcastle-under-Lyme town centre now has a number of visual reminders that Astley was the creator of the modern circus and the broader performing arts traditions including a street art subway, Newcastle-under-Lyme children's library and the recently renamed 'Philip Astley walk'.

Also, the Newcastle-under-Lyme Business Improvement District organises an annual Jazz and Blues Festival and, since 2014, has collaborated with Appetite and Newcastle-under-Lyme Borough Council to bring circus to Newcastle-under-Lyme town centre during the Homecoming Festival.

Sport and Active Lifestyles

Jubilee2 provides high quality sporting and active lifestyle facilities in Newcastle-under-Lyme for everyone's training, fitness and coaching needs.

The Council is working with partners to look at areas where we can deliver the greatest impact to reduce health inequalities. Using the place based approach, early intervention and prevention activities will be commissioned and delivered to support those most in need.

We are working with local partners and a community group to ensure Kidsgrove Sports Centre reopens at the earliest opportunity as a community run sports facility.

The Newcastle Partnership, with support from the Staffordshire Commissioner of Police, Fire and Rescue and Crime, has provided funding to deliver SPACE activities during school holidays, to enable young people to take part and be active, and intends to continue delivery during the coming year.



A Safer Place to Grow

We are committed to reducing anti-social behaviour, improving the quality of life for local people and reducing crime and fear of crime within our communities. We are keen to promote understanding, tolerance and respect within our communities and to encourage residents to be proactive and resolve issues themselves wherever possible. Where problems escalate into more serious and widespread issues, the Council will proactively work with partners and residents to tackle anti-social behaviour and other community issues.

We have established the Daily Hub, bringing together a multi-agency team which provides a forum for partners to problem solve, support and challenge each other around cases of vulnerability.

To achieve our priority we are committed to:

- Developing and improving the leisure and cultural services we offer to residents and visitors of the borough
- Delivering a programme of healthy initiatives with partners

- Delivering a programme of cultural events and exhibitions
- Supporting community run events, both leisure and cultural
- Maintaining high standards of street cleanliness
- Providing efficient and effective waste collection services
- Building on our work with police and partners to reduce anti-social behaviour and crime in our communities
- Protecting residents and visitors with high standards of food safety and licensing in the borough
- Working to gain Green Flag Awards and compete in the Regional Britain in Bloom competition
- Development and delivery of the Sport and Active Lifestyles Strategy
- Securing external funding to support the museum to increase access and income thereby improving resilience and sustainability
- Developing and delivering the Open Space Strategy and Green Infrastructure Strategy, including improvement projects such as The Wammy Neighbourhood Park (Phase 4)



PRIORITY FOUR:

A Town Centre for All

We want our town centres in Newcastle and Kidsgrove to be the vibrant and successful centres of life in the borough. We want to ensure that they have the right retail, public service, leisure, cultural, business and residential facilities that work for local residents and attract visitors and businesses to the town centres.

The new Castle House, situated in Queen's Gardens, sets the new benchmark for what we want to see in our town centres. It sets a high standard for future development, with its inspiring building set in a green environment, and is already seen as a place to meet, visit and enjoy. We need to build on this by ensuring future development supports our vision for the town centres and other areas of the borough.

The next opportunity in Newcastle is the Ryecroft site. This development needs to mirror Castle House and provide an uplift to the townscape, and contribute to the development of a vibrant and successful town centre.

The Council is exploring options for the future use of the Guildhall, an historic landmark based in Newcastle town centre, set to be given a new lease of life.

Keele University, working with the Borough Council and partners, have ambitious plans to expand, and, as strategic partners, we are supportive of this ambition for the University Growth Corridor. Given the importance of both the University itself and that of Keele Science and Innovation Park to the economy and life of the borough, we consider it to be of the utmost importance to the Borough Council that it is able to work alongside the University in developing and supporting its plans for growth.



Page 20
For the period of this plan, we will continue to support and work with partners, such as the Newcastle Business Improvement District (BID) to build on its good work, notably in relation to the town centre activities programme which continues to grow in stature, with annual highlights firmly embedded in events such as the Lyme Light and Jazz and Blues Festivals. These events are vitally important to ensure that Newcastle Town Centre remains the local centre of choice for the borough's residents given the evident challenges for the retail sector.

Newcastle has marked the 250th anniversary of the modern circus with C250 celebrations, which have fully embraced the opportunities for cultural tourism. Funded through Heritage Lottery and Arts Council England along with other partners, the town has seen nationally acclaimed No Fit State Circus in residence, an outdoor circus exhibition in Red Lion Square, The Homecoming, and AstleyFest on Lyme Valley Park, which attracted approximately 6,000 people, increasing footfall to the town centre.

Kidsgrove is also central to our future plans. We are committed to working with Staffordshire County Council to develop a long term plan for Kidsgrove that takes advantage of its location, road and rail connectivity. We want to use the public sector property estate in the area to regenerate the town and provide the new facilities that the town needs, such as a new sports centre and extra care provision. We need to ensure that when HS2 arrives in the region in less than 10 years' time, Kidsgrove is well placed to take advantage of the opportunities this will create.

To achieve our priority we are committed to:

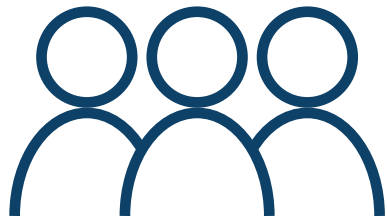
- Redeveloping the Ryecroft site
- Promoting events with partners to encourage visitors
- Continuing the work to maintain low vacancy rates in the town centres
- Supporting further development of Keele Science and Innovation Park and the University Growth Corridor
- Supporting retailers and local business to remain and prosper in the town centres
- Developing a long term plan for Kidsgrove with the County Council
- Delivering car parking services that support the town centres
- Supporting the plans to use the Guildhall as a publicly accessible building
- Supporting housing developments offering a good mix of accommodation for all
- Continuing support for the development of the University Growth Corridor.



Newcastle-under-Lyme Facts and Figures

THE BOROUGH

HAS A POPULATION OF



129,000

20.2%

OF RESIDENTS ARE

65 PLUS

(26,100)

16.3%

OF RESIDENTS ARE AGED

15 AND UNDER

(21,000)

27.2%

OF RESIDENTS ARE YOUNG PEOPLE

UNDER 24

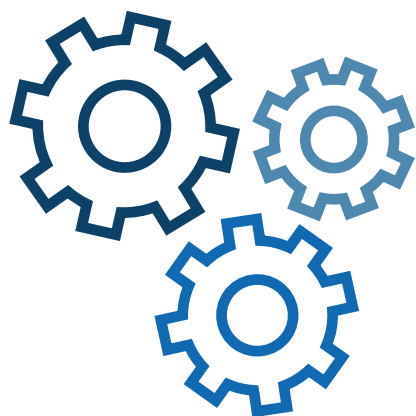
(35,100)

39.7%

OF RESIDENTS ARE AGED

50 PLUS

(51,000)



82.5%

OF RESIDENTS OF WORKING AGE ARE IN EMPLOYMENT

(67,600)

63.5% OF RESIDENTS ARE OF WORKING AGE

AGED 16 - 64

(8 1 , 9 0 0)

The source for all of the above, and to the left and right, is NOMIS August 2018



6.1%

OF WORKING AGE POPULATION ARE

OUT OF WORK DUE TO **ILL HEALTH**

(APPROX. 5,000)

THE LONE PENSIONER HOUSEHOLD

FIGURE IS **13.5%**

(Census 2011)



69.5%

OF ADULTS IN THE BOROUGH ARE HOMEOWNERS

(Census 2011)

59%

OF RESIDENTS AGED

65 PLUS

HAVE LIMITING LONG TERM **ILLNESS**

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

REPORT TO CABINET

Date 19th September 2018.

1. **REPORT TITLE** **A Future Recycling Strategy**
- Submitted by:** **Head of Recycling & Fleet - Andrew Bird**
- Portfolio:** **Environment and Recycling**
- Ward(s) affected:** **All**

Purpose of the Report

To inform Cabinet of the preferred options put forward by the Cross Party Cabinet Panel Task & Finish Group for the introduction of a new kerbside recycling service and an affordable garden waste collection service.

Recommendations

- (i) That the Cabinet considers the recommendations of the Cabinet Panel Task and Finish Group and agrees a preferred option for the introduction of a new kerbside recycling service which makes it easier for residents to recycle, and is simpler to operate.**
- (ii) That the Cabinet considers the recommendations of the Cabinet Panel Task and Finish Group and agrees a preferred option for the future provision of garden waste collections following the withdrawal of recycling credits paid by Staffordshire County Council.**
- (iii) That Officers are authorised to undertake further detailed planning and modelling work to develop the Cabinets preferred options and report back to Cabinet on detailed project costs and timescales.**
- (iv) That Cabinet thanks the Task and Finish Group for their work in putting forward their preferred options.**

Reasons

The Council needs to obtain the best financial value, with the least risk in terms of reliable and efficient collection services that makes it easier for residents to recycle.

The current Recycling service has had a number of operational challenges, which has affected public satisfaction since its introduction, additional operational costs and pressure from global material markets has meant the projected saving has not all been achieved, putting significant pressure on budgets.

The County Council has now confirmed its intention to reduce recycling credits for garden waste. This will mean that they will only pay for treatment costs over the next four years. This decision will create an additional budget pressure for the Council.

1. **Background**

- 1.1 The Council has been operating its new recycling collection service since July 2016, and although dry recycling rates have increased, the service is under pressure from the demand on the collection service and the resources available. This is largely a result of volumes of material, vehicles having to tip more than once during a working day and, over time, increased numbers of houses built, which was not adequately reflected in the original service modelling. To rectify this, the service requires further significant investment if it is to be reliable to the end of its projected term in 2022.
- 1.2 A consultation with residents was launched on 20th February 2018. The report attached at Appendix 1, was prepared on 13th June 2018, having run for 16 weeks. Within that period the survey received comments from almost 1,300 people which is the highest number of respondents to any of the Council's online consultations. Assuming that responses were one per household who responded this represents around 2.5% of households in the Borough.
- 1.3 Questions were posed in respect of a range of aspects of the current service including, the frequency of service, how containers are left after emptying, the type and number of containers provided, reliability of collections, dealing with enquiries and overall satisfaction.
- 1.4 The detailed results for each question are set out in the attached survey report for Members to review including comments made by residents whilst completing the survey.
- 1.5 In respect of overall satisfaction, whilst there were significant differences in satisfaction between some wards, responses were largely negative where almost three-fifths of overall respondents (58 per cent) said that they were dissatisfied, with fewer than one in four (24 per cent) saying they were satisfied. The remaining 18 per cent said that they were neither satisfied nor dissatisfied.
- 1.6 The highest level of overall satisfaction was expressed with the frequency of the service and the lowest level of satisfaction was expressed with the type and range of containers provided with a number of comments being made which expressed a preference for wheelie bins for recycling collection.
- 1.7 A budget saving of £500,000 was envisaged at the commencement of the new service in 2016, however although savings have been achieved in comparison to the previous service, they have not achieved the level of savings expected. A major factor in this has been the inability to achieve income levels for the high quality materials produced through the service, following global crashes in prices, particularly those of card and plastic, as well as high volumes of material, vehicles having to tip more than once a working day and, over time, increased numbers of houses built.
- 1.8 As a result of these challenges, at its meeting on 4th January 2018, in response to a request from the Portfolio Holder, authority was given by Cabinet for the establishment of a politically balanced Cabinet Panel Task and Finish Group (the Group) to examine the problems arising from the operation of the waste and recycling service and for the group to bring recommendations to a future Cabinet meeting. The group have looked at a number of collection options, and undertaken visits to look at alternative collection systems, and have reviewed alternative collection systems which have been modelled and costed to inform their recommendations to Cabinet.
- 1.9 Cabinet reconvened the Group to look at options for future recycling collection services, looking at twin stream and fully comingled collection operations incorporating the use of a wheelie bin. Modelling of these options has been undertaken and presented to the Group.

- 1.10 As part of its current recycling and waste strategy, the Council also operates a separate garden waste service to the majority of residents within the Borough. This service was introduced in the mid 2000's in response to government introduced weight based recycling targets. A paid for subscription service for residents who wish to have additional garden waste bins was introduced in 2011.
- 1.11 Garden waste is composted at a site within the Borough boundary, under a contract with Veolia which will run up to July 2022, with a break clause at 2020. The Council has no statutory responsibility to provide garden waste collection services.
- 1.12 As with dry recycling, recycling credits are paid to the Council by the County Council for all garden waste collected. The rate however is a little less per tonne, than that which we receive for other materials.
- 1.13 In late 2017, the County Council, as Waste Disposal Authority (WDA) initiated discussion with the eight district waste collection authorities (WCA's) as they wished to stop paying recycling credits for garden waste collections, and merely reimburse WCA's for the cost of treatment for the material. This was in order for the WDA to contribute towards significant savings the County Council has to make as part of its Medium Term Financial Strategy (MTFS), and follows a similar policy approach adopted by many WDA's, operating in two tier authority systems.
- 1.14 The Council has subsequently been informed of the County councils intention to bring in phased reductions in the payments of recycling credits for garden waste, over a four year period, down to reimbursement of treatment costs only.
- 1.15 This change will bring an additional and significant budget pressure with the loss of £275,600 in recycling credit income by 2022, when the County Council will only reimburse for the cost of treatment which currently costs £23.84p per tonne to process.
- 1.16 Cabinet asked the Group to reconvene and look at two options for introducing a chargeable service that will avoid a significant additional financial burden being placed on the Councils finances

2. **Issues**

- 2.1 It is vitally important that the Council looks to obtain the best financial value from the services it operates.

Recycling Collection

- 2.3 The current recycling collection service has suffered some significant operational issues since its commencement in 2016, with unreliable collections, and poor customer satisfaction. However, recycling rates have increased over the previous service, and are higher than many of our partner authorities in Staffordshire, and collection costs overall are the second lowest for a WCA in Staffordshire.
- 2.4 Markets for collected recycled material have suffered major volatility over the last couple of years and in particular the last nine months or so, following China's stringent restrictions on imports of materials which do not meet their high quality criteria. Much of the material going to China came from comingled collection operations, and they have encountered large amounts of contamination. This has resulted in oversupply into other markets which has had an impact on prices for materials, particularly plastics. The situation is unlikely to improve

greatly moving forward, until investment within the UK can deliver higher quality materials for recycling and reprocessing.

- 2.5 Cabinet has indicated it wishes to continue to provide separate food waste collection, therefore, in looking at alternative recycling systems the Group are asked to consider how this will be achieved. Currently food waste is collected on the same vehicle as recycling on a weekly basis, however if it is decided to change to a new recycling service operating with wheelie bins on a fortnightly basis, this would potentially needing additional resources to collect food on the week when recycling was not collected.
- 2.6 Whichever recycling collection system is provided to residents, the Council will have to maintain the operation of its transfer and bulking station as there are no facilities close enough to reprocess material which could facilitate direct delivery of collected materials. (Other than garden waste)

Garden Waste Collection

- 2.7 The Council collects on average around 10,500 tonnes of garden waste each year, which is processed into compost mainly for use in the agricultural market.
- 2.8 Chargeable garden waste systems are now operated by around 60% of WCA's in England. Loss or a reduction in the amount of garden waste collected will result in lower overall recycling performance for the Council due to the significance (in weight) of this stream of the Councils recycling service to the overall recycling rate of the Borough.

3. **Proposal**

Recycling Collection

- 3.1 It is proposed that the Council considers recommendations made by the Cabinet Task and Finish Group for the future kerbside recycling service, and future provision of garden waste collections at the same time, effectively refreshing the Councils Recycling and Waste Management Strategy.
- 3.2 In considering the recycling collection service, the Group has considered two options, with the existing system used for cost comparison purposes.
 - Twin Stream – where either paper or paper and card are kept separate and everything else is comingled in a single wheelie bin and collected fortnightly (with food collected separately).
 - Fully Comingled – where all materials are mixed together in a single wheelie bin and collected fortnightly (with food collected separately)
- 3.3 A wheelie bin is usually provided for fully comingled services and many two stream operations, although a number of authorities do operate a twin stream system using kerbside boxes such as we operate in the Borough, the closest being our neighbouring authority of Shropshire. The Councils other neighbouring WCA, Stafford Borough operates a two stream system using a wheelie bin with an internal caddie (box) to contain paper.

- 3.4 Each system has its advantages and disadvantages. A summary of these was considered by the Group and is attached as Appendix 2. Whilst the advantages and disadvantages of the current system are well known, a twin stream or fully comingled system will be easier for the householder to use, together with simplified collection operations utilising standard compaction vehicles with or without food pods. The biggest risk will be dealing with increased levels of contamination, which the Council will need to ensure it manages effectively and robustly in order to avoid costly rejection payments.
- 3.5 Modelling work undertaken to date and presented to the Group, shows that a twin stream service can be delivered cost effectively and it will be less expensive than the actual cost of the current service.
- 3.6 The Group were asked to consider and express a preference for how to integrate continuing the provision of a separate food waste collection service, as this has a significant impact on the design and provision of a new service moving forward as well as the option to collect recycling on a fortnightly or weekly basis in the future.
- 3.7 The modelling work undertaken has shown it is possible for the Council to continue to collect separate food waste cost effectively; however the type and combination of vehicles to be used for recycling and food waste collections will require further detailed consideration before a recommendation on the types of vehicles can be made.
- 3.8 Following consideration of all the options, at the last meeting of the Group it was unanimously resolved to recommend a twin stream collection system, on a fortnightly basis, with separate paper and card, along with continued collection of separate food waste as the preferred service model for the kerbside collection of dry recycling material and food waste.
- 3.9 It is proposed therefore that the Cabinet consider adopting this recommendation and undertake further planning and modelling work in order to move to a twin stream collection system with paper and card separate, along with continued collection of separate food waste.
- 3.10 A twin stream kerbside collection system will incorporate use of a wheelie bin with a blue lid, denoting its use for recycling only, together with a suitable receptacle (or use of existing box) to contain paper and card, while the other materials, namely, glass, cans and plastics bottles would be placed in the body of the bin. It may be possible to re-use wheelie bins that are not required for collecting garden waste and further work will be carried to determine the best option in this respect.
- 3.11 A split body refuse collection vehicle would be used to make the collections from householders. Paper and card will be loaded in one side of the vehicle and the other materials would be loaded into the other side of the vehicle.
- 3.12 Twin stream collections allows the Council to separate at source the higher value material, paper and card (known as fibre), which can then be sold directly to re-processors. Keeping fibre out of the other materials means the cost of sorting through a material recovery facility (MRF) are also lower in terms of a cost per tonne as fibre is difficult to separate from other materials, particularly if it becomes wet, and therefore increasing processing costs. Further the paper and card industry are reluctant to purchase paper and card from MRF's due to the poor quality of the material as it goes through the collection and sorting process, leading to this material largely going to export markets.
- 3.13 Further detailed planning and modelling will inform the potential timescales and costs for introducing a major service change. This will be dependent on a number of key factors such as service design, procurement and financing to implement the change with it being

envisaged that this will take a phased approach to the service change starting in 18 – 24 months' time.

Garden Waste Collection

- 3.14 The Group were asked to look at two options for the continuing provision of this service as a chargeable service, incorporated within the proposed redesign of the recycling collection service, not least to identify ways of dealing with the increased budget pressures.
- 3.15 Two options were considered by the cross party Group for the future provision of a garden waste collection service.
- Introduce a chargeable garden waste collection service, whereby residents wishing to receive a garden waste collection service pay an annual subscription fee.
 - Outsource the provision of a garden waste collection service to a private sector waste management company, a number of who operate services in this way to a number of authorities. This option would require a full EU procurement process to be undertaken, which would take a minimum of six months. There may also be implications to the Councils existing incumbent service provider for treatment of garden waste.
- 3.16 Following consideration of the options, at the last meeting of the Group it was unanimously resolved to recommend a chargeable service for the collection of garden waste to be introduced, and that the service is provided to residents be extended to a full twelve months, unlike the current service which has an eight week shutdown during the winter.
- 3.17 The Group also noted that this would be an 'opt in' service for residents who wished to sign up for collections. Residents also have the option to dispose of garden waste into their residual bin if there is space, home compost, utilise the County Councils Household Waste and Recycling Centre or share a bin with neighbours through the 'opt in' service.
- 3.18 For the introduction of the service, there is considerable preparation work required to be undertaken over the coming months. The key aspects of this are to ensure operational round planning, customer services support, electronic payment systems and communications plans with residents are all put in place and it is envisaged that it will start from the mid-February restart of collections after the traditional Christmas service suspension period.

4. Reasons for Preferred Solution

- 4.1 Members and the public are unhappy with the current recycling collection service, and it has been recognised that it requires further significant resource investment to make it more reliable. The service has been unable to generate the levels of savings in the MTFs during its first two years of operation, mainly due to the lack of resilience in the service to meet the demands placed on the service to complete collections as well as a result of poor and worsening global markets for recycled materials.
- 4.2 Additionally the County Councils decision to withdraw recycling credits for the collection of garden waste will have a significant additional pressure on the Councils budget.
- 4.3 The advantages and disadvantages of alternative collection strategies are as set out in this report.

5. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities

5.1 The proposal is key to having in place an up-to-date efficient and customer focused Integrated Municipal Waste Management Strategy for Newcastle under Lyme Borough Council, and will contribute to the following corporate priorities:

- creating a cleaner, safer and sustainable Borough
- creating a Borough of opportunity
- transforming our Council to achieve excellence

6. **Legal and Statutory Implications**

6.1 The Council has a legal duty under the Waste Framework Directive 2012, to provide collection services for non-recyclable waste, and to collect separately four streams of recycling, namely, paper/card (fibre), metal, plastic, and glass all free of charge.

6.2 The Council has no statutory responsibility to provide garden waste collection services, and can make a charge for doing so if it so wishes.

6.3 Outsourcing the garden waste collection service would require a full EU procurement process being conducted to meet the requirements of the Public Contract Regulations 2015. It would also need to satisfy the Council's requirements to secure Best Value.

6.4 Currently the Council does not have any statutory recycling targets imposed by Central Government; however there is a service level agreement with the County Council to deliver recycling levels above 55% as part of their PFI arrangements for their Energy from Waste Plant in the South of the County.

6.5 Government will be publishing its Resource and Waste Strategy in late 2018; this may incorporate new targets for local authorities, and may mandate separate food waste collections, to bring England's Local Authorities in line with the devolved governments of Wales, Scotland and Northern Ireland. The Council will need to be mindful of this emerging work and any implications it may have on its future recycling and waste strategy moving forward.

7. **Equality Impact Assessment**

7.1 The proposal supports the Equality Impact Assessment undertaken for the effective delivery of the Integrated Municipal Waste Management Strategy for Newcastle under Lyme Borough Council.

The Council's Assisted Collection Service will continue to be available to residents who meet the required eligibility criteria for this support.

8. **Financial and Resource Implications**

8.1 The proposal has significant financial and resource implications for the Council.

8.2 A full high level cost analysis by the various options modelled and considered by the Group is detailed in Appendix 3.

8.3 A full high level cost analysis for chargeable garden waste considered by the Group is detailed in Appendix 4.

- 8.4 The table below details the estimated operational costs for the preferred option of a twin stream recycling collection service, as recommended by the Cabinet Task & Finish Group. The table includes options for collecting separate paper and card (A). Separate paper only (B), and a cost comparison to the current service cost estimate of the Councils existing kerbside recycling collection service (C).
- 8.5 It should be noted that these figures are subject to refinement as further detailed planning and modelling is required on the preferred option and that these are operational costs only, and do not include any overheads or capital charges which would also be incurred by the Council.

Cost	Column A Twin Stream with separate paper / card and separate food waste	Column B Twin Stream with separate paper only and separate food waste	Column C Comparison with current service cost estimate
Operation of NBC Transfer Station	£365,000	£365,000	£405,000
Gate Fee for Food Waste processing based on 2017/18 cost	£29,623	£29,623	£29,623
Gate Fee for MRF processing – including transport & rebate for sale of materials (no fibre)	£279,000	£516,000	N/A
Collection Costs – vehicles and staff, including managements & supervision	£1,300,000	£1,300,000	£1,813,600
Income			
Paper / Paper & Card	£189,000 (paper/card)	£164,680 (paper)	£164,680 (paper)
Other Income – plastic card, metal, glass	N/A	N/A	£145,000
Recycling Credits – based on current tonnage	£580,162	£580,162	£580,162
Net Cost of service	£1,204,461	£1,465,781	£1,358,381

- 8.6 As stated in paragraph 3.3, it is a proven fact that collecting recycling materials in a wheelie bin will incur levels of contamination, which can equate to 12% of the total quantity of material collected for recycling. Contract arrangements with the MRF will take account in dealing with a level of contamination, typically around 5%, but anything additional would incur additional cost and rejected loads. A rejected load equating to around 12 tonnes of material could incur costs of around £3,000, and therefore it is imperative the Council manages collections appropriately through effective communication with residents, and

monitoring collections closely to ensure contamination rates remain within excepted thresholds of the MRF contract conditions.

- 8.7 Significant capital costs will be incurred for provision of the new service, including procurement of wheelie bins, vehicles, and alterations to the Councils Transfer Station. Indicative figures are detailed in the table below.

Capital requirement	Cost
Procurement of Wheelie Bins and distribution (in some cases existing wheelie bins may be suitable for re-use)	£913,000
Procurement of suitable receptacle for paper and card (if an existing box is not utilised)	£154,000
Procurement of vehicles	Between £1,445,000 (Comingled + Food) or 1,785,000 (Twin Stream + Food)
Modifications to Knutton Lane Depot Transfer Station (to be confirmed from further modelling of preferred service model)	£500,000

- 8.8 With regard to garden waste collections, the do nothing approach and continue to operate the service with reduced payments of Recycling Credits would have the following financial burden on the Council

- 2019/20 - £68,900.
- 2020/21 - £137,800.
- 2021/22 - £206,700.
- 2022/23 - £275,600.

- 8.9 Charging for the collection of garden waste, introduced at a £36 charge per bin, per year would offset the loss in recycling credit payments, and provide revenue saving at the following levels.

- 2019/20 - £84,984 (based on 20% take up)
- 2020/21 - £162,517 (based on 25% take up)
- 2021/22 - £248,159 (based on 30% take up)
- 2022/23 - £314,411 (based on 35% take up)

- 8.10 Outsourcing the service to the private sector, for them to provide the whole service, including revenue generation would result in a saving to the Council of £545,184. This would be subject to procurement and any TUPE negotiations.

- 8.11 With exception of the last option, it is assumed that the same level of resources employed to carry out the garden waste collection service currently in terms of vehicles and staff are maintained until a clear picture of take-up is known.

- 8.12 In terms of other resources, a Project Steering Group will to be formed to include the relevant Portfolio Holders, officers from Finance, ICT, Revenues and Benefits, Customer Services, Communications and Recycling, Waste and Fleet Services. Further expertise will be required as the project moves forward from Human Resources, Procurement and Planning.

- 8.13 As the project develops, and once a Cabinet decision is made further resources may need to be employed to ensure the project is delivered efficiently and within agreed timescales.

9. **Major Risks**

- 9.1 The international market for sale of recycled materials is very volatile and carries major financial and legal risks, particularly in export markets. China, has been the main destination for European recycled materials, and has through its customs process clamped down on quality, particularly mixed paper and plastics, where they have experienced high levels of contamination.
- 9.2 Factors such as this put pressure on other markets with additional quantities of materials chasing other markets, with the potential that values for materials can fall due to oversupply.
- 9.3 Obtaining and sustaining UK markets provide better security for the sale of materials so long as they remain of suitably high quality. This has now become a real issue for comingled collections, which can have high levels of contamination, or 'non-target' materials. The result is that the gate fee for processing material in this way has risen significantly over the last few years. Additionally the Council will need to undertake a rigorous TEEP (Technically, Environmentally, economically and Practical) assessment to prove that the twin stream collection and sorting system produces materials to the same quality to those collected separately.
- 9.4 In considering the garden waste collection service, charging for a service which was previously provided free of charge for one garden waste bin per household will need to be managed effectively in respect of information available to residents.
- 9.5 Poor take up of service with resources maintained at their current level could result in overall savings/income not being achieved.

10. **Background Papers**

- 10.1 Appendix 1 - NBC Recycling Satisfaction Survey report
- 10.2 Appendix 2 - Advantages/disadvantages of service model options
- 10.3 Cabinet Task and Finish meeting minutes
- 10.4 Appendix 3 – detailed cost analysis for kerbside recycling collection models.
- 10.5 Appendix 4 – detailed cost modelling for chargeable garden waste collections.

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Appendix 2.

Advantages & Disadvantages of Twin Stream Recycling Collections

Advantages	Disadvantages
Easier for the householder to use	Householder will still need to separate paper / card
Provides more consistency with some Staffordshire and other neighbouring authorities collection systems	Difficult to integrate separate food waste collection
Maintains the 'high' value high quantity materials separately. This takes some of the volatility risk out of the operation	Contamination levels will increase, which will lead to increased costs if not effectively managed.
Increased productivity in collections.	Glass in the comingled element remains a problem. Difficult from a TEEP issue.
Easier to recover following bad weather / other incidents	Twin pack vehicles not as reliable as standard RCV's

Advantages & Disadvantages of Comingled Recycling Collections

Advantages	Disadvantages
Very easy for the householder to use	System will generate high levels of contamination, which could lead to increased costs, and will need to be managed effectively.
Requires a standard RCV for collections, therefore more flexibility in the fleet	Volatile markets for materials will increase gate fees
Provides more consistency with some Staffordshire and other neighbouring authorities collection systems	Materials likely to be exported following sorting process
Fast collection process similar to collecting residual waste	Will require rigorous TEEP assessment
Very easy to recover from bad weather / other incidents	Industry does not like materials from comingled collections. As they will be paying for collections under EPR, they will want more say in how it is collected / processed.
	Difficult to integrate separate food waste collection

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Appendix 3.

Detail costs for service options of twin stream and comingled collections

Capital Costs

Vehicles

Type	Number required	Vehicle purchase cost	Total
Twin stream with food separate			
Twin Pack 26t RCV	7	£190,000	£1,330,000
Twin stream with food			
Twin Pack 26t RCV with Food Pod	9	£200,000	£1,800,000
Comingled with food separate			
Standard 26t RCV	6	£165,000	£990,000
Separate Food waste Vehicles			
7.5 tonne food waste collection vehicle	7	£65,000	£455,000

Revenue Costs

Operational Costs

Number of staff required for collection operation per vehicle + cost of staff, vehicle + supervision and support services

vehicles	3	120,000 note - no recharges included	driver grade 6 - operatives grade 5.
RCV with or without food			

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Appendix 4 - Detailed cost modelling for Chargeable Garden Waste Collections.

Total cost
2017/18
£545,184

**Charging Option - 20% uptake in first Year
5% increase thereafter**

Year	Tonnage - based on 2017/18 actual	Number of HH (bins)	Processing Gate Fee per tonne - Figure Commercially sensitive	Operational Cost per h/h - excluding recharges 2017/18	Administration Cost per h/h	Total Cost	Recycling Credit per Tonne per SCC letter	Total Recycling credit Income	Charging cost per H/H	Total income from H/H charging	Total income	Net Cost/(Income)	% uptake	Revenue Saving/ (cost)
1	10,600.00	50,000.00		10.90	0	797,888.00	£51.58	546,748.00	0	-	546,748.00	251,140.00	N/a	0.00
2	2,120.00	10,000.00		54.52	2.6	621,724.80	£45.08	95,569.60	36	360,000.00	455,569.60	166,155.20	20%	84,984.80
3	2,650.00	12,500.00		43.61	2.6	640,860.00	£38.58	102,237.00	36	450,000.00	552,237.00	88,623.00	25%	162,517.00
4	3,180.00	15,000.00		35.35	2.6	644,995.20	£32.08	102,014.40	36	540,000.00	642,014.40	2,980.80	30%	248,159.20
5	3,710.00	17,500.00		30.15	2.6	661,630.40	£25.58	94,901.80	36	630,000.00	724,901.80	(63,271.40)	35%	314,411.40

Do nothing option

Year	Tonnage - based on 2017/18 actual	Number of HH (bins)	Processing Gate Fee per tonne - Figure Commercially sensitive	Operational Cost per h/h - excluding recharges 2017/18	Administration Cost per h/h	Total Cost	Recycling Credit per Tonne per SCC letter	Total Recycling credit Income	Charging cost per H/H	Total income from H/H charging	Total income	Net Cost/(Income)	% uptake	Revenue Saving/ (cost)
1	10,600.00	50,000.00		10.90	0	797,888.00	£51.58	546,748.00	0	-	546,748.00	251,140.00	N/a	0.00
2	10,600.00	50,000.00		10.90	0	797,888.00	£45.08	477,848.00	0	-	477,848.00	320,040.00	N/a	(68,900.00)
3	10,600.00	50,000.00		10.90	0	797,888.00	£38.58	408,948.00	0	-	408,948.00	388,940.00	N/a	(137,800.00)
4	10,600.00	50,000.00		10.90	0	797,888.00	£32.08	340,048.00	0	-	340,048.00	457,840.00	N/a	(206,700.00)
5	10,600.00	50,000.00		10.90	0	797,888.00	£25.58	271,148.00	0	-	271,148.00	526,740.00	N/a	(275,600.00)

Notes:

- 5.5 vehicles based on 50,000 households
- 4.5 vehicles = 1 driver plus 2 loaders
- 1 vehicle = 1 driver plus 1 loader

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Classification: NULBC PROTECT Organisational

Code	Description	Budget £	Actual £	Variance £
1101	Salaries - General	327,524	274,734	52,790
1102	Salaries - Overtime	0	15,621	-15,621
1110	Salaries - Scheduled Work	5,000	5,067	-67
1220	Employee Allowances	500	0	500
1298	Accum Abs Acct - Employee Benefits Accru	0	-271	271
1301	National Insurance	23,980	27,404	-3,424
1302	NI on Car Lease/Loan	350	490	-140
1401	Superannuation	50,380	47,406	2,974
1493	Supn Lump Sum Apportionment	36,670	36,670	0
1499	Notional Superannuation Costs	2,500	-6,019	8,519
1532	In Service Training CPD	1,000	0	1,000
1630	Insurance Premiums - Employers Liability	2,810	1,266	1,544
1631	Insurance Premiums - Fidelity Guarantee	270	270	-0
1638	Insurance Premiums - Employees Personal	180	178	2
1660	Childcare Vouchers Administration Fees	50	8	43
1670	Drivers Licences	100	0	100
2851	Accommodation Recharges - Central Depot	43,570	47,724	-4,154
3110	Repairs to Vehicles and Plant	10,000	143	9,857
3140	Fuel	55,000	55,154	-154
3145	Tyres - Damaged	0	812	-812
3146	Tyres	4,500	324	4,176
3147	Vehicle Licences	1,500	213	1,288
3149	M.O.T. Tests	500	0	500
3210	Vehicle Recharges	52,270	837	51,433
3211	Vehicle Recharges - Non-Scheduled Labour	0	360	-360
3212	Vehicle Recharges - Scheduled Labour	0	3,296	-3,296
3213	Vehicle Recharges - Non-Scheduled Parts	0	109	-109
3214	Vehicle Recharges - Scheduled Parts	0	974	-974
3315	Short Term Hire of Vehicles/Plant	0	680	-680
3430	Recharge Leased Cars Hldg A/c	2,200	2,200	0
4350	Clothing, Uniforms & Laundry	4,000	4,320	-320

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TASK AND FINISH GROUP CABINET PANEL

Thursday, 30th August, 2018
Time of Commencement: 2.00 pm

Present:- Councillor Trevor Johnson – in the Chair

Councillors Burgess, Miss J Cooper, Harrison, Proctor, Reddish, Robinson and P Waring

1. APOLOGIES

Apologies were received from Councillor Wright.

2. INTRODUCTION FROM CHAIR

The Chair advised members that the purpose of today's meeting was to consider the options and agree upon a recommendation to Cabinet.

Councillor Proctor addressed the Chair stating that he had had to send apologies to the previous meeting. He raised concerns that the Group's position had been compromised in that the discussions and conclusions had been made public on social media. Councillor Proctor felt that the principal of speaking to press / going public on social media was unacceptable until the Group had completed the task that was being considered.

Councillor Robinson left the meeting.

3. MINUTES OF PREVIOUS MEETING

Resolved: That the Minutes of the meeting held on 25 July, 2018 be agreed as a correct record.

4. MATTERS ARISING FROM THE MINUTES

Councillor Reddish had asked at the previous meeting if comparisons from other authorities could be obtained regarding charges that had made for collection of garden waste. The Council's Head of Recycling, Waste and Fleet Services, Andrew Bird confirmed that these had been received.

5. A FUTURE RECYCLING STRATEGY

Mr Bird handed round two appendices to accompany the agenda report.

Members were advised that if the collection service was to remain unchanged, significant investment would be required.

Members' attention was drawn to paragraph 3.1 of the report which outlined two possible options for the future delivery of the service.

Task and Finish Group Cabinet Panel - 30/08/18

Councillor Waring stated that there needed to be as little contamination of the materials as possible. It was agreed that a robust approach to contaminated bins would be necessary with either of the two options.

Councillor Burgess stated that a resident had contacted her regarding all materials being put into the one vehicle after being sorted. Mr Bird stated that there was a trial currently underway in various streets where recyclables were being collected using the twin stream collection system. Residents in those streets should have received a leaflet advising them of this and, in addition, there were signs on the vehicles in question saying 'Contents are being recycled'.

Councillor Burgess also stated that she had been advised that a bin in the centre of Kidsgrove would not now be emptied because the gentleman who had previously paid for it to be emptied had left. The Executive Director for Operational Services, Mr Dave Adams asked Councillor Burgess to provide him with the details.

Members were advised that feasibility studies had been undertaken into various options. In addition, the Cabinet had stated that they wished to continue with the separate food waste collection service. The collection of food waste was not mandatory at the present time in England but DEFRA may introduce it later in the year when they publish their resources and waste strategy.

The costings indicated that the Council could achieve the continuation of the food waste collection along with collection of the 'other' recyclables.

Members felt that the better option would be the twin stream and that fully comingled was not the way forward.

Councillor Reddish enquired as to the timescale for the new arrangements and Members were advised that the new arrangements could be in place by 2020/21, but as stated in the report, this was dependent on detailed planning and finances being available.

Councillor Cooper enquired as to who received the Borough's food waste and was advised that a contract with Biffa to take it for processing was in place, and the food waste is processed through anaerobic digestion, where it was turned into gas and produces power, as well as a high quality fertiliser for use in agriculture. Councillor Cooper asked if it could be sold directly to the electricity board.

Mr Bird explained that, for that, an anaerobic digester would be required by ourselves which would cost millions to build.

Councillor Proctor had seen one of the anaerobic digesters in Ireland and told Members that they were impressive – not only for power production but the end product of compost was also good. However, for such a system to be feasible, a number of authorities would need to come on board and have shared ownership.

Mr Bird stated that the Council's current contract runs until 2022 at which point we may be in a position to consider partnerships with other authorities, especially if food collection were to become mandatory.

Councillor Proctor asked for consideration to be given to people living in terraced properties whilst looking at a new system, in respect of the size and quantity of containers.

Members then looked at garden waste collection and were advised that there was no alternative than to look at a chargeable service in order to absorb the financial implications of the cessation of payment of recycling credits by the County Council.

There were two options available – to outsource the collection to a private company – with a charge to residents or to continue to operate in house with a charge to residents. The charge would be introduced at £36 per year for the main garden waste bin and Members felt that, for properties requiring a second bin, discussions should take place as to a reduced charge.

The current system ran for ten months of the year but the new system would operate for the full twelve months.

Members agreed that, whilst they did not like the idea of charging for garden waste collections, there was no other alternative.

- Resolved:**
- (i) That the fortnightly twin stream option (with separate paper and card) and separate food waste collection be recommended as the best option.
 - (ii) That, subject to the cost of acquiring an additional bin being considered, a chargeable garden waste collection service be introduced.

6. ANY OTHER BUSINESS

This was the last meeting of the Task and Finish Cabinet Panel. Members were thanked for their support and comments during the process.

COUNCILLOR TREVOR JOHNSON
Chair

Meeting concluded at 3.10 pm

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE CABINET

Date 19 September 2018

1. **REPORT TITLE** Plan to reopen Kidsgrove Sports Centre
- Submitted by:** Acting Chief Executive – John Tradewell
- Portfolio:** Corporate and Service Improvement, People and Partnerships
- Ward(s) affected:** All

Purpose of the Report

To provide a further update to members on the progress made in re-providing sports facilities in Kidsgrove and determine the Council's level of support.

Recommendations

It is recommended that Cabinet:

- (a) That Cabinet commits to making a capital contribution of £300,000 to support the provision of community run sports and leisure facilities at Kidsgrove Sports Centre.
- (b) That any funding agreed is made with the conditions set out in the report.

Reasons

This represents a real opportunity to work with the local community and partners to ensure the re-provision of a quality sports offer in Kidsgrove while a more comprehensive plan for the area is developed.

1. **Background**
- 1.1 This report provides a further update on progress following the report to cabinet in July 2018. The report focusses on progress by the Borough Council, Kidsgrove CIO, County Council and others to re-open the dry-side of the former sports centre.
- 1.2 Throughout England leisure and fitness facilities are now being run successfully and competitively by Community Trust organisations, some with support from local authorities, and others independently. Learning from these successes, this report proposes the development of a viable business plan for the Kidsgrove CIO to be operated on behalf of the people of Kidsgrove and surrounding areas.
- 1.3 The proposals contained within this report propose a business plan that is not only geared to preserving Kidsgrove Sports Centre, thereby avoiding the financial, well-being, community and health consequences of the facility remaining closed, but also to ensure Kidsgrove Sports Centre remains an evident and inclusive part of the local community.

- 1.4 This fits with the objectives of both Councils and the Kidsgrove CIO that has been formed as a charitable, not-for-profit company limited by guarantee, and benefits from support from the local community and professional advisers.
- 1.5 The CIO has continued to develop its business plan and the latest revision has now been shared with the Council. It is proposed that the initial business plan submitted be re-structured with support from your officers around 3 contiguous phases:
- the recovery phase
 - the development phase
 - the community/entrepreneurial phase
- 1.6 The CIO cannot reopen the sports centre without the support of the two councils, and it is clear that this will represent significant financial and time resources. Initially the refurbishment of the building was considered as the responsibility of the CIO, but better value for money will be obtained if the building is refurbished by one of the two Council's involved, particularly in relation to VAT, with financial contributions from both. This is proposed to give the CIO the best chance of trading success.
- 1.7 In summary, the work is required to address the following areas:
- Aerobic Studio and Stores
 - Changing Rooms
 - Staff Area
 - Gym Area
 - Reception/ Circulation Areas
 - Remedial Works to Building Envelope
 - Replacement of Sports Hall Roof
 - Mechanical and Electrical
 - Fees
 - Main contractors overheads and profits
 - Builders work
 - Main contractor preliminaries
 - FFE/ Client Direct
 - External Signage
 - IT
 - Asbestos removal
 - Risk allowances for design, construction and contingency
- 1.8 The exact level of financial support required can only be fully determined, once appropriate professional advice has been received in relation to the associated capital costs. This is currently being considered but an initial budget of £700,000 is proposed with the Borough Council contribution being £300,000. The County Council is continuing to work very closely with the Borough Council and the community group and will be discussing the possibility of a significant contribution towards the project at a meeting of the Council's Property Sub Committee in the near future. A bid for additional funding has been made to Sport England and a decision on the bid is anticipated shortly.
- 1.9 Similarly, delivery of the full business plan is also dependant on the above, and requires additional consideration and input. Making Kidsgrove Sports Centre a sustainable business will be achieved by an array of different approaches aimed at securing substantial revenue and combinations of savings against historical costs. Partners are aware of the age of the building and its long term maintenance requirements and understand that the terms of any lease arrangement will require

protection of the Borough Council from any future maintenance liability. It is therefore prudent to deal with the main areas of concern at this point.

- 1.10 The Cabinet are therefore asked to consider making a one-off contribution towards the costs of re-opening Kidsgrove Sports Centre, subject to the usual value for money criteria for the capital works and submission of viable business plan and operational plans that contribute to the Council's objectives.

2. **Issues**

- 2.1 If Cabinet agree to support the CIO in reopening of the facility by the making of a one-off grant towards the costs of re-furbishing the facility, it is recommended that this be subject to the following conditions:

2.1.1 That a full repairing and insuring lease is granted by SCC.

2.1.2 Confirmation that all utility services have been reconnected to the building

- 2.2 To support the business plan and application to Sport England further stakeholder consultation is being undertaken:

- Desk top research using Sport England's Active Lives Survey will be completed by the end of August
- The County Sports Partnership (Sport Across Staffordshire and Stoke on Trent – SASSOT) are to lead on developing insight and research with targeted demographic groups in Kidsgrove, using the Kidsgrove Sports Centre working group as a sounding board and for guidance.
- The Kidsgrove Sports Centre working group meeting in September will be used to launch this work.
- Contact has been made to work in partnership with Sporting Communities to facilitate some of the community engagement, an in principle agreement has been made, with the detail to be confirmed over the coming weeks.

3. **Options Considered**

- 3.1 Members can support or not support the funding for the opening of the dry-side at Kidsgrove Sports Centre.

- 3.2 Members can agree to consider/not consider further ongoing revenue support, by way of a loan to support the financial viability of the operation in years one and two.

- 3.3 Members can agree to consider/ not consider a further request in relation to funding to re-open the swimming pool at a future date.

4. **Proposal**

- 4.1 It is proposed that the actions outlined above be approved and the level of funding identified be confirmed as the Council's contribution to the refurbishment costs.

5. **Reasons for Preferred Solution**

- 5.1 To ensure that quality sports facilities are provided in the Kidsgrove area.

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

6.1 The recommendations contained in this report seek to achieve positive health and wellbeing outcomes for the local community.

7. **Legal and Statutory Implications**

7.1 There is no statutory duty on the Council to provide sport and leisure facilities; however it has the power to and also the power of community leadership, introduced by the Local Government Act 2000, to lead, influence and support partner organisations to work to common goals to meet the needs and aspirations of their communities. The Council has the power to provide sport and recreation facilities.

8. **Equality Impact Assessment**

8.1 The Council remains fully committed to developing modern sports facilities in the area to replace those at Kidsgrove Sports Centre that due to their age are not fully compliant with current standards.

9. **Financial and Resource Implications**

9.1 A £300,000 contribution is proposed. It is proposed that this is funded via Prudential Borrowing over a 10 year period at the current Public Works Loan Board borrowing rate of 2.5% per annum. This will cost £37.5k per annum and will be financed from the budgetary provision made within the Council's revenue budget for 2018/19, approved by Full Council on 21 February, in respect of Kidsgrove Sports Centre. However, the Council's Executive Director for Resources and Support Services will be free to exercise his discretion to use such balance between prudential borrowing, capital receipts and available revenue funding as is most appropriate at the relevant time to make the contribution and repay it over time.

9.2 The CIO have asked both Councils to consider providing ongoing expert support to assist them in delivering their plans, and the Council has agreed to one of its officers taking up a seat on the CIO Board to provide them with this ongoing expertise. (It is understood that the County Council will also be taking up a seat on the Board.)

10. **Major Risks**

10.1 There are both financial and non-financial risks in re-opening the sports centre that has been closed for over a year; specifically whether the level of investment identified is sufficient and can be raised. In addition, as to whether the level of patronage by the Kidsgrove community will be sufficient for the operation to recover operational costs. These risks will be shared by the Council and other partners, to minimise the Borough Council's exposure.

11. **Background Papers**

11.1 CIO business plan

12. **Key Decision Information**

12.1 This is a key decision and appears on the Council's Forward Plan

13. **Earlier Cabinet/Committee Resolutions**

- 13.1 Cabinet July 2018
- Cabinet March 2018 (Memorandum of Understanding between the Borough Council and County Council)
- Cabinet July 2017
- Active and Cohesive Scrutiny Committee October 2017

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

19th September 2018

UNIVERSITY GROWTH CORRIDOR

Submitted by: Executive Director, Regeneration and Development
Principal author: Economic Regeneration Officer
Portfolio: Planning and Growth
Ward(s) affected: Keele and Silverdale directly; and other adjacent wards

Purpose of the Report

To report on the vision and proposals which has been prepared for the 'University Growth Corridor', an area of land to the west of Newcastle substantially comprising the Keele University campus and the site of the former Keele Municipal Golf Course.

Recommendations

1. That the vision and proposals be approved and that the proposals be submitted for consideration for inclusion in the emerging Joint Local Plan.
2. That the views of the Economy, Environment and Place Scrutiny Committee, due to meet on 26th September 2018, be sought and reported to the next meeting of Cabinet.

Reasons

To help enable the continued growth and development of Keele University and the Science and Innovation Park and to provide for much needed development land for more high quality housing in the Borough.

To respond to both the needs and opportunities presented by the emerging Joint Local Plan and to demonstrate the potential appropriateness of the development in the context of the said Local Plan.

To assist the Council in its medium to long term asset management planning and capital programme funding.

1. Introduction and background

- 1.1 This report relates to plans for a 'University Growth Corridor', potentially accommodating around 1000 – 1200 new homes, 150 postgraduate student apartments and between 2000 and 3000 new high quality jobs, based around the expansion of Keele University (and its Science and Innovation Park) and the redevelopment of the former Keele Municipal Golf Course.

- 1.2 The Borough Council and its sub-regional partners (principally, the LEP and the County Council) are keen to support the further growth of Keele University and its Science and Innovation Park for a host of potential economic benefits – job growth, the quality of jobs, expenditure in the local area, the multiplier effect of contracts let and work carried out on behalf of the University or by science park businesses by local suppliers etc. The ‘Keele Deal’, an agreement made between the University, local partners and The Government (made in 2017), set out the case for major public investment in the University to help realise its further development. Furthermore, the local planning authority needs to meet projected housing needs for the next local plan period (2013-33). Taken together, there is therefore a strong logic in developing a coherent planned urban extension in the subject area to make provision for both the growth of the university and for new residential development, together with the necessary infrastructure investment which will serve the two. This is the basis for the proposals in the ‘University Growth Corridor’.
- 1.3 The former Keele Municipal Golf Course was, for a number of years, leased to and run by Keele Golf Centre Ltd., a private company with a background in running a number of golf courses around the country. However, the company went into voluntary liquidation and the course was unable to keep going as a commercial venture in spite of the Council’s attempts to interest other companies in taking over the business. Consequently, the Council made a decision in 2014 to explore the potential for development of this area through a comprehensive masterplanning process. In 2016, the Council’s Assets Policy Committee endorsed the principle of site disposal.
- 1.4 Following discussions with Keele University and Staffordshire County Council, it was decided to jointly commission expert consultants to prepare a long term vision for the development of this area, essentially covering the two main landholdings – i.e. the University’s campus and the former golf course (together with some smaller areas of adjoining land). This piece of work has now been completed.
- 1.5 The brief for the masterplan was set by the two principal landowners, Keele University and the Borough Council (in its role as landowner, rather than as local planning authority) together with Staffordshire County Council, and representatives of these three commissioning parties have made up the client team which has overseen the consultants’ work. It is important to note that the Borough Council’s Planning Policy team, on the other hand, has been kept apart from the process during the period of the commission in order to create a transparent separation between the Council’s roles of landowner and planning authority.

2. The Purpose of the Masterplan

2.1 The purpose of this masterplanning exercise was to:

- assess future options for the use or development of land within the area of study, which would be able to meet the Borough’s medium term development needs (potentially as a planned western urban extension);
- provide for the future expansion of Keele University and its Science and Innovation Park;
- identify the preferred future use of the former municipal golf course;
- provide an objective evidence base to justify the removal of land proposed for development from the Green Belt and;
- to put together a clear and comprehensive development proposal which could be considered as part of the preparation of the emerging joint local plan.

3. The Site

3.1 The area of land subject of the University Growth Corridor masterplan largely comprises the Keele University campus and the site of the former Keele Municipal Golf Course, together with adjoining land off Park Road, Silverdale, and is shown on the attached plan.

3.2 Most of the site lies in green belt and it will be necessary to remove the area of land from the green belt, through the Local Plan process, in order to allow the site to be developed. Helping to make the case for green belt release was one of the main aims of the masterplanning commission; see further commentary below.

3.3 There is also the matter of landscape and ecology. Valued landscape features within the masterplan area include important habitats, providing ecological diversity and the masterplan calls for the retention and protection of the water bodies and the woodland cover across the site. The setting of the Historic Park and Garden, based around Keele Hall and its Grounds, together with several listed buildings contained within the masterplan area also require to be treated carefully in the scheme design. Further sensitive factors affecting the way in which scheme design has been approached include the topography of the site and the views of the site in the wider landscape. Additionally the client group were keen to explore the potential for some form of Transport Hub as part of the transport infrastructure assessment in order to promote the use of public transport and minimise reliance on private motor cars.

4. Summary of the Proposals Contained in the Masterplan

4.1 The masterplan has been arranged under the following main headings: Site context; Economic context; Planning context; Masterplan vision; the case for Green Belt release and; Market attractiveness / Viability.

4.2 Site Context

The site context explains the key constraints and influencing considerations which have guided the thinking in terms of the overall developability of the site.

4.3 Economic Context

The economic context is hugely significant because this is one of the main drivers for seeking to exploit the development potential of this unique location. A specialist consultancy was commissioned to assess the current and forecast economic impact of the University (including the Science and Innovation Park) on the North Staffordshire area the key conclusions of which are as follows:

- The total quantified economic contribution of Keele University to Newcastle-under-Lyme and Stoke-on-Trent is £160 million in Gross Value Added (GVA) and 3,420 Full Time Equivalent (FTE) jobs. To put this into context, these contributions alone are equivalent to 1 in every 40 FTE jobs within the areas.
- Keele University is a major employer with over 2,000 staff, equivalent to 1,750 full-time equivalent (FTE) jobs. This makes the University one of the largest employers in the area, alongside the NHS and local government. Further, the University's direct employment has been growing significantly in recent years.
- Importantly, a large number of these direct jobs at the University are high value, high skilled positions for the local economy: around 40% of University employees are academics, with the remaining a mix of managerial, professional and support staff. The average annual salary for a full-time employee at the University is 60% higher than the average pay for residents in Newcastle-under-Lyme borough.

- Keele University is also a significant income generator through its teaching and research, as well as wider activities. In 2014/15 it reported over £134m in annual income. The associated direct Gross Value Added created by Keele University amounted to over £81m.

Members should be aware that the potential economic benefits are expected to be realised over a longer time horizon than the housing outcomes; realistically, over 25 years. The key objective at this time is to demonstrate the vision for economic growth for the purposes and to lay the foundations to enable it through the Local Plan process.

4.4 Planning Context

The Planning context section of this piece of work focussed upon the needs and opportunities for economic growth (including housing) in this location as a contribution towards the Borough-wide Local Plan targets. It refers to key extracts from the Preferred Options consultation document. In particular it identifies the subject land having the potential to:

“not only contribute to the most sustainable pattern of development but will also strive to strengthen key knowledge based employment sectors creating a more diverse economy and improving the rate of graduate retention. This is essential if we are to succeed in transforming the low-skill nature of the sub-regional economy and regenerating the local housing market. It also provides a once-in-a-generation opportunity to create a unique synergy between housing and employment.”

It goes on to say that it is necessary to:

“investigate in more detail the potential of this location to support the development of approximately 2,500 houses, identify specific infrastructure requirements and how this could successfully be integrated with a 12.5 ha expansion of the Science and Innovation park as well as highly sensitive landscapes, such as the Grade II Registered Historic Park and Garden at Keele and ancient woodland.

In addition it considers that it would be possible to:

“create co-located working and living environments to create a unique community of housing, open space, social infrastructure, education and employment as a sustainable form of development. The new community would also have excellent access to high-quality sports and recreation facilities at the University campus thereby promoting healthy lifestyles and would easily be able to access a wide range of services and facilities within Newcastle Town Centre, which is extremely well connected by public transport.

Such a development also presents an opportunity to consider providing high quality employment and high quality housing on ‘garden settlement’ principles where land value capture provides an income stream to meet the costs of the necessary infrastructure investment and for the long-term stewardship of shared assets.”

4.5 Vision

The next section sets out a vision for the subject area taking account of the above context; it identifies the potential to establish a new sustainable urban settlement comprising a mix of land uses including education, business and residential, also making provision for the expansion of the University and its Science and Innovation Park.

A schematic layout showing the broad content of the masterplan is appended to this report. The principal elements of this are:

- An eastern expansion of Keele Science and Innovation Park by a further 17.7 hectares of additional development land for business and science park uses, sufficient to provide space for up a million square feet (90,000 sq. m.) of additional academic and employment space, potentially leading to a further 2600 jobs in high value sectors of employment such as ICT, health and medical technologies, energy technologies and applied research.
- A “densification” of the central core of the University campus. This would entail some selective intensification generally where car parks or ageing buildings already exist rather than designations of new sites at the core of the campus. 8 hectares of land potentially providing space for up to 24,000 sq. m. (260,000 sq. ft.) of additional university academic buildings are proposed. (While additional job numbers are not specified, a 30% expansion of the university could lead to up to 500 additional jobs). This is aimed at creating a denser, more ‘urban’, feel to the campus in which some of the ageing post-war buildings are replaced by modern and better designed buildings for teaching, administrative and research purposes.
- Two areas of land are proposed for renewable energy generation on land to the south of the Science Park and on land to the south-west of cemetery Road. The indicative proposals reflect the University’s stated objectives regarding carbon reduction and to support the implementation of the university’s leading edge SMART Energy programme.
- The provision of about 1,000 houses at low density (in the context of the overall site area) on the site of the former municipal golf course, aimed at attracting more high value housing to the Borough, retaining key landscape features, where possible, such as copses, hedgerows and areas of woodland and taking account of the site’s topography and wider landscape setting. A further 200 houses would also be provided on adjacent land off Park Road, Silverdale.
- Undergrounding of the line of electricity pylons (at least where they pass through the university campus) which would have the effect of both enhancing the landscape and would also provide more unencumbered land for development.
- The provision of a new two-form entry primary school within the site of the former municipal golf course to accommodate the educational requirements of the growing (and almost certainly younger) residential population.
- The provision of 150 postgraduate apartments on land to the south of the Science and Innovation Park.
- The provision of a small convenience store to the north of the A525 (Keele Road) to serve the day to day needs of the new residents.
- An important feature of the masterplan is the provision of a network of ‘green infrastructure’, creating walking routes within both the University campus and the proposed residential parts of the scheme, linking and making use of existing copses, water bodies and other natural features to create an attractive walking environment.

- While the land to the north of Keele Road is unquestionably well located and would be attractive for higher income housing, the intention will be to create a mixed community of high quality housing. It should be borne in mind that 'executive housing' only forms a relatively small portion of the overall North Staffordshire housing market and over 50% of new builds in the area are three bedroom 'mid-market' houses. Furthermore, Borough Council planning policy requires 25% of the overall housing provision to be made in the form of tenure blind 'affordable housing'. Of this 15% is likely to comprise socially rented housing and 10% in the form of shared equity.
- The other key aspect of the vision for this area is to explore the potential for some form of transport hub as part of the transport infrastructure arrangements in order to reduce commuters' dependency on car-borne movement. It should be noted that the overall site's impact on the local transport network will be modelled as part of the Local Plan process in order to determine any specific requirements for junction improvements, etc.).

4.6 Green Belt

Most of the land subject of the masterplan lies within the green belt and in planning for development in the University Growth Corridor it will be necessary to make the case for the removal of this land from the green belt to allow its development. With this in mind, a detailed case will need to be made to justify the inclusion of the University Growth Corridor as a proposal in the emerging Local Plan. This case forms part of the consultant's report and will be an essential part of the presentation to the Planning Inspector when the Joint Local Plan is discussed at the local Plan Examination in Public.

4.7 In summary, the case for removing the land from the green belt is based on:

- The need to respond to forecast requirements for employment and housing in the emerging Local Plan;
- The critical need to raise the performance of the North Staffordshire economy and the role which an expanded Keele University and Science Park can play in achieving this;
- Demonstrating the deliverability of the proposal given the weight the Government places on viability and deliverability when assessing the soundness of local plans;
- Addressing and mitigating concerns about any harm which might result from the development of the Newcastle Western Extension, and;
- Creating a demonstrably sustainable and accessible form of development, such that should the Local Plan Inspector be persuaded that there is a need to look beyond the existing built up area to meet part of the future growth needs of the Stoke / Newcastle area, then this site would form the most sustainable and accessible development option.

4.8 Viability and Deliverability

A key requirement of the masterplan brief was to demonstrate that the development proposed would be both viable and deliverable. This is order to help persuade the two local planning authorities to include the scheme in the Joint Local plan. The point being that it would be in no-one's best interest to include proposals in the local plan which are not going to come forward, for instance, due to abnormally high site preparation costs, lack of market interest or the unwillingness of a landowner to bring land forward for development.

- 4.9** BDP have tackled this by undertaking a high-level viability assessment which has reviewed the additional costs, over and above normal site preparation costs and the cost of internal infrastructure in bringing the land forward for development and assessing the values of the development proposed. Important amongst these costs are the likely off-site drainage and highway improvements which will be necessary, such as road widening, the provision of new pedestrian crossings, remodelling of existing junctions and making financial provision for subsidising bus services, all of which could be required as part of a Section 106 Agreement on which a planning application(s) might depend. As part of the joint Local Plan process all potential development sites will be subjected to transport modelling assessment but as part of the masterplanning process some preliminary assumptions have been made. Another important 'abnormal' development cost particular to this development site is the placing underground of the electricity pylons as they pass through the eastern side of the university campus. As well as removing a blight on the landscape, this would also result in the creation of more viable and attractive development land.
- 4.10** At this stage the consultants concluded that the overall development is both viable and deliverable.

5. Implementation and Timescales

- 5.1** This masterplan is intended to influence the content of the Joint Local Plan, the next stage of which is the preparation of a draft Local Plan. It will probably be 2020/21 before the said plan will be placed before 'Examination in Public' where it may be challenged by both local interests, e.g. neighbouring local authorities, rival developers or concerned local residents and by Government (to consider alignment with Government Planning Policy). The Plan may then be modified by the Government Inspector before it is adopted by the two local planning authorities. Assuming that the adopted Local Plan makes provision for the removal of land from the green belt, planning applications can then be drawn up for both the extension of the Science and Innovation Park and for the development of the proposed new housing. Only then can site preparation work begin. Development itself may therefore be five years away. As the one exception to this, Keele University will be submitting plans for its renewable energy proposals ahead of the local plan and will therefore need to make the case for development within the green belt unaided by an adopted local plan.

6. Consultation on the Masterplan

- 6.1** Substantial public consultation has already been carried out on the broad content and location of the proposals in the masterplan as this comprised a significant feature of the 'Preferred Option' draft of the Joint local Plan. As a result of that consultation the proposals in the masterplan area have been revised and the number of houses proposed for development on the site of the former Keele Municipal Golf Course has been reduced significantly from around 1800 to an estimate of between 1000 and 1200 units. This has been carried out through a reduction in the proposed density of development and also through a more thorough evaluation of the site's landscape and topography. It is in the nature of local plan proposals to apply indicative densities when approximating site capacity, but a more detailed masterplanning process provides the opportunity for a more fine grained assessment of a site. The effect of this is that a substantial part of the former golf course site is proposed to be retained as woodland and other areas of publicly accessible open space. Unavoidably this will also result in a lower financial receipt for the landowner (Newcastle Borough Council) but will unquestionably result in a more appropriate and better quality scheme overall.

6.2 As a supplement to the consultation on the Local Plan Preferred Option, the new administration was keen to engage local members and the Parish Councils in this matter so the portfolio holder for Planning and Growth and officers have held two engagement meetings with representatives of Silverdale and Keele Parish Councils and local ward councillors. The first, in mid-July, was in the form of a briefing and at that it was agreed to then hold a more thorough 'workshop' with the consultants and representatives of the steering group. This took place on 21st August and the issues raised have been taken into account in the masterplan now before you.

7. Scrutiny Review

7.1 The Portfolio Holder and Leader have proposed that the masterplan be reported to Scrutiny Committee in order to enable wider political engagement and input; this will take place on 26th September. A representative of the Planning consultants, BDP, will be in attendance to answer technical questions.

8. Outcomes Linked to Corporate Priorities

8.1 This initiative falls within the Council's priority of Creating a Borough of Opportunity, primarily helping to enable new high quality jobs at the University and at the Science and Innovation Park and by providing new land for high quality housing.

9. Financial and Resource Implications

9.1 The Borough Council's financial contribution toward the cost of preparing this masterplan will be funded from within the budgetary provision previously made.

9.2 The possible sale and development of land in Borough Council ownership, made more likely by the approval of this masterplan, would also have financial implications for the Borough Council, but it is difficult to place a value to this at this stage. For reasons cited earlier the development of the land in the Council's interests is likely to be at least five years away.

9.3 The critical milestone will be the successful removal of the land from the Green Belt designation through the Local Plan process. As the Council moves closer to that time it will be necessary to begin more detailed analysis and negotiations with the University of Keele about delivery timescales along with the apportionment of both contributions to abnormal costs and net capital receipts.

10. Major Risks

10.1 Three major risks could stand in the way of agreeing or delivering this masterplan:

- 1.** In the event that the Borough Council's feels unable to support it, in its role as local planning authority
 - Likelihood – low to medium in the context of the widely recognised need for growth in terms of both employment and housing.
 - Impact – high
 - Mitigation – seek to ensure that a robust set of arguments is put forward to justify the necessary land to be taken out of the Green Belt and by making modifications to the proposals contained in the draft masterplan which might be considered unacceptable.

2. In the event that the Borough Council is unable to convince a Planning Inspector, at the Local Plan Examination in Public, of the need or justification for taking the land out of the green belt to allow its development.
 - Likelihood – medium (see above)
 - Impact – high
 - Mitigation – aside from those above, none within this local plan timeframe. A fresh attempt to take the land out of the green belt would need to be made on the basis of a planning application or in the a future local plan.
3. In the event that there is insufficient market interest in taking forward the development set out.
 - Likelihood – low in the case of the housing element, low to medium in the case of the employment elements (this being more an issue of pace of development than lack of market interest per se)
 - Impact – high
 - Mitigation – an effective marketing strategy; working with appropriate niche development companies; the roll out of the 'Keele Deal', effective collaboration between the University and local partners; successful bids to funding sources such as the Local Growth Fund and the Government's future 'Shared Prosperity Fund'.

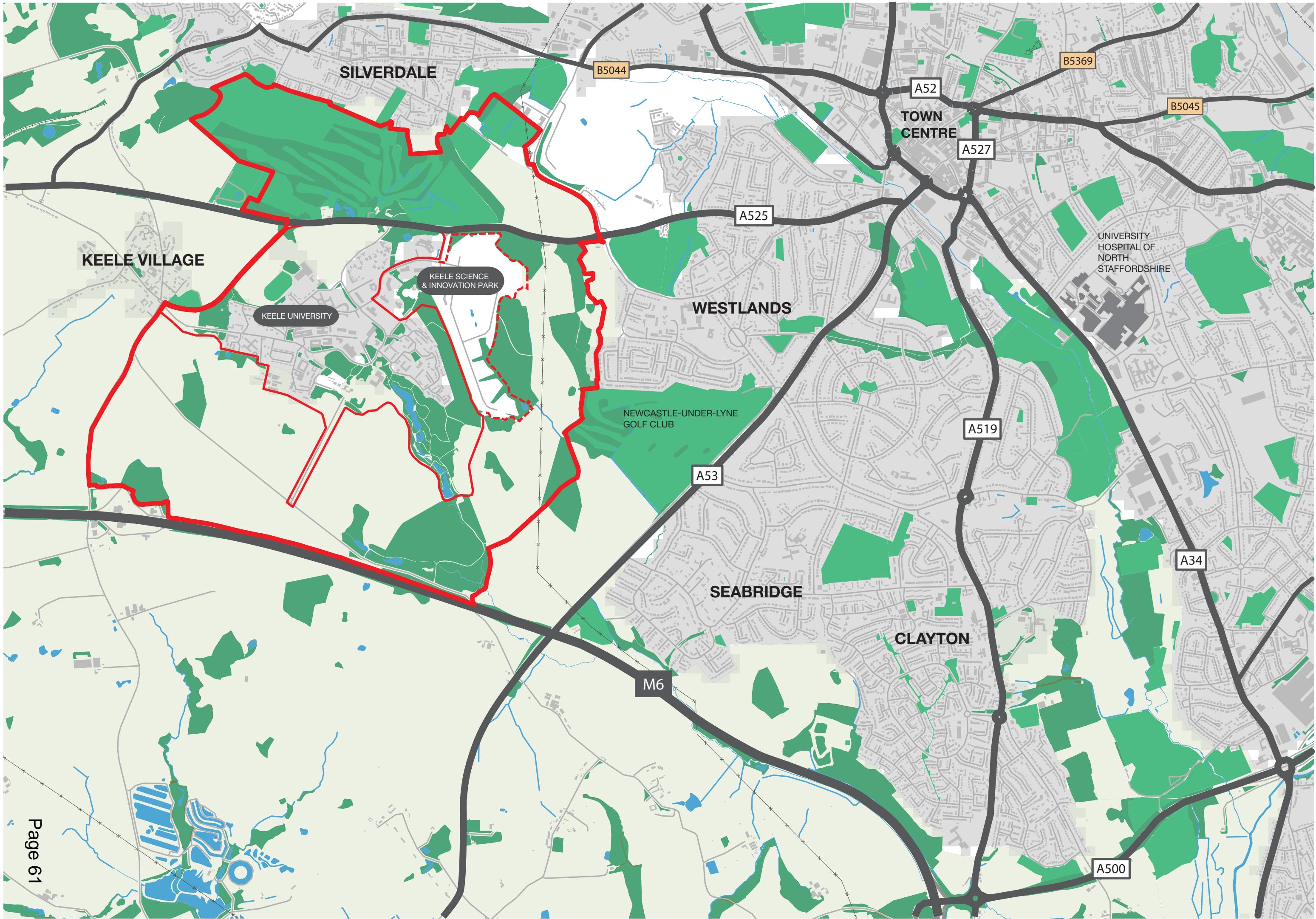
11. Key Decision Information

- a. This proposal will impact on two or more wards. The report has been included in the Forward Plan.

12. Appendices

- a. Plan of the study area
- b. Indicative masterplan

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

Date 19th September 2018

1. **HEADING** Asset Management Strategy
- Submitted by:** Property Manager
- Portfolio:** Finance and Efficiency; Planning and Growth
- Ward(s) affected:** All

Purpose of the Report

To provide members with an updated Asset Management Strategy (AMS) and to seek approval for the exploration of options in respect of a number of master-planning sites.

Recommendations

- a) That Cabinet approve the Asset Management Strategy 2018-22.
- b) That Cabinet notes the current position in respect of the stock condition survey and the intention for it to inform future capital investment planning.
- c) That Officers be authorised to agree a scope and prepare master planning briefs in respect of sites adjacent to Bradwell Crematorium and non-green belt land at Birchenwood, Kidsgrove (as set out in the Open Spaces and Green Infrastructure Strategy), along with land at Knutton.

Reasons

The Council's current Asset Management Strategy (AMS) is out of date and needs to be updated in order to set out the Council's approach to managing its assets, including the disposal of sites which are surplus to operational requirements and may have alternative uses.

The Council has commissioned a stock condition survey of its structures and property assets.

The Open Spaces and Green Infrastructure Strategy has been adopted since the last AMS was approved and a number of sites have been identified as requiring master planning.

1. **Background**

- 1.1 The Council's Capital Strategy and Asset Management Strategy are key documents evidencing the Council's approach to its use of resources. The Asset Management Strategy provides a clear framework for understanding the value and condition of property owned by the Council so that, in turn, investment decisions can be taken to optimise the use of the said land/property to meet the needs of the Borough's residents, businesses and visitors. This Strategy along with the Council's Capital Strategy seeks to demonstrate alignment with, and delivery of, the Council's ambitions as set out in the Council Plan.
- 1.2 Members should be aware that significant progress has been made with securing receipts from land and property disposals, with the Council receiving just over £4.4m over the past four years; with a further £5.2m in the pipeline where terms have been agreed with purchasers. There has been notable progress over the past 12 months with the securing

planning permissions on the four largest sites in the Council's disposals programme. Contracts have been exchanged on one of these sites, terms agreed on a further two and detailed negotiations are underway in respect of the fourth. It is anticipated that these sites will bring capital receipts to help fund the Council's capital programme and will facilitate delivery of new housing to meet broader policy objectives of the Council.

2. **Issues**

Land Disposals

- 2.1 Appendix 4 of the updated AMS sets out the list of sites which will be brought forward on a prioritised basis over the next three years.

Master Planning Sites

- 2.2 In March 2017 Cabinet approved The Open Space and Green Infrastructure Strategy (OSGIF). Within this strategy a number of sites were identified as requiring master planning; these included land adjacent to Bradwell Crematorium and non-green belt land at Birchenwood, Kidsgrove. These future master plans will seek to identify a suitable range of land uses including any requirements to meet Council needs – e.g. open space, extension to burial grounds etc. as well as identifying any land suitable for disposal and redevelopment. At this stage only a notional boundary of the subject land has been identified. The detailed briefs will be prepared in due course in consultation with the relevant Portfolio Holder in order that specialist consultants can be commissioned.

- 2.3 The site of the former Knutton Recreation Centre forms part of a potential regeneration area within the wider Knutton village, including other Council land such as the small parcel of land at the rear of the Ex-Service Men's' Club. Staffordshire County Council maintains other land holdings in this area too and they are agreeable, in principle, to jointly commissioning the preparation a comprehensive land use framework for this area (following the previous Housing Market Renewal interventions). This would assist in establishing key principles around infrastructure costs and sharing of net value.

University Growth Corridor

- 2.4 The Council's land interests at the former Keele golf course and surrounding area have been assimilated into a jointly commissioned master planning exercise with Keele University. The primary purpose of that piece of work at this stage is to demonstrate the feasibility of redeveloping this site along with the Keele University owned land (see separate report on this agenda).

Stock Condition Survey

- 2.5 The Council has commissioned a stock condition survey of its structures (e.g. bridges, retaining walls, etc.) and property assets. A first draft of this work has been received and work is now underway to moderate its findings taking account of other known considerations. This exercise is required to identify likely/realistic short, medium and long term expenditure requirements which, in turn, will also inform a review of the Council's portfolio to identify premises which the Council may wish to dispose of.

3. **Options considered**

Option 1 – Do nothing

- 3.1 If the Council did not actively fulfil its Asset Management role it would not be possible to either manage assets dynamically or demonstrate the rationale for investment; thereby exposing the Council to criticism that it had a weak approach to the management and use of its physical resources.

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

Option 2 – Adopt the recommendations in this report

- 3.3 This provides a clear programme to optimise property investment in the context of the Asset Management Strategy. In addition its' implementation would facilitate delivery of the Council's capital programme to meet service needs.

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

- 4.1 The assessment of the sites identified as potential master-planning sites will seek to identify a suitable range of land uses including any requirements to meet Council needs e.g. open space, burial grounds etc. as well as land suitable for disposal and redevelopment.

- 4.3 In addition it is confirmed that officers are likely to be proposing further refinement review of the current AMS (following completion of the Stock Condition review) and it is anticipated that this will be brought to Cabinet in January 2019.

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

- 5.1 The disposal of surplus assets enables the achievement of priority outcomes in all four of the Council's Corporate Priorities.

6. **Legal and Statutory Implications**

- 6.1 The Council has a duty, both fiduciary and operationally, to utilise its Assets for the benefit of the community.

- 6.2 The Local Government Act 1972 (as amended) – Section 123 - the Council has a duty to achieve best consideration when disposing of its assets.

- 6.3 The Local Government Act 2000 - powers to promote the economic, social and environmental wellbeing of the Borough.

- 6.4 The Council has a legal duty in respect of unauthorised access to sites under the Occupiers Liability Acts of 1957 and 1984.

7. **Equality Impact Assessment**

- 7.1 The Asset Management Strategy does not create any specific equality impacts.

8. **Financial and Resource Implications**

- 8.1 The sites identified for disposal will generate capital receipts to meet the demands of the Capital programme for the short to medium term. The expectation is that the pipeline of land disposals will satisfy short term requirements; the master-planning work should contribute towards medium term needs and; longer term capital funding requirements are expected to be met from the disposal of the former municipal golf course at Keele.

8.2 The costs of the master-planning exercises will be considered as part of the budget setting cycle in January / February 2019. In the meantime the necessary briefs will be prepared and soft market testing undertaken in order to derive realistic cost estimates.

9. **Major Risks**

9.1 The identification of a site for disposal does not mean that the site will be sold as there is a risk that there is no suitable market interest. The Council could therefore continue to hold liabilities for these sites and revenue expenditure. Lack of land sales would create a loss of income to the Council and therefore impact on the Council's ability to deliver essential Council services. The delivery of the Asset Management Strategy brings risks of Community and/or political resistance to the land sales and potentially reputational damage to the Council.

10. **Key Decision Information**

10.1 The Strategy affects more than 2 wards and future disposals have the potential to generate more than £50,000 and resources are required to seek planning permission for the development of the sites in advance of any disposals.

11. **Earlier Cabinet/Committee Resolutions**

11.1 The current Asset Management Strategy 2015/16 to 2017/18 was adopted by Cabinet on 14 January 2015 and reviewed by Cabinet in January 2016 and 2017.

12. **List of Appendices**

12.1 Asset Management Strategy 2018-22

12.2 Plans of locations to be the subject of masterplanning.

**NEWCASTLE-UNDER-LYME
BOROUGH COUNCIL
ASSET MANAGEMENT
STRATEGY
2018/19 - 2021/22**



1.0 INTRODUCTION

2.0 ASSET MANAGEMENT – A STRATEGIC APPROACH

- 2.1-2.3 Context
- 2.4-2.6 Main Elements of Good Estate Management
- 2.7 Benefits of Good Asset Management
- 2.8 Asset Management in Practice – Office rationalisation programme
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3.0 THE WIDER POLICY CONTEXT

A The national context:

- 3.1 Government policy
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B The local context

- 3.3-3.4 Links to Council Plan
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- 3.23 Structures- Bridges, Watercourses.
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4.0 THE CURRENT ESTATE

- 4.1 Introduction
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- 5.1 Asset Reviews
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- 5.4-5.7 Local Plan
- 5.8 Disposal Programme for under-utilised Assets – Operational service Requirements
- 5.9-5.12 Identification and potential sites for disposal
- 5.13 University Growth Corridor
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- 5.15-5.17 Consultation arrangements for future disposal
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- 5.23 Public sector GIS based database
- 5.24 Regeneration
- 5.25 Open Public Estate
- 5.26 Newcastle Town Centre Redevelopment
- 5.27-5.28 Newcastle Town Centre Public Realm
- 5.29 Shared Accommodation/Public Sector Hub
- 5.30 Facilitating Community Assets
- 5.31 Funding and Investment Strategy

6.0 ARRANGEMENTS FOR ASSET MANAGEMENT PLANNING

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

APPENDICES

- Appendix 1 – Land and Property Disposals
- Appendix 2 – Land and Property Disposals – Approved and ongoing
- Appendix 3 – Call for sites list
- Appendix 4/5 - Consultation Process
- Appendix 6 – Asset management planning reporting structure

INTRODUCTION

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

CONTEXT

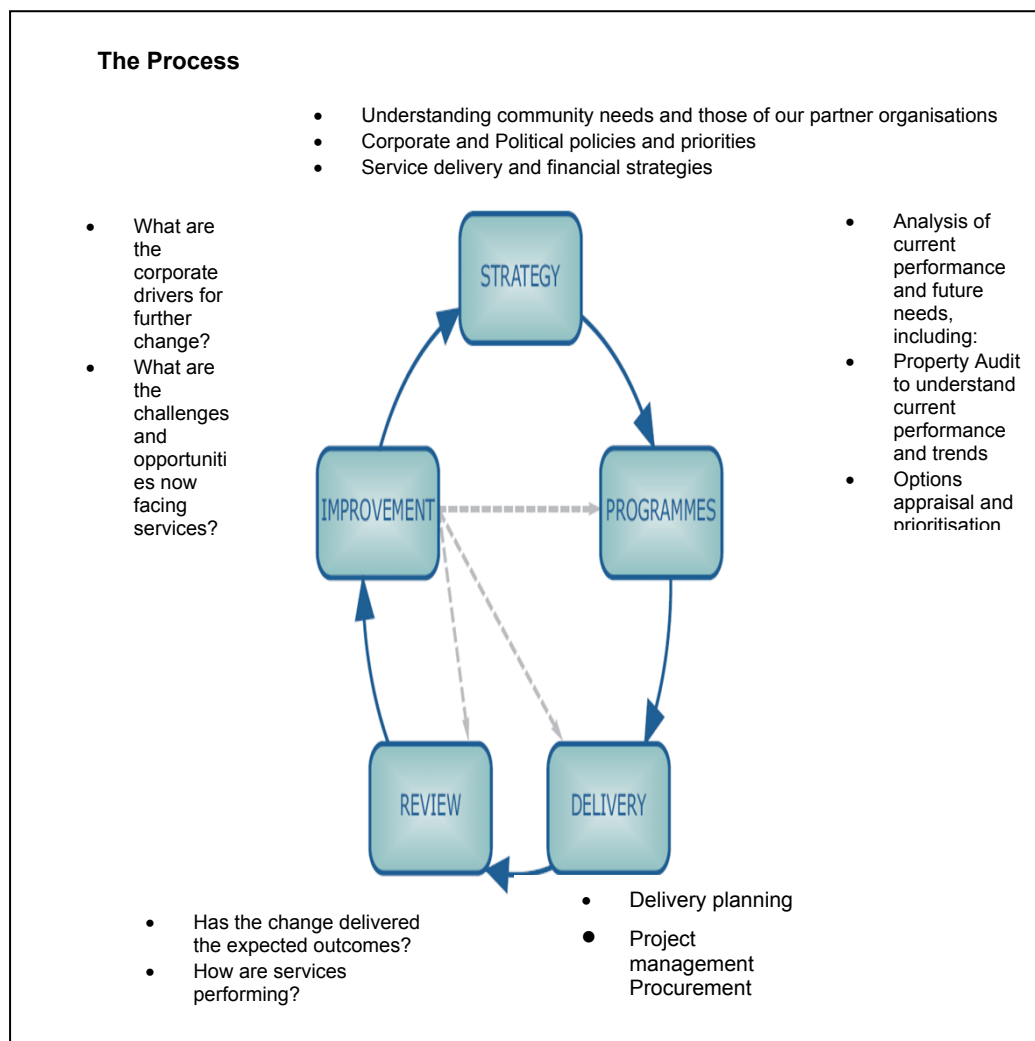
- 2.1** The Borough of Newcastle-under-Lyme is part of the conurbation of North Staffordshire. It is the most populated district in Staffordshire with a population of around 125,000 and has an area of 81 square miles. The two main towns within the Borough are Newcastle-under-Lyme and Kidsgrove and there is an extensive rural area to the west/south-west of the urban area.
- 2.2** The industrial base of the Borough has changed significantly in the last century, with the closure of local coal mines and the development of the distribution sector. Service industries are the largest employers in the area, with the number of people employed in water, energy and construction industries being higher than average. The presence of Keele University with the growing number of hi-tech, research and medical technology businesses in its Science and Innovation Park, along with the medical school demonstrates the potential for added value growth of the area. The university plans to increase its capacity and take on up to 25% more students by 2021 along with the inevitable increase in academic staff.
- 2.3** Newcastle town centre is recognised as being one of two strategically important centres in the North Staffordshire conurbation, with further growth predicated upon its good connections to major transport routes. In particular the emerging investment in HS2 and other transportation links means that Newcastle will become part of a wider West Midlands “commuter belt” connecting people to Birmingham and London to the south and cities in the north such as Manchester, Leeds and Glasgow.
- 2.4** There are ongoing reductions in funding provided to local authorities, central government and its agencies, arising from the need to restrain public expenditure to rebalance public finances following the global economic recession that began with the banking crisis in 2008. Services remain under pressure to reduce costs and to keep fixed outgoings such as property related costs under review. At the same time, the Council’s own resources available to finance capital projects have diminished and need replenishing before any substantial further capital investments can be made. For some time now the Council has been increasingly reliant upon receipts from land and property disposals to fund future capital programmes and this continues to be the case.

MAIN ELEMENTS OF GOOD ESTATE MANAGEMENT

- 2.5** The main elements of good asset management for public authorities are listed below:
- Leadership – political, corporate and technical.

- Culture – establishing an environment that sets high standards and measures performance.
- Strong customer focus – consultation and feedback undertaken in the context of wider public interest.
- Clarity of Structure, Roles and Responsibilities.
- Resources and Capacity – adequate staff, time and funding.
- Clear Governance – support of senior management and political leadership.
- Data – decisions should be properly informed.
- Sustainability – outcomes are sustainable organisationally, environmentally and financially.

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



1. **Strategy**
This document is the strategy at the head of the diagram which seeks to clarify the Council's approach to asset management, particularly balancing the corporate context with service delivery requirements.
2. **Programmes**
The programmes of work should be derived from the strategy and these will typically relate to investment in retained stock and disposal of property where there is no evidence of strategic or operational service need to keep it.
3. **Delivery**
Delivery of agreed programmes is the vital ingredient that translates the strategy into action and recent experiences of property disposals demonstrate the importance of good project management.
4. **Review**
Continual review is a key element of the process too in order to ensure that the property estate continues to support efficient service delivery.
5. **Improvement**
The latter should lead into improvement planning in order to ensure that any change in direction in corporate priorities can be responded to.

2.7 BENEFITS OF GOOD ASSET MANAGEMENT

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

2.8 ASSET MANAGEMENT IN PRACTICE

Office/premises rationalisation programme - Castle House

The Council has relocated its main office headquarters (in Merrial Street) to Castle House (built on the site of the former St Giles' and St George's School) to facilitate the redevelopment of the site of the Civic Offices, the former Sainsbury's site and adjoining car parks. As a result of the office relocation the public can now gain access to a wider range of public services under one roof and in addition the Council (along with the County Council and Police) will achieve significant future and ongoing revenue savings.

The Borough Council has vacated the Guildhall (the location of its Customer Services function) and the overspill offices in St. Georges Chambers, Merrial Street in addition to the former Civic Offices. Also Staffordshire County

Council has vacated the Registrars' office at Sidmouth Avenue, a property which is owned by the Borough Council.

2.8.1 The Guildhall - discussions are ongoing with a number of community groups with the aim of them taking a lease of these premises in order that our communities can still access a range of support services provided by the community and voluntary sectors.

2.8.2 St Georges Chambers offices - in view of the Council's ongoing interest in the ground floor retail premises in this area it is proposed to market the offices to let in the first instance with the rental income contributing towards the Council's income from commercial premises' rents.

2.8.3 Offices Sidmouth Avenue - options in respect of this property are currently being explored with the intention being to secure a "sensitive" disposal in order to ensure that any future development and/or use will respect the Conservation Area setting of the building.

2.9 Knutton Depot

The depot premises has been adapted and changed to accommodate a new Recycling and Waste Service which commenced in July 2016. The recycling operation is now run in-house. Also the office element of the depot accommodates a range of services that are more conducive to the location and services available (e.g. taxi licensing which enables a more convenient interface with the garage function).

2.10 Open Space and Green Infrastructure Strategy

In March 2017 Cabinet approved The Open Space and Green Infrastructure Strategy. This strategy identifies a range of strategic aims and objectives for future open space and green infrastructure planning, provision, management, maintenance and alternative use to ensure that these assets fulfil their potential to deliver a wide range of environmental and social benefits. This will form part of the evidence base for the joint local plan and inform decision making in the local planning authority's Development Management function.

Within this Strategy a number of sites have been identified as requiring the preparation of options for at least partial development; these include land adjacent to Bradwell Crematorium and non-green belt land at Birchenwood, Kidsgrove. The intention of this work is to identify a suitable range of land uses including any requirements to meet Council needs – e.g. open space, burial grounds etc. as well as land suitable for disposal and redevelopment.

2.11 Playing Pitch Strategy

In February 2015 the Playing Pitch Strategy (PPS) was adopted. This identified a number of sites where there is no local demand thereby rendering them suitable and appropriate for alternative use or development. The site at Knype Way Bradwell is one of these sites.

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

DEVELOPING A CLEAR PROPERTY STRATEGY FOR NEWCASTLE

Scale of Activities

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

2.13 As at March 2017 the Council's property assets were recorded in the Asset Register at a value of just under £78.5m. The properties are valued in accordance with RICS Appraisal and Valuation Standards ("Red Book"). This involves a variety of valuation methods dependent upon the particular asset and its use. This estate comprises a mix of property, some 186 buildings and various land holdings which form two distinct portfolios, the Commercial/Regeneration Portfolio and the Operational Portfolio (see section 4).

(a) Operational Portfolio

2.14 This consists of land and buildings from which the Council carries out its own business activities/service delivery. This comprises a mix of 76 buildings that are typical of a local authority estate and result from the history of diverse activities in which local authorities have been involved in the past.

2.15 Examples of the existing operational properties include Jubilee 2 Health and Wellbeing Centre, the works depot (which provides workshops, stores and garaging for the Council's direct works departments) and the Cemetery office. The Council also has a significant shared interest in the new Castle House premises referred to above.

2.16 The primary objective for the operational stock is to ensure that it remains fit for purpose. So the condition of the properties is kept under review and essential maintenance is prioritised accordingly (see later reference to the 2018 Stock Condition Review. From time to time it will become evident that properties have reached the end of their natural life – i.e. when the property is uneconomical to repair in order to fulfil the service needs.

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

2.18 The Council owns and manages approximately 1800 acres of land for the purpose of providing parks, gardens, outdoor sports facilities, children's playgrounds, Local Nature Reserves, woodlands, allotments, cemeteries, footpaths and cycle ways for the benefit and enjoyment of the public. The strategic context of the use of these spaces is provided in the Green Space Strategy or other key strategies.

(b) Commercial Portfolio

2.19 The Commercial Portfolio comprises land and buildings let to business tenants on the basis of open market rents, as well as the Council's fee paying car parks (Newcastle Town Centre / environs). Whilst the basic approach to the commercial portfolio lettings is market-driven there may be occasions where the Council's economic regeneration objectives influence this position. Any such adjustment to purely market-led criteria has to be approached with caution to avoid distorting the market and creating a spiral of decline in investor confidence. A commonly used approach, particularly in difficult economic conditions which are primarily occurring in the retail sector (is to incentivise prospective tenants with rent-free periods, where necessary, as opposed to reducing market rental levels. There have however been some rent reductions in the retail sector in line with current market evidence; if appropriate and necessary this practice will continue in order to both promote economic growth and to optimise rental income.

2.20 This Portfolio comprises 97 freehold buildings and 13 leasehold units: town centre premises including retail, office and leisure uses along with a number of premises on industrial estates. There are also street markets and hybrid premises (operational properties which have an element of commercially let space within them).

2.21 The Portfolio itself has arisen out of various regeneration initiatives that the Council has undertaken from the 1930s onwards when it undertook the development of the Lancaster Building shops and office complex at the time of an economic depression.

2.22 The Council has not made any additions to its commercial portfolio for a number of years; the most recent involved the construction of a small block of industrial units for the small business/new enterprise market at Church Lane (Knutton) which remain fully let. Additionally the Council facilitated the development of a BREEAM "outstanding" commercial building at Chatterley Valley, known as Blue Planet, on land which we held as a result of an intervention in the market to deal with a heavily contaminated parcel of land. These premises are let to JCB who are operating their world logistics hub from the site. JCB also have an option to purchase adjacent Council owned land which would facilitate future expansion on this site.

2.23 The commercial portfolio is constantly kept under review to ensure rental income is maximised and costs kept to a minimum. The Council in March 2015 disposed of 2-10 Hassell Street which comprised 4

tenanted ground floor shops and 2 floors of vacant offices that were in a dilapidated condition. The purchaser converted the two floors of offices into residential accommodation and these studios/flats are now let. A similar scenario arose in respect of 15-21 Brunswick Street, in this case there were 3 ground floor shops and 2 floors above which were vacant and very dilapidated. These premises were sold in June 2015.

ASSET MANAGEMENT POLICIES

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

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

PROPERTY-RELATED ASSET MANAGEMENT OBJECTIVES

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

- a) To facilitate and contribute to the achievement of corporate priorities and objectives;
- b) To support service delivery requirements;
- c) To optimise capital receipts from disposal of surplus land/property to provide funds for capital programme expenditure;
- d) To achieve optimum utilisation of property assets;
- e) To optimise income from the Commercial Portfolio;
- f) To invest available funding in areas of greatest need or opportunity (including essential maintenance and repair);
- g) To demonstrate the efficient use of resources on land and property owned by the Authority;
- h) To minimise the opportunity cost of holding land and property assets;

- i) To keep the property portfolio under review (at least annually) with the aim of disposing of land or property for which there is no strategic, financial, operational or other public interest reason for retention;
- j) To minimise the adverse environmental impacts of the portfolio and;
- k) To engage with local community and third sector organisations to optimise the effective and efficient use of community assets;

A. THE NATIONAL CONTEXT:

Government Policy

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

- The Quirk review of ownership of public assets
- The Gershon Review, and the drive to improve efficiency
- The Prudential Code for the management of capital finance
- Leaner and Greener Report – Delivering effective estate management
- Leaner and Greener II – Putting Building to Work
- Penfold Review
- Laying the foundations of a Housing Strategy for England
- The Localism Act - Community Right to Bid
- The National Planning Policy Framework
- Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015

Statutory Responsibilities

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

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

the presence of asbestos across the portfolio. A robust asbestos policy is in place for the council as required by law.

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

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

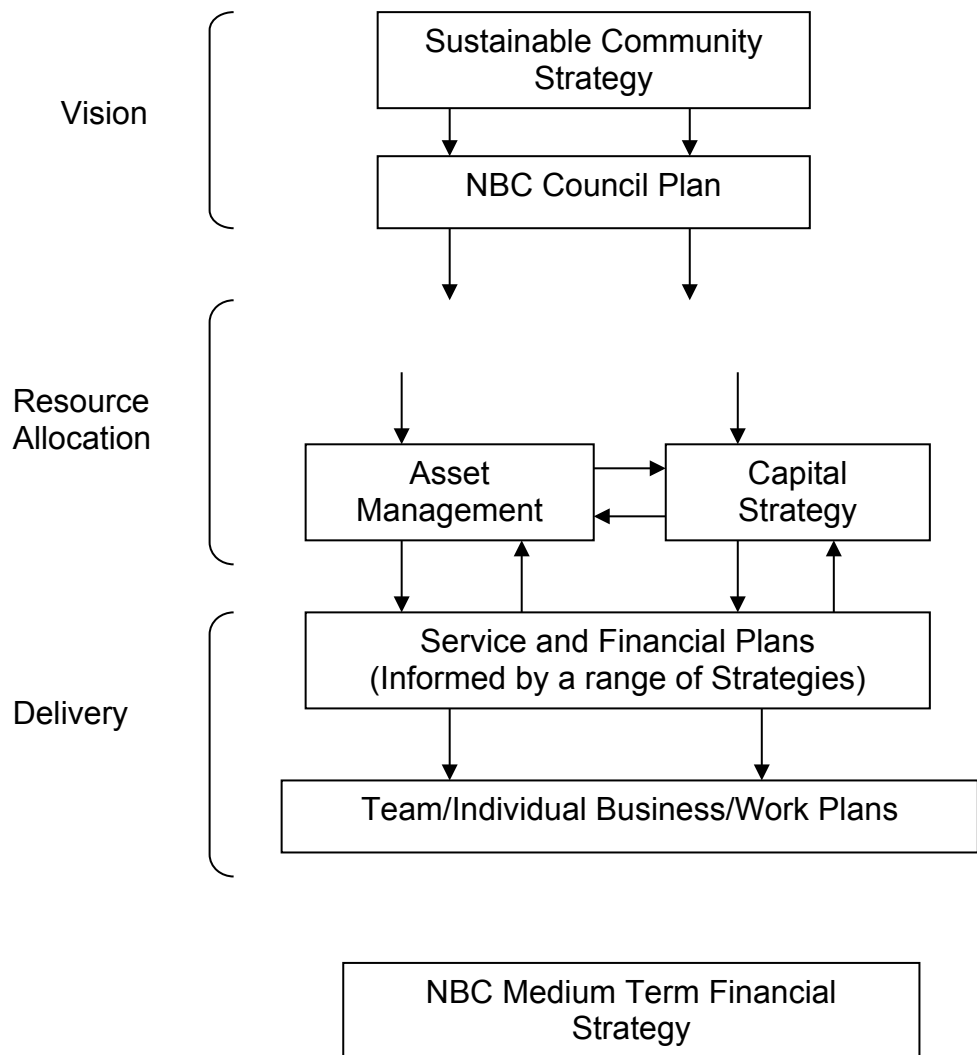
B. THE LOCAL CONTEXT

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

- Newcastle Partnership Sustainable Community Strategy 2008-2020
- Council Plan – 2018 to 2022 (updated version due for approval September 2018)
- Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy 2006-2026 and JLP Preferred Options Document 2018
- Medium Term Financial Strategy -2017/18 to 2021/22
- Capital Strategy 2015-2019
- General Fund Estimate Book Summary 2017/18
- Playing Pitch Strategy 2015
- Open Space and Green Infrastructure Strategy 2017
- Economic Development Strategy 2018-2023
- Housing Strategy 2016-2021
- Strategic Housing Land Availability Assessment 2017

- Carbon Management Plan 2014
- The Staffordshire and Stoke-on-Trent Compact and Third Sector Commissioning Standards 2014-2018
- Safe and Stronger Community Strategy 2012-2017
- Health and Wellbeing Strategy 2013-2018
- Contaminated Land Strategy 2014-19

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



Links to Council Plan

3.4 At the time of writing the Council Plan was in the process of being updated to run for the period from 2018 to 2022. It will have four main priority areas including ones relating to economic growth and Newcastle Town Centre, as well as one in relation to service delivery. It will remain important to ensure that this Strategy facilitates delivery of corporate and service priorities.

Funding the Council's Capital Programme

3.5 Importantly, as referred to at paragraph 2.3, the other important and over-arching corporate management principle is that future Capital Programmes should be funded by the realisation of capital receipts as a first resort.

Performance Management Context

3.6 The performance of the Authority's estate is subject to scrutiny by the Finance, Assets and Performance Scrutiny Committee.

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

3.8 The land disposal programme is reviewed monthly by the Executive Management Team. Significant decisions are assessed and if agreed in principle then reported for a Cabinet decision. This may require consideration at the Capital Programme Review Group when capital expenditure over £20,000 may be required on a property or parcel of land.

3.9 The main performance indicator pertaining to the Council's commercial property portfolios is the percentage of the investment portfolio which is vacant.

Partner Organisations

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

Staffordshire and SOT Local Enterprise Partnership (LEP)

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

3.12 The Council's Land Disposal Strategy supports this growth initiative by creating the opportunity to dispose of surplus land to facilitate economic growth and add to the housing offer available within the Borough in line with both the LEP growth ambition and Government policy. Additionally, the master planning exercise in respect of the University growth corridor at Keele (which includes the former Keele Golf site) has the potential to support further development of Keele University & Science park as a major employment and growth hub within the Borough (subject to the outcome of the Local Plan process).

Newcastle Business Improvement District and Go Kidsgrove

3.13 Newcastle Business Improvement District (BID) and Go Kidsgrove are private sector-led partnerships which have been established to bring together local businesses and the Council to improve the economic fortunes of the town centres.

3.13.1 Newcastle Business Improvement District was established in October 2015, it is a partnership, funded by a membership levy that supports the promotion and development of Newcastle Town Centre delivering projects, events and activities under three objectives. They are: (i) Promote – to develop and promote the strengths and characteristics of the town centre;

(ii) Develop – to develop a safe, attractive and appealing experience for visitors to enjoy

(iii) Investment and Development – To build on the strengths of the businesses and organisations of Newcastle under Lyme to support and promote growth, development and a sense of business community.

As with all BIDs it will run for a 5 year term and will be seeking renewal in 2020.

3.13.2 Kidsgrove Town Centre CIC, which trades as GO Kidsgrove, is a private sector-led partnership which has been established to bring together local businesses, organisations, the local community and the Council to improve the economic well-being of Kidsgrove and surrounding areas.

Disposals to Third Sector

- 3.14** For a number of years, the Council has pursued a policy of disposal of Assets to the 'Third sector' through the engagement of active community groups. The Council's disposal strategy in respect of these groups recognises the strengths of pro-active community organisations – independence, specialist knowledge of particular activities, community focus and access to third sector funding streams.
- 3.15** The Council seeks to support these organisations by adopting a number of different approaches to community engagement and management of assets. The approaches range from a totally devolved community management structure – where the asset is leased to an organisation who then assume complete control of it including repairs/maintenance, running costs etc. and who also receive and control income generated by the asset (e.g. letting to Newcastle Rugby Club) – through to a supported management structure where the Council retains responsibility for the costs associated with the asset and the income generated by it e.g. football pitches – and onto a "stewardship" role for the community where volunteers or Friends Groups provide an input and influence to the Council's management decisions.
- 3.16** In some cases this involves granting long leases of land and property to third sector organisations at nominal rentals. The grant of such leases, as opposed to outright disposal of the freehold, ensures that where such groups experience problems, (for example through loss of key members), the asset (land/property) returns to the Council (and the greater community) to be utilised again for a similar purpose or some other purpose outlined in the corporate priorities. Examples of successful leases (typically of 20/25 year duration) previously established by the Council include:
- Kidsgrove Ski Club
 - Newcastle Town Football Club
 - Newcastle and Hartshill Cricket Club
 - Newcastle Rugby Club

In late 2016 the Council completed a tender process to let the former North Staffordshire Special Adventure Playground which is now called The Brook Centre. The premises are now occupied by two organisations Approach, a dementia charity and Our Space, a children charity which support children and adults with disabilities and their families. In addition the Council is currently in discussion with a number of community groups in respect of leasing the Guildhall from which a range of community services will be delivered.

A further example of this approach is in respect of a Council owned car park is Audley where negotiations are ongoing with Audley Parish Council in respect of them being granted a long lease to continue the current use.

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

Audley Millennium Green
Lyme Valley Allotments

- 3.18** In addition the Facilities team have assisted community groups/sporting organisations in relation to project managing improvement schemes recent examples include the rebuilding of the bowls pavilion at Westland Sports Ground and the refurbishment of the Sports Centre on Lilleshall Road.

Capital Programme and Stock Condition

- 3.19** Another key area relates to the maintenance and repair of the Council's operational land and buildings. Provision is made in the Council's General Fund Revenue Programme annually to meet the ongoing costs relating to land and property maintenance.

- 3.20** This future maintenance/repair work will be driven by the recently-commissioned stock condition survey. This will set out the current condition of operational and commercial portfolios as well as the structures. This exercise is required to identify likely/realistic short, medium and long term expenditure requirements which, in turn, will also inform a review of the Council's portfolio to identify premises which the Council may wish to dispose of. This will also identify major repairs requiring capital investment. In addition any assets which require urgent attention due to health and safety risks will be highlighted and prioritised to ensure that the Council complies with its statutory requirements. A first draft of this work has been received and work is now underway to moderate its findings taking account of other known considerations.

- 3.21** In assessing the future maintenance and repair of the Council's operational estate there will need to be a balance between providing the financial resources to undertake a pro-active maintenance programme and the risk that not doing so will impact on future capital costs (since the fabric of assets will deteriorate over time and maintenance work will become more costly due to this).

Structures - to include Bridges and Watercourses

- 3.22** An asset register of all structures for which the Council are responsible has been prepared. The stock condition review (see 3.21) is being carried out on a sample of the structures which will provide a basis for a planned maintenance programme.

Carbon Reduction/Energy Efficiency

- 3.23** The Council monitors energy use in all operational properties. It has been aiming to reduce energy usage and where it carries out repairs/improvements to the properties it seeks to reduce its carbon

footprint/energy use further as a direct result of these works, thereby saving costs.

- 3.24** The Council published a Carbon Management Plan in 2011 (accredited by the Carbon Trust). This developed a Carbon Management Strategy which identified the drivers for carbon management, targets and objectives to be achieved and the strategic themes considered. In order to deliver the said objectives, the Plan sets out a number of projects; there were existing projects, planned/funded projects, short term projects and medium to long term projects.
- 3.25** The Carbon Management Plan established a 30 per cent targeted reduction in carbon emissions from the council's activities – working from a 2009/10 baseline to April 2017. This was achieved and cumulatively, there has been a reduction in emissions by 1,874 tonnes compared to the base line. This is a 45 per cent saving over the said plan period.
- 3.26** In parallel with the work on reducing carbon emissions, there has been a reduction in gas and electricity consumption within the Council's Buildings due to the effectiveness of energy efficiency measures installed in the past and the implementation of measures recommended following a full performance review of energy usage at the Jubilee 2 Health and Leisure Centre.
- 3.27** Castle House has been constructed to BREEAM "A" standard. It is envisaged that this will minimise energy and carbon emissions.
- 3.28** Looking forward, there are a number of Council buildings that use significant energy, namely the Jubilee 2 Health and Leisure Centre and the Knutton Depot. It is proposed that energy usage of these will be carefully reviewed and cost saving projects will be identified and undertaken.

Energy Performance Reviews

- 3.29** In accordance with The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 all commercial property when it becomes subject to a lease renewal or a new letting is required to have a Minimum Energy Efficiency Standard of an E. This legislation came into effect in April 2018. This requirement is primarily the responsibility of the landlord. In mid-2017 the Council appointed a consultant to produce Energy Performance Certificates (EPCs) in respect of a cross section of the commercial portfolio and if the rating was below an E a recommendations report of improvement works is required to raise the rating to this level.
- 3.30** The recommendations report illustrates how each improvement positively impacts on the grade of the EPCs, providing a number of alternatives, combinations and an optimum recommendation. Indicative costs of installing such measures and making improvements

to reach the E rating should be included. This report also included an analysis of the pay-back period for the improvement works.

- 3.31** In the main ratings can be raised to an “E” by improving the lighting within the properties, a budget of £20,000 was allocated in the capital programme budget 2018/19.

Strategic Property Review

- 3.32** It is essential that the Council has an efficient property assets approach to ensure that all opportunities to maximise use, rental income, resources and management are taken.
- 3.33** The Council is to commission a report to identify which properties, if any do not represent value for money. Where failing properties are disposed of, this will take pressure off capital budget requirements as the need for expenditure decreases. However, it should be recognised that there is a consequent loss of rental income
- 3.34** Over the long term, by investing in more efficient properties to increase and enhance their value, not only should the loss of income be retrieved by the increase in rental value of the asset, the asset itself will increase in value and the probability of a long term rental income will be enhanced considerably.
- 3.35** Each property asset from both portfolios will need to be scrutinised in detail in terms of operational use, maximisation of use, rental income, maintenance cost, capital requirements and general overheads in order that individual property needs or failings can be identified and this will deliver an overall strategic plan for all the property assets.
- 3.36** However, this exercise will also need to take in to account operational requirements and the need to hold some property for long term strategic and regeneration needs so there will be occasions when under-performing properties are retained.

THE CURRENT ESTATE

4.1 The Council owns a broad variety of over 186 properties (buildings) ranging from crematoria to sports centres to industrial premises. As previously indicated (paragraphs 2.12 to 2.23) the Council's property assets are divided into two portfolios – the operational and commercial portfolio – see below:-

Operational assets

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

4.3 This category includes (not exhaustive list):

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

Commercial Assets

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

- Town Centre Retail Premises
- Industrial Units
- Offices
- Ground Leases

- Market
- Town Centre Car Parks

Asset Transfers between Portfolios

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

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

ASSET REVIEWS

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

Funding the Council's Capital Programme

- 5.2** As referred to earlier, the Cabinet remain keen to maintaining the important overarching principle linking the function and purpose of this Strategy with the Council's Capital Programme. This means that the Council will seek to fund its future known capital programme needs through the annual asset management planning process by the identification of land or property in its ownership that is capable of, and appropriate for disposal.
- 5.3** The capital receipts generated from any disposal of these assets will therefore fund the works/schemes identified in the Capital Programme which in turn assists the Council in achieving its corporate and service objectives. Significant progress has been made with securing receipts from land and property disposals, with the Council receiving just over £4.4m over the past four years; with a further £5.2m in the pipeline, at the time of writing, where terms have been agreed with purchasers. Contracts have been exchanged on one of these sites, terms agreed on a further two and detailed negotiations are underway in respect of the fourth. It is anticipated that these sites will bring much needed receipts but will also facilitate delivery of new housing to meet broader policy objectives of the Council.

Local Plan

- 5.4** A Joint Local Plan is being prepared in partnership with Stoke-on-Trent City Council. This Plan will identify how much new land is required to supply our community's development needs over the next 15 to 20 years, and in which locations, to help ensure the borough and City of Stoke-on-Trent achieve sustainable economic growth.

The Council's published the Strategic Housing Market Assessment Review 2017 and the Strategic Housing Land Supply Assessment. This forms part of the evidence base for the Joint Local Plan, the former being the needs assessment and the latter the supply. The Council as landowner participated in the call for sites exercise which informed the Strategic Housing Land Supply Assessment.

The two Councils in February 2018 sought views from the public and other stakeholders on the Preferred Options Consultation Document. The document is an important stage in the preparation of the local plan.

The Preferred Options consultation document set out:

- A preferred development strategy for employment and housing for Newcastle-under-Lyme and Stoke-on-Trent
- Key strategic developments
- Revised vision, aims and objectives

The next stage of that process will be the preparation of a draft local plan.

Call for Sites – response to the local planning authority

5.5 The Call for Sites process seeks to identify a wide range of sites in order that a criterion-based assessment can be used to determine the most appropriate and sustainable land uses for such sites. It is important to distinguish the Council's role as a landowner from its function as the local planning authority. This Strategy deals with land / property matters on behalf of the Council as a land owner. By responding to the Call for Sites it is inviting the Local Planning Authority (LPA) to consider the suitability of the Council sites alongside those promoted by third party land owners, with the aim of the process determining the most appropriate use for the land. Cabinet has not approved the disposal or redevelopment of these sites it has merely submitted a list of sites for consideration by the LPA.

5.6 Equally important is the need to acknowledge at this stage of the Local Plan process that consideration of sites as part of the Call for Sites process does not mean they will be allocated for the desired use.

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

Operational service requirements

5.7 Each year operational managers are challenged to ensure that any underutilised/surplus space is identified and, where appropriate, allocated for potential alternative use or disposal. This approach is consistent with the objective of disposing of land or property for which there is no strategic, financial, operational or other public interest reason for retention. Notable disposals in 2015-2018 included the retail/office premises where the upper floors required significant expenditure and green space that does not form part of the Open Space and Green Infrastructure Strategy.

Identification of potential sites for disposal

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

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

5.9 It is estimated (subject to planning permission being granted, there being no significant abnormal costs and to the sites selling at open market value) that the capital receipts likely to be generated in respect of the residential and miscellaneous sites listed in Appendix 4 is in the region of £8m.

5.10 University Growth Corridor

The Council's land interests at the former Keele golf course and surrounding area have been assimilated into a jointly commissioned master planning exercise with Keele University. The primary purpose of this piece of work at this stage is to demonstrate the feasibility of redeveloping this site along with the Keele University owned land. In view of the Green Belt nature of these sites it is envisaged that the Master Plan will assist the local planning authority in considering the most sustainable form of development and land use.

5.11 Site of the former Knutton Recreation Centre

Knutton Recreation Centre was vacated in 2012 when Jubilee 2 opened and the premises were demolished in 2016. The site forms part of a potential regeneration area within the wider Knutton area, the main partner being Staffordshire County Council. This site would benefit from master planning in order to both prepare a comprehensive land use framework for this area (following the previous Housing Market Renewal interventions) and establish key principles around infrastructure costs and sharing of net value.

Consultation Arrangements on Future Disposals

5.12 The primary purpose of the consultation on potential land disposals is to identify any physical, technical or other constraints that might affect the scope/opportunity for alternative use or development being

pursued. The outcome of such consultation exercises, taken together with desktop technical assessments, allows the Council as a landowner to consider the latter approach. Importantly it is considered that the Town Planning processes (Local Plan and Planning Applications) should consider the appropriateness of land or property being developed or used for alternative purposes rather than the Council as landowner making potentially subjective judgements.

- 5.13** The consultation process approach involves Ward councillors being notified prior to the start of the process; notices being placed on site and; the adjacent property owners being notified along with the Parish/Town Council, where relevant (see Appendix 1 and 2). The consultation timetable is set out below. This arrangement is considered to be generally proportionate and appropriate to the majority of sales of both land and property.

Property Description	Consultation Approach	
	Local members (prior to general public)	General public
Publicly accessible open space >0.5 ha.	3 weeks	6 weeks
Publicly accessible open space <0.5 ha.	3 weeks	3 weeks
Grazing / agricultural land >1 ha.	3 weeks	3 weeks
Grazing / agricultural land <1 ha.	2 weeks	2 weeks
Operational estate with active community use	2 weeks	4 weeks
Commercial / industrial premises	N/A	N/A

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

Car Parks

- 5.15** In view of the Council's aspirations for strengthening the Town Centre economy it will be important to keep the town centre car parks under review with a view to either optimising their use or to facilitate regeneration.
- 5.16** There are approximately 35 non-fee paying car parks; some are attached to operational/recreational facilities whilst others are used as neighbourhood car parks. A review will be undertaken to assess the usage, maintenance cost and general overheads of these assets. The car park on Blackfriars Road, Newcastle is adjacent to land that was previously let to the Greenhouse garage. In 2017 they vacated the land and given the car park is underutilised Cabinet at its meeting in

January 2018 delegated the removal of the off street parking order, to the Executive Director (Regeneration and Development), following consultation with the relevant Cabinet Member.

Commercial Portfolio

5.17 The commercial portfolio (including the Market) in 2017/18 generated a gross income of about £1.2 million and provides business accommodation for over 200 small to medium sized businesses. It is important that the condition of these units is kept under review in order to both protect the Council's income and to ensure that the units are fit for purpose. Once the commissioned stock condition survey has been fully appraised the commercial estate will be reviewed with the aim of ensuring the Council is achieving value for money (optimising income and reducing liabilities). The review may also assist the Council in identifying future investment opportunities to provide both development outcomes and revenue income or longer term capital receipts.

5.18 Markets

Cabinet has agreed to an external partner being sought to operate and manage the Council's town centre markets; at the time of writing the council is in detailed negotiations in this regard. It is anticipated that outsourcing the management and operation of the market will ensure greater flexibility to promote the market and bring in new customers and traders, at a time when competing demands and priorities are being placed on council resources. In other parts of the country, declining markets have been revitalised by bringing in new operators – and it is anticipated that a similar scheme would benefit the existing market traders in the town centre.

5.19 Community Centres

The Council is continuing to explore options for the long term sustainability and management of the Community Centres in partnership with the community and voluntary sector and to review the management arrangements linked to these options and implement the proposals.

To date three community centres have been leased on 25 year leases to community groups, whereby over a 5 year period the maintenance and running costs are transferred to the community organisation thereby reducing the Council's liabilities. In addition it allows the management committees greater freedoms to pursue external funding. Negotiations are ongoing with a further three community groups.

PARTNERSHIP AND COLLABORATIVE WORKING

5.20 Public Sector GIS based database

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

In addition the County Council has formalised a strategic partnering arrangement with a private sector organisation with the aim of providing greater focus on the strategic management of its property portfolio (this was used to deliver the Castle House project). Both of these actions should provide opportunities for the Borough Council to manage its own property assets more effectively and it is expected that further information will emerge over the next twelve months in this regard.

5.21 Regeneration

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

5.22 One Public Estate

One Public Estate (OPE) is an established national programme delivered in partnership by the Cabinet Office Government Property Unit (GPU) and the Local Government Association (LGA). It provides practical and technical support and funding to councils to deliver ambitious property-focused programmes in collaboration with central government and other public sector partners.

The OPE Estates Programme is about getting more from our collective assets - whether that’s catalysing major service transformation such as health and social care integration and benefits reform; unlocking land for new homes and commercial space; or creating new opportunities to save on running costs or generate income

The programme will provide strategic oversight across organisational boundaries to support the optimal use of the public estates including where appropriate shared services. Its aim is to support and help align asset and estates planning functions in the following thematic areas:

- Strategic Estates Planning
- Aligning Investment and Divestment
- Intelligence and Spatial Mapping

An OPE Estates Programme Board has been set up in Staffordshire; this brings together those public bodies which own land and property assets in the County. This board meets bi-monthly.

Newcastle Town Centre Redevelopment

5.23 In 2011 the Borough Council in partnership with Staffordshire County Council purchased the former Sainsbury’s supermarket premises in

order to assemble a site for a comprehensive regeneration scheme in the Ryecroft area of the Town Centre. This site also includes the now vacated Civic Offices and the adjacent car parks.

- 5.24** The site was formally marketed by the Council's retained specialist retail consultants, on the basis of a disposal by way of a long term ground lease and a development partner was appointed and following detailed discussions a planning application was submitted in respect of a retail-led regeneration scheme. At the time of writing a land sale agreement was in place along with a resolution to grant planning permission.

Newcastle Town Centre Public Realm

- 5.25** The County Council has delivered further targeted improvements in the town centre's pedestrianised streets including the sensitive Red Lion Square area thereby making the built environment more attractive.

Shared Accommodation

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

- Castle House is shared with Staffordshire County Council (including Library and Registrars), Staffordshire Police and Aspire Housing.
- Kidsgrove Town Hall is shared with Staffordshire County Council, and Staffordshire Police.

Facilitating Development of Community Assets

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

- Disposing of land at Loggerheads to the SFRS to facilitate the construction of a community fire station
- Leasing the former North Staffs Adventure Playground (now known as the Brook Centre) to two community charities, Approach and Our Space.

As indicated above the Council is at an advanced stage of promoting community use of the iconic Guildhall too.

Funding and Investment Strategy

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

CORPORATE MANAGEMENT STRUCTURE REGARDING ASSET MANAGEMENT

6.1 The diagram at Appendix 3 shows the Council's structure in terms of Asset Management. Since January 2008 the Assets Section has been consolidated into the Regeneration and Development Directorate.

Portfolio Holder Responsibility

6.2 Asset Management predominately falls within two Cabinet portfolios:

- Planning and Regeneration
- Finance and Resources

Corporate Property Officer

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

Assets Review Group

6.4 The Assets Review Group is chaired by the Executive Director (Regeneration and Development) and meets on a bi-monthly basis. The overall objective of the Group is to be responsible for the formulation of strategies in respect of income generation relating to asset disposals.

Capital Programme Review Group

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

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

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

6.8 Membership of the Assets Review Group ensures that the CPO receives direct and pertinent user information about the Council's Operational Portfolio. The ARG effectively provides feedback as to any asset management proposals/plans being considered either corporately or from a service perspective. Any plans or proposals requiring new capital expenditure require endorsement by the CPRG before proceeding through the formal decision-making processes of Cabinet or Council.

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

Day to Day Asset Management Planning

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

ASSET MANAGEMENT DATA AND INFORMATION SYSTEMS

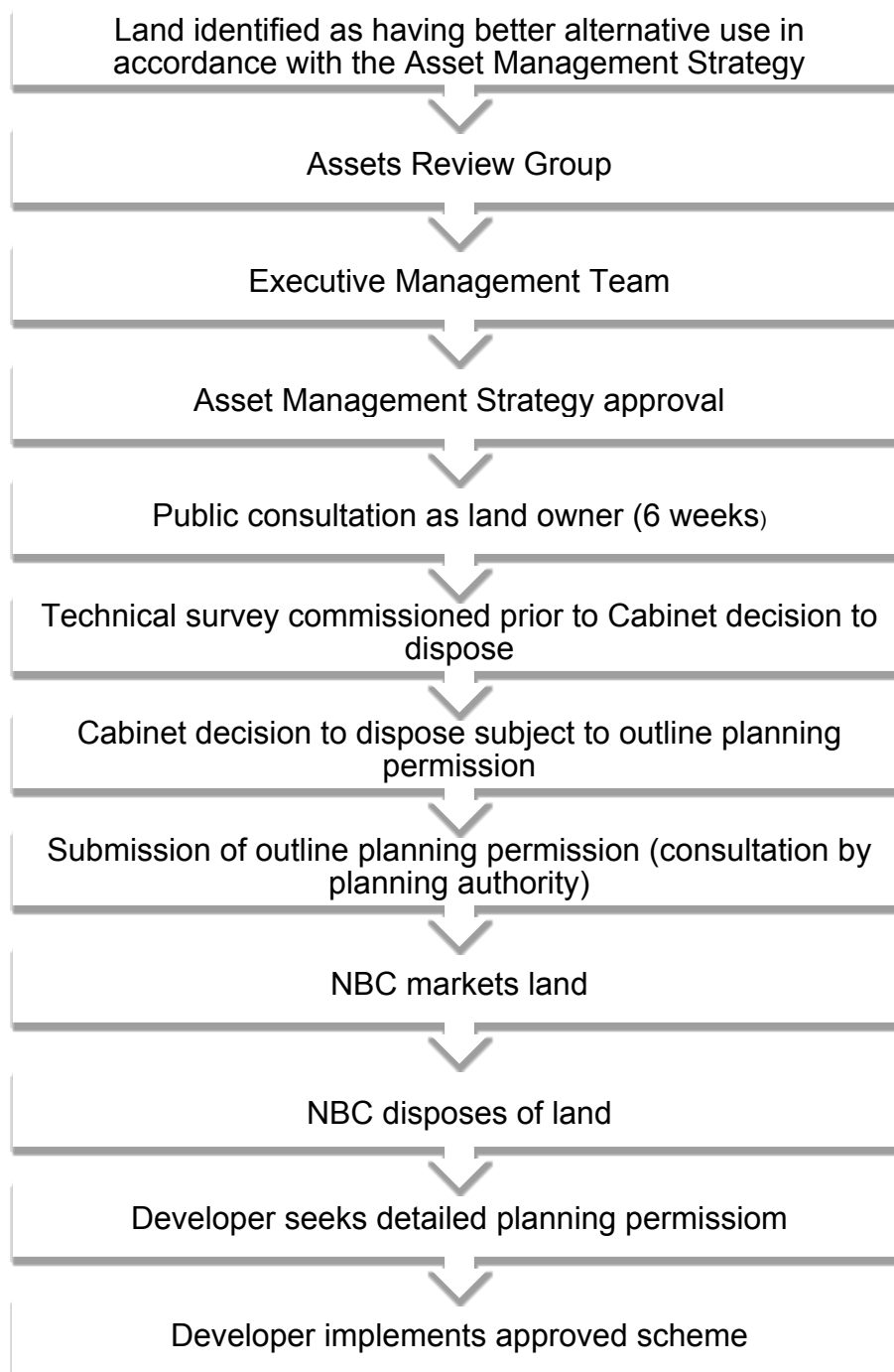
- 6.12** The Council's land ownership mapping system (terrier), property data, Asset Register and property management and maintenance records are held on one computerised system. Paper filing systems are used for other property management functions.
- 6.13** The Council subscribes to the IDOX Uniform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

HEALTH AND SAFETY

- 6.15** In 2010 the Council purchased a computerised health and safety system (BS Target 100). This system along with the IDOX Uniform system are used to manage, record and monitor all aspects of health and safety across the Council including the inspection and servicing of the building utilities and any other statutory inspections. In addition the Council has retained consultants to advise on construction and project health and safety and related legislation.

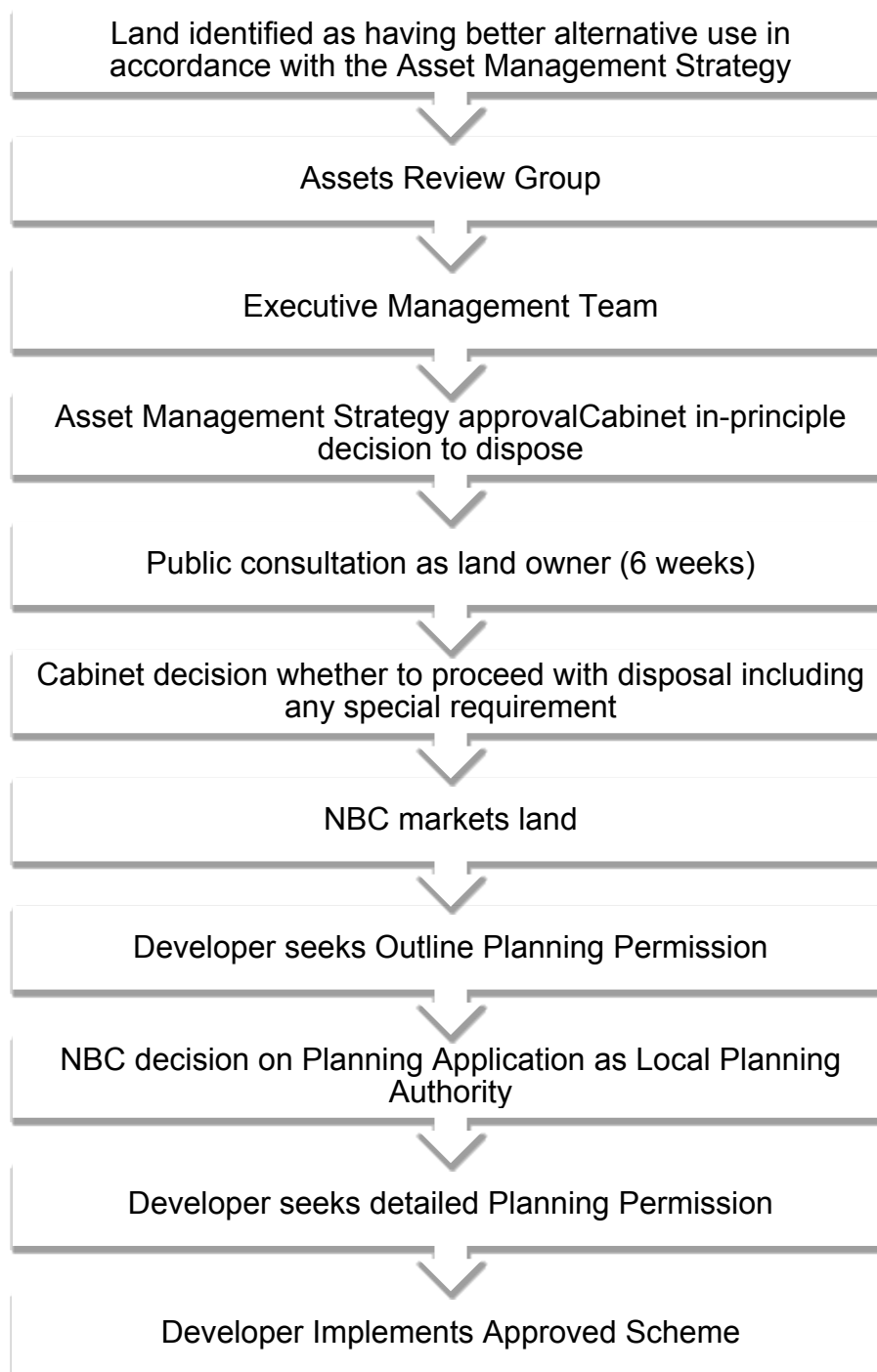
APPENDIX 1

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



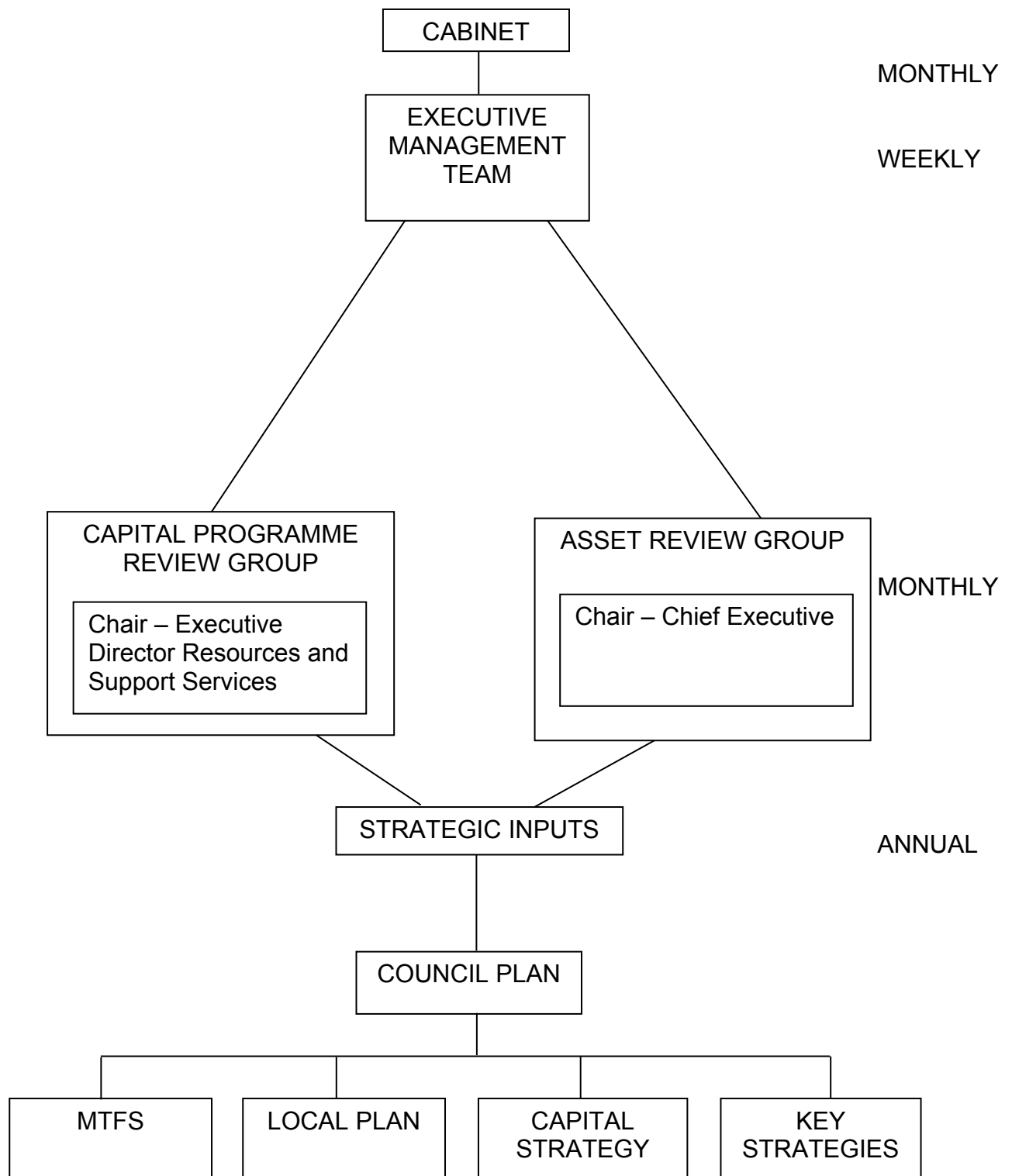
NB. Attention is drawn to the council's proposed approach to consultation as both land owner and as local planning authority.

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



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

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



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<u>Asset Disposals Approved and Ongoing</u>			
Appendix 4			
Major Sites	Site Area (acres)	Site Area (hectares)	Position Statement
Ryecroft - former Sainsbury's Supermarket Site, Liverpool Road and Civic Offices Merrial Street, Newcastle	6.4	2.5	A land sale agreement with the preferred developer is in place subject to a number of "Conditions Precedent" relating to matters such as lettings, funding and planning permission. The agreement includes a longstop date of September 2019 for commencement of development. A resolution has been made by the local planning authority to grant planning permission for a mixed use scheme comprising retail and student accommodation.
Former Keele Golf Course and adjacent development Area	344 acres total – Golf Course approx. 150 acres	139.21	This land is in the Green Belt. A vision for the long term development of this site in a wider context has been commissioned jointly with Keele University. The primary aim of that piece of work at this stage is to demonstrate the feasibility of site development to help make the case for the land being developed (i.e. to take the land out of Green Belt through the Local Plan process).
Residential Sites	Site Area (acres)	Site Area (hectares)	Position Statement
Lane Wilmot Drive, Cross Heath	0.32	0.80	Grassed area. Terms for sale agreed. Legal documentation being finalised
Gloucester Road, Kidsgrove	0.70	0.28	Former garage site. Terms for sale agreed. Legal documentation being finalised.
Deans Lane, Red Street	3.36	1.36	Former grazing land. OPP approved for up to 50 units. Contracts exchanged for sale.
Knype Way (Talke Road), Bradwell	6.35	2.57	Former playing pitch. OPP approved for up to 85

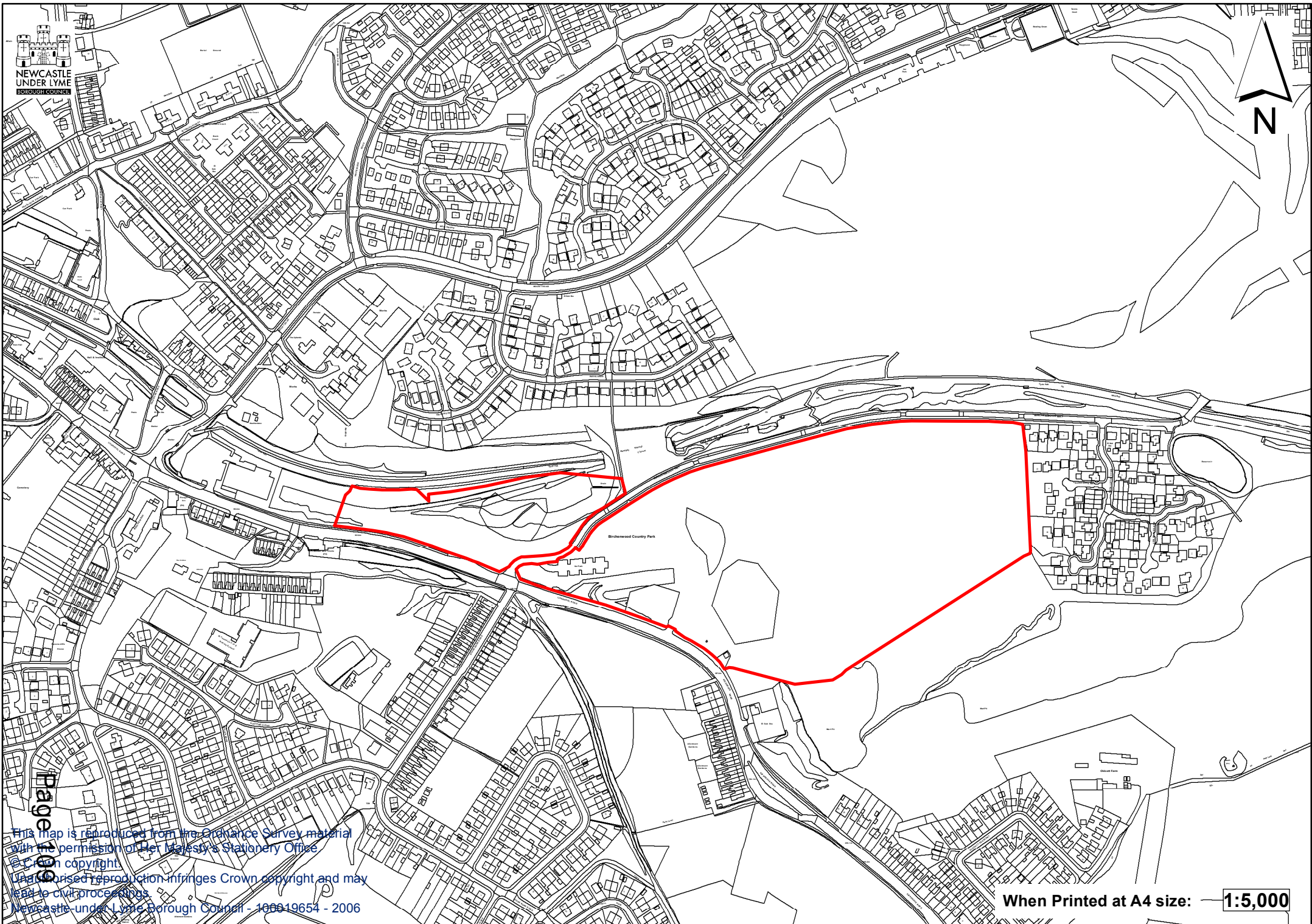
Classification: NULBC **UNCLASSIFIED**

			units. Terms for sale agreed. Legal documentation being finalised.
Eccleshall Road, Loggerheads	5.56	2.25	Former grazing land. OPP approved up to 55 units. Terms for sale provisionally agreed. Legal documentation being finalised.
Market Drayton Road, Loggerheads	11.50	4.65	Grassland let on Agricultural Tenancy. OPP approved for up to 65 units. Site is currently being marketed; interest received.
High Street Knutton, (Former Recreation Centre site)	5.31	2.15	The disposal of this site has been approved in principle. This site requires master planning as part of the wider Knutton area.
Silverdale Road, Newcastle	1.38	0.56	Brownfield site (former plant nursery). Developability of this land to be assessed given its proximity to the flood plain.
Kinnersley Street, Kidsgrove	1.61	0.65	Grassed and tree covered area on steep slope. Topography to be assessed with a view to potentially marketing the more developable area at the bottom of the site.
Cotswold Ave, Knutton	0.44	0.18	Grassed area within urban area. This site does not form part of the Open Space and Green Infrastructure Strategy. This site will be considered as part of the Knutton Master Planning.
Victoria Street, Chesterton			Formed access to fireplace works and more recently used by Aspire as works compound. Outline pp (OPP) for 2 townhouses secured. Aspire were in process disposing by auction. Land mistakenly transferred to Aspire in 2000 housing stock transfer. Agreed land is transferred back. Public consultation suggested water course & sewer run through site. Site to be marketed once potential issues have been investigated.
Brick Kiln Lane, Chesterton	4.76	11.76	Brownfield site – reclaimed land
Parkhouse Road West/Crackley Bank, Crackley	9.9	4.0	Grassed area no longer required as part of the

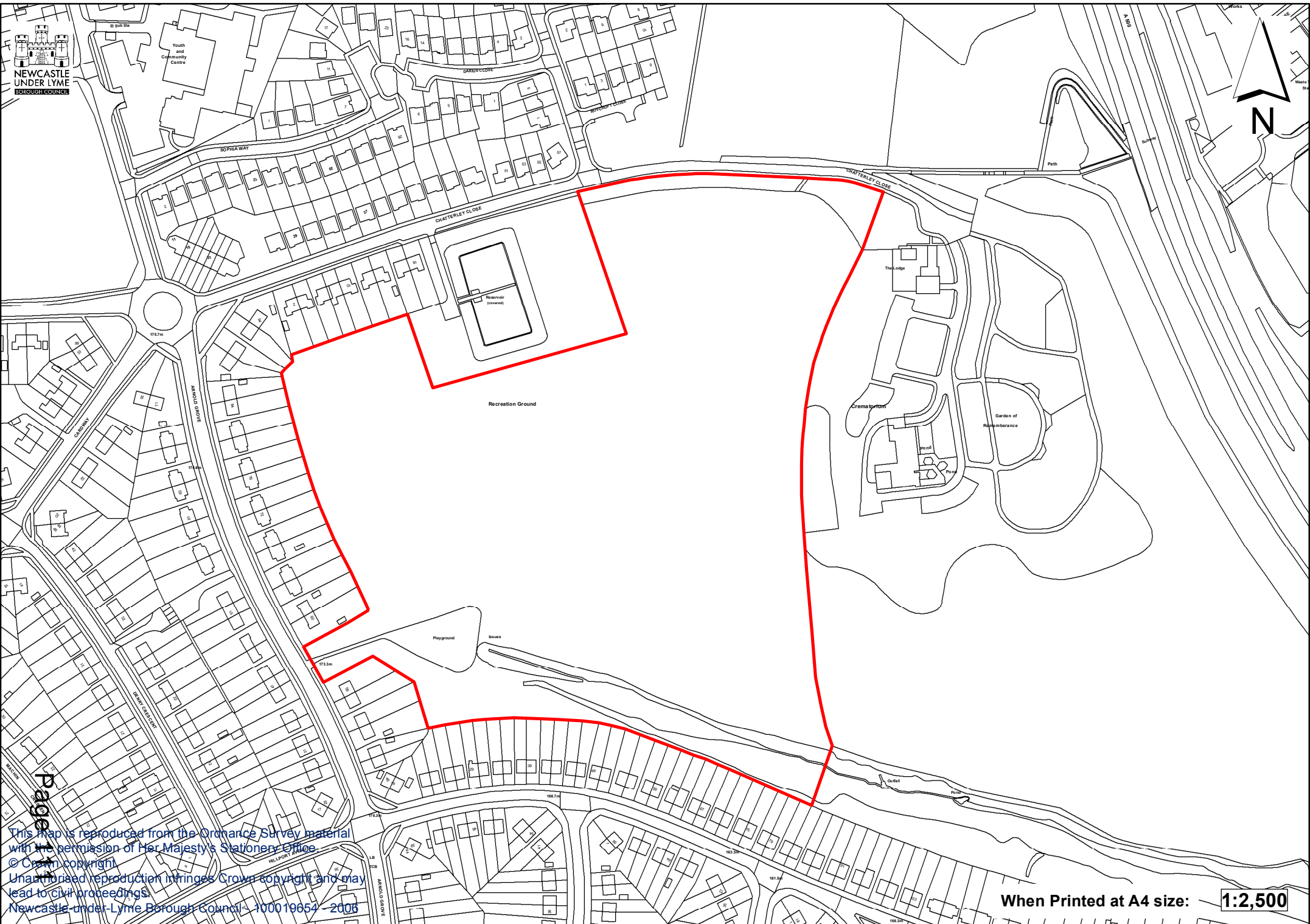
Classification: NULBC **UNCLASSIFIED**

			Playing Pitch Strategy and it does not form part of the Open Space and Green Infrastructure Strategy
Miscellaneous Sites	Site Area (acres)	Site Area (hectares)	Position Statement
Blackfriars Road Car Park, Newcastle	0.536	0.217	Site is currently being marketed; some interest received.
Meadows Road, Kidsgrove	0.17	0.07	Currently used as a car park by train commuters. May become surplus if additional car parking is provided at nearby Kidsgrove railway station.
Plot D, Apedale Road, Chesterton	4.50	1.82	Brownfield - former (reclaimed) marl hole. Land is being marketed for industrial development purposes; offers have been received.
Plot E, Apedale Road, Chesterton	10.92	4.42	Brownfield - Land is being marketed for industrial development purposes. No interest at the time of writing this document.
Former Public Toilets, Merrial Street	0.02	0.01	Closed and alternative uses or sale being considered.
Former Pepper Street Toilets, Newcastle	0.01	0.004	Closed and alternative uses or sale being considered.
Former Toilets Liverpool Road, Kidsgrove	0.01	0.004	Closed and alternative uses or sale being considered.

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1. **BUSINESS RATES PILOT AND POOLING ARRANGEMENTS**

Submitted by: Executive Director – Resources and Support Services

Portfolio: Finance and Efficiency

Ward(s) affected: All

Purpose of the Report

To provide Cabinet with details of the potential for the Council to participate in a Business Rates Pilot in 2019/20 and to outline the Business Case and relevant risks and rewards from pilot arrangements.

To update members on the implications to existing pooling arrangements as result of membership of the pilot and to present the draft governance arrangements for the new pool

Recommendation

- (a) That the Council participates in the formation of a Staffordshire and Stoke-on-Trent Pool based upon piloting the 75% Business Rates Scheme and approves the submission of an expression of interest to central government in order to achieve this.
- (b) That the Acting Chief Executive and Section 151 Officer are authorised (in consultation with the Leader and Portfolio Holder for Finance and Efficiency) to agree, in conjunction with the other participating Staffordshire authorities, the detail to be included in the expression of interest and subsequently the Section 151 Officer is authorised to confirm the Council's support as required by central government.

Reasons

The pilot scheme would enable 75% of future growth in Business Rates to be retained within Staffordshire. It is estimated that £0.239m additional resources would be generated for the financial year 2019/20 for the Council due to the estimated 'growth position' of the participating authorities.

1. **Background**

- 1.1 The 50% Business Rates Retention Scheme was introduced with effect from April 2013 and was effectively a 50/50 risk and reward sharing arrangement between Central and Local Government. The scheme enabled the Council to retain its tier share of growth, although such growth was potentially subject to a 50% cap or levy.
- 1.2 The Council avoided this cap or levy payment by joining the Staffordshire and Stoke-on-Trent Business Rates Pool alongside Staffordshire County Council, Stoke-on-Trent City Council, Stafford Borough Council, Staffordshire Moorlands District Council, South Staffordshire District Council and the Staffordshire Fire and Rescue Service.
- 1.3 The pooling arrangements have enabled (by the avoidance of the levy payment):
 - Additional resources to be retained by the Council;
 - Contributions to growth projects;
 - A contingency to be made in the form of a safety net for members of the pool that have significant reductions in business rates.

- 1.4 Central Government announced during 2015 that it wished to progress to a 100% business rates retention scheme whereby in exchange for additional responsibilities Local Government would be able to retain 100% of the growth that it generated.
- 1.5 Further to previous announcements, in December 2017, the government announced the aim of increasing the level of business rates retained by local government from the current 50% to the equivalent of 75% in April 2020.
- 1.6 In order to test increased business rates retention and to aid understanding of the transition into a reformed business rates retention system in April 2020, the government is inviting local authorities in England to apply to become 75% business rates retention pilots in 2019/20. This will be focussed on the learning necessary for transition to the proposed new scheme in 2020/21, allowing the Government to test business rates retention at 75% in line with proposed level of retention for 2020/21 and resulting in a smoother transition to full implementation.
- 1.7 Participating authorities will be expected to work with Central Government officials in the system design of the new business rates retention system and share additional data and information, as required.
- 1.8 Given the limited time before 2020/21, there are fewer issues that can usefully be tested in pilots. It is therefore likely that this pilot programme may be smaller than in 2018/19.
- 1.9 A pilot prospectus was issued on 24th July 2018 entitled 'Invitation to pilot 75% Business Rates Retention in 2019/20'.
- 1.10 The Council was part of an unsuccessful application to become a pilot for the financial year 2018/19. The application was unsuccessful as Central Government could not afford to accept all the applications that met the terms of the "Invitation to Local Authorities", it is also thought that the application could have been enhanced by providing more information on how any additional business rates generated could have been distributed and used to generate economic growth.
- 1.11 The pilot is not intended to be a short term proposal but is intended to be a long term commitment to maximising growth by working with partners across the Borough and the wider Midlands region. The Council is committed to maintaining, creating and developing partnerships to ensure that it can operate in a connected, co-ordinated and competitive manner with due regard to the economic diversity of its area.
- 1.12 The ultimate objective of the pilot is to maximise the resources generated and retained within Newcastle-under-Lyme and within Staffordshire by collaborative working that enables:
 - The area's economy to be more productive; diverse; resilient and innovative;
 - The area's workforce to be better qualified, skilled and adaptable;
 - Opportunities from its key connectivity networks (digital, roads, railways) to be developed and maximised;
 - The area's environment to be a more attractive and healthier place to live;
 - The area to be the best place to start and grow a business.
 - The generation of additional resources for social care both in the form of direct service provision and preventative care.
- 1.13 The proposed pilot will include those authorities in the current Staffordshire and Stoke-on-Trent Business Rates Pool (please see 1.2), plus Cannock Chase District Council, Lichfield District Council, Tamworth Borough Council and the Staffordshire Police and Crime Commissioner (i.e. police and fire).
- 1.14 This strengthened proposal will show the application to be a total 'Place' based solution with a further focus on the policing and crime prevention implications of any economic growth. £200,000

of the additional resources generated by the proposed pilot will be allocated to the Staffordshire Police and Crime Commissioner for this purpose. The remaining authorities will be subject to the tier splits shown in Appendix 1, 4.7.

2. **Issues**

- 2.1 The pilot prospectus issued by Central Government provides a framework for the extension of the existing voluntary pooling of business rates revenues to two tier authorities. A pilot enables 75% of future growth to be retained by the pilot area as compared to the current 50% subject to financial neutrality (based on the baselines created at the commencement of the 50% scheme in 2013/14).
- 2.2 As part of the move towards a reformed business rates retention system in 2020/21, the government intends to devolve a number of grants to local government when the new system commences, i.e. this funding will be replaced by retained business rates income. Of these grants, the Council receives only Revenue Support Grant. The pilot programme will take this into account when revising the tariffs and top-ups for the piloting authorities in order to ensure financial neutrality.
- 2.3 The Business Rates Pilot 'Financial Neutrality' takes no account of the net growth (or loss) in Business Rates income since the commencement of the 50% scheme in 2013/14. Work undertaken by a steering group of the Staffordshire Chief Finance Officers Group has confirmed that all authorities within Staffordshire, that are responsible for collecting business rates, are in a growth position, averaging out at 7%. This is likely to be at the least maintained in the medium term. Under the current arrangements, only 50% of this growth is retained within Staffordshire, 50% is allocated to Central Government.
- 2.4 There is therefore a clear and simple financial advantage in that 25% of growth that is allocated to Central Government under existing arrangements would be retained within Staffordshire under the proposed pilot of 75% Business Rates Retention. The proposed pooling and pilot arrangements are shown as Appendix 1 to this report.
- 2.5 The 2019/20 pilot programme will last for one year until the full 75% Business Rates Scheme is implemented in 2020/21.
- 2.6 To be accepted as a pilot for 2019/20 all parties must be designated as a pool to share business rates income. It is considered that the prospectus criteria would only be met if all eleven authorities covering the full Staffordshire geography committed to being part of the pool. Existing pools would require to be ceased.
- 2.7 The Council will still receive separate allocations from Central Government, will set its own budget for Business Rates Retention and will collect and retain Business Rates.
- 2.8 All previous pilots have been created on a no detriment basis. However, the 2019/20 prospectus states that the government has agreed that a 'no detriment' clause will not be applied to the 2019/20 pilots. Applying a 'no detriment' clause to the pilots would not be reflective of the reformed business rates retention system that the government aims to introduce in 2020/21.
- 2.9 A significant risk in relation to net Business Rates Income is that the level of Business Rates appeals exceeds the Government expectations or the provisions made by each Authority. This is particularly important given the backlog of appeals and the risk of changes in policy or treatment of hereditaments.
- 2.10 Further risks in terms of losses of business rates income include:
 - The consolidation of hereditaments as a single assessment
 - Transfer from the Local Rating List/Central Rating Lists

- Changes in Mandatory Relief Policy
- Changes in the basis of determining the basis of Rateable Values
- The backdated cost of new appeals post 1st April 2019

- 2.11 The 75% Business Rates Scheme currently being designed includes proposals to deal with changes in valuations and appeals, transfer from the Local Rating List/Central Rating Lists etc. and hence, it is believed that these issues will be addressed in testing and working with Central Government during the pilot.
- 2.12 The biggest risk to the proposed pilot is however the claim by NHS Foundation Trusts whereby they claim that they should receive 80% mandatory relief with a 6 year backdated claim. Although Counsel advice refutes this claim it is still progressing through the High Courts. The potential claim could be in excess of £20 million and hence it must be a caveat of any application.
- 2.13 Expressions of interest are required by 25th September 2018. These will take the form of a joint application signed by all the participating authorities. Successful pilots will be announced as part of the Draft Local Government Settlement in December and will come into effect from the 1st April 2019. As part of the application the Council is required to specify what pooling arrangements should apply in 2019/20 if the application to be a pilot was unsuccessful. The Section 151 Officer is required to confirm that the Council fully supports the application and the proposed pooling arrangements.

3. **Proposal**

- 3.1 That the Council participates in the formation of a Staffordshire and Stoke-on-Trent Pool based upon piloting the 75% Business Rates Scheme and approves the submission of an expression of interest to central government in order to achieve this. The governance arrangements which will apply to the proposed pool are detailed in the Memorandum of Understanding to be signed by all participating authorities set out in Appendix 1. These include details of the payments into and out of the pool applicable to participating members.
- 3.2 That the Acting Chief Executive and Section 151 Officer are authorised (in consultation with the Leader and Portfolio Holder for Finance and Efficiency) to agree, in conjunction with the other participating Staffordshire authorities, the detail to be included in the expression of interest and subsequently the Section 151 Officer is authorised to confirm the Council's support as required by central government. A copy of the currently proposed application form to be submitted to central government is shown at Appendix 2.
- 3.3 That the proposed pilot application details how the pilot will operate across the economic area of Staffordshire in terms of the distribution and use of the additional 25% of retained business rates to promote further economic growth.
- 3.4 That if the pilot application is unsuccessful, the Council continues to be part of the existing Staffordshire and Stoke-on-Trent pool. If the pilot application is successful then the Council would then cease to be a member of the current pool.

4. **Reason for Preferred Solution**

- 4.1 The pilot scheme will enable 75% of all future growth in Business Rates to be retained within Staffordshire. It is estimated that £0.239m additional resources would be generated for the financial year 2019/20 for the Council due to the estimated 'growth position' of the participating authorities.

5. **Financial and Resource Implications**

5.1 It is estimated that £0.239m additional resources would be generated for the financial year 2019/20 for the Council due to the estimated 'growth position' of the participating authorities.

6. **Major Risks**

6.1 The pilot would be responsible for the Government's share of business rates if business rates contracted below the current level of business rates.

6.2 The level of appeals could fluctuate significantly in relation to changes in policy/the basis of determining rateable values and successful backdated appeals received after 1st April 2019.

6.3 The NHS Foundation Trusts claim for mandatory relief could be agreed – the pilot would need to have a caveat in relation to this (i.e. that any successful claim does not form part of the pilot).

7. **Key Decision Information**

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

8. **List of Appendices**

Appendix 1 – Memorandum of Understanding – Subject to Contract

Appendix 2 – Business Rates Pilot Scheme 2019/20 Application Form

Appendix 3 – Financial Sustainability (appendix to Application Form)

**Memorandum of Understanding - Subject to Contract
Business Rates Pooling Agreement
Pilot Arrangements
Staffordshire and Stoke –on –Trent**

- (a) All Local Authorities are currently obligated to pay a percentage of their Business Rate collection to Central Government. In accordance with the proposed 75% Business Rates Retention Scheme only 25% of Business Rates will be retained by Central Government
- (b) In order to pilot the 75% scheme Members have agreed , subject to designation by MHCLG, to join together the net Business Rates collected and establish a Business Rate Retention Scheme in accordance with the Local Government Finance [Bill July 2012] (“the Pool”).
- (c) The rationale of the Pool is
- (i) To utilise the additional resources available to the pool, resources that would otherwise have been returned to central government, to
- deliver sustained economic growth by building on and strengthening its partnership arrangements reflecting the economic geography of Staffordshire
 - the generation of additional resources for both direct service provision, and preventative , social care
- (ii) To utilise tier splits to manage the risks and rewards across the pool

1. Membership

- 1.1 Membership of the pool is open to the following Councils/ authorities;
- Cannock Chase District Council
 - East Staffordshire Borough Council
 - Lichfield District Council
 - Newcastle-under-Lyme Borough Council
 - South Staffordshire District Council
 - Stafford Borough Council
 - Staffordshire County Council
 - Staffordshire Fire and Rescue Service
 - Staffordshire Moorlands District Council
 - Stoke-on-Trent City Council
 - Tamworth Borough council
 - Staffordshire Police and Crime Commissioner
- 1.2 The Pool Board will review its membership annually and will consider requests for new members to join or existing members to leave provided applications to join or leave are made at least 2 months prior to the Ministry of Housing Communities and Local Government (“MHCLG”) deadline for pre designation of a Pool each year.
- 1.3 The Pool is open to the possibility of accepting additional members to its pooling arrangement. New members, as existing members, will be accepted subject to:

- There being a unanimous decision of the Pool Leaders to accept the new member(s)
- New membership will begin from 1 April of the following financial year
- Consultation and designation requirements of MHCLG.
- Their full acceptance of the MHCLG's Business rates retention scheme – pooling prospectus and any subsequent amendments to or iterations thereof.

2. Duration

- 2.1 Subject to the pool being designated by MHCLG, the pool will come into effect from 1 April 2019. The period of membership will be for a minimum of the 2019/20 financial year.
- 2.2 The Pool is a voluntary arrangement and Members will be able to review their continuing membership up to [2 months] prior to the annual nomination of the forthcoming year's Pool in accordance with MHCLG's timetable.
- 2.3 Should a Member withdraw from the Pool during the annual settlement consultation period the Pool will be dissolved in accordance with MHCLG rules.

3. Governance

- 3.1 A Pool Board consisting of a representative from each of the Members will be responsible for the Governance arrangements of the Pool.
- 3.2 The Pool Board will be made up of one nominee from each of the Members, being the Leader/Chief Executive or nominated substitute.
- 3.3 Each Member will have equal voting rights and voting will be by a simple majority. If there are an equal number of votes for/against a decision, the Chair will provide a casting vote.
- 3.4 A schedule of meetings will be agreed annually in advance of each financial year and a quorum for meetings will be 50% of the Membership of the Pool Board.
- 3.5 The Board will be hosted in each turn by each Member and chaired by the host Member.
- 3.6 The Pool Board will receive appropriate Legal and Financial support as required from the Lead Authority.
- 3.7 The Members shall at its first meeting agree terms of reference for the Pool Board, subject to the clauses as contained in Section 4 of these Heads of Terms.

4. Pooled Fund

- 4.1 The Pool will be based upon a "No Loss" basis for each Member.
- 4.2 "No loss" is determined to be that a Member will be no worse off
- By being a Member of the Pool than they would have been if they had not been a Member of the Pool. Each Member will retain the income they would have received if they were not a member of the Pool.

- No Member will be worse off as compared with previous pool arrangements for Staffordshire and Stoke on Trent Business rates Pool (2012) or Greater Birmingham and Solihull Business Rates Pool.
 - No Member will be worse off as a result of the increased retained % arising from the agreed Tier Splits of the Pilot Scheme.
- 4.3 Each Member will retain the net Business Rates calculated in accordance with the 50% Business Rates Scheme (pre to any Levy Deduction). Member authorities will pay the same level of tariff or receive the same level of top up and receive the same level of safety net payment as if they were not in the pool;
- 4.4 Tariffs/Top ups for each Member as determined by the Annual Settlement, as adjusted for the consolidation of Revenue Support Grant and Rural Services Grant will be paid into/ received from the Pool via the Accountable Body in accordance with the timetable as approved by the Board. The accountable body will be responsible for payment/ receipt of the net Tariff or Top Up due to/from Central government.
- 4.5 Additional income in excess of the amount that would have been retained under the 50% Business Rates Scheme will be paid into the pool via the Accountable Body no later than the point at which they would otherwise have been paid to the Government had no pool existed.
- 4.6 The pool will be distributed in accordance with the following methodology
- The Accountable Body will receive a fixed annual sum of £XX,000
 - Each Member Authority will receive a guaranteed payment of £200,000 per annum
 - Compensation to a Member arising from the change in tier splits between the 50% and 75% scheme whereby an authority is worse off due to the increased % arising from the pilot.
- 4.7 The residual balance representing “ongoing growth” to 31 March 2019 and new growth thereafter will be split in accordance with the following Tier Splits reflecting the growth achieved by that Member

Two Tier Authorities	Growth to 3 /3/2019	(Growth thereafter 75% Scheme)
Staffordshire County Council	59%	34%
Staffordshire Fire and Rescue Service	1%	1%
District /Borough Councils	40%	40%
Unitary Authority	Growth to 31/3/2019	Growth thereafter (75 % Scheme)
Stoke-on-Trent City Council	99%	74%
Staffordshire Fire and Rescue Service	1%	1%

- 4.8 The above distribution mechanism will remain in place for the duration of the pool
- 4.9 The distribution of pooled funds will be made by 30 June following the end of the relevant financial year.

- 4.10 Billing authority Members will retain their own collection funds and will retain their existing responsibility for bearing any shortfall in collected business rates.

5. Levy Savings

- 5.1 The amount retained by each Member is gross of the 50% levy payments that would have been paid to the Government. Each Member will determine how such Levy savings are distributed and are outside of the remit of the pool. However the pool is to operate on a “no detriment” basis with other partners/stakeholders.
- 5.2 Each Member should agree with the relevant partner or body how/whether existing arrangements are to be addressed

	S&SOT (2012)	GBS Pool
Local Retention- Tariff	40%	32.5%
- Top Up		7.5%
Economic Development	40%	40%
Contingency	20%	20%

6. Safety Net/Contingency Fund

- 6.1 If a Member’s business rate income drops by more than the Government determined safety net trigger, then a Party will be entitled to receive a Safety Net Payment from the Pool.
- 6.2 The overall Pool, under pilot arrangements, will receive a Safety Net payment that guarantees 95% of its Baseline figure. Individual Members are not protected by the Government Safety Net provision. However in accordance with the “no detriment provision” existing 50% Business Rates Retention safeguards will apply.
- 6.3 Safety Net payments ensuring each authority receives 92.5% of its Business Rates Baseline will be paid from the Pool. The payment will match any safety net payments that would otherwise be made if they were outside the Pool.
- 6.4 At the formation of the pool each Member will be required to transfer to the Accountable Body their proportion of the Contingency Fund held within the Staffordshire and Stoke on Trent Business Rates (2012) Pool or Greater Birmingham and Solihull Business Rates Pool.
- 6.5 In addition, in accordance with previous pooling arrangements, Members will make a contribution amounting to 20% of its Levy Saving to the Contingency Fund.
- 6.6 The amount of the Contingency Fund will be reviewed on an annual basis by the Pool Board.
- 6.7 If in a Financial Year there are insufficient sums in the Contingency Fund then Staffordshire County Council and Stoke-on-Trent City Council will transfer an amount equal to the shortfall to enable the Contingency Fund to make the Safety Net Payments. This payment will be split on a pro rata basis, based on respective population sizes in the two areas.

- 6.8 Staffordshire County Council and Stoke-on-Trent City Council will be reimbursed for any such payments made from the contingency in the following financial year.
- 6.9 Safety net payments will be made as a first call on sums in the contingency fund, before reimbursements are made.
- 6.10 The Contingency Fund will be reviewed on an annual basis by the Pool board. Where the existing contingency fund is, or is anticipated to be, insufficient, the % of the “levy savings” will be amended to increase the proportion allocated to the contingency fund and to reduce the allocation to the local incentive fund accordingly on a pro rata equal basis as agreed by the Pool Board.
- 6.11 If Staffordshire County Council and Stoke City Council are required to make Payments to the Contingency Fund in two (plus) consecutive Financial Years then they may notify the Members that a Variation to or Termination of the is needed.

7. The Lead Authority/Accountable Body

- 7.1 The Pool Board will nominate the Finance Shared Service for Cannock Chase/Stafford Borough as Lead Authority.
- 7.2 The Lead Authority is responsible for all accounting and administration of the Pooled Fund and the Contingency Fund.
- 7.3 The Lead Authority is responsible for all auditing and accounting requirements as set out in legislation.
- 7.4 Each Member is be required to provide all relevant information to the Lead Authority as required to carry out its responsibilities. [to be determined by MHCLG].
- 7.5 Each Member will transfer the relevant funds to the Lead Authority enabling the Lead Authority to carry out its responsibilities under this agreement.
- 7.6 The Members agree that the Pool will operate on a cash flow neutral basis. Payments should be actioned in accordance with the dates as determined by MHCLG (as reasonably practical) on a net basis.
- 7.7 In addition Members will be required to provide medium term forecasts and monitoring information as determined by the Pool Board.
- 7.8 The Lead Authority will be accountable for producing as a minimum an annual report to the Pool Board or other such reports as required by the Pool Board.
- 7.9 The Lead Authority will be subject to no additional burdens other than those required to meet the normal requirements associated with the administration of the Pool and will receive an agreed fixed annual sum (as determined by the Board) for undertaking the Accountable Body status ..

8. Termination

- 8.1 A Pool will remain in place for each financial year that it has been designated by MHCLG. Once designated, Members are not able to withdraw from the Pool for that financial year.

- 8.2 Prior to designation, the Pool is on a voluntary basis and all members will be able to choose to be a Member of the Pool for the forthcoming year's designation. In considering their continued Membership, Members will need to have due regard to the Pool Fund aims and objectives and the impact on remaining Members.
- 8.3 Members must give a minimum of 2 months' notice of intention to withdraw from the Pool prior to the provisional designation of the Pool in accordance with MHCLG' s timetable.
- 8.4 If a Member or Members leave the Pool without the required notice set out in 8.3 and it is not possible for other Members to form an alternative pool for the forthcoming year then the exiting Member or Members shall pay 25% of the lost benefit to the Member Authorities directly affected in accordance with the Tier splits. The lost benefit relates to the additional retained growth as compared to the 50% scheme that would have been available to the Members in the forthcoming year had the Member or Members not exited.
- 8.5 Clause 8.4 of this Memorandum of Understanding shall not apply to the first year of the Pool or if the Pool Board unanimously agrees that it shall not apply.
- 8.6 In the event that the Pool is terminated the Pool Board must unanimously agree how any balances in the Pooled Fund or the Contingency Fund are shared amongst the Members. For the avoidance of doubt this will include both positive and negative balances which will be netted off each other. If the pool board cannot reach a unanimous decision then the matter will be referred to mediation and/or arbitration as per the dispute resolution procedure set out in the pooling agreement.

9. Other Terms

- 9.1 The Pooling Agreement will also include other terms standard in xxxxx documents of this type e.g.: Freedom of Information Act provisions, anti-discrimination provisions, Data Protection Act provisions etc.
- 9.2 Each Member will be responsible for its own legal fees in connection with the drafting, negotiation and completion of the Pooling agreement.
- 9.3 A dispute resolution shall be included in the Pooling agreement.

Signed (for and on behalf of):.....

Name:.....
Title:.....
Date:.....



Ministry of Housing,
Communities &
Local Government

Business Rates Pilot Scheme 2019/20

Application Form

This application form will be used to assess your application to pilot 75% business rates retention in 2019/20. Where relevant, further evidence to support points raised in this form may be included as an annex. Please note that authorities cannot apply to pilot 75% business rates retention as part of more than one application.

Information provided in response to this application may be published or disclosed in accordance with the access to information regimes – these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018 (DPA), the EU General Data Protection Regulation, and the Environmental Information Regulations 2004).

The personal data you provide as part of this application will be held on a secure government system in line with the department's [personal data charter](#). Contact details will only be used for contacting you about your application or to update you on our work relating to local government finance reforms.

For any questions relating to the application process, please email:

Businessratespilots@communities.gsi.gov.uk.

FAQs relating to applications will be published on the Government publications website at <https://www.gov.uk/government/publications/75-business-rates-retention-pilots-2019-to-2020-prospectus>

1. Application Contact Details

Please include details of the lead pilot authority and lead official responsible for responding to any departmental queries relating to the pilot application.

a. Name of lead pilot authority	<i>Cannock Chase/Stafford Borough Council (Shared Services)</i>
b. Name of lead official	<i>Bob Kean</i>
c. Lead official job title	<i>Head of Finance /Section 151 Officer (Shared Services)</i>
d. Lead official email address	<i>BobKean@cannockchasedc.gov.uk</i>
e. Lead official contact phone number	<i>01543 464334 /01785 619241</i>

2. Membership of the Proposed Pool

Please list all authorities belonging to the proposed pilot pool below. The application cannot be considered valid unless all of the listed members have endorsed all parts of the application (see Annex A). You can insert/delete lines as needed.

For the authority type box, please write down one of the following options for each participating authority: (1) Fire; (2) London Borough; (3) Metropolitan district; (4) County; (5) Shire District; (6) Greater London Authority; (7) Unitary Authority.

Authority name	Authority Type
<i>Staffordshire County Council</i>	<i>(4) County</i>
<i>Stoke-on-Trent City Council</i>	<i>(7) Unitary Authority</i>
<i>Staffordshire Commissioner Fire and Rescue Authority (SCRFA)*.</i>	<i>(1) Fire</i>
<i>Cannock Chase District Council</i>	<i>(5) Shire District</i>
<i>East Staffs Borough Council</i>	<i>(5) Shire District</i>
<i>Lichfield District Council</i>	<i>(5) Shire District</i>
<i>Newcastle under Lyme Borough Council</i>	<i>(5) Shire District</i>
<i>South Staffordshire District Council</i>	<i>(5) Shire District</i>
<i>Stafford Borough Council</i>	<i>(5) Shire District</i>
<i>Staffordshire Moorlands District Council</i>	<i>(5) Shire District</i>
<i>Tamworth Borough Council</i>	<i>(5) Shire District</i>
<i>*The Staffordshire Commissioner is responsible for Police, Fire and Rescue and Crime services and is a partner to the application in that overriding capacity.</i>	

3. Membership details and pooling arrangements

Please answer all of the questions below using short and concise answers. Section 4 will allow you to outline your pilot proposal in more detail.

<p>a. Have all members included in the pilot area endorsed all parts of this application?</p> <p><i>(Please ensure that Annex A is signed by s.151 officer of each area and returned as part of the application to evidence this.)</i></p>	<p>Yes</p>
<p>b. Do any members of the proposed pool belong to any other current pool?</p> <p><i>(If 'no', please move to question 3.d.)</i></p>	<p>Yes</p>
<p>c. If any members of the proposed pool belong to any other current pool, have other members of such pool been informed that the authority is applying to become a pilot as part of a different pool?</p>	<p>Yes</p>
<p>d. Are there any precepting authorities that are not part of the proposed pilot area?</p> <p><i>(If 'yes', please move to question 3.e.)</i></p>	<p><i>No. The Staffordshire Police and Crime Commissioner is a full partner to the pilot area</i></p>
<p>e. If there are any precepting authorities that are not part of the proposed pilot area, are these precepting authorities aware of this proposal?</p>	<p>N/A</p>
<p>f. Are all members of the proposed pilot area willing to collaborate with MHCLG officials on system design of the new business rates retention system, sharing additional data and information, as required?</p>	<p><i>Yes. All members are keen to contribute to the vision, transitional and operational elements of the 2019/20 pilots. In addition to contributing to transition issues from 50% to 75% scheme in relation to Appeals provisions; Tier splits; Section 31 grants; Transfer between Central and Rating Lists; treatment of Enterprise Zones; Resets and pooling etc. we also wish to contribute to how the administrative and financial impact of the above can be reduced and in particular how the Business Rates Retention system can be simplified enabling true growth to be identified and rewarded.</i></p>

g. How does the pilot pool propose to split non-domestic rating income in two-tier areas?*

(F.ex. the pilot pool could propose to split the shares as in the current 50% business rates retention, or propose to test different kinds of tier split arrangements as part of the pilot.)

*(*The department will use this information in regulations to designate a tier split for the pooled pilot area. In practice, the pilot pool will be given one overall tariff or top-up, and the members of the pool can agree to change the headline tier split.)*

The pilot is unique in that it is based upon the additional 25% rewards of the 75% scheme being passported to upper tier authorities reflecting the additional cost burdens of an ageing population and increasing numbers of vulnerable children, but at the same time, recognising the need to maintain the essential preventative role of Districts/Boroughs in relation to social care and wellbeing. It reflects a distinct balance between incentive based rewards but at the same time mitigating the risks from volatility. This would be achieved by enhancing the countywide growth aspirations to deliver sustained economic growth via the relevant rewards from piloting 75% business rates retention, but at the same time mitigating the risk to upper tier authorities.

To this end the following local agreement on tier splits would be piloted.

Two Tier Authorities	2019 Pool (75%)	Current (50%)
Staffordshire County Council	34%	9%
Fire and Rescue Service	1%	1%
District /Borough Councils	40%	40%
Unitary Authority	2019 Pool (75%)	Current (50%)
Stoke-on-Trent City Council	74%	49%
Fire and Rescue Service	1%	1%

Inevitably such a tier split carries with it greater risk however our own Governance arrangements ensure that no authority will be worse off as compared to the current 50% pooling arrangements that exist within Staffordshire and in particular the change in Tier Splits.

The risk and reward relationship is embedded in the proposed internal Governance arrangement of the pool but the pilot would also be keen to pilot any other proposed changes arising from the design of the 75% scheme to help manage the level of risk and reward open to Councils in multi-tier areas

<p>h. Do you propose to retain any of the additional 25% of retained business rates in an investment pot or similar and distribute this after 2019/20? <i>(If 'no', please move to question 3.j.)</i></p>	<p><i>No – the pilot fully intends to utilise the additional resources in year (see Details of Proposals 4b) both from a financial sustainability perspective and as a funding enabler to develop and implement the medium term delivery plans of the Strategic Economic Plans for its area. If in the eventuality of non-delivery in year the earmarked allocations will be rolled over to 2020/21</i></p>
<p>i. If any of the additional 25% of retained business rates are kept in an investment pot or similar, how will this be distributed after 2019/20?</p>	
<p>j. What is the anticipated income above baseline funding level for the pilot pool over 2019/20 (in £)?</p>	<p><i>The Staffordshire Wide Pilot Proposal is estimated to generate additional resources of some £13.3 million in 2019/20. In accordance with the Proposed Tier Splits, as outlined above, £9.5 million (71%) would be directly allocated to the two upper tier authorities and £3.8 million to the other authorities. All eleven authorities would benefit from the pilot from both a financial sustainability aspect and investment initiatives. The proposal would secure, as a minimum, £2.9 million of ongoing resources to Maximise Economic Growth. A successful pilot application would also release £5.8 million of existing resources (please see Page 8 Details of Proposals)</i></p>

<p>k. What is the business rates base of the proposed pilot area like and what is its relevance to the economic geography of the area?</p> <p><i>(F.ex. you could describe the size and types of hereditaments in the area, business sectors relevant to the area, or the size of your business rates base in relation to baseline funding levels.)</i></p>	<p><i>The proposed pilot area is considered to be of a sufficient scale and diversity that would be ideal for a pilot. The total Rateable Value for the pilot area is some £967 million, and includes 2 Enterprise Zones and Renewable Energy Schemes .The proposed pilot area would represent the largest Rateable Value for a County area in the East/ West Midlands Regions.</i></p> <p><i>The area incorporates a wide range of industries reflecting Staffordshire’s rural, peri-urban and urban economy. Whilst urban areas account for a large proportion of our population and economic activity, around 80% of the area is classified as rural and these areas are also home to a large segment of the population and strong base of enterprise and employment. At the one end of the scale Stoke on Trent is classed as “4. Urban with City and Town” within the ONS Rural Urban Classification whereas Staffordshire Moorlands is classed as 64.4% “2. Largely Rural “.</i></p> <p><i>The area is on a journey of economic transformation as reflected in the recent demise of Rugeley Power Station. Its industrial heritage of coal mining and potteries as changed to high tech manufacturing, logistics and tourism. The i54 development combined with transport and digital infrastructure and the development of a regional Retail Outlet Centre are notable successes. Analyses of Rateable Values illustrate this diversity within the area. Warehouses, Factories and Workshops combined represent 32% of our Rateable Value yet the single highest rateable value is Alton Towers Theme Park. Whilst this represents less than 1% of our combined Rateable Value it represents exactly 15% of Staffordshire Moorlands Rateable Value.</i></p> <p>The business rates Gearing ratio, reflecting the resources available compared to assessed need within Staffordshire ranges from 0.24 to 6.91.However the overall ratio for the area is 0.89 and is close to the optimum in balancing risk and reward.</p>
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<p>I. What pooling arrangements would the members of the pilot like to see if their application to become a pilot is unsuccessful?</p>	<p>Authority</p>	<p>Proposed Pooling Arrangement if Unsuccessful</p>
	<p><i>Staffordshire County Council</i></p>	<p><i>Staffordshire & Stoke on Trent Pool</i></p>
	<p><i>Stoke on Trent City Council</i></p>	<p><i>Staffordshire & Stoke on Trent Pool</i></p>
	<p><i>Staffordshire Commissioner Fire and Rescue Authority</i></p>	<p><i>Staffordshire & Stoke on Trent Pool</i></p>
	<p><i>Cannock Chase District Council</i></p>	<p><i>Greater Birmingham & Solihull Pool</i></p>
	<p><i>East Staffs Borough Council</i></p>	<p><i>Greater Birmingham & Solihull Pool</i></p>
	<p><i>Lichfield District Council</i></p>	<p><i>Greater Birmingham & Solihull Pool</i></p>
	<p><i>Newcastle Under Lyme Borough Council</i></p>	<p><i>Staffordshire & Stoke on Trent Pool</i></p>
	<p><i>South Staffordshire District Council</i></p>	<p><i>Staffordshire & Stoke on Trent Pool</i></p>
	<p><i>Stafford Borough Council</i></p>	<p><i>Staffordshire & Stoke on Trent Pool</i></p>
	<p><i>Staffordshire Moorlands District Council</i></p>	<p><i>Staffordshire & Stoke on Trent Pool</i></p>
	<p><i>Tamworth Borough Council</i></p>	<p><i>Greater Birmingham & Solihull Pool</i></p>
<p>m. How would the pilot area deal with residual benefits/liabilities once the pilot ends?</p>	<p><i>The pilot is not a short term proposal but a long term commitment to maximise economic growth by working in collaboration with partners across the Midlands Region. As in any partnership arrangements the mechanism for dealing with the pool no longer existing are covered in the proposed Governance arrangements for the pool (see attached). In utilising resources in year, and incorporating existing contingency funds, potential residual liabilities will be kept to a minimum.</i></p> <p><i>In the event that the Pool is terminated the Pool Board must unanimously agree how any balances in the Pooled Fund or the Contingency Fund are shared amongst its Members. The residual benefits (or liabilities) will effectively be allocated in accordance with tier splits subject to no authority being worse off as compared to the current 50% scheme.</i></p>	

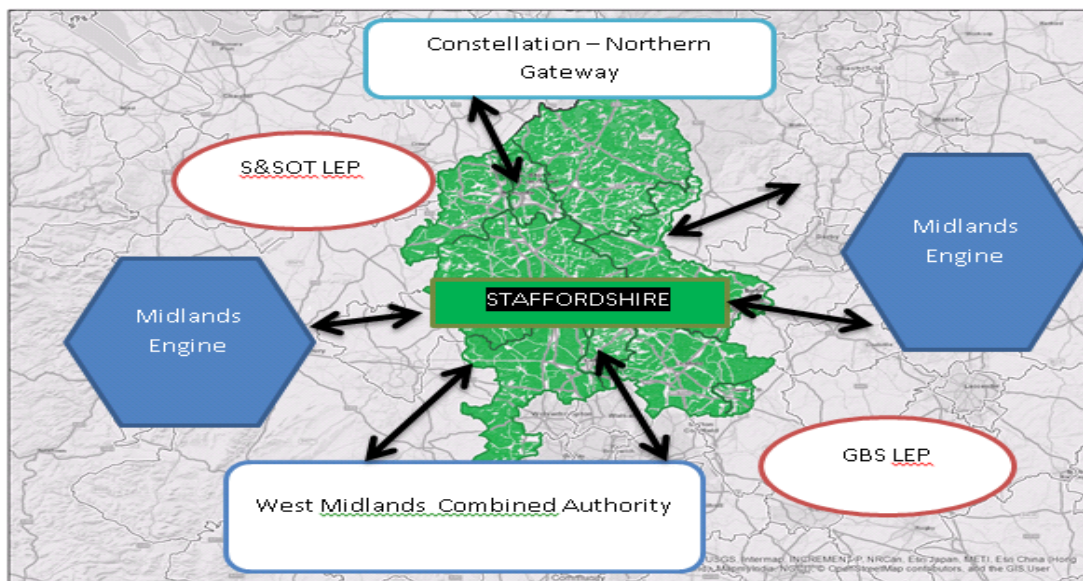
4. Details of the pilot proposal

Please explain how your proposal fulfils each of the below criteria for becoming a 75% business rates retention pilot in 2019/20 (as outlined in 3.2 of the 'Invitation to Local Authorities in England to pilot 75% Business Rates Retention in 2019/20'). If relevant, you may reference answers provided in section 3 of this application form and use this section to provide more detail on the responses. Although there is no formal word limit for answers provided in this section, please be as concise as possible.

a. How does the proposed pilot operate across a functional economic area?

The proposed pilot reflects the entire Staffordshire geographical area however Staffordshire's actual functional economic area is unique in that the Staffordshire and Stoke on Trent Area is at the heart of future economic growth not only for the West Midlands but the Midlands as a whole.

Growth within Staffordshire is co-ordinated and delivered at County /City level in partnership with the Staffordshire and Stoke On Trent Local Enterprise Partnership however Staffordshire authorities have in addition developed partnerships with the Constellation-Northern Gateway: West Midlands Combined Authority; Greater Birmingham and Solihull Local Enterprise Partnership and the Midlands Engine. In addition the I54 development was in collaboration with Wolverhampton City Council.



The overriding objective of the Pilot is to put in place a mechanism to maximise Economic Growth. Regardless of the bodies that currently exist or are formed to progress the Industrial Strategy for the Midlands, the area is committed to maintaining; creating and developing partnerships to ensure Staffordshire can operate in a in a connected; co-ordinated and competitive manner but with due regard to the economic diversity of its area. Its synergistic working is not constrained by administrative boundaries but allows the strengths of the public and private sectors to deliver across a wider economic geography. This will not only increase the prosperity and opportunities for all Staffordshire residents but also ensure that it plays a key role in regional growth.

Appendix A) to this Application provides details of the Successes of joint working to date and anticipated future benefits

b. How does the pilot area propose to distribute and use the additional 25% of retained business rates growth across the pilot area?

The economic area of Staffordshire and Stoke on Trent has fully embraced the Business Rates Retention Incentive Scheme as a key driver in its Industrial /Growth Strategy. Our ultimate objective is to maximise the resources generated and retained within Staffordshire by collaborative working that enables

- *the area's economy to be more productive; diverse; resilient and innovative (**Ideas**)*
- *the area's workforce to be better qualified, skilled and adaptable (**People**);*
- *opportunities from its key connectivity networks - digital ,roads , railways (HS2) to be developed and maximized) (**Infrastructure**)*
- *its environment to be a more attractive, safer and healthier place to live (**Place**)*
- *the best place to start and grow a business (**Business Environment**).*

However in 2019/20 the Staffordshire "wide "pilot specifically aims to deliver:

- *the generation of additional resources for social care both in the form of direct service provision, and preventative care*
- *recognize the fundamental role of police in relation to Place; the Economy and Prosperity*
- *the trial of changes in tier splits for two tier authorities to help manage the level of risk and reward open to Councils in multi-tier areas, and*
- *that the proposed 100% Business Rates scheme can operate across the unique and complex Economic Geography of Staffordshire and hence is a catalyst to maximise Economic Growth.*

The cornerstone of the pilot is financial sustainability and to this end as shown in the response to question 3h) the pilot does not intend to use the resources post 2019/20 but actually utilize the resources in year to meet cost pressures but also to release investment resources to deliver the Strategic Economic Plan.

A fundamental criticism (National Audit Office) of Business Rates Retention to date, is that the scheme, and in particular the caution required in dealing with volatility and appeals, has not allowed business rates growth to fund service delivery. This as at a time when the local government sector has been subject to unprecedented levels of funding reductions and (unfunded) service pressures. The 2019/20 financial year represents a fallow period awaiting the Fair Funding Review; the full introduction of a 75% Business Rates Scheme and the Reset of Business Rates and financial sustainability in that year is fundamental pending the redress of relative needs and resources.

The Pilot will therefore allocate £9.5 million or 71% of the additional funding to the upper tier authorities to protect front line services.

The Pilot will in addition release a minimum of some £2.9 million of investment resources to enable future economic growth to be delivered.

£ 0.2 million will be allocated to the Police & Crime Commissioner to determine how the Safer Place partnership agenda can be extended but in particular how an overarching strategy can be developed that ensures economic and business crime prevention is at the hub of Industrial /Economic Growth Strategy.

The Area has successfully modelled co-location and co-working as part of its People and Place Policing and Partnership working and extending this to the Economic and Prosperity Agenda is a natural progression.

At present the planning and delivery of the Economic Growth via the Strategic Economic

Plan(SEP) has been constrained by the uncertainties that exist in relation to the future of Local Enterprise Partnerships and their funding and the complexities of the Business Rates System. In particular a 12 month gap has existed between business rates growth and funding being reflected in the Delivery Plans of LEP'S and Investment pots.

A successful pilot application, and the additional resources provided, will enable the 40% allocation to Economic Development by each of the 8 Districts /Boroughs from Business Rates Growth to be directly invested in the 2019/20 financial year.

In addition to providing additional resources to existing projects as contained in SEP Enabling Plans notably :-

- *Employment &Skills Resources*
- *Innovation Enabler*
- *Strategic Employment sites*
- *Business Support/ Access to*
- *Cultural economy*
- *Towns / Local Urban Centres*
- *Strategic Connections*
- *Inward Investment & Trade*

The £2.9 million can be released as a priority to develop delivery plans in relation to:-

- *advanced manufacturing*
- *life sciences and healthcare*
- *business, professional and financial services*
- *creative industries*
- *energy technologies and services*
- *digital technologies*
- *emerging and disruptive technologies*

A Central Investment pot of £5.8 million has then been earmarked to invest in specific projects as part of a self-funding rolling programme whereby projects provide a rate of return as measured by the Business Rates Growth retained.

To fulfil this ambitious agenda it is essential that current service delivery is maintained and the importance of financial sustainability cannot be underestimated.

Key factors in Financial Sustainability as reported in the National Audit Office Report of March 2018 are the unfunded cost pressures ,of an ageing population and increasing numbers of vulnerable children, and the quantum/allocation of Funding provided as part of the Local Government Finance Settlement

The four year settlement for the period 2016/17 to 2019/20 set out to ensure councils delivering the same set of services receive the same percentage change in 'settlement core funding' for those sets of services however this has not happened in practice. The two Upper Tier authorities have to date been subject to the same reductions in theoretical core spending power as its respective tier authorities but have not received any transitional funding or rebate of negative support grant to offset this. In particular 2019/20 will see a further £66 million of the £153 million rebate of negative support grant being implemented for County Councils that will not directly benefit Staffordshire County Council with a similar position applying to Stoke on Trent City Council.

In each of the four years of the settlement the Staffordshire Area has had between the 2nd and 4th greatest reduction in core spending power of the 38 County areas in England. A comparison to the average reduction shows that the area has been under funded commencing at 1.5% in 2016/17 and projected to increase to 3.4% in 2019/20. This represents a cumulative reduction in resources available to the area, excluding the additional resources provided as part of 2018/19 pilot applications, of £67.8 million over this period.

Appendix B) to this Application details this Financial Sustainability issue.

In considering pilot applications and to promote financial sustainability we firmly advocate that the inequalities of the 2016/17 to 2019/20 settlement are fully taken into account.

c. How does the pilot area propose to arrange its governance for strategic decision-making around the management of risk and reward? How do the governance arrangements support proposed pooling arrangements?

The principle aim of the pool is to maximize sustainable economic growth and hence provide the resources for service delivery /financial sustainability and investment funds to enable future economic growth to be delivered. In essence the size of the proposed pool and its gearing ratio reflects the initial government objective of 100% rates retention. it provides the right level of balancing risk and reward with every additional pound raised in increased business rates results in an additional pound of local spending,.

The Economic Growth agenda is driven within Staffordshire at Leader level supported through the Chief Executives Officer Group and the Chief Finance Officers Group. Strategic Decision Making at this level enables the economic geographies and partnership arrangements as described in 4a) to be fully dovetailed. Partnership initiatives represent a key element of the Agenda with the S&SOT Lep; GBS Lep; Constellation: Midlands Engine and Combined Authority each having a Lead Member / Officer.

A separate Pool Board will be responsible for the Governance arrangements of the pool itself with a shared risk and reward ethos building on the success and track record of the existing pools.

The management of risks and rewards reward is effectively reflected in the tier splits whereby each authority will retain their respective proportion of growth. There is a clear incentive to grow however the arrangements recognise that due to the nature of each authority some might not be capable of growing at all or may potentially contract. Growth varies from 4% to 23% across the area, nevertheless it is intended that all authorities will benefit from the proposed pilot with each authority guaranteed a minimum £200,000 of additional resources.

In passing the increase in tier splits from a 75% scheme, entirely to upper tier authorities the pool intends to mitigate the risk by operating a no detriment policy within the pool. To this end the pool will operate on a no loss basis for each authority.

- Upper Tier authorities will be no worse off as a result of the change in tier splits*
- Each Member of the Pool will retain the income they would have received if they were not a member of the pool*
- No member will be worse off as compared with previous pool arrangements*

Safety net payments to an individual authority will be made in accordance with the 50% scheme and existing contingency fund reserves will be consolidated within the new pool. If in any financial year insufficient sums exists from the Government, via pool /pilot safety net provisions and the Contingency Fund of the pool itself the County Council will meet the shortfall and will be reimbursed from the proceeds of the pool in the following year. In the event that the Pool is terminated the Pool Board must unanimously agree how any balances negative or positive in the Pooled Fund or the Contingency Fund are shared amongst the Members

The above represent worse case eventualities and the key focus of operational working will be order to ensure funds are utilised as soon as practically possible and reflected in decision making for 2019/20. In particular Staffordshire and Stoke on Trent Chief Finance Officers Group will oversee the NNDR1 submissions; Budget assumptions and undertake quarterly monitoring to feed into the bi – monthly Strategic Decision meetings as appropriate.

A copy of the Governance arrangements for the Staffordshire and Stoke on Trent Pool is attached as Appendix C) to the application. The Governance arrangements detail the Membership of the Pool; its Duration; Governance & Voting Rights; Amounts to be Pooled and Distribution methodology: Safety Net: Accountable Body and Termination.

5. Submitting your application

Please return this form and Annex A with signatures of all s.151 officers from proposed pilot pool's member areas by the deadline of 25 September 2018. Where relevant, further evidence of points raised in this form may be included as an annex.

Please submit your completed application to:

businessratespilots@communities.gsi.gov.uk

or

Business Rates Reform; Local Government Finance; Fry Building, 2 Marsham St,
Westminster, London SW1P 4DF.



Annex A – Evidence of authorisation

a. Name of lead pilot authority	
b. Name of lead official	
c. Lead official job title	
d. Lead official email address	
e. Lead official contact phone number	

Please include the signatures of each member area's s.151 officer to evidence that all parts of your application have been fully endorsed by authorities listed in section 2 of the pilot application form. You can insert/delete lines as needed.

Authority name	Name of s.151 officer	Signature
<i>Staffordshire County Council</i>	Andrew Burns	
<i>Stoke on Trent City Council</i>	Nick Edmonds	
<i>Staffordshire Commissioner Fire and Rescue Authority</i>	David Greensmith	
<i>Cannock Chase District Council</i>	Bob Kean	
<i>East Staffs Borough Council</i>	Sal Khan	
<i>Lichfield District Council</i>	Anthony Thomas	
<i>Newcastle Under Lyme Borough Council</i>	Kelvin Turner	
<i>South Staffordshire District Council</i>	James Howse	
<i>Stafford Borough Council</i>	Bob Kean	
<i>Staffordshire Moorlands District Council</i>	Andrew Stokes	
<i>Tamworth Borough Council</i>	John Wheatley	
<i>Staffordshire Police & Crime Commissioner</i>	<i>Jane Heppel</i>	

Business Rates Pilot Scheme 2019/20
Staffordshire & Stoke on Trent – Application Form
Appendix B: Financial Sustainability

Introduction

A key element of the Business Case Pilot application, pending the outcome of the Fair Funding Review, is to provide essential funding that contributes to the financial sustainability of each authority within Staffordshire, but particularly upper tier authorities, in the 2019/20 Financial Year financial Sustainability has been jeopardised, as compared to other authorities, due to inequalities in funding distribution. Although all authorities have borne the unfunded cost pressures that impacts directly on sustainability the Staffordshire area has not received the benefits of Transitional Funding; Abatement of Negative Revenue Support Grant and has been penalised by Core Funding representing a greater proportion of funding as compared to Council Tax.

Executive Summary

A key element of financial sustainability as highlighted in the National Audit Report of March 2018 is the distribution of funding by MHCLG. The objective of the allocation of Central Funding, since 2016/17 has been to ensure that “*councils delivering the same set of services receive the same percentage change in ‘settlement core funding’*”.

In utilising the 2019/20 indicative figures, as provided by Government, the Staffordshire Area is set to receive the 5th highest reduction in real terms core spending power as compared to the 2015/16 levels. This Indicative spending power does not include Business Rates Growth but does include the other incentive regime of New Homes Bonus.

A more comparable indicator is to exclude New Homes Bonus and Better Care Funding, reflecting the limited timeframe of such funding. This revised Core Spending Indicator is in line with the Core Funding Definition that determined the framework for the four year settlement 2016/17 to 2019/20.

Over this period the Area has received a greater reduction in funding power, as compared to the average of all areas. The variance commenced at 1.5% in 2016/17 and is forecast to rise to 3.4% in 2019/20. This represents a cumulative reduction in resources available to the area of £67.8 million.

Background

In March 2018 the National Audit Office reported on the *Financial Sustainability of Local Authorities 2018*. The report stated that “*The Ministry of Housing, Communities & Local Government (the Department) views authorities’ ability to deliver their statutory services as the defining test of their financial sustainability*”

*The report went on to state that “compared with the situation described in our 2014 report, the financial position of the sector has worsened markedly, particularly for authorities with social care responsibilities. We noted in 2014 that the sector had coped well financially with funding reductions, but our current work has identified signs of real financial pressure. A combination of **reduced funding** and higher demand has meant that a growing number of single-tier and county authorities have not managed within their service budgets and have relied on reserves to balance their books”.*

A key element of financial sustainability as highlighted in the report is the “*distribution by MHCLG of the majority of funding voted by Parliament to support local authorities to deliver services*”. The key overriding document in relation to funding distribution is the 2015

Spending Review as reflected in the 2016/17 Local Government Settlement. The latter formed the basis of the four year settlement to 2019/20.

The settlement stated;

“For 2016-17, funding will be allocated to reflect the different sets of services provided by councils, as described in paragraph 2.2. The Government proposes to allocate central funding in a way that ensures councils delivering the same set of services receive the same percentage change in ‘settlement core funding’ for those sets of services described above. Core funding will take into account the main resources available to councils⁷, which for this purpose comprise:

- *Council tax income (including any Council Tax Freeze Grant)*
- *The Settlement Funding Assessment, comprising:*
 - *Estimated business rates income (baseline funding level under the rates retention scheme)*
 - *Revenue Support Grant. “*

The National Audit Office report went on to state:

“Since the 2015 Spending Review, the rate of reduction in spending power has dropped. From 2010-11 to 2016-17 it fell by 28.5%. But from 2016-17 to 2019-20, it is predicted to fall by only by a further 0.4% in real terms. “

Changes in Core Spending Power at County Area level

MHCLG on the 24 July 2018 issued its Technical Consultation on the 2019/20 Settlement
The consultation in particular

- Outlined the fourth year of the multi-year settlement offer for those councils that accepted the offer, and arrangements for those that did not.
- Outlined the Government’s proposals for dealing with the issue known as ‘Negative Revenue Support Grant’.

The proposals provide continuity of the approach in relation to the four year settlement however it provides an inequitable base in relation to the sustainability of a number of authorities and particular Staffordshire, unless addressed by other funding sources.

Annex A) provides an analysis of indicative core spending power for 2019/20, as contained in the 2018/19 Settlement, together with an analysis of core spending power for Staffordshire. It reveals that not only at overall Area level, but at each tier level, the Staffordshire and Stoke On Trent area has seen a greater reduction in spending power as compared to the other 37 County areas. It is quite evident from the analysis that Councils or areas delivering the same set of services have had markedly different reductions in spending power as compared to 2015/16.

- In relation to 2019/20 based upon the published indicative settlement the area will have an increase in (cash) spending power of 1.5% , as compared to 2015-16, which is the 5th lowest of the 38 areas and 1% below the average equating to a funding shortfall of £7.7 million.
- **However based upon proposed changes as included in the 2019/20 Technical Consultation and in particular the abatement of Negative Revenue Support Grant , the Area will have the 3rd lowest increase in spending power, being 1.7% below the average for all areas, and representing a funding allocation shortfall of £12.9 million for Staffordshire .**

- The 2019/20 data includes indicative New Homes Bonus Grant (NHB) and Better Care funding. Excluding both these elements*, in both 2015/16 and 2019/20, results in the area now having the 3rd highest reduction in spending power of 3.3%. This is some 3.4% below the average (The sector receiving a 0.1% increase) with a funding allocation shortfall of some £25.3 million for Staffordshire.

*Reflects the basis of 2016/17 settlement and the nature / duration of the grants NHB is a (rolling programme) incentive grant (similar to the growth element of Business Rates) ; Whereas Better Care Fund allocations were removed from the 2015/16 Spending Power calculations .The Better Care Fund provided grant funding to social care authorities to support adult social care alongside partner health bodies however it was subject to conditions , and partly was required to stabilise provider markets in addition to integration. The funding is however not a permanent feature of the system

The discrepancy is repeated at individual authority within Tiers as follows:

Table1: Comparison of Spending Power Reduction for Staffordshire Authorities as compared to other Tiers				
	Reduction In Spending Power	Rank /(out of)	Average Reduction for Tier	Loss of Equivalent Funding
	%		%	£m.
County Council	0.6	5 /(27)	(2.0)	12.3
Stoke On Trent	7.5	2 /(56)	1.3	12.2
Tamworth	11.4	9/(201)	5.1	0.45
Staffordshire Moorlands	11.2	10/(201)	5.1	0.56
East Staffordshire	10.3	21/(201)	5.1	0.59
Cannock Chase	10.2	24/(201)	5.1	0.53
Newcastle U. L.	9.5	29/(201)	5.1	0.54
Stafford	7.4	67/201	5.1	0.26
South Staffs	6.5	110/201	5.1	0.10
Lichfield	2.9	133/201	5.1	(0.19)

This situation has existed since the 2016/17 with the area effectively having an additional cumulative reduction in core funding of £67.8 million as shown in Table 2:

Table 2: Additional reduction in Core Funding as compared to the average all other areas					
	2016/17	2017/18	2018/19	2019/20	Total
Rank (out of 38)	2nd	2nd	4th	3rd	
% Variance to Tier Average	1.5%	1.9%	2.3%	3.4%	
Amount	£11.2m	£14.2m	£17.1m	£25.3m	£67.8m

Annex A: Reduction in Core Spending Power 2016/17 to 2019/20 for County Overall Areas

Area	2019/20 Core Spending Power			2016/17 to 2019/20 Core Spending Power Reductions%							
	As per 18-19	Adjusted for Neg RSG	Ex BCF & Illustrative NHB	2016/17		2017/18		2018/19		2019/20	
	% Reduct. Rank	% Reduct. Rank	% Reduct. Rank	% Reduct. Rank	% Reduct. Rank	% Reduct. Rank	% Reduct. Rank	% Reduct. Rank	% Reduct. Rank	% Reduct. Rank	
Durham	1.9% 9	1.9% 5	-4.1% 1	-3.9% 3	-5.1% 3	-4.3% 1	-4.1% 1	-3.9% 3	-4.3% 1	-4.1% 1	
Lancashire	1.9% 10	2.0% 6	-3.5% 2	-4.2% 1	-5.4% 1	-4.2% 2	-3.5% 2	-4.2% 2	-3.5% 2	-3.5% 2	
Staffordshire	1.5% 5	1.7% 3	-3.3% 3	-4.1% 2	-5.3% 2	-3.8% 4	-3.3% 3	-3.8% 4	-3.3% 3	-3.3% 3	
Suffolk	0.4% 2	0.8% 2	-2.6% 4	-3.5% 7	-4.4% 8	-3.6% 5	-2.6% 4	-3.6% 5	-2.6% 4	-2.6% 4	
Derbyshire	2.6% 17	2.7% 13	-2.6% 5	-3.5% 6	-4.9% 4	-3.4% 7	-2.6% 5	-3.4% 7	-2.6% 5	-2.6% 5	
Nottinghamshire	1.6% 7	1.7% 4	-2.5% 6	-3.8% 4	-4.7% 5	-3.0% 8	-2.5% 6	-3.0% 8	-2.5% 6	-2.5% 6	
East Riding of Yorksh	3.0% 21	3.0% 17	-2.4% 7	-3.4% 8	-4.7% 6	-2.7% 9	-2.4% 7	-2.7% 9	-2.4% 7	-2.4% 7	
Cambridgeshire	-0.3% 1	-0.1% 1	-2.1% 8	-3.6% 5	-4.1% 9	-3.6% 6	-2.1% 8	-3.6% 6	-2.1% 8	-2.1% 8	
Lincolnshire	2.5% 15	2.6% 11	-1.0% 12	-2.7% 16	-4.0% 10	-2.4% 12	-1.0% 12	-2.4% 12	-1.7% 12	-1.7% 12	
Cumbria	2.8% 19	3.0% 16	-1.6% 9	-2.2% 26	-3.8% 13	-2.5% 10	-1.6% 9	-2.5% 10	-1.6% 9	-1.6% 9	
Northumberland	3.0% 22	3.0% 18	-1.5% 10	-3.0% 9	-4.5% 7	-1.7% 15	-1.5% 10	-1.7% 15	-1.5% 10	-1.5% 10	
Essex	1.7% 8	2.1% 7	-1.2% 11	-3.0% 10	-3.5% 14	-2.4% 11	-1.2% 11	-2.4% 11	-1.2% 11	-1.2% 11	
Norfolk	2.9% 20	2.9% 15	-1.0% 13	-2.8% 14	-3.8% 12	-1.7% 16	-1.0% 13	-1.7% 16	-1.0% 13	-1.0% 13	
Cornwall*	2.8% 18	2.8% 14	-0.6% 14	-2.9% 12	-3.9% 11	-1.8% 13	-0.6% 14	-1.8% 13	-0.6% 14	-0.6% 14	
Devon	3.6% 25	3.7% 20	-0.5% 15	-2.5% 18	-3.4% 17	-1.3% 21	-0.5% 15	-1.3% 21	-0.5% 15	-0.5% 15	
East Sussex	2.3% 12	2.6% 10	-0.3% 16	-2.5% 19	-3.0% 20	-1.3% 20	-0.3% 16	-1.3% 20	-0.3% 16	-0.3% 16	
Hampshire	2.3% 13	2.7% 12	-0.1% 17	-2.9% 11	-3.5% 15	-1.4% 18	-0.1% 17	-1.4% 18	-0.1% 17	-0.1% 17	
Cheshire	4.0% 29	4.3% 26	-0.1% 18	-2.6% 17	-3.2% 18	-1.3% 19	-0.1% 18	-1.3% 19	-0.1% 18	-0.1% 18	
Leicestershire	4.2% 30	4.6% 29	0.0% 19	-2.9% 13	-3.5% 16	-1.8% 14	0.0% 19	-1.8% 14	0.0% 19	0.0% 19	
North Yorkshire	3.4% 24	4.0% 24	0.2% 20	-0.8% 35	-3.0% 21	-1.5% 17	0.2% 20	-1.5% 17	0.2% 20	0.2% 20	
Shropshire	5.6% 36	5.6% 34	0.3% 21	-1.7% 31	-2.7% 24	-1.1% 24	0.3% 21	-1.1% 24	0.3% 21	0.3% 21	

Area	2019/20 Core Spending Power			2016/17 to 2019/20 Core Spending Power Reductions%			
	As per 18-19	Adjusted for	Ex BCF &	2016/17	2017/18	2018/19	2019/20
	% Reduc Rank	Neg RSG % Reduct Rank	Illustrative NHB % Reducti Rank	% Reducti Rank	% Reducti Rank	% Reducti Rank	% Redu Rank
Herefordshire	3.7% 27	3.7% 21	0.7% 23	-0.3% 37	-1.8% 34	-4.0% 3	0.7% 23
Kent	3.2% 23	3.6% 19	0.7% 22	-2.8% 15	-3.2% 19	-1.1% 23	0.7% 22
Gloucestershire	3.7% 26	3.9% 23	0.9% 24	-2.0% 28	-2.3% 30	-0.9% 25	0.9% 24
Bedfordshire	2.2% 11	2.4% 9	1.1% 25	-2.2% 24	-2.6% 25	-0.3% 27	1.1% 25
Worcestershire	4.8% 32	5.5% 32	1.5% 28	-2.3% 23	-2.3% 29	-1.1% 22	1.5% 28
Hertfordshire	1.6% 6	2.2% 8	1.5% 26	-2.0% 29	-2.6% 26	-0.1% 29	1.5% 26
Somerset	4.9% 33	5.0% 31	1.5% 27	-2.1% 27	-2.4% 28	-0.2% 28	1.5% 27
Northamptonshire	5.5% 35	5.6% 33	1.9% 29	-2.5% 20	-2.6% 27	0.1% 31	1.9% 29
Dorset	2.5% 14	4.9% 30	2.5% 30	-2.3% 22	-2.9% 23	-0.3% 26	2.5% 30
Warwickshire	6.1% 37	6.5% 37	2.8% 31	-1.9% 30	-2.0% 32	0.1% 30	2.8% 31
Wiltshire	3.9% 28	4.4% 27	2.9% 32	-0.8% 36	-0.9% 37	1.2% 36	2.9% 32
West Sussex	5.4% 34	6.4% 36	3.5% 33	-1.5% 33	-1.5% 35	0.4% 32	3.5% 33
Berkshire	2.6% 16	4.6% 28	3.6% 34	-2.5% 21	-2.9% 22	0.8% 34	3.6% 34
Buckinghamshire	1.4% 3	3.8% 22	4.1% 35	-2.2% 25	-2.2% 31	0.6% 33	4.1% 35
Oxfordshire	4.5% 31	5.9% 35	4.2% 36	-1.7% 32	-1.8% 33	1.2% 37	4.2% 36
Surrey	1.4% 4	4.3% 25	4.7% 37	-1.2% 34	-1.4% 36	1.1% 35	4.7% 37
Rutland	7.3% 38	10.5% 38	9.1% 38	0.9% 38	0.7% 38	3.2% 38	9.1% 38
Average	2.5%	3.4%	0.1%	-2.6%	-3.4%	-1.5%	0.1%

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FINANCIAL AND PERFORMANCE MANAGEMENT REPORT TO END OF QUARTER ONE (April-June) 2018-19

Submitted by: Executive Management Team

Portfolio: Corporate & Service Improvement, People & Partnerships, Finance & Efficiency

Wards Affected: All

Purpose

To provide Cabinet with the Financial and Performance Review report with the Financial and Performance Review report – first quarter 2018/19.

Recommendations

- (a) That Members note the contents of the attached report and agrees to the recommendation that the Council continues to monitor performance alongside the latest financial information for the same period.

Reasons

The Financial and Performance Management monitoring reports provide information on a quarterly basis regarding the performance of individual council services, alongside related financial information on the organisation.

1. Background

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the first quarter of 2018/19 by presenting performance data set within a financial context.
- 1.2 This report provides broad financial information (Appendix A) and also details performance (Appendix B) for the first quarter of 2018/19.
- 1.3 A summary of the overall performance picture is presented in section 3 of this report and members will note that performance is generally progressing well.

2. 2018/19 Revenue and Capital Budget Position

- 2.1 The Council approved a general fund revenue budget of £13,335,420 on 21 February 2018. Further financial information is provided in Appendix A.

3 Performance

- 3.1 The latest performance information for quarter one has been analysed.
- 3.2 All indicators monitored for this period are listed in the table found in Appendix B.
- 3.3 Any indicators failing to meet the set targets include a comment explaining why the indicator has not performed well, and what steps are being taken to ensure improvement in the future.
- 3.4 The layout for Appendix B changed in early 2018.

3.5 For this report a total of 21 indicators were monitored, and the proportion of indicators which have met their target or are within tolerance levels during this period stands at 62%.

3.6 There are 8 indicators off target this quarter, with 3 within tolerance and officers consider that the performance against these indicators does not give rise to serious cause for concern at present (see commentary provided at Appendix B). The management of each of the service areas concerned continue to monitor and take steps to deal with under achievement of targets where possible and/or appropriate.

Further quarterly updates will be provided for Members in future reports.

3.7 Positive performance can be seen in a range of services and members will note that some services are affected by both seasonal and external factors. It should also be noted for consideration that some indicators have stretched targets set and local targets that are higher than the national ones.

4. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities

4.1 All indicators link to corporate priorities set out in the Council Plan and/or Service Plans.

5. Legal and Statutory Implications

5.1 The Council has a duty to set targets for performance of a range of functions and needs to monitor these closely.

6. Equality Impact Implications

6.1 There are no differential equality issues arising directly from this monitoring report.

7. Financial and Resource Implications

7.1 Any positive variance for the full year on the General Fund Revenue Account will enable that amount to be transferred to the Budget Support Fund and will be available in future years for use as the Council considers appropriate. Conversely, if there is an adverse variance, the amount required to cover this will have to be met from the Budget Support Fund.

8. Major Risks

8.1 The ongoing changing market conditions represents the greatest risk to the revenue budget, particularly with regard to the impact it may have upon income receivable in relation to services where customers may choose whether or not to use Council facilities or in the case of the waste/recycling service where the volume of recycled materials is liable to fluctuate. The situation will be monitored through the normal budget monitoring procedures.

8.2 The capital programme will require regular monitoring to identify any projects which are falling behind their planned completion dates. This will be carried out by the Capital Programme Review Group, which meets on a monthly basis together with quarterly reports to Cabinet.

8.3 The above represents a high level view of risk. There are detailed risk registers available if members wish to see them.

9. List of Appendices

Financial information (Appendix A), and performance information (Appendix B).

10. Background Papers

Working papers held by officers responsible for calculating indicators.

11. Management sign off

Each of the designated boxes need to be signed off and dated before going to Executive Director/Corporate Service Manager for sign off.

	Signed	Dated
Financial Implications Discussed and Agreed		
Risk Implications Discussed and Agreed		
Legal Implications Discussed and Agreed		
H.R. Implications Discussed and Agreed		
ICT Implications Discussed and Agreed		
Report Agreed by: Executive Director/ Head of Service		

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Financial Position Quarter One 2018/19

1. General Fund Revenue Budget

- 1.1 The Council approved a General Fund Revenue Budget of £13,335,420 on 21 February 2018. The actual position compared to this budget is continuously monitored by managers, EMT and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget.

2. Capital Programme

- 2.1 A Capital Programme totalling £2,549,000 was approved for 2018/19. Of this total £1,502,000 relates to the total cost of new schemes for 2018/19 together with £1,000,000 for schemes funded by external sources (Disabled Facilities Grants) and £47,000 brought forward from the original 2017/18 Capital Programme. In addition £332,630 slippage was incurred in 2017/18, resulting in a total Capital Programme of £2,881,630 for 2018/19.

3. Revenue Budget Position

- 3.1 At this point in the financial year, we would have expected to have spent approximately £4,299,147; we have actually spent £4,295,492. Therefore, as at the end of the first quarter, the general fund budget shows a favourable variance of **£3,655**.

- 3.2 The main reasons for the overall favourable variance to date are:

- a. Employee costs in respect of a number of vacant posts and flexible retirements that have taken place across the Council.
- b. Income from planning application fees is in excess of that expected for the first quarter due to a number of major planning applications.

There are also a number of adverse variances, the main ones being:

- a. Waste Services is operating at a net overspend. This is due predominantly to a shortfall in recycled material income. A review of the service is underway to minimise the shortfall in this area.
- b. Income from car parking is below the amount budgeted for, a review of car parking income is currently being undertaken and the sale of Permits is being promoted with key partners and large businesses in an attempt to improve income levels.

4. Capital Programme Position

- 4.1 The Capital Programme approved by Council in February 2018 has been updated to take account of slippage in 2017/18. Where planned expenditure did not occur last year, this has been added to the budget for 2018/19 (apart from any cases where costs have been reduced or expenditure will no longer be incurred). The revised budget for capital projects in 2018/19 totals £2,881,630.

4.2 £462,002 of the revised budget was expected to be spent by 30 June; the actual amount spent was £469,057 resulting in an adverse variance at the end of the first quarter of £7,055.

Corporate Performance Scorecard Quarter 1, April - June 2018-19











Priority 1: A clean, safe and sustainable Borough

Outcomes: Our borough will be safer, cleaner and sustainable

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Q1 2017-18	Result Q1 2018-19	Target 2018-19	Status	Notes
1.1	Environmental Health	Cllr. Trevor Johnson	Percentage of food premises that have a zero or one national food hygiene rating	Low	1.28% (11 out of 861 published premises)	2.6% (26 out of 1102 published premises)	5%		Results continue to be within target.
1.2	Community Safety	Cllr. Jill Waring	Number of Anti-Social Behaviour (ASB):-						
1.2a			-New ASB cases received during the quarter	Low	138	118	-	-	The number of cases reported this quarter are down on the same period for last year and the caseload remains at the same level.
1.2b			-Current open ASB cases as at the end of the quarter	Low	31 (30/06/18)	30 (30/06/18)	-	-	
1.2c			-ASB cases closed in the quarter	Low	111	106	-	-	
1.5	Recycling & Fleet	Cllr. Trevor Johnson	Household collections from the kerbside (%):-						
1.5a			· Dry Recycling	High	16.03%	15.12%*	18%		The annual figures for waste were as follows; Dry -18.68%*, Food 5.57%* and Green -21.82%*. Recycling and Food Waste down a little on last year, no known facts to explain reason.
1.5b		· Food	High	5.06%	4.63%*	5%			
1.5c		· Green	High	26.19%	31.13%*	20%			
1.6	Operations	Cllr. Trevor Johnson	Levels of street and environment cleanliness (LEQ survey) free / predominantly free of litter, detritus, graffiti and fly-posting)	High	Survey undertaken in Qtr 2.		91% 91% 97% 99%	-	The first survey for 2018-19 is undertaken in the next quarter.
1.7	Operations	Cllr. Trevor Johnson	Number of community volunteer groups/hours spent caring for their local green spaces and neighbourhoods	High	1,916.5 hrs	2,416.5 hrs	1,000 hrs Qtr 1 4,000 hrs (annual)		The figure is higher than expected due mainly to the Community Patchwork Meadow project, where 35 groups of volunteers and schools all grew and maintained mini meadow kits.

*Results are provisional at this time.

Priority 2: Borough of Opportunity
Outcomes: Newcastle is a great place to live, work and do business

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Q1 2017-18	Result Q1 2018-19	Target 2018-19	Status	Notes
2.1	Regeneration & Economic Development	Cllr. Simon Tagg	Town Centre Vacancy Rate	Low	11.35%	17.2%	15%		The vacancy rate has increased very slightly from Q4 (0.3% or 1 property). Lancaster Building and Astley Walk (York Place) vacancies have increased over the quarter but this has been mitigated by a new independents opening in Ironmarket and Bridge Street and Greenwoods moving into larger premises. It should be noted that the recently vacated council buildings will appear in the survey for the next quarter.
2.2	Property	Cllr. Paul Northcott	Percentage of investment portfolio vacant (NBC owned)	Low	5.70%	11.30%	12%		This indicator remains within target.
2.3	Regeneration & Economic Development	Cllr. Paul Northcott	Average stall occupancy rate for markets	High	60%	54%	65%		Members should be aware that the long-term (estimated 30 weeks) highway maintenance works immediately next to market stalls has had an adverse impact on stall occupancy rates. In addition the increased vacancy rate of retail units would suggest that there is reduced footfall in the town centre. Nevertheless it is hoped that the planned new commercial management arrangements will help to improve the market's overall performance.
2.4	Planning & Development	Cllr. Paul Northcott	Percentage of Major Planning Applications decisions issued within an agreed extension of time	High	85.70%	44.4%	72.5%		The target has been increased for 2018-19. The result is well below target and is due to case management issues where agreements to extend the statutory period were either not sought or were not sought/provided by agents in time. Whilst the performance achieved is not symptomatic of applicants' concerns, given that this is a national designation measure, it would be a considerable concern if performance did not improve. Annual performance for 2017/18 was 78.4% and with more pro-active case management it is anticipated that the performance target will be achieved by the end of the year. It is also worth noting that significant fluctuations in performance will arise because of the relatively small number of applications involved.
2.5	Planning & Development	Cllr. Paul Northcott	Percentage of Non Major Planning decisions issued within an agreed extension of time	High	81.90%	77.90%	85%		This target has not quite been met again this quarter, although performance has improved. A significant contributory factor in the backlog of undetermined applications has been the need to secure public open space contributions through legal agreements or undertakings for almost all residential proposals regardless of size. Steps have been taken to address this issue but it still remains challenging to complete an acceptable obligation within the determination period and as applicants are often unhappy to make such contributions they are less likely to agree to extend the determination period which is therefore adversely affecting performance. The Council's performance remains above the Government target.
2.6	Customer & ICT	Cllr. Simon Tagg	Percentage of requests resolved at first point of contact	High	98%	98%	97%		The indicator remains on target.
2.7	Customer & ICT		% Unmet demand (number of calls not answered as a % of total call handling volume)	Low	20.00%	8.45%	8%		The result is slightly off target but remains within tolerance levels.
2.8	Revenues & Benefits	Cllr. Stephen Sweeney	Time taken to process Housing/Council Tax Benefit new claims and change events	Low	6.06 days	5.32 days	10 days		The results are above the targets set for Qtr 1.
2.9			Percentage of Council Tax collected	High	27.66%	27.40%	24.12%		
2.10			Percentage of National non-domestic rates collected	High	27.20%	29.00%	26.22%		

Priority 3: A Healthy and Active Community

Outcomes: Everyone has the chance to live a healthy, independent life, access to high quality leisure and cultural facilities/activities and the opportunity to get involved in their community

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Q1 2017-18	Result Q1 2018-19	Target 2018-19	Status	Notes
3.1	Operations	Cllr. Trevor Johnson	Number of parks which have Green Flag status	High	7	N/A	7		This is reported later in the year.
3.2	Operations	Cllr. Trevor Johnson	Level of satisfaction with Council run parks and open spaces	High	N/A	N/A	66%	N/A	This is reported later in the year.
3.3	Culture & Arts	Cllr. Mark Holland	Number of people visiting the museum	High	18,546	20,420	Qtr 1 16,000 (56,000 cumulative)		The result for Qtr 1 is higher than the result for the previous year and exceeds the target of 16,000 set for the same period this year.
3.4	Leisure	Cllr. Mark Holland	Number of people accessing leisure and recreational facilities	High	164,289	159,095 Qtr 1	150,000 Qtr 1 (600,000 annual)		The figures for Qtr 1 this year exceeds the target set.
3.5	Human Resources	Cllr. Simon Tagg	Average number of days per employee lost to sickness	Low	1.49 days	2.39 days	2 days Qtr 1 (8 days annual)		In Qtr. 1, the effect of sickness absence on the annual target of 8 days can be seen. Both short term and long term sickness cases are continuing to be pro-actively managed with HR and Occupational Health support.

Priority 4 : A Co-operative Council, delivering high-quality, community driven services

Outcomes: Your council is efficient, open and innovative in its work, with services designed and delivered co-operatively and communities are strong and well supported

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr 1 2017-18	Result Qtr 1 2018-19	Target 2018-19	Status	Notes
4.1	Democratic Services	Cllr. Simon Tagg	Percentage attendance at planned meetings by members	High	79%	61%	80%		The figure for Quarter 1 reflects attendance by the previous council, and we will get a better idea of attendance by the new council in the next quarter.
4.2	Culture & Arts	Cllr. Mark Holland	Number of hours worked by volunteers in council co-ordinated activities (museum)	High	574hrs	514.87hrs	Qtr 1 400 Qtr 2 500 Qtr 3 300 Qtr 4 300		The result continues to be above target for this indicator.

N/A Performance information not available at this time or due to be provided at a later date.

Performance is not on target but direction of travel is positive

Performance is not on target where targets have been set

Performance is on or above target.

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