

Public Document Pack

Date of meeting Wednesday, 13th January, 2021
Time 2.00 pm
Venue Cabinet - Virtual Meeting - Conference
Contact democraticservices@newcastle-staffs.gov.uk



**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 A PREVIOUS MEETING** (Pages 5 - 10)
To consider the Minutes of the meeting held on 9th December 2020.
- 4 CORONAVIRUS RECOVERY UPDATE** (Pages 11 - 16)
This item includes a supplementary report.
- 5 REVENUE AND CAPITAL BUDGETS AND STRATEGIES 2021/22** (Pages 17 - 106)
- 6 SCALE OF FEES AND CHARGES 2021/22** (Pages 107 - 150)
- 7 BUSINESS IMPROVEMENT DISTRICT, NEWCASTLE TOWN CENTRE - RE-BALLOT** (Pages 151 - 228)
- 8 NEWCASTLE TOWN DEAL** (Pages 229 - 234)
- 9 LOCAL PLAN UPDATE** (Pages 235 - 242)
This item includes a supplementary report.
- 10 TEMPORARY ACCOMMODATION POLICY** (Pages 243 - 252)
- 11 FORWARD PLAN** (Pages 253 - 258)
- 12 URGENT BUSINESS**
To consider any business which is urgent within the meaning of Section 100B(4) of the Local Government Act 1972.
- 13 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.

**14 SCALE OF FEES AND CHARGES 2021/22 - CONFIDENTIAL (Pages 259 - 260)
APPENDIX**

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 Simon Tagg (Chair), Stephen Sweeney (Vice-Chair), Trevor Johnson, Helena Maxfield, Paul Northcott and Jill 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.

CABINET

Wednesday, 9th December, 2020

Time of Commencement: 2.00 pm

Present:-	Councillor Simon Tagg – Chair
Councillors	Stephen Sweeney, Trevor Johnson, Helena Maxfield, Paul Northcott and Jill Waring
Officers	Martin Hamilton, Jan Willis, Simon McEneny, Daniel Dickinson and Denise French

51. **APOLOGIES**

There were no apologies for absence.

52. **DECLARATIONS OF INTEREST**

There were no declarations of interest stated.

53. **MINUTES OF A PREVIOUS MEETING**

Resolved: that the minutes of the meeting held on 11th November be agreed as a correct record.

54. **CORONAVIRUS UPDATE**

Cabinet considered a report on the actions being taken across the Council in response to the Coronavirus restrictions on the Borough.

The report outlined that in response to the Tier 3 restrictions, the Council had maintained its focus on support for businesses and support for vulnerable people.

The Portfolio Holder for Finance and Efficiency, Councillor Stephen Sweeney, outlined the support for businesses which included a number of grants to businesses impacted by the pandemic. Councillor Sweeney referred to Council permission for three Special Markets to run during December in Newcastle and the measures in place to ensure they could operate in a Covid secure way through social distancing and the presence of Marshalls. There were two markets taking place on Sundays and the Leader reminded the meeting that parking on Council car parks was free of charge on Sundays.

The Portfolio Holder for Community Safety and Wellbeing, Councillor Helena Maxfield, outlined support for vulnerable people with three lines of work having priority – support provided by Realise Foundation to those made vulnerable by the restrictions; payments for those required to self-isolate but who would lose income by so doing; and support for those sleeping rough or at risk of being made homeless.

The Rough Sleeper Team would undertake a sweep each Thursday morning and could be contacted by phone if anyone was concerned about someone who appeared to be rough sleeping.

There were some other Council services that were impacted by current restrictions but less than with previous measures. J2 Leisure Centre was open for personal fitness training and swimming but not for group activities; an extensive online offer was available to J2 members. Customer Services continued to be available online and over the phone but there were restrictions on face to face contact. The Portfolio Holder for Waste and Recycling, Councillor Trevor Johnson noted that residual waste levels had reduced over the past six weeks and recycling levels had increased.

A number of growth and regeneration schemes were being progressed including the Town Investment Plan for Kildgrove which had been submitted to Government.

The report outlined the financial position including funding received from the Government and the position regarding lost income from fees and charges.

Resolved: that the report be noted and the work undertaken in response to the Coronavirus restrictions be endorsed.

55. **2021/22 DRAFT SAVINGS PROPOSALS**

Councillor Sweeney informed the meeting that the Audit had now been complete and an unqualified opinion received on the accounts and Value for Money audit. He thanked the finance staff.

Cabinet considered the first draft proposals to balance the revenue budget 2021/22 and the proposed capital programme for 2021/22 to 2023/24.

The Council's draft Medium Term Financial Strategy (MTFS) had been endorsed by Cabinet at the last meeting on 11th November 2020 and indicated there would be a budget 'gap' of £1.079m in respect of the budget 2021/22. Councillor Sweeney introduced the report which outlined measures to reduce this gap including savings arising from the Comprehensive Spending Review and public sector pay freeze; various Government support streams including towards the Council Tax collection fund deficit and Business Rates deficit; an extension to the Income Compensation Scheme for fees and charges for the first quarter of 2021/22 and further funding towards temporary accommodation costs.

The Capital Programme was presented and included updated funding assumptions. Councillor Sweeney referred to the service area for Leisure which related to the reopening of Kildgrove Leisure Centre. The significant spending in 2022/23 in Streetscene referred to the works at the Crematorium.

The Council had commissioned a full organisational review – the One Council Programme – which would look at how services were delivered in the future. Regular updates would be made to Cabinet and the Finance, Assets and Performance Scrutiny Committee who would also be given the opportunity to comment on the draft Savings Proposals at their next meeting in January 2021.

Resolved: that:

1. The first draft proposals as set out in the Appendix 1 and Appendix 2 to the report be noted.
2. The amendment to the Medium Term Financial Strategy (MTFS) funding gap as a result of public sector pay freeze assumptions be noted.
3. The first draft proposals be referred to the Finance, Assets and Performance Scrutiny Committee for their views.
4. A supplementary revenue estimate of £250k be approved for the blueprint and mobilisation phase of the "One Council" programme.

56. NORTH STAFFORDSHIRE LOCAL AIR QUALITY PLAN - OUTLINE BUSINESS CASE

Councillor Johnson presented the Air Quality report which set out how the Council, along with Stoke on Trent City Council and Staffordshire County Council, proposed to meet the legal requirements of two directives served under the provisions of The Environment Act 1995. The directives required both councils to jointly investigate EU exceedances of nitrogen dioxide on roads and what measures could be introduced to achieve compliance. In Newcastle under Lyme Borough there had been one exceedance and this was on the A53 Etruria Road between Victoria Street and Basford Park Road, the main route between Newcastle and Hanley. The report outlined the preferred option which would see the introduction of a virtual bus gate limiting use by certain vehicles including cars during peak times. Cabinet discussed making an exemption for low emission vehicles which was agreed; and seeking the support of the local MP regarding urging Government to reconsider the need for the action.

The second directive required this Borough Council to implement a bus engine retrofit programme and progress with this was outlined in the report.

Resolved: That:-

- (a) The comments made in relation to the North Staffordshire Local Air Quality Plan from Economy, Environment & Place Scrutiny Committee held on 12 November 2020 be received.
- (b) The Outline Business Case for the North Staffordshire Local Air Quality Plan for tackling roadside nitrogen dioxide exceedances, including technical addenda, as contained in Appendices C and D, be approved for submission to Government, in line with the requirements of the Environment Act 1995 (Implementation of Measures for Nitrogen Dioxide Compliance) Air Quality Direction 2018 (the "2018 Direction") and subsequent amendments by the Secretary of State for the Environment.
- (c) Subject to approval of (b), Cabinet request a further report from the Head of Environmental Health Services in June 2021, setting out the Full Business Case, including the detailed costs and proposed funding bid to Government.
- (d) Subject to approval of (b), that Cabinet delegates authority to the Director of Operational Services alongside Portfolio Holder for Environment & Recycling to enter into a legal agreement with Staffordshire County Council (SCC) and Stoke-on-Trent City Council (SOTCC) to jointly submit the Full Business Case and deliver the preferred option in line with the requirements of the Environment Act 1995 (Implementation of Measures for Nitrogen Dioxide Compliance) Air Quality Direction 2018 and subsequent amendments by the Secretary of State for the Environment.
- (e) The Chief Executive be authorised to enter into a contract to complete the Full Business Case (and inform the Cabinet Member for Environment and Recycling), by direct award to the supplier for the delivery of the Outline Business Case for the North Staffordshire Local Air Quality Plan.
- (f) The progress made in relation to the delivery of the Ministerial Direction requiring a bus retrofit scheme for busses operating on the A53 be noted.

(g) Cabinet supports an exemption for low emission vehicles to drive through the bus gate on the A53 Etruria Road and that this is in place from the implementation date.

(h) The Leader write to the local MP, A Bell, to request his support in urging the Government to reconsider the necessity for the works under the two ministerial directions due to the impact of Coronavirus on transport movements and air quality levels.

57. LOCAL PLAN UPDATE

Cabinet considered a report on options regarding the Local Plan.

Councillor Northcott introduced the report which outlined the expectation of Government that all authorities would have adopted development plans by December 2023. The Council had been undertaking work to produce a Joint Local Plan with Stoke on Trent City Council with the expectation that this would be in place in mid-2018. As this had not happened it was opportune to reconsider whether joint working was appropriate taking into account the economic and social impact of Covid 19 and the emerging post Brexit landscape. Any work to develop a Borough Local Plan would need to engage with partners.

Resolved: That:

Cabinet supports the option of commencing work on a Borough Local Plan, and agrees to

- Commission further advice on the impact of COVID and BREXIT on the local economy, and the local planning process; and
- Engage with the stakeholders identified in this report to better understand their position regarding a Borough Local Plan.

58. SUSTAINABLE ENVIRONMENT STRATEGY

Cabinet considered a report on a Sustainable Environment Strategy and Action Plan for the Council and the Borough. Councillor Johnson referred to the Council's resolution in 2019 declaring a climate emergency and the commitment of Cabinet to deliver a sustainable environment strategy. The Leader reported how the work would be ongoing and would involve partners including Keele University and Staffordshire County Council. He particularly highlighted works to progress the carbon capture agenda especially in urban areas. Cabinet Members endorsed the work to tackle environmental issues facing the Borough.

Resolved: That:

- (a) The Sustainable Environment Strategy and Action Plan for the Council and Borough be approved.
- (b) views and support for the Strategy and Action Plan be sought from key local partners and the Economy, Environment and Place Scrutiny Committee

59. BRAMPTON MUSEUM REDEVELOPMENT PROJECT

Cabinet considered a report on the redevelopment project at Brampton Museum. Councillor Waring explained the report was seeking approval to award a contract for alterations and extension works at the Brampton Museum. Councillor Waring outlined the various sources of funding that had been awarded towards both capital works and programme funding and how this funding would be used. The project to install WiFi within the Museum was currently underway.

Resolved: That

The Executive Director for Commercial Development and Economic Growth in consultation with the Executive Director for Resources and Support Services and the Portfolio Holder for Leisure, Culture and Heritage be authorised to enter into a contract with Sandycroft Building Construction Ltd following a compliant procurement process, to undertake the alterations and extensions to Brampton Museum.

60. PROPOSED RESIDENTS FUNERAL SERVICE

Cabinet considered a report outlining proposals to offer a funeral service to residents. The report recognised concern at the rising costs of funerals and the associated hardship that could be caused at a distressing time. Councillor Johnson outlined the proposals including an end to end funeral service at a fixed cost which would be available to residents and a direct cremation option at a fixed cost open to all. The specification for the service was attached as an appendix to the report.

Resolved: That

- (a) The scheme to provide a residents funeral service, including a direct cremation option, be approved.
- (b) Authority be granted to the Head of Operations to invite tenders for the service and to accept the lowest suitable tender received.

61. FORWARD PLAN

Consideration was given to the Forward Plan listing upcoming key decisions to be made by Cabinet.

Resolved: That the Forward Plan be received.

62. URGENT BUSINESS

There was no Urgent Business.

COUNCILLOR SIMON TAGG
Chair

Meeting concluded at 3.15 pm

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S

REPORT TO CABINET

Choose an item.

13 January 2021

Report Title: **Coronavirus Recovery Update**

Submitted by: **Chief Executive**

Portfolios: **All**

Ward(s) affected: **All**

Purpose of the Report

To inform the Cabinet of the actions being taken across the Council in response to the Coronavirus restrictions on the Borough, and to ensure the Borough is well placed to recover from the Pandemic.

Recommendation

1. It is recommended that Cabinet note this report and endorse the work being undertaken in response to the Coronavirus restrictions.

Reasons

To allow Cabinet to publicly consider the actions being undertaken in relation to the coronavirus pandemic and the associated restrictions.

1. Background

- 1.1 Cabinet has regular reports detailing the Council's response to the Coronavirus pandemic and delivery of the recovery plan.
- 1.2 At time of writing, the 7 day infection case rate in Newcastle under Lyme was 347 cases per 100,000 population. This is below the England average (610/100,000), and the Staffordshire average of 474/100,000. The figure reflected a marked increase in infections over the past few weeks, having been 231 cases per 100,000 population at the time of preparing the December report to Cabinet. Newcastle's comparative position has changed significantly since the December report, where even at its lower infection rate it was well above the average for England. This reflects the prevalence of the new strain of the coronavirus which has driven up rates initially in other parts of the Country.
- 1.3 At the beginning of January the Borough, along with the rest of the country, went into lockdown. The Council's efforts have shifted to responding to the new restrictions, as detailed in this report. Focus is now being placed on the roll out of vaccinations which are now being made available to priority groups within the borough.
- 1.4 With the infection rate at its current level, the Council is heavily engaged in its outbreak control work, with specific avenues of work being progressed:

- The Leader of the Council sits on the County-wide Local Outbreak Board which has regular oversight infection rates and action being taken to respond.
- The Leader of the Council is chairing a Local Incident Management Team, drawing together expertise from the Borough Council, County Council, health sector, and other agencies actively involved in responding to the pandemic;
- A multi-agency board, under the chairmanship of the Deputy Leader, Cllr Sweeney, has been convened to ensure that all possible steps are being taken across the key anchor institutions to reduce infection rates in the Town Centre, particularly in the 18 to 25 year old age group.
- Colleagues from Environmental Services continue to work closely with the Director of Public Health and colleagues from across the public sector to investigate infections in high risk premises in the borough and provide advice to those running high risk premises to minimise infection spread;
- A team of colleagues has been assembled from across the Council to work as “Covid Marshalls”, mainly focussed on engagement with businesses to encourage and advise on good practice on Covid security.
- The Council is encouraging, through its Communications activity, the drive to recognise the whole borough as a Covid “hotspot” and encourage take up of testing regardless of whether individuals have symptoms. It is recognised that identifying asymptomatic carriers is an important means of breaking the infection chain and reducing spread.

2. **Priority Actions**

2.1 In response to the move to lockdown, with the associated restrictions, the Council has maintained its focus on support for businesses and support for the vulnerable.

Support for Businesses

2.2 The Council is administering the Local Restrictions Support Grant (LRSB) to support businesses forced to close or severely affected by local or national restrictions. Since the November Lockdown the Council has paid out just over £1.4m in Local Restrictions Support Grants, including discretionary grants to businesses which have either been required to close or which have been significantly impacted by the restrictions. In addition £56,000 has been paid out to “Wet Led Pubs”, each of which were entitled to a one off grant of £1000.

2.3 With the move to Lockdown, the Government has made available a further grant fund to support the Leisure, Retail and Hospitality sectors. This fund will provide a one off payment to businesses with premises of either £4,000, £6,000 or £9,000, with the amount determined by the rateable value of their premises. In early January impacted businesses will receive both their Local Restrictions Support Grant (paid for a six week period) and the new one off Lock down grant, amounting to almost £4.5m of support to local businesses

2.4 This funding is crucial to enable businesses to weather this particular phase of the pandemic, and be in a position to recover once restrictions have been eased. The Council has moved quickly to ensure that funds get paid to eligible businesses at the earliest possible opportunity.

Support for Vulnerable People

2.5 The Council has maintained its support to vulnerable people, with three specific lines of work being prioritised:

2.6 The support service delivered through the Realise Foundation has stepped up to receive calls from people made vulnerable by the restrictions. Typically this call centre and web portal provides advice and support to individuals who are isolated, or who need help to access food and medicine.

2.7 The Revenues and Benefits team are processing applications for payments to individuals who have been required to self-isolate as a result of either contracting the virus, or being in contact with someone who has, and as a result are unable to work. The Test & Trace Self Isolations Support Scheme is focussed on individuals in receipt of particular benefits and aims to incentivise people required to self-isolate, but who would lose income by doing so. From its introduction at the end of October, until 6th January, £84,000 has been paid out in grants from this fund. The fund is made up of two pots – one mandatory, with criteria set by central government and one, smaller, discretionary fund for cases where the individual does not meet the government criteria but would suffer hardship if self-isolating. The discretionary element of this fund has been fully spent by the Council, with only those who meet the government criteria now being funded.

2.8 The Council's homelessness team continues to work with vulnerable people who are sleeping rough, or who are at risk of homelessness, placing them into temporary accommodation. Additional accommodation in St George's Chambers has been brought on line for use in severe weather.

Council Services

2.9 As with the previous national restrictions, some Council services have been significantly impacted. Key areas of impact are:

- J2 Leisure Centre is once again closed for business, but is providing on line classes.
- Brampton Museum, in line with other such venues nationally, has been required to close.
- Customer Services – all services continue to be available on-line or on the phone, with face to face service at Castle House now restricted.

2.10 Other services continue to be available with minimal disruption.

2.11 Throughout the pandemic the Council has had a small number of employees contract the virus, as would be expected in line with community infections. The rate of increase in the virus is such that there is a risk that in the coming weeks we will see that number rise and in anticipation arrangements have been put in place to ensure that staff resource can be flexed to provide support where gaps may arise which risk compromising delivery. Colleagues from Jubilee 2 have consistently demonstrated a willingness and ability to flex across serve areas, but cover will also be drawn from other services if the need arises. Should the situation arise, arrangements will also be presented to portfolio holders for how services are prioritised.

Economic Recovery

2.12 Notwithstanding the restrictions in place, the Council is continuing to work towards the recovery of the local economy, focussed on progressing the major regeneration and growth schemes.

- The Council bid under the Future High Streets Fund has been successful, with provisional agreement for just over £11m being announced in December 2020. These funds will facilitate the regeneration of Newcastle Town Centre, with a specific focus on the Ryecroft site;
- Advance Town Deal Funds of £1.75m have been secured for initiatives in Newcastle & Kidsgrove
- Town Investment Plan for Kidsgrove has been submitted to Government for consideration under the Town Deal programme
- Town Investment Plan for Newcastle is to be considered by Cabinet elsewhere on this agenda.

2.13 In addition, the Council has worked with Staffordshire County Council to explore how funds allocated by government could be used to support business recovery. Proposals include:

- topping up of existing business start-up schemes, to enable more start-ups to be supported;
- topping up a business skill grant scheme, to facilitate upskilling
- a new “to thrive” financial support programme to boost business growth
- a new apprenticeship grants programme, to support young people who are likely to be disadvantaged in the labour market post covid.

2.14 Across this range of opportunities, the Council’s contribution, from government grant funding, would be £433,000. Individual schemes will be developed and approved by the Executive Director - Commercial Development & Economic Growth in consultation with the Cabinet Member for Planning & Growth

3 Financial Recovery

3.1 The Council has secured over £4.5m from central government for the current financial year to cover income losses and activities required to mitigate the impact of Covid in areas ranging from support for the homeless to the Council Tax Hardship Relief Fund. In addition it has received just over £30m to fund grants to businesses in the borough impacted by the pandemic, bringing the total amount of financial support provided by central government to over £34m. This financial support covers financial pressure which has been put on Council services together with income losses and support provided to small business within the Borough. Further details are provided below.

3.2 The Council’s revenue budget relies on service income from fees and charges of c£850k per month across a wide range of services, with a significant proportion coming from J2 and car parking. Taking account of the restrictions to date it is forecast that income losses for the financial year will amount to £2.602m. The Government’s income compensation scheme offset these income losses to the amount of £1.821m, the first instalment of this was received in November. In conjunction with the income compensation scheme the Council has received £196k from the Furlough job retention scheme in connection with those income loss services.

3.3 To date emergency Coronavirus Government funding of £2.152m has been secured (including £170k of new burdens funding to offset the costs of administering Coronavirus business support grant and hardship relief schemes), which has reduced the immediate

pressure on additional spending and on the Council finances. Monthly reports monitoring actual spending against budget have shown adverse forecast variances during the first eight months of the year, the latest reported forecast being £0.365m as at the end of November. It is forecast that this adverse variance will be offset by the latest tranche of emergency Coronavirus funding received from the Government of £0.408m. It is forecast that this will enable a balanced outturn to be presented at the year end, any variance will be paid into or from the general fund reserve. Close management of the financial position will continue and remains absolutely essential.

- 3.4 Further Government funding to assist with the Council's response to the Coronavirus has also been secured in relation to rough sleepers (£0.196m), outbreak control (£0.179m), enforcement (£0.061m) and the reopening of the high street (£0.115m).
- a. In addition to the initial business grants funding administered by the Council (£21.673m paid over to businesses), a further £4.326m has already started to be distributed (as per para 2.2). This is in addition to funding allocated by Government for the Council to administer to assist with Council Tax Hardship (£1.036m) and self-isolation (£0.109m).
- b. Further funding will also be paid to the Council to assist with COVID-19 related pressures in 2021/22. Again, this will represent un-ringfenced grant support and uses the distribution methods applied to funding received during 2020/21. The Council's initial allocation is for £0.675m.
- 3.7 The Government has also indicated that it is providing funding to broadly meet the additional costs associated with increases in local council tax support caseloads in 2021/22. The funding will be un-ringfenced and can be used to provide other support to vulnerable households, including through local welfare schemes. Allocations have not yet been published.
- 3.8 The Government also intend to continue the current income compensation scheme to support local authorities for the first quarter of 2021/22, it is anticipated that the Government will continue to use 2020/21 budgeted income as the baseline to assess losses.
- 3.9 The Council continues to work closely with the Borough's Members of Parliament and the Local Government Association to lobby central government for the ongoing support which will be required.

4. **Proposal**

- 4.1 Cabinet are recommended to note this report.

5. **Reasons for Proposed Solution**

- 5.1 This report serves to brief Cabinet on the work being undertaken to address the Coronavirus pandemic, and the financial impact that the pandemic is having on the Council, and the recovery arrangements being put in place.

6. **Options Considered**

- 6.1 N/A

7. **Legal and Statutory Implications**

- 7.1 Addressing the impact of Coronavirus locally has involved adjustment to some service provision. When making such changes there are a number of legal and statutory implications to take into account. These are all appropriately factored into decision taking by the Incident Management Team.

8. **Equality Impact Assessment**

8.1 None directly arising from this report.

9. **Financial and Resource Implications**

9.1 The Council's General Fund balance as at 1st April 2020 was £1.548m. Careful monitoring of the financial position will be required over coming weeks and months leading to prompt corrective action where necessary to ensure that reserves are not exhausted and the Council remains in a stable position in the current financial year and beyond.

10 **Major Risks**

10.1 The Coronavirus pandemic, in the round, represents a significant risk to the Council. This report sets out how that risk is being addressed.

11 **Sustainability and Climate Change Implications**

11.1 N/A

12 **Key Decision Information**

12.1 This is not a key decision.

13 **Earlier Cabinet/Committee Resolutions**

13.1 None

14 **List of Appendices**

14.1 None

15 **Background Papers**

15.1 None

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Cabinet
13 January 2021

Report Title: Revenue and Capital Budgets and Strategies 2021/22

Submitted by: Head of Finance (Section 151 Officer)

Portfolios: Finance and Efficiency

Ward(s) affected: All

Purpose of the Report

To review progress on the completion of the revenue and capital budgets for 2021/22 and approve the 5 year Medium Term Financial Strategy for 2021/22 to 2025/26.

To consider drafts of the Flexible Use of Capital Receipts Strategy (updated for 2021/22), the Capital Strategy for 2021/2031, the Treasury Management Strategy for 2021/22 and the Investment Strategy for 2021/22 prior to their submission to Full Council for final approval.

Recommendations

- (a) That the progress on the completion of the Revenue and Capital Budgets and updated MTFS Funding Strategy for 2021/22 (Appendix 1) be noted.
- (b) That the updated Medium Term Financial Strategy 2021/22 to 2025/26 (Appendix 2) be approved.
- (c) That the strategy for ensuring a balanced revenue outturn position for 2020/21 be noted.
- (d) That the calculation of the Council Tax base and the Council Tax increase to be proposed for 2021/22 of £5 per year per Band D equivalent property be noted.
- (e) That the risk assessment at Appendix 3 and S151 Officer's recommendation on the level of reserves and contingencies provisionally required to be maintained in 2021/22 be noted.
- (f) That the draft Flexible Use of Capital Receipts Strategy (Appendix 6), updated for 2021/22, be noted.
- (g) That the draft Capital Strategy (Appendix 7) for 2021-31 be noted.
- (h) That the draft Treasury Management Strategy (Appendix 8) for 2021/22 be noted.
- (i) That the draft Investment Strategy (Appendix 9) for 2021/22 be noted.
- (j) That the draft Budget and Council Tax proposals be referred to Finance, Assets and Partnerships Scrutiny Committee for comment before the final proposals are considered at Cabinet on 3 February 2021.

Reasons

To inform the Cabinet in recommending a robust and affordable budget for 2021/22 to the Council meeting on 17 February 2021.

The Council needs to have an approved Flexible Use of Capital Receipts Strategy for 2021/22, an approved Capital Strategy for 2021/22, an approved Treasury Management Strategy for 2021/22 and an approved Investment Strategy for 2021/22 in place before the start of the 2021/22 financial year.

1. Background

- 1.1 The Council is committed to the delivery of high quality services. Integral to this ambition is effective targeting of financial resources in line with the vision of “a growing borough that is an attractive and welcoming place for all” and the Council’s stated aims and objectives, as set out in the Council Plan 2018-22, which was approved by Cabinet on 19 September 2018.
- 1.2 The Council has a Medium Term Financial Strategy (MTFS) which sets out its financial position over the next 5 years. This is aligned to the Council Plan 2018-2022 and is the key vehicle for ensuring efficiency in service delivery and targeting resources to priority areas. The COVID-19 pandemic has changed the position of the Council significantly creating financial challenge and uncertainty in equal measure.
- 1.3 Despite the COVID-19 pandemic, and the challenges faced by the Council in its response, there has been good progress against Council Plan objectives in the current year, with high standards of service delivery being achieved overall. Key Outcomes so far in 2020/21 are set out in Appendix 5.
- 1.4 The draft 2021/22 budget is based on the assumptions set out in the MTFS which was approved as a basis for consultation by the Cabinet at its meeting on 11 November 2020 and scrutinised by the Finance, Assets and Partnerships Scrutiny Committee at its meeting on 14 December 2020.
- 1.5 The draft and provisional proposals included in this report will inform the Revenue and Capital Budgets and Council Tax 2021/22 reports to Cabinet on 3 February 2021 and to Council on 17 February 2021.
- 1.6 The Capital Strategy 2021-31 sets out how the Council proposes to deploy its capital resources in order to achieve its corporate and service objectives. It takes into account other relevant Council strategies, policies and plans and the views of partners and interested parties with whom the Council is involved. It also takes account of the resources which are likely to be available to the Council to fund capital investment and the effect of that investment on the Council’s revenue budget. It will serve as a useful point of reference when determining or reviewing the Council’s Capital Programme.
- 1.7 The Council has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice. This requires a report to be prepared and approved by the Council concerning the Treasury Management Strategy to be followed in carrying out its treasury management activities in the forthcoming financial year, 2021/22.
- 1.8 The Investment Strategy 2021/22 is compiled according to the Ministry of Housing, Communities and Local Government’s Guidance on Local Government Investments (‘the Guidance’) and the 2017 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes (‘the CIPFA TM Code’) It sets out the Council’s policies for managing its investments and for giving priority to the security and liquidity of those

investments.

2. **Budget 2020/21 – Provisional Outturn Forecast**

Revenue

- 2.1 The COVID-19 pandemic continues to present significant challenges to the Council's financial position through a mix of lost income and additional costs. Monthly reports monitoring actual spending against budget have shown adverse forecast variances during the first eight months of the year, the latest reported forecast being £0.365m as at the end of November. It is forecast that this adverse variance will be offset by the latest tranche of emergency Coronavirus funding received from the Government of £0.408m. It is forecast that this will enable balanced outturn to be presented at the year end, any variance will be paid into or from the general fund reserve. Close management of the financial position will continue and remains absolutely essential.
- 2.2 To date emergency Coronavirus Government funding of £2.152m has been secured (including £170k of new burdens funding to offset the costs of administering Coronavirus business support grant and hardship relief schemes), which has reduced the immediate pressure on additional spending and on the Council finances.
- 2.3 Further Government funding to assist with the Council's response to the Coronavirus has also been secured in relation to rough sleepers (£0.196m), outbreak control (£0.179m), enforcement (£0.061m) and the reopening of the high street (£0.115m).
- 2.4 The Council's revenue budget relies on service income from fees and charges of around £850k per month across a wide range of services, with a significant proportion coming from J2 and car parking. Taking account of the current restrictions it is forecast that income losses for the financial year will amount to £2.602m.
- 2.5 The Government announced that it will fund income losses, relating to irrecoverable fees and charges, above the first 5% at the rate of 75p in the pound in the current financial year will to a significant degree insulate the Council from income related financial risks. It is forecast that the Government's income compensation scheme will offset these income losses to the sum of £1.821m, the first instalment of this was received in November.
- 2.6 Additional expenditure pressures have inevitably been incurred as a result of the COVID-19 pandemic. It is forecast that by the close of the financial year these will amount to £1.833m (excluding the provision of services/activity for which specific funding has been received per 2.3).
- 2.7 It is forecast that a £0.946k expenditure pressure will be incurred regarding additional disposal costs and the hire of vehicles to allow sufficient levels of social distancing within the Waste and Recycling service.
- 2.8 A top up of the general fund reserve to its assessed minimum level at the commencement of the financial year regarding the COVID-19 impact on the 2019/20 deficit of £0.207m has been undertaken.
- 2.9 Expenditure pressures have been incurred regarding Housing Benefits payments made by the Council which are not fully subsidised by the Department of Works and Pensions, mainly around the provision, often emergency, of accommodation for vulnerable and homeless people, it is estimated that the shortfall from this and the under recovery of overpayments will amount to £0.381m by the close of the financial year.

- 2.10 Expenditure has been reduced wherever possible throughout the Council to ensure that only absolutely necessary spending is being incurred, this has helped to reduce the adverse variance on a service by service basis. It has been forecast, and it is absolutely imperative, that this situation continues throughout the remainder of the financial year.
- 2.11 The Interim Director of Resources and Support Services informed the Ministry of Housing, Communities and Local Government by letter of the Council's intention to make flexible use of up to £500,000 of capital receipts in each of the financial years 2018/19 and 2019/20 on 5 December 2018 and up to £400,000 for the financial year 2020/21 on 5 December 2019. The Head of Finance (Section 151) Officer informed the Ministry of Housing, Communities and Local Government by letter on 18 December 2020 of the Council's intention to make further flexible use of £250,000 of capital receipts in 2020/21 and a total of £950,000 in 2021/22.
- 2.12 Officers have reviewed the 'Statutory Guidance on the Flexible Use of Capital Receipts', and have identified expenditure that meets the eligibility criteria laid out in the guidance document, in that it relates to initiatives that are forecast to generate, or have generated, on-going revenue savings through reducing the costs of service delivery.
- 2.13 The Council's Flexible Use of Capital Receipts Strategy for 2021/22 is included as Appendix 6 to this report. Cabinet are asked to endorse the strategy and recommend to Council that it be approved, as required by the statutory guidance.

Capital

- 2.9 The Capital Programme approved by Council in February 2020 has been updated to take account of amounts brought forward from 2019/20 where planned expenditure did not occur. This has been added to the budget for 2020/21 (apart from cases where costs have been reduced or expenditure will no longer be incurred). Following the completion of the Capital Programme review as a result of the COVID-19 pandemic, the revised budget for capital projects in 2020/21 now totals £7,302,631.
- 2.10 It is forecast that the Capital Programme outturn for 2020/21 will largely be in line with the budget and there will not be any significant variance to report. It is anticipated that re-profiling will be incurred for a number of capital projects (i.e. 2020/21 projects carried forward to 2021/22).
- 2.11 The Capital Funding required for the 2020/21 programme includes £4,019,600 of capital receipts. It is anticipated that these receipts will be received prior to the end of the financial year.

3. Medium Term Financial Strategy 2021/22 – 2025/26

- 3.1 The draft MTFS was approved as a basis for consultation by the Cabinet on 11 November 2020. There have subsequently been a number of amendments to the MTFS resulting in the following revised gaps. Further details of these changes are set out at Appendix 2.
- £1.275m in 2021/22
 - £1.501m in 2022/23
 - £0.822m in 2023/24
 - £1.016m in 2024/25
 - £0.510m in 2025/26
- 3.2 Previous years' budget shortfalls have been addressed by a combination of measures such as efficiency savings, reductions in expenditure or income increases, consideration of the need

for Council Tax increases, the flexible use of capital receipts, and service reviews. Significant progress has been made to meet shortfalls in the years after 2021/22 as shown in the summary below:

Detail	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
<i>Income</i>	50	-	-	-	-
<i>One Council</i>	195	601	126	-	-
<i>Staffing Related</i>	599	-	-	-	-
<i>Good Housekeeping</i>	46	-	-	-	-
<i>Tax Base</i>	-	109	167	169	172
<i>Council Tax Increase</i>	187	188	190	191	191
<i>Financing</i>	198	31	31	-	-
TOTAL SAVINGS	1275	929	514	360	363
UPDATED MTFS GAPS	1275	1501	822	1016	510
REMAINING GAP (- = surplus)	-	572	308	656	147

4. Draft Revenue Budget 2021/22

4.1 The Draft MTFS provides for a gap in 2021/22 of £1.790m and over the 5 year period of the MTFS of £5.911m. The Comprehensive Spending Review announcements on 25 November 2020 and other issues detailed below reduce this gap to £1.275m in 2021/22 and to £5.124m over the 5 year period of the MTFS

- The Comprehensive Spending Review announced that a public sector pay freeze would be imposed with the exception of those employees earning below the United Kingdom's median wage of £24,000, who will be entitled to a £250 pay award. If implemented within Local Government the pay freeze will reduce the gap by £0.377m in 2021/22 and the gap over the 5 year period of the MTFS by £0.425m
- It was also announced that there would be an equitable sharing of local taxation collection losses between local authorities and the Treasury. The Spending Review papers show that the government intends to use a scheme similar to the income compensation and cover 75% of local government's collection fund deficits. Whilst further detail is awaiting, it is assumed that this will reduce the gap by £0.039m in 2021/22 in relation to the Council's share of the Council Tax collection fund forecast deficit and by £0.094m in 2021/22 in relation to the Council's share of the Business Rates collection fund forecast deficit. The gap over the 5 year period of the MTFS will reduce by £0.398m
- The capital programme as shown in Appendix 4 and the updated financing assumptions for this expenditure have resulted in a reduction in the pressure included in the MTFS of £0.005m in 2021/22 and an increase of £0.036m over the 5 year period of the MTFS (i.e. minimum revenue provision and interest payable)

4.2 The table below shows the factors which give rise to the £1.275m "gap" for 2021/22:

Additional Income	£'000
Fees and Charges	(151)
Business Rates Retention	(491)
Total Additional Income	(642)
Loss of Income	
Government Grant (New Homes Bonus, Housing Benefits Admin)	276
Reduction in income from under achieved budgets	300
Reduction in recycling credits scheme	70
Council Tax (collection fund/support)	73
Total Loss of Income	719
Additional Expenditure	
Employees (increments, national insurance and superannuation)	270
Premises (business rates and utilities)	15
Transport (fuel)	10
Borrowing Costs	223
Elections Reserve (top up of reserve)	50
One off budget pressure (reduction in flexible use of capital receipts)	200
Other pressures (housing benefits, homelessness and software licences)	430
Total Additional Expenditure and Loss of Income	1,198
Net Increase In Base Budget	1,275

- 4.3 A number of savings and funding strategies have been identified as being both feasible and sustainable, via a vigorous Efficiency Board process including challenge sessions for each of the Portfolios involving Cabinet Members, the Executive Management Team, Heads of Service and the Finance Manager. The proposed savings identified to date for the period of the MTFs, and the remaining funding gaps are outlined in the table below, with further detail for 2021/22 in Appendix 1. These savings and strategies have enabled a balanced financial position to be proposed for 2021/22.

Category	Amount £'000	Comments
Income	50	Additional sources of income generation and an increased demand for services that the Council charges for.
One Council	195	Efficiencies to be generated from the continuation of prioritising digital delivery processes and services
Staffing Related Efficiencies	599	No redundancies are anticipated to arise from these proposals.
Good Housekeeping Efficiencies, General Other Savings, Changes in Base Budgets	46	Various savings arising from more efficient use of budgets.
Council Tax Increase	187	An assumed £5 (2.49%) per band D equivalent increase in Council Tax.
Financing	198	Transfer of revenue funded items to capital funding
Total	1,275	

- 4.4 As in previous years, the first draft of the savings plan set out at Appendix 1 was made available to the Finance, Assets and Partnerships Scrutiny Committee for scrutiny at its meeting on 14 December 2020. The Committee will also scrutinise this Cabinet report at its meeting on 18 January 2021.
- 4.5 As a result of the COVID-19 pandemic and the financial challenge the pandemic has raised, the Council has commissioned a full organisational review. This has identified a requirement to make significant changes to the way Council services are delivered, recognising both the impact of the pandemic in terms of creating more and different demands on Council services and the need to retain focus on the most vulnerable and disadvantaged in the community, whilst maximising opportunities for residents to help themselves, ensuring that they have a consistent and efficient interaction with the council when needed. A major programme of work (the One Council Programme) will be undertaken over the period 2021/22 to 2022/23 to implement the necessary changes, which will involve extensive redesign of organisational structures, processes and technology, underpinned by changes in culture, leadership and governance. The programme will be overseen by the ICT and Digital Steering Group chaired by the Leader of the Council and regular updates provided to Cabinet and FAPS.
- 4.6 Efficiencies and savings expected to be achieved through the One Council Programme will amount to circa £0.922m over a three year period and are recurring. In order to achieve the revenue savings set out above implementation costs of approximately £1.000m will need to be funded. This includes £0.250m in the current financial year for the blueprint and mobilisation phase of the programme which is due to commence in January 2021. These implementation costs consist of website development, ICT costs, staff time including enhanced HR support, external delivery partner and training costs together with programme assurance and contingency. It is proposed these costs will be funded via the flexible use of capital receipts and contributions from the Borough Growth Fund over a two year period.

Borough Growth Fund

- 4.7 The savings and funding strategies identified in the table above and in Appendix 1 will enable continued investment of £0.250m in the Council's priorities as per the Council Plan 2018-2022 via the Borough Growth Fund. In accordance with the 'Statutory Guidance on the Flexible Use of Capital Receipts', the 'Borough Growth' fund will continue to be used to provide pump-priming investment in initiatives that are forecast to generate on-going revenue savings through reducing the costs of service delivery or through the generation of additional income. The Council's Section 151 Officer will determine whether any proposed use of the fund complies with this guidance on a case by case basis.
- 4.8 It is also proposed that in order to boost environmental sustainability within the Borough, £0.100m per annum over the life of the MTFS be ring-fenced from the Borough Growth Fund to enable such projects to be fully funded.

Council Tax and Collection Fund

- 4.9 The savings and funding strategy assumes a £5 per Band D equivalent property Council Tax increase (this is the referendum limit announced as part of the Spending Review), producing £187,000 of additional income. This increase in Council Tax would equate to the following monetary increases for residents:

Property Band	Annual Increase £ p	Weekly Increase £ p
A	3.33	0.06
B	3.89	0.07
C	4.44	0.09
D	5.00	0.10
E	6.11	0.12
F	7.22	0.14
G	8.33	0.16
H	10.00	0.19

- 4.10 Taking into account the increased level of Council Tax Support claimants that the Council has received during the period of the COVID-19 pandemic and other changes to the Council Tax base (i.e. new properties, discounts and exemptions), the Council Tax base has decreased by 300 band D equivalent properties from 37,387 in 2020/21 to 37,087 in 2021/22.
- 4.11 The Council is required to declare its estimated surplus or deficit on the Collection Fund (for both Business Rates and Council Tax) ahead of the financial year end for 2020/21. Usually this surplus or deficit is then shared between the relevant preceptors in 2021/22 (a surplus if paid out to preceptors, including the Council, and a deficit is repaid to the collection fund from preceptors, including the Council). As part of its response to the COVID-19 pandemic the Government has announced that deficits on the collection fund incurred in 2020/21 can be spread over a 3 year period.
- 4.11 It was announced as part of the Local Government Finance Settlement that there would be an equitable sharing of irrecoverable local taxation collection losses between local authorities and the Treasury. The government intends to use a scheme similar to the income compensation and cover 75% of local government's collection fund deficits, with a small number of exclusions.
- 4.12 The Business Rates Collection Fund is estimated to be in a deficit position at 31 March 2021, primarily due to a significantly increased contribution to the bad debts provision to allow for the potential impacts of the COVID-19 pandemic. The deficit is estimated to amount to £0.980m (net of the significant additional Section 31 grants received to compensate for the Governments protection of businesses via reliefs), of which the Council's share is £0.392m. It is anticipated that 75% (£0.294m) of this deficit will be met by the irrecoverable local taxation collection losses scheme, and that the repayment to the collection fund of the remaining deficit (£0.098m) can be spread over a 3 year period.
- 4.13 The Council Tax Collection Fund is estimated to be in a deficit position as at 31 March 2021, primarily due to an increase number of Council Tax Support claimants due to the COVID-19 pandemic. This deficit is estimated to amount to £1.122m, of which the Council's share is £0.125m. It is anticipated that 75% (£0.092m) of this deficit will be met by the irrecoverable local taxation collection losses scheme, and that the repayment to the collection fund of the remaining deficit (£0.033m) can be spread over a 3 year period.
- 4.14 The Local Government Finance Settlement for 2021/22 was received on 17 December 2020, this is largely in line with the assumptions that had previously been made via the Medium Term Financial Strategy. Despite the decision to not increase the business rates multiplier (as part of the Government's protection of businesses), the Council will be fully reimbursed for the increase in business rates retention funding that would otherwise have been received as forecast in the Medium Term Financial Strategy.

- 4.15 The Government have introduced a Lower Tier Services Grant, this grant is un-ringfenced and is specific to lower tier authorities only. The Council will receive £0.159m from this funding source in 2021/22, it is proposed that this funding be paid into the General Fund Reserve in order to boost the Council's financial resilience during the forthcoming financial year.
- 4.16 Further funding will also be paid to the Council to assist with COVID-19 related pressures in 2021/22. Again, this will represent un-ringfenced grant support and uses the distribution methods applied to funding received during 2020/21. It is proposed that a COVID-19 specific reserve be established and that this funding be paid into this reserve during the forthcoming financial year.
- 4.17 The Government has also indicated that it is providing funding to broadly meet the additional costs associated with increases in local council tax support caseloads in 2021/22. The funding will be un-ringfenced and can be used to provide other support to vulnerable households, including through local welfare schemes. Allocations have not yet been published.
- 4.18 The Government also intend to continue the current income compensation scheme to support local authorities for the first quarter of 2021/22, it is anticipated that the Government will continue to use 2020/21 budgeted income as the baseline to assess losses.

5. Budget Consultation

- 5.1 Public consultation has been commenced on the budget, the results of which will be reported to Cabinet on 3 February 2021.

6. Capital Programme 2021/22 to 2023/24 and Capital Strategy 2021-31

- 6.1 The Capital Programme for 2021/22 to 2023/24 (Appendix 4) is based on new schemes which are vital to ensure continued service delivery and in assisting the Council to achieve its corporate and service objectives as set out in the Council Plan 2018-22 approved by Cabinet on 19 September 2018. These schemes total £31.057m, of which £12.923m relates to 2021/22.
- 6.2 The Capital Strategy for 2021-31 (Appendix 7) meets the requirements of statutory guidance issued by the Government in January 2018. The Council's capital investment is carried out within the statutory framework laid down by the Local Government Act 2003 and regulations under that Act. Accordingly, only expenditure which fits the definition of capital expenditure contained in the Act or Regulations pursuant to it will be capitalised.
- 6.3 The Capital Programme is produced in line with the Capital Strategy for 2021-31 (Appendix 7). In addition to the Council's corporate and service objectives, as set out in the Council Plan 2018-22, the Capital Programme is also influenced by a number of external parties and factors:
- Central government and its agencies;
 - Legislation requiring capital works;
 - Partner organisations;
 - Businesses and Developers; and,
 - The needs and views of other interested parties, particularly those of Borough residents.
- 6.4 The Capital Programme for 2021/22 includes £4.600m for the refurbishment and reopening of Kidsgrove Sports Centre. This is in addition to the £1.000m currently anticipated to have been spent during 2020/21 (i.e. total scheme value of £5.600m) and will enable the provision of leisure facilities within Kidsgrove ahead of the timescale previously planned.

- 6.5 Delivering the capital programme for 2021/22 will require prudential borrowing to be undertaken. The impact of borrowing is included in the MTFS pressures for 2021/22 and future years.
- 6.6 Advice will be sought from the Council's Treasury Management advisors, Arlingclose, as to the most beneficial timing of prudential borrowing. Their current advice is to borrow on a short term basis (up to 4 years) from other local authorities whilst interest rates remain low.
- 6.7 In summary, investment in the capital programme for 2021/22 to 2023/24 totalling £31.057m will be funded by:
- £5.322m External Funding including Disabled Facilities Grant and s106;
 - £6.753m Capital Receipts; and,
 - £18.982m Prudential Borrowing/Leasing

7. Treasury Management Strategy 2021/22 and Investment Strategy 2021/22

- 7.1 The Treasury Management Strategy for 2021/22 is attached at Appendix 8. The Minimum Revenue Provision Policy for 2021/22, as referred to at 4.1 of this report, is contained in Annex C to the strategy.
- 7.2 The Treasury Management Strategy for 2021/22 allows for borrowing. Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the Public Works Loans Board (PWLb). After the utilisation of capital receipts and internal borrowing, the Council will now look to borrow short term from other local authorities in the first instance and will then review any other sources of funding if required.
- 7.3 The Investment Strategy for 2021/22 is attached at Appendix 9. This investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and is based on guidance provided by Arlingclose, the Council's treasury management advisors. Quantitative investment indicators are included within the Strategy to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.
- 7.4 The Investment Strategy is informed by and consistent with the Commercial Strategy approved by Cabinet in October 2019 which proposed the establishment of a Revolving Investment Fund of £50m funded from a mix of revenue contributions, capital receipts and prudential borrowing. At the current time, given the amount of uncertainty in the economy, the establishment of a Revolving Investment Fund has paused.
- 7.5 The aim of the strategic asset development programme included within the Commercial Strategy will continue to be to steer and manage development opportunities from the Council's property asset base so as to deliver capital receipts and improved revenue income streams but at the same time securing the regeneration, economic development and housing objectives of the Council. Examples include acquisition and development of strategic town centre sites, housing and industrial sites within the borough (including, for example within the Chatterley Valley Enterprise Zone). Developments may be undertaken on a co-investment basis with public, not for profit and private sector partners.

8. Balances and Reserves

- 8.1 A review of the Council's Balances and Reserves together with a financial resilience risk assessment informing the levels of these has been undertaken by the Council's S151 Officer. Details of the risk factors considered and the weightings applied to each are set out at Appendix 3.

- 8.2 The Council currently holds a minimum balance of £0.100m as an Income Reserve in order to provide increased flexibility to manage year-to-year fluctuations in income. If the Income Reserve is used in year it is proposed that this be replenished to a balance of £0.100m during the budget setting process for the following financial year.
- 8.3 It is recommended that a minimum level of unallocated reserves and contingencies of £3m be held in 2021/22 to reflect the increased levels of revenue risk shown in respect of the Coronavirus (a significant increase from the current level of £1.548m). Therefore, the Council's Balances and Reserves Strategy for 2020/21 is that there should be a minimum General Fund balance of £3m and an Income Reserve of £0.100m.
- 8.4 The recommendation to increase the level of unallocated reserves, together with action already taken to address historic structural budget deficits, is part of continuing action to safeguard the long term financial resilience of the Council and reflects the additional risks that the Council will increasingly be exposed to over the life of the MTFs.
- 8.5 In addition it is recommended that the current £1m capital programme contingency which is held to allow for emergency unforeseen projects that may be required during the year be transferred to an earmarked fund.

9. **Legal and Statutory Implications**

- 9.1 The Council is required to set its Council Tax for 2021/22 by 8 March 2021. However, it is planned to approve the final budget and council tax rates on the 17 February 2021.

10. **Risk Statement and Major Risks**

- 10.1 Section 25 of the Local Government Act 2003 places a duty on the Section 151 Officer to report on the robustness of the budget. The main risks to the Revenue and Capital budgets include:
- Spending in excess of the budget;
 - Income falling short of the budget, including losses relating to the Coronavirus; and,
 - Unforeseen elements e.g. changes to legislation or reductions in government grants.
- 10.2 Such risks require regular and robust monitoring and it is essential that the Council has sufficient useable reserves to call on if required (see Section 6 above). The review and risk assessment indicates that overall unallocated reserves and contingencies are required to be increased from £1.548m to £3m to reflect the increased levels of risk shown in the revenue budget in relation to the Coronavirus. In addition an earmarked reserve of £1m is required to provide flexibility to manage risks relating to delivery of the capital programme.
- 10.3 The assessment of the Section 151 Officer is that the draft proposals included in this report are robust and will ensure an adequate level of reserves. However, it should be noted that a number of assumptions and proposals are provisional or draft, and as such this opinion will be confirmed in the Revenue and Capital Budgets and Council Tax 2021/22 reports to Cabinet on 3 February 2021 and to Council on 17 February 2021.
- 10.4 Treasury management is a major area of risk for the Council in that large amounts of money are dealt with on a daily basis and there are a number of limits and indicators, which must be complied with.
- 10.5 The overriding consideration in determining where to place the Council's surplus funds is to safeguard the Council's capital. Within this constraint the aim is to maximise the return on

capital. Operational procedures, coupled with monitoring arrangements, are in place to minimise the risk of departures from the approved strategy.

11. Timetable

11.1 The table below sets out the key dates of the events still to take place before the budget for 2021/22 is finally approved.

Event	Body Affected	Date
Budget consultation	Proposed to run from 18 December to 22 January	
Approval of final MTFS and consideration of draft Budget proposals	Cabinet	13 January
Scrutiny of draft budget	Finance, Assets and Performance Scrutiny Committee	18 January
Final budget proposals recommended for approval by Full Council	Cabinet	3 February
Full Council to approve Budget	Full Council	17 February

12. Equality Impact Assessment

12.1 There are no adverse equality impact identified as a consequence of this report.

13. Financial and Resource Implications

13.1 These are addressed in the body of the report.

14. Risk Statement and Major Risks

14.1 The assessment of the Section 151 Officer is that the draft proposals included in this report are robust and will ensure an adequate level of reserves. However, it should be noted that a number of assumptions and proposals are provisional or draft, and as such this opinion will be confirmed in the Revenue and Capital Budgets and Council Tax 2021/22 reports to Cabinet on 3 February 2021 and to Council on 17 February 2021.

15. Key Decision Information

15.1 Affects all wards within the Borough and monetary values involved are highly significant.

16. Earlier Cabinet/Committee Resolutions

16.1 Medium Term Financial Strategy 2021/22 to 2025/26 (Cabinet 11 November 2020).

17. List of Appendices

- Appendix 1: 2021/22 MTFS Funding Strategy
- Appendix 2: 2021/22 to 2025/26 MTFS 'Gaps'
- Appendix 3: Risk Assessment on Required Balances/Contingency Reserve
- Appendix 4: 2021/22 to 2023/24 Capital Programme
- Appendix 5: Key Council Achievements in 2020/21
- Appendix 6: Flexible Use of Capital Receipts Strategy 2019 to 2022
- Appendix 7: Capital Strategy 2021 to 2031
- Appendix 8: Treasury Management Strategy 2021/22
- Appendix 9: Investment Strategy 2021/22

18. **Background Papers**

CIPFA Treasury Management Code of Practice (revised December 2017)
Council's Treasury Management Policy Statement
Local Government Act
Local Authorities (Capital Finance and Accounting) (England) Regulations
Ministry of Housing, Communities and Local Government's Guidance on Local Government
Investments
Statutory Guidance on the Flexible Use of Capital Receipts

2021/22 MTFS Funding Strategy

Appendix 1

Ref	Service Area	Description	£000's	Detail
Income				
I1	Recycling and Fleet	Trade Waste Income	50	Increased marketing and sales regarding the trade waste service, as agreed in the 2020/21 budget setting process
			50	
One Council				
O1	Corporate	One Council/Digital Delivery	195	Efficiencies to be generated from the continuation of prioritising digital delivery processes and services
			195	
Staffing Related Efficiencies				
S1	Revenues and Benefits/Customer Services	Restructure	131	Phase 2 of restructure of Revenues and Benefits and Customer Services
S2	Finance	Car Leasing Scheme	3	Car leases not renewed following expiry
S3	Finance	Section 151 Officer Appointment	110	Re-designation of Section 151 Officer role to Head of Finance
S4	Recycling and Fleet	Restructure	40	Restructure of Recycling and Fleet managerial team
S5	Operational	Grounds Maintenance	60	Saving from contract brought back in house with staff TUPE'd from contractor
S6	All	Vacant Posts, Retirements, Reprioritisation	255	Vacant posts, service reprioritisation and employees retirement
			599	
Good Housekeeping/More Efficient Processes				
G1	ICT Services	Staffordshire Connects	13	Saving in partnership contribution following change of Customer Relationship Manager system
G2	Housing, Regeneration and Assets	Cash Collections	24	Saving from contract to be brought back in house
G3	Communications	Printing	9	Saving from reduced levels of printing across the Council
			46	
Alternative Sources of Finance/Other				
A1	Corporate	Council Tax Increase	187	Assumed increase of £5 per Band D equivalent property
A2	Corporate	Business Rates Reserve	31	Use of accumulated surplus from Business Rates Retention scheme to offset 2020/21 forecast business rates collection fund deficit
A3	Corporate	Alternative Financing	167	Equipment that was previously provided for via contributions to reserves from revenue will now be funded directly from capital
			385	
Grand Total			1275	

Medium Term Financial Strategy Gaps

Pressures	2021/22 (£'000s)	2022/23 (£000's)	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)
Employees	270	575	554	538	553
Premises	15	26	27	28	28
Transport	10	10	10	10	10
Income	77	288	114	(100)	(108)
Financing	473	602	117	540	27
Spending Pressures	430	-	-	-	-
Total Pressures	1275	1501	822	1016	510
Savings	2021/22 (£'000s)	2022/23 (£000's)	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)
Income	(50)	-	-	-	-
One Council	(195)	(601)	(126)	-	-
Staffing Related Efficiencies	(599)	-	-	-	-
Good Housekeeping	(46)	-	-	-	-
Tax Base	-	(109)	(167)	(169)	(172)
Council Tax Increase	(187)	(188)	(190)	(191)	(191)
Financing	(198)	(31)	(31)	-	-
Total Savings	(1275)	(929)	(514)	(360)	(363)
Remaining Gap	-	572	308	656	147

Risk Assessment on Required Balances/Contingency Reserve

Note: All of these risks relate to the Business Objective 'To set a balanced, affordable and achievable budget' and fall into the "Finance" Category

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Owner	Target Date
1	Increase in fees and charges does not result in higher income levels	Shortfall in income leading to overspends	3 x 4	High	Included in calculation of prudent minimum balances.	3 x 3	High	None	Exec Mgt Team	N/a
2	Reduced Income due to non-availability of service (e.g. COVID-19 related or similar)	Shortfall in income leading to overspends	3 x 3	High	Included in calculation of prudent minimum balances.	3 x 3	High	None	Exec Mgt Team	N/a
3	Income, including collection fund income, falls short of Budget because of general change in market conditions, e.g. because of demand fluctuations COVID-19 related or failure to fully recover	Shortfall in income leading to overspends	3 x 5	High	Included in calculation of prudent minimum balances.	3 x 3	High	None	Exec Mgt Team	N/a
4	Bad debts reduce the Council's income	Shortfall in income leading to overspends Need to top up Bad Debts Provision	3 x 4	High	The Council has a sundry bad debts provision (£237k balance at 31/03/20). £30k contribution to provision included in the base budget.	3 x 3	High	Increase monitoring of collection performance	Exec Dir Resources	N/a
5	Employee budgets – The budget is discounted on the assumption there will be vacancies. The impact of 1% vacancy is about £150,000	Vacancies do not occur leading to additional costs	3 x 3	High	The budget assumes a vacancy factor of 2%. This is realistic compared with experience from previous years.	3 x 3	High	None	Exec Mgt Team	N/a

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Owner	Target Date
6	Employee Budgets - The 2021/22 employee pay settlement results in an increase higher than included in the budget	Additional unbudgeted costs	2 x 1	Low	Pay Spine review known in advance. Balances sufficient to deal with any additional costs, plus reduced job security in economy.	2 x 1	Low	None	Exec Mgt Team	N/a
7	Problems with staff recruitment/retention resulting in the payment of market supplements at extra cost	Additional unbudgeted costs	3 x 3	High	Subject to ongoing review.	3 x 3	High	None	Exec Mgt Team	N/a
8	Problems with staff sickness/suspensions resulting in the needs to use agency/interim staff at extra cost.	Additional unbudgeted costs	3 x 3	High	Situation subject to ongoing review.	3 x 3	High	None	Exec Mgt Team	N/a
9	Council becomes liable to pay compensation or legal fees or other unforeseen commitment arises.	Additional unbudgeted costs	3 x 3	High	Included in calculation of prudent minimum balances	3 x 3	High	None	Exec Mgt Team	N/a
10	Inflation relating to supplies and services exceeds the allowance in the budget.	Additional unbudgeted costs	3 x 3	High	Included in calculation of prudent minimum balances	3 x 3	High	None	Exec Mgt Team	N/a
11	Existing commitment(s) missed out of budget	Additional unbudgeted costs	3 x 2	Moderate	Budgets subject to checking at several levels. Preparation of standstill budget for comparison.	3 x 2	Moderate	None	Exec Mgt Team	N/a
12	Fall in interest rates reduces income to the Council.	Investment income targets not met	1 x 1	Low	Rates are very low now. A decrease would make no difference investment wise but would reduce costs.	1 x 2	Low	None	Exec Mgt Team	N/a

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Owner	Target Date
Page 32	Capital receipts expected are not realised	Additional unbudgeted borrowing costs	3 x 3	Moderate	Capital Budgets and receipt expectations have been realistically set. Allowance provided for in calculation of prudent minimum balances	3 x 3	High	None	Exec Mgt Team	N/a
14	Fuel costs increase by more than allowed for in budget.	Additional unbudgeted costs	3 x 3	High	Realistic increases included in base budget.	2 x 3	Moderate	None	Exec Dir Op Serv	N/a
15	Energy costs increase by more than allowed for in budget.	Additional unbudgeted costs	3 x 3	High	Realistic increases included in base budget.	2 x 3	Moderate	None	Exec Mgt Team	N/a
16	Unforeseen major repairs needed to Council properties.	Additional unbudgeted costs	4 x 3	High	Planned maintenance programme in place and stock condition survey.	3 x 2	Moderate	None	Exec Mgt Team	N/a
17	Insurances – unexpected increases in premiums.	Additional unbudgeted costs	3 x 3	High	Included in calculation of prudent minimum balances	3 x 3	High	None	Chief Exec	N/a
18	Insurances - high level of excesses to be met by Council or uninsured losses	Additional unbudgeted costs	3 x 3	High	Included in calculation of prudent minimum balances. Insurance Provision established.	3 x 3	High	Monitor level of Insurance Provision	Chief Exec	N/a
19	Government increase NI rates during 2021/22. An increase of 1% adds about £120,000 to the Council's costs	Additional unbudgeted costs	3 x 3	High	Included in calculation of prudent minimum balances	3 x 3	High	None	Exec Dir Resources	N/a
20	Loss of VAT Exempt Status	Additional unbudgeted costs	3 x 3	High	None	3 x 2	Moderate	Continue to monitor position regularly	Exec Mgt Team	N/a
21	Savings built into Budget are not realised	Additional unbudgeted costs	3 x 3	High	Regular Budget Monitoring	3 x 3	High	None	Exec Mgt Team	N/a

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Owner	Target Date
22	New Legislation imposes extra costs but provides insufficient resources	Additional unbudgeted costs	3 x 3	High	Contingency Reserve available. Included in calculation of prudent minimum balances.	3 x 3	High	None	Exec Mgt Team	N/a
23	Partnerships - expenses falling on Council as accountable body	Additional unbudgeted costs	2 x 3	Moderate	Few partnerships in place now. Monitor partnership activities and ensure carried out according to agreements.	2 x 1	Low	None	Exec Mgt Team	N/a
24	Civil Emergency	Additional unbudgeted costs	5 x 2	High	Bellwin Scheme will meet 100% of eligible expenditure within 1 month of an emergency (over threshold set-£25k for NBC)	4 x 2	Moderate	None	Exec Mgt Team	N/a
25	Investment Counterparty (including own bank re current account, etc) fails to meet its financial commitments	Loss of interest due Ongoing loss of interest owing to loss of capital	2 x 3	Moderate	Use of credit rating agencies Counterparty list based on minimum ratings with CDS overlay. Limits to investments with one counterparty (£7m)	2 x 3	Moderate	Frequent reviews of investment strategy	Exec Dir Resources	N/a
26	Municipal Mutual Insurance (MMI) Clawback	Additional unbudgeted costs	4 x 4	Extreme	MMI Provision	4 x 3	High	Consider increasing amount of provision if reports from administrat or indicate it to be necessary	Exec Dir Resources	N/a
Page 33	Data Protection breach resulting in fine	Additional unbudgeted costs	3 x 3	High	Data Protection Policy Reminders to staff. All staff complete mandatory Data	3 x 3	High	None	Exec Mgt Team	N/a

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Owner	Target Date
Page 34					Protection e-learning module.					
28	Members act against officer advice resulting in cost to the Council	Additional unbudgeted costs	3 x 3	High	Agenda pre-meetings. Liaison with members. Monitoring Officer.	3 x 3	High	None	Exec Mgt Team	N/a
29	Volatility in respect of Brexit	Additional unbudgeted costs re supplies and services and utilities	3 x 3	High	Include in calculation of prudent minimum balances.	3 x 3	High	Monitor	Exec Mgt Team	N/a

Impact (I)

- 1 - Negligible <£25,000
- 2 - Marginal <£50,000
- 3 - Serious <£250,000
- 4 - Critical <£1m
- 5 - Catastrophic >.£1m

Likelihood (L)

- 1 - Extremely Unlikely
- 2 - Remote Chance
- 3 - Possible
- 4 - Probable
- 5 - Frequent / very likely

Score

- 1-2
- 3-8
- 9-15
- 16-25

Risk rating

- Low Risk
- Moderate Risk
- High Risk
- Extreme Risk

2021/22 to 2023/24 Capital Programme

Appendix 4

CAPITAL PROGRAMME	2021/22	2022/23	2023/24	TOTAL
	£	£	£	£
PRIORITY - Local Services that work for Local People				
Service Area – ICT and Digital	649,000	110,000	102,000	861,000
Total	649,000	110,000	102,000	861,000
PRIORITY - Growing our People and Places				
Service Area - Housing Improvements	1,080,000	2,615,000	2,625,000	6,320,000
Service Area - Managing Property & Assets	466,174	593,634	662,174	1,721,982
Total	1,546,174	3,208,634	3,287,174	8,041,982
PRIORITY - A Healthy, Active and Safe Borough				
Service Area - Environmental Health	0	0	60,000	60,000
Service Area - Streetscene and Bereavement Services	610,450	2,210,600	1,125,600	3,946,650
Service Area - Recycling and Fleet	971,500	351,000	2,899,500	4,222,000
Service Area - Leisure	5,671,000	687,000	17,000	6,375,000
Service Area - Museum	240,000	40,000	0	280,000
Service Area - Managing Property & Assets	275,957	359,345	264,669	899,971
Service Area - Engineering	383,000	590,000	1,070,000	2,043,001
Total	8,151,907	4,237,946	5,436,769	17,826,622
PRIORITY - A Town Centre for All				
Service Area - Managing Property & Assets	1,476,353	1,157,890	393,248	3,027,490
Total	1,476,353	1,157,890	393,248	3,027,490
CONTINGENCY	1,000,000	0	0	1,000,000
TOTAL	12,923,434	8,814,470	9,319,191	31,057,095
FUNDING				
Capital Receipts	3,075,000	3,128,000	550,000	6,753,000
External Contributions	2,252,000	2,035,000	1,035,000	5,322,000
Borrowing/Leasing	7,596,434	3,651,470	7,734,191	18,982,095
TOTAL	12,923,434	8,814,470	9,319,191	31,057,095

Key Council Achievements in 2020/21

Delivery of a New Recycling and Waste Service

In quarter 2, the new recycling collection service was fully rolled out and operational. This was further supplemented in August with the recommencement of separate food waste collections using a new dedicated fleet of vehicles. Quantities of recycling material collected remains some 20% higher than that of the previous service, with greater participation also by residents who have found the new service so much simpler for them to use.

The quality of the material collected is excellent too, at less than 2.5%, well below national figures for 'non target' material processed through the Councils contracted material recovery facility. This means more of the material residents put out for collection is actually recycled, and there is less chance of it having to be exported. High quality material for recycling can find legitimate homes in the UK.

Britain in Bloom

Although the national, regional and local Bloom campaigns were cancelled in 2020 because of the pandemic, business sponsorship continued and achieved cash income of over £50,000. Phase 6 of the Public Art programme, a "frog" sculpture, was commissioned and installed at Gallowstree Lane Roundabout. A total of 6 of the Borough's strategic parks and cemeteries achieved Green Flag status this year.

Bereavement Services

The Council's Bereavement Services achieved Gold Standard again in the Charter for the Bereaved and continued to deliver services to families throughout the difficult and challenging pandemic, responding to government guidance and operating in a Covid-secure manner. Live streaming of services at the crematorium was facilitated by investment in a new system and a further phase of the cremated remains "leaf garden" was constructed in the grounds. The Council also insourced the grounds maintenance contract which is now being delivered by the Streetscene team at a lower cost.

Environmental Action

The Council delivered a modest programme of environmental education and enforcement activities, taking into account Covid restrictions, and facilitated over 1000 hours of community volunteering activity in local parks, open spaces and neighbourhoods. Successful enforcement action has been delivered in relation to abandoned vehicles and the number of vacant allotment plots has reduced and income from this has increased. Capital programme improvement and equipment replacement projects have been successfully delivered in relation to the Council's playground stock, and the SUNRISE partnership project has improved biodiversity at Thistleberry Parkway, Lyme Valley Parkway and Pool Dam Local Nature Reserve. Advance Town Deal Funding was secured to deliver projects in Clough Hall Park and Newchapel Recreation Ground, as well as improvements to the Grosvenor sunken roundabout and town centre CCTV.

Streetscene

As well as delivering the daily Borough-wide street cleansing and grounds maintenance work, the Streetscene team has supported the Recycling and Waste collection teams throughout the pandemic to ensure that this vital service to residents continued. The annual town centre floral displays were delivered as usual to support economic recovery and social distancing signage was installed to support the management of retail centres. Parks and open spaces remained open and were maintained throughout the lockdown periods to ensure residents had access to green space for exercise and relaxation, and playgrounds were reopened in line with guidance at the appropriate time. The Council's footpath and railing stock has been repaired at key sites and a contract has continued to be managed to progress the large volume of tree work which has been identified as part of the Council's ongoing tree inspection programme.

Garden Waste Service

Garden waste subscriptions have grown during the year, with the Council now supplying garden waste collection services to nearly 21,000 homes. The quality of the material collected is excellent with very little contamination, and the quantity collected this year is 850 tonnes or 12.5% higher than the previous year confirming that residents who have subscribed to the service are ensuring they make full use of it.

Deliver A Local Plan

Despite the outbreak of Covid 19 in 2020, the Planning Policy team has worked on updating the evidence base supporting the Local Plan to reflect the effects of the virus on the economy, housing markets and retailing across the Borough. Given the amount of change expected in 2021 following the Country's departure from the European Union and the recovery from the Covid outbreak, the Council is taking the opportunity at the end of the year to assess whether to continue working with Stoke on a joint local plan or build on the work already completed and commence a new plan targeted at meeting the needs and aspirations of the people and businesses in the Borough.

Development Management Service

The Government have set up performance criteria for the determination of planning applications by Councils. For major developments (sites of 10 or more houses or commercial development over 1000 m²), the target is 60% or more decisions in 13 weeks and for non-majors 70% of decisions within 8 weeks. For 2020/21, the team has far exceeded these targets and delivered figures of 100% in both categories. This is a reflection not only of the new processes and approach to decision making that the team has adopted but also the hard work put in to keeping the service operating effectively especially during the pandemic.

Cultural Developments

The museum has been able to safely open to visitors during all the periods allowed and have also provided a good social media and digital presence for those not able to physically visit.

The installation of Wi-Fi into the museum, due to a recent £5,000 award by the West Midland Museum's development service, to improve and extend our Wi-Fi into more inaccessible parts of the building has commenced, and will allow us to run virtual education tours and talks in places such as the museum stores, street scene and cellar - places that people are unable to visit due to health and safety issues.

Funding has been secured and authorisation to start the museum redevelopment project given for the creation of an extension for a new, dedicated temporary exhibitions space. The project also includes internal reconfiguration of rooms in the building, such as reinterpretation of the galleries to use the collections to tell new stories to better engage visitors. In addition there is three year funding for another member of staff to promote interest in the Borough of Newcastle's heritage and culture.

One Public Estate

The Borough Council received a grant from 'One Public Estate' to cover the cost of undertaking the masterplanning of Knutton Village. This involved preparing proposals for the use or development of a number of cleared sites around the centre of Knutton in the ownership of the Borough and County Councils and Aspire Housing. The objective is to bring forward new housing development in the area and to assess the potential for investing in the improvement and consolidation of community facilities. Aspire Housing also contributed to the Study with a view to reviewing provision of affordable housing in the area, including housing for the elderly. Consultation on the draft masterplan is imminent and once complete, a further report will provide the results and detail the financial implications arising from the proposals. Elements of the Knutton masterplan are included in the draft Town Deal Town Investment Plan which will be submitted in January 2021.

Supporting Retailers and Local Businesses

Activity in 2020 was significantly different than in previous years due to the impact of Covid-19. Work continued in signposting businesses to the Growth Hub and maintaining the business support pages on the website with relevant sources of information and advice. The Council also processed a

significant number of applications for Government local business support grants in both the first and second Lockdown periods and continues to administer the Local Restriction and Additional Restriction Support Grants. In excess of 900 businesses have contacted the council for business advice via the online form since March 2020, plus additional queries by phone. In June, all contacts were sent a copy of the council's re-opening checklist, a link to add their details to the Shop Local page and a request to hold their contact details on file if they were interested in receiving a regular e-newsletter. Over 100 responded to this request, which gives an excellent starting point to keeping business updated in the future. The Covid-19 Business Support pages on the website were revised for the second round of business support and the process of grant payment was refined to enable efficient payment of business grants. Additionally links on the business page were refreshed with business information for the end of the Brexit Transition period. A specific business information Twitter account has also been set up. The Council has also been proactive in visiting consumer facing businesses in the town centres and neighbourhood shopping centres across the Borough giving advice on Covid-19 regulations and safety measures to support the safety of both employees and customers in those businesses.

In the town centre, delivery of the market improvement programme continued and a number of specialist markets have been very well supported by visitors to the town centre.

Regeneration of the Newcastle and Kidsgrove Town Centres

The Council submitted a bid to the Future High Streets Fund for Newcastle Town Centre and has secured an in principle award of just over £11m. This funding will enable delivery of exciting new plans for the town centre redevelopment focused on the Ryecroft area.

Newcastle and Kidsgrove towns were both selected to submit Town Deal Town Investment Plans. Two new Town Deal Boards were developed and work has been undertaken with a wide range of stakeholders to develop investment proposals for the Town Deal areas. Kidsgrove Town Investment Plan was submitted in October, containing a range of transformational projects in Kidsgrove Town Centre around the themes of enhanced enterprise infrastructure, a connected and accessible town centre and health and wellbeing.

In Newcastle, the Town Investment Plan is in the final stages of development and the draft range of projects are designed to complement and add to those in the Future High Street Fund bid. The draft investment plan has projects around the themes of enhanced physical and digital connectivity, diversify and enhance the town centre experience by encouraging new uses and the regeneration of local communities.

The Council was also awarded Accelerated Town Fund monies for projects in Newcastle and Kidsgrove, which need to be delivered by 31 March 2021. We are currently delivering on a range of projects in the two town centres that are in line with the aims of the Town Deal programme.

COVID Response Work in our Communities

We worked closely with our partners at the Realise Foundation and Support Staffordshire during the pandemic to provide direct support to the most vulnerable in need of support in our communities. In addition to the individuals identified as vulnerable under the government scheme, the Council and its partners met the support needs of individuals self-isolating or struggling for a variety of reasons as a result of the Covid-19 virus. Assistance included areas such as help getting shopping, walking the dog or even being put in touch with local community groups or someone to talk to was made available. To assist, the Council initially created a COVID 19 call centre staffed by volunteers from our leisure services team and gave appropriate information and signposting to callers, including money advice and financial hardship, domestic abuse, social isolation, safeguarding, housing and homelessness, food deliveries etc. In the second lockdown a decision was taken to use our existing Customer Services team to triage calls and signpost to Realise and other local services as appropriate. In addition, the Council have continued to assist more complex cases and other vulnerable households with partners through the work of the Daily Vulnerability Hub, Multi Agency Risk Assessment Conference (MARAC) and the Newcastle Housing Advice Service.

As part of the Covid-19 'Everyone In' response, the Council provided additional accommodation and support to Rough Sleepers to encourage engagement where possible, which is being co-ordinated by the new Navigator post. While the Council and partners are using all of their available tools and powers, there is a cohort of individuals who have been identified but are refusing to engage with the available support offered due to their lifestyle choices, poor mental health and addictions. However, the partnership efforts will continue to use a collaborative and persistent approach to address issues identified in the town as they present.

Taxi Licensing Policy

The Licensing and Public Protection Committee approved the Taxi Licensing policy resulting in full implementation of the policy in January 2020. The policy document is a wide scale reform of the current policy, to ensure that the Council has a policy that is fit for purpose in respect of the legislative framework and administration of the service. Further statutory guidance was published in July 2020, which have resulted in further amendments to the taxi policy being proposed to Licensing and Public Protection committee in October 2020 and public consultation has recently concluded. This will be considered by committee in January 2021.

Environmental Health & Licensing

A new responsibility for the authority this year is for the team to ensure the Covid 19 restrictions were applied and in place as directed by Government. Also the new pavement licensing regime has been implemented by the service as a temporary licence which allows premises to apply for a licence for tables & chairs and other furniture on the pavement outside of their premises. In addition, the service is supporting the County Council in the Covid outbreak controls for high risk premises and is continuing with advising business, responding to complaints and undertaking enforcement for non-compliance with Covid controls. It is unknown at present how long these responsibilities will remain in place.

Air Quality Local Development Plan

Work is continuing with Stoke-on-Trent City Council and Staffordshire County Council to create the North Staffordshire Local Air Quality Plan to bring about improvements in Nitrogen Dioxide (NO₂) levels. The outline plan has been presented to Economy, Environment and Place Scrutiny Committee and approved at Cabinet. Subject to approval by partners and the Joint Air Quality Unit at Government, work upon preparation of the Full Business Case will be progressed.

Work on the retrofitting of busses operating on the A53 is well underway and is expected to be completed this year.

Business Support Grants

Since the March lockdown, the council has delivered and managed grant funding payments to support businesses and individuals impacted by Covid-19, with the amount paid in business support grants being well in excess of £22,000,000.

Customer Service Delivery

Within one week of the Covid lockdown, all Customer Service staff were working from home and continued to answer questions, provide information and support residents of the Borough at this difficult time. During this time, new digital processes were enabled to deal with enquiries at the first point of contact, and support given to new services such as the Business Support Grants process and the rollout of the new Recycling and Waste service.

Developing our Workforce

Despite the Covid 19 situation, work has continued across services in the development of robust, innovative and efficient work force plans which align to the council vision for the future.

High on the list of priorities is the engagement of staff in the development of organisational values and behaviours; from which recognition and reward, development and learning and leadership strategies will be developed. As work develops towards detailed design of the One Council transformation, the People Team will continue the focus on alignment of vision and people processes.

HR are continuing to work with all managers to coach and mentor them through all the HR policies to embed good practice and develop their skills in managing staff successfully to enable a positive working culture. The staff survey in August returned positive results in terms of the support and communication staff are receiving from managers and teams and gave a clear steer to continue the work and promote the services we currently have in place.

Working to ensure staff wellbeing

Due to the changed working conditions for many staff this year, the focus has been to ensure the support of mental health and wellbeing of staff during this time continues and our support and counselling services are available. In partnership with the Trade Unions, a Mental Health working group was set up to work with the staff to develop further our support mechanisms, and in October the World Mental Health day was marked with a campaign for staff to 'do one thing' to improve their wellbeing and share their stories. Staff benefitted from enhanced reductions in cost to Council Leisure services and free lunchtime fitness sessions. Staff were also offered the chance to 'keep well this winter' and access their free flu vaccination.

Development of Key People policies

Ongoing discussions with the Trade Unions on Organisation Change and Redeployment were paused during the Covid-19 outbreak, but the HR team has continued to work with all managers to coach and mentor them through all the HR policies to embed good practice and develop their skills in managing staff successfully to enable a positive working culture. Work will continue in the new year to confirm the scheduled of work against policy development in partnership.

FUTURE PLANS 2021/22

Development of the Recycling Service

Plans are being developed to increase recycling from schools and communal facilities at flat locations. The schools package will include separate collections of food waste also, and a package of educational resources, closely linked to the curriculum to promote waste minimisation, re-use and recycling.

In addition we are working with our Staffordshire authority partners to procure sorting and processing facilities to treat recycling materials collected from the eight collection authorities across Staffordshire.

Development of the Environmental Service

The service will continue working with Staffordshire County Council and partner organisations in relation to Covid-19 controls, outbreak investigations and enforcement as necessary. This work has been a priority, resulting in the need to develop of new work plans to recover some routine regulatory activities and ensure our regulatory responsibilities are delivered.

The pandemic has enabled the start of work on digitising licensing applications, the roll out of on-line applications for further applications licensing throughout the next year is planned.

The Council is working with Stoke-on-Trent City Council and Stafford Borough Council to implement a grant for the installation of rapid chargers for taxis and members of the public to use throughout the area.

Work will continue on the North Staffordshire Local Air Quality Plan to develop the full business case, in addition for local air quality management work will commence on preparations for the revocation of two local air quality management areas in respect of Nitrogen dioxide, as monitoring has shown that levels of the air pollutant have reduced to below the statutory level, resulting in cleaner air for our residents.

With the progression of HS2, the service will continue review and regulate the environmental implications which arise from the development.

Keele University Growth Corridor

The Council continues to have aspirational plans for the long-term expansion of the area to the west of Newcastle as a result of a significant planning exercise by the Council and its partners, focussing on the former golf course at Keele, parts of Silverdale and land adjacent to Keele University. The Keele University Growth Corridor responds to the borough's housing needs and ambitious plans set out in the Keele Deal which identifies opportunities for significant investment at the university and includes the provision for new housing on the former golf course, a new primary school and a small convenience store. An important feature will be the creation of attractive walking routes within the campus and residential parts of the scheme. Land has also been set aside to help the university meet its sustainability aims with renewable energy provision on the campus.

Regeneration of the Newcastle and Kidsgrove Town Centres

Building on the successful outcome to the Future High Street Fund bid the Council will commence delivery of transformational projects in Newcastle Town Centre, starting with the demolition of the former Civic Offices building at Ryecroft. Newcastle Town Deal Town Investment Plan will be submitted at the end of January 2021 with the outcome expected in mid-2021. The outcome of the Kidsgrove Town Deal Town Investment Plan is expected to be announced in Quarter 4 of 2020/21 and following this development of individual project business cases will commence with the Town Deal Board and other partners and stakeholders. Delivery of the Accelerated Town Deal projects is scheduled to be complete by the end of March 2021.

Development of the Planning-Enforcement Service

With the adoption of an updated Local Planning Enforcement Plan in June, the Planning service will be seeking to pursue more enforcement case work in 2021.

Re-opening of the Kidsgrove Sports Centre

The Council is working to improve access to sports and leisure facilities for residents in Kidsgrove and surrounding areas as part of a community led initiative to refurbish and re-open the Kidsgrove Sport Centre. Work has continued this year with WDC and the community group to secure a financially viable scope of works for a budget £6m which now suits both the needs of the community groups' business model and the budgetary constraints of the Council. Additional funding opportunities have been secured in the form of Town Deal Advance Monies for advance strip out works at the centre and further Town Deal contributions are being investigated also. Advance works / internal strip out works by WDC will commence in early 2021, now that the ownership of the building has transferred from Staffordshire County Council.

Britain in Bloom

Newcastle-under-Lyme will be celebrating its 30th year of participation in the regional Heart of England in Bloom campaign. To mark this milestone, a 10 year programme of projects and events will be launched based around 3 themes of public art, parks and youth engagement. 2021 will see Phase 7 of the public art programme being installed on Parkhouse Roundabout, as well as many other community projects making a welcome return after the enforced lay off in 2020.7 of the Borough's strategic parks and cemeteries will apply for Green Flag status this year.

Bereavement Services

The Council's Bereavement Services will seek to achieve Gold Standard again in the Charter for the Bereaved and hold a stakeholder meeting with local Funeral Directors, Memorial Masons and Clergy to discuss future service improvements. The Council will launch an affordable "Resident Funeral" offer in partnership with local Funeral Directors and explore the potential for a greater choice of memorialisation options in the grounds of Bradwell Crematorium.

Environmental Action

The Council will deliver a programme of environmental education and enforcement activities, engage with schools, and facilitate over 1000 hours of community volunteering activity in local parks, open spaces and neighbourhoods. Successful enforcement action will be delivered in relation to unauthorised traveller encampments and abandoned vehicles. The number of vacant allotment plots will be further reduced through proactive letting. Capital programme improvement and equipment replacement projects will be successfully delivered in relation to the Council's playground stock, and Section 106 agreement funding will be used to improve a range of facilities in line with the aims of the Open Space Strategy.

Streetscene

As well as delivering the daily Borough-wide street cleansing and grounds maintenance work, the Streetscene team will resume work in partnership with the Probation Service Community Payback team to deliver a programme of litter and graffiti clearance, painting of railings, play equipment and planters, and vegetation management at various sites across the Borough. The Council's footpath and railing stock will be repaired at key sites. A contract to progress the large volume of tree work which has been identified as part of the Council's ongoing tree inspection programme will continue, and monthly clearances of identified "grotspot" areas will take place.

Newcastle Housing Advice to be in-house service

Midland Heart delivers the Newcastle Housing advice (NHA) service on behalf of the Council, which is the Borough's provision for homelessness, housing advice and housing register services. The Council has made the decision to bring the service back in-house by 1st April 2021, and the Council is already supporting and working with the current contractor to transfer the service effectively. The service will be managed within the Partnerships Team and has a strategic fit with the Council's existing work around vulnerability, including domestic abuse, community safety and wellbeing.

One Council Programme

The advent of COVID-19 has created some new challenges for the Council and has highlighted the importance of having well designed services that are structured to work via a multitude of channels. This presents a significant opportunity for the authority to fundamentally alter how it works in the future. Key priorities for the years ahead will include:

- Continuing to redesign Customer facing services to ensure they focus on customer need and deliver consistent, reliable outcomes.
- Invest in the use of automation of and AI technologies to improve our service offering and ensure that we are able to meet public expectations.
- Develop our internal processes, focusing on what is possible with modern technology to remove inefficiency and waste.
- Ensuring that the wider Newcastle communities are digitally enabled and individually capable, working with partners to ensure that no one is left behind
- Encouraging investment in the Newcastle area to ensure our infrastructure is capable of supporting our digital future – for both residents and businesses
- Review our Customer Access Strategy, focusing on how we continue to offer safe and reliable customer services from our customer service centres and within the community.
- Engage with the Borough's distinct communities to ensure the Council has a current understanding of community activity and vulnerability, to better target services and support community action
- Explore the opportunity to secure (digital) service access points in community locations around the borough.

Revenues & Benefits

Next year, development and digitalisation of Civica Debtors is planned and in addition, the use of e-billing and bulk text messaging increased for recovery work. The service will also work with the Valuation Office to reorganise property reference numbers within the Borough. Staff development will see cross training of Revenues & Benefits with Customer Services.



Flexible Use of Capital Receipts 2019 to 2022 (update for 2021/22)



Introduction

In the Spending Review 2015, the Chancellor of the Exchequer announced that to support local authorities to deliver more efficient and sustainable services, the government will allow local authorities to spend up to 100% of their fixed asset receipts (excluding Right to Buy receipts) on the revenue costs of reform projects.

Power under which the guidance is issued

1. The Local Government Act 2003 ('the Act'), section 15(1) requires a local authority '... to have regard (a) to such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify ...'.
2. Two codes of practice issued by the *Chartered Institute of Public Finance and Accountancy (CIPFA)* contain guidance on capital receipts and local authority accounting that complement the DCLG guidance. These publications are:
 - *The Prudential Code for Capital Finance in Local Authorities*
 - *The Code of Practice on Local Authority Accounting*
3. Local authorities are required to have regard to the current edition of *Treasury Management in Public Services: Code of Practice and Sectoral Guidance Notes* by regulation 2 of the *Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [SI 3146]* and to the *Local Authority Accounting Code* as proper practices for preparing accounts under section 21(2) of the Act.

Application

4. This guidance applies with effect from 1 April 2016 to 31 March 2022 – i.e. to the financial year 2016-17 and for each subsequent financial year to which the flexible use of capital receipts direction applies.
5. The Council cannot borrow to finance the revenue costs of service reform and can only use capital receipts from the sale of property, plant and equipment received in the years in which this flexibility is offered.

The Council may not use its existing stock of capital receipts to finance the revenue costs of reform.

Qualifying expenditure

6. The key criteria to use when deciding whether expenditure can be funded by the capital receipts flexibility is that it is forecast to generate ongoing savings to the authority.
7. A list of types of project that would qualify for the flexible use of capital receipts is shown below. This list is not meant to be prescriptive or exhaustive and individual authorities who have projects that will generate ongoing savings that are not included in the list provided in the guidance can apply the flexibility to fund those projects.

Accountability and transparency

8. The Council is required to prepare a strategy that includes separate disclosure of the individual projects that will be funded or part funded through capital receipts flexibility and that the strategy is approved by full Council or the equivalent. This strategy can be included as part of the annual budget documentation and approved by full Council or the equivalent at the same time as the annual budget.

Qualifying expenditure

Types of qualifying expenditure

9. Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs or to improve the quality of service delivery in future years.
10. Set up and implementation costs of any new processes or arrangements can be counted as qualifying expenditure. The ongoing revenue costs of the new processes or arrangements cannot be classified as qualifying expenditure.

Examples of qualifying expenditure

11. There are a wide range of projects that could generate qualifying expenditure and the list below is not prescriptive. Examples of projects include:
 - Sharing back-office and administrative services with one or more other council or public sector bodies
 - Investment in service reform feasibility work, e.g. setting up pilot schemes
 - Collaboration between local authorities and central government departments to free up land for economic use
 - Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation
 - Sharing Chief-Executives, management teams or staffing structures
 - Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible
 - Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations
 - Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training
 - Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others)
 - Integrating public facing services across two or more public sector bodies (for example children's social care, trading standards) to generate savings or to transform service delivery.

Accountability and transparency

Preparation

12. For each financial year, the Council should ensure it prepares at least one Capital Strategy (“the Strategy”)

Content

13. As a minimum, the Strategy should list each project that plans to make use of the capital receipts flexibility, that it details the split of up front funding for each project between capital receipts and other sources, and that on a project by project basis, a cost benefit analysis is included to highlight the expected savings. The Strategy should report the impact on the Councils Prudential Indicators for the forthcoming year and subsequent years.
14. From the 2017-18 Strategy and in each future year, the Strategy should contain details on projects approved in previous years, including a commentary on whether the planned savings or service transformation have been/are being realised in line with the initial cost/benefit analysis.
15. The Strategy may also include any other matters considered to be relevant.

Approval

16. The Strategy should be approved by the full council.

Timing

17. For any financial year an efficiency Strategy (“the initial Strategy”) should be prepared and approved before the start of the year.

2021/22 Strategy

The Council intends to use capital receipts received in 2020/21 to finance qualifying expenditure up to £950,000 in accordance with the Guidance. The projects which will be financed in this way are shown in the table below.

Project	Expenditure	Expected Savings
	£'000	£'000
One Council Project	750	727
Financial Sustainability	200	200
Total	950	927

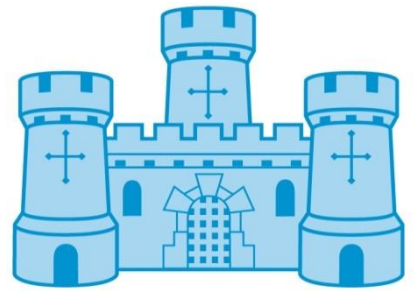
The individual projects selected within these categories will be financed entirely from in year capital receipts

2020/21 and Previous Years' Flexible use of Capital Receipts

The Council financed qualifying expenditure in 2017/18, 2018/19 and 2019/20 in accordance with the Guidance, and further intends to finance such expenditure in 2020/21, as shown in the table below.

Project	Allocation of Flexible Use of Capital Receipts £'000	Actual Spend £'000	Estimated Savings £'000	Actual One off Savings £'000	Actual Ongoing Saving £'000	Notes
2017/18						
Castle House Project - Redundancy Costs	80	80	80		80	
2018/19						
Digital Delivery Project	66	66	100		96	Flexible retirements and vacant posts
Chargeable Garden Waste Preparatory Costs	233	233	371		200	CGW income
Waste Recycling Service	142	142	150	150		
Building Efficiency Works Expenditure	59	59	50		50	
2019/20						
Digital Delivery Project	128	128	150		145	Payroll Staffordshire Connects
New Recycling Service - Preparatory Costs	134	134	100		100	Ongoing project, expect to save circa £100k per annum
Chargeable Garden Waste Preparatory Costs	38	38	40		500	CGW income
Building for the Future	200	200	217		300	Revenues & Benefits, Customer Services and ICT restructure
2020/21						
One Council Project	250	TBC	195		195	One Council Project
Digital Delivery Project	150	TBC	127		127	Staffordshire Connects, Staffing Related Efficiencies
New Recycling Service - Preparatory Costs	150	TBC				Ongoing project, expect to save circa £100k per annum as above
Building for the Future	100	TBC	131		131	Revenues & Benefits, Customer Services and ICT restructure
Total	1730	TBC	2,001	150	1,964	

A number of these projects are in the process of being completed. The total savings for these projects cannot be totally quantified until their completion, monitoring of these will continue to be provided to Cabinet on a quarterly basis.



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BOROUGH COUNCIL

Capital Strategy 2021 to 2031



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Introduction

The purpose of the Capital Strategy is to set out how the Council proposes to deploy its capital resources in order to assist it to achieve its corporate and service objectives. It takes into account other relevant Council strategies, policies and plans and the views of partners and interested parties with whom the Council is involved. It also takes account of the resources which are likely to be available to the Council to fund capital investment and the effect of that investment on the Council's revenue budget. It will serve as a useful point of reference when determining or reviewing the Council's Capital Programme.

The Council's current detailed capital investment plan is contained in its approved Capital Programme. A Capital Programme totalling £12,454,103 was approved for 2020/21 on 19 February 2020. Of this total £10,454,103 relates to the total cost of new schemes for 2020/21 together with £1,000,000 for schemes funded by external sources (Disabled Facilities Grants) and £1,000,000 contingency. In addition £3,024,776 slippage was incurred in 2019/20, resulting in a total Capital Programme of £15,478,879 for 2020/21.

Due to the COVID-19 pandemic and the financial impact this has placed on the Council, a review of the 2020/21 Capital Programme has been completed with the assistance of Budget Holders and members of the Capital, Assets and Commercial Investment Review Group. The rationale behind this review was to establish which of the capital projects approved in the programme were essential or health and safety related, were unable to be commenced due to the pandemic, could be deferred to the following year due to resources and services available during the crisis or were no longer required.

The revised 2020/21 Capital Programme now totals £7,302,631 which includes £1,000,000 for schemes funded by external sources (Disabled Facilities Grants) and £250,000 contingency to reflect the remainder of the year and is summarised below, showing the constituent categories of projects:

Project Categories	Planned Expenditure £m
Improving Housing in the Borough	1.071
Investing in Community Facilities	1.429
Investing for the Future	1.038
Vehicles, Plant and Equipment	3.514
Capital Contingency	0.250
Total	7.302

Full Council will consider a capital programme to continue investment beyond 2020/21 on 17 February 2021.

The Strategy has been prepared against a background of continuing reductions in funding provided to local authorities by central government and its agencies, arising from the need to restrain public expenditure owing to the ongoing economic conditions and to rebalance public finances. At the same time, the Council's own resources available to finance capital projects have reduced to a low level and

will need replenishing before any substantial further capital investments can be made. As a result the Council is considering and consulting upon a programme of asset disposals to address this situation. In addition the Council has also produced a Commercial Strategy with the aim to generate income through commercial activities which can then be reinvested in local priorities.

Key Objectives and Priorities

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

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

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

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

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

A Capital Assets and Commercial Investment Review Group is in place and chaired by the Cabinet Portfolio Holder for Finance and Efficiency. This Group keeps the Council's capital investment strategy under continuous review, including the prioritisation of projects for inclusion in future capital investment programmes over the medium term. Regular reviews of the property portfolio will be carried out by the group to identify properties or land which could potentially be disposed of, following a consultation process in the case of significant proposals, and a capital receipt obtained from the sale.

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

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

Factors Influencing the Capital Programme

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

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

These are discussed in greater detail in sections below:

Links with Other Strategies, Policies and Plans

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

Key Strategies:
Economic Development Strategy
Health and Wellbeing Strategy
Stronger and Safer Communities Strategy

Other Strategies:
Asset Management Strategy
Investment Strategy
Medium Term Financial Strategy
Flexible Use of Capital Receipts Strategy
Service and Financial Plans
Procurement Strategy
North Staffs Green Spaces Strategy
Private Sector Housing Renewal Strategy
Housing Strategy
Arts and Cultural Strategy
Customer Access Strategy
Energy Efficiency and Climate Change Strategy and Carbon Reduction Plan
Treasury Management Strategy
Sustainable Community Strategy
Sustainable Environment Strategy

An important link is to the Asset Management Strategy (AMS) in that many capital investment projects are related to the Council's fixed assets, such as its stock of buildings. Needs and priorities identified in the AMS will require consideration for inclusion in the Council's Capital Programme and have wider financial consequences. Equally important is the opportunity to generate capital receipts from the disposal of land/property where there is no current or likely future operational need.

The Investment Strategy sets out the Council's policies and practices in relation to commercial investments, for example investments in property and will include information about any such proposals, including funding the expenditure and the effect upon the revenue budget. Expenditure relating to commercial investments will be capital and will be included in the capital programme.

The Medium Term Financial Strategy will take account of the revenue effect of capital investment.

The Flexible Use of Capital Receipts Strategy sets out the conditions and arrangements in place to flexibly use Capital Receipts for qualifying expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs or to improve the quality of service delivery in future years.

Appraisal, procurement and management of capital projects needs to be carried out with regard to the objectives, methodologies the principles and practices set out in the Procurement Strategy.

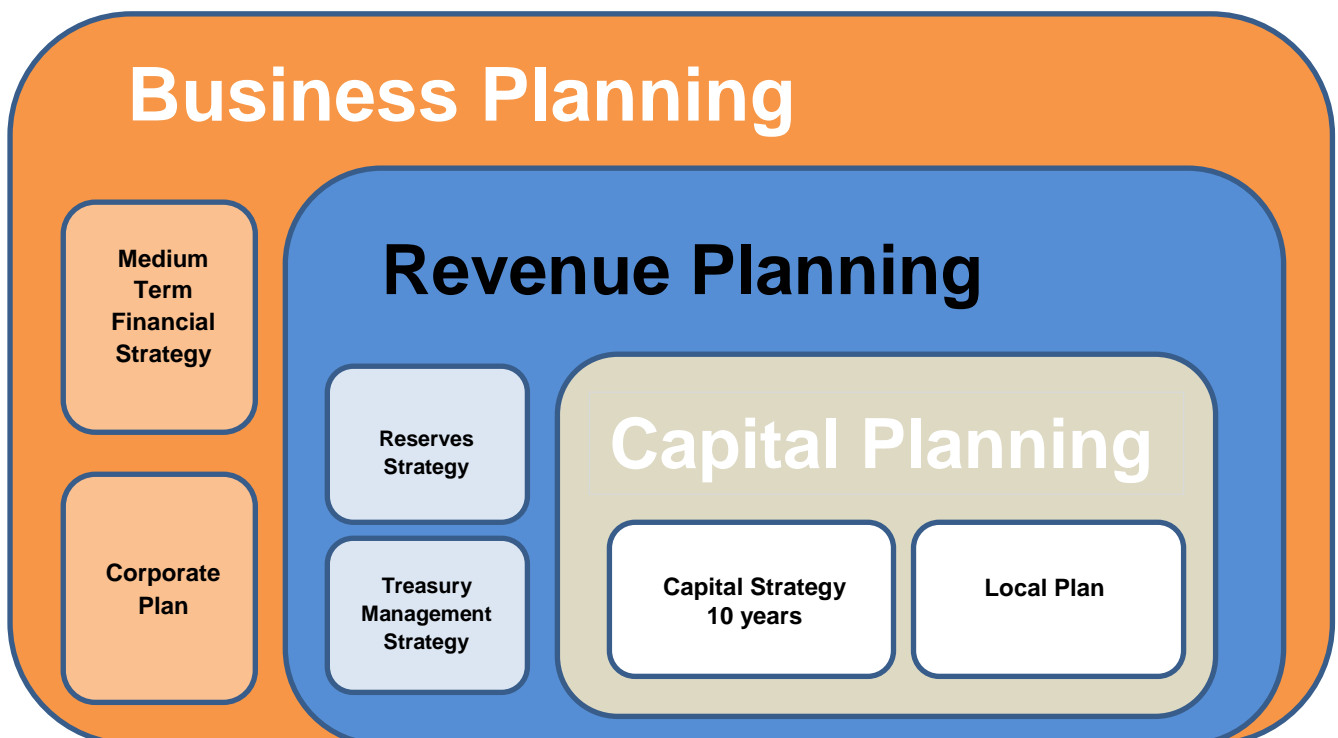
The various service based strategies will inform the Council's capital investment process through their identification of areas for action and of priorities within individual service areas.

The Treasury Management Strategy needs to reflect planned capital spend, particularly with regard to setting limits for tying up money over the longer term and the limits relating to the amount of permitted borrowing.

In addition the Capital Strategy will be influenced by the results of any Service Reviews which have been carried out by the Council, either as part of the budget preparation process or as one-off exercises. Where these reviews identify areas of service which are to be discontinued, this may give rise to assets which will be available for disposal and possibly generate a capital receipt which will be available for funding further capital investment. Alternatively reviews may identify areas for investment, including potential "invest to save" projects, some of which may be capital investment.

The Council plans to set up a Revolving Investment Fund to assist in the generation of capital receipts and help fund future capital investments. The Covid-19 pandemic has delayed the commencement and operation of this fund and associated projects however the fund still forms part of the capital strategy and will commence in due course. A revolving fund is a fund or account that remains available to finance an organisation's continuing operations without any fiscal year limitation, because the organisation replenishes the fund by repaying money used from the account from additional revenues or savings generated from investments. The Council proposes to set up a fund with an initial value of £1m which will be used to fund projects which will have an investment return. There are many different project areas which this fund could be applied to such as digital delivery, asset disposal, economic growth and the housing growth programme

Simple Business Planning Model



External Influences, Partners and Consultation with Other Interested Parties

The Council's capital investment plans are influenced by a number of external parties and factors: central government and its agencies, legislation requiring capital works, partner organisations, businesses, developers and by the needs and views of other interested parties, particularly those of Borough residents

Government sponsored initiatives and programmes will influence the projects which the Council will include in its capital investment plans. In particular, its Housing Investment Programme in which the Council participates with regard to Disabled Facilities Grants, this is a major area of investment where funding is provided by Government to meet a proportion of the costs of some of these activities. This funding currently consists mainly of grant payments to partially meet the cost of disabled facilities grants payable to eligible applicants.

Where required by legislation to carry out works of a capital nature, such as to comply with the Disablement Disability Act or Health and Safety requirements, or anti-pollution regulations, the Council will consider the most effective way to discharge its obligations and appropriate provision will be made in its Capital Programme once it has determined that it shall carry out the necessary work and that this should be capitalised.

The Council works with a wide range of partners from the public, private, voluntary and community sectors, all of which have an influence over its spending priorities. Relationships with partners, including those concerning capital matters, will be governed by the Council's Partnerships Code of Practice. Wherever possible the Council will seek to work in partnership with others to deliver its capital investment programme in order to provide facilities which meet its own and partners' needs. When working with the private sector, the objective will be to maximise the benefits to the Council and the community from any projects, both in terms of outputs and in relation to obtaining funding for the project.

The Council is a participant in the Local Strategic Partnership (LSP) and will have regard to the content of its Sustainable Community Strategy together with any other elements of the partnership which relate to capital investment and may be able to use the capital programme as a means of fulfilling some of its obligations to the LSP.

Projects for consideration for inclusion in the Capital Programme may arise from the Council's participation in the Staffordshire and Stoke on Trent Local Enterprise Partnership (LEP) or similar sub-regional partnerships which seek to stimulate economic growth.

The Council has established a Town Centre Partnership, together with relevant parties such as representatives of retailers and businesses in the town centres of Newcastle and Kidsgrove. The partnership may identify proposals for town centre improvements which could place demands upon future capital programmes where such works align with the Council's economic development objectives. It may

also present an opportunity for costs to be shared between the parties likely to benefit from their implementation.

The availability of external funding will also influence the projects which the Council will include in its capital investment plans. This is referred to in the following section of the Strategy.

Regard will be given to the Council's obligations under Disabled Access requirements in putting forward proposals for capital investment and in the design of any facilities which are proposed.

Wherever possible the principles of financial and environmental sustainability will be incorporated into any capital projects.

Resources Available to Finance Capital Investment

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

<u>INTERNAL</u>	<u>EXTERNAL</u>
Capital Receipts in Hand	Government Grants
Reserves	Other Grants, e.g. Heritage Lottery Fund
New Capital Receipts from Asset Sales	Contributions from Partners
Revenue Contributions	Other Contributions
	Borrowing

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

Capital Receipts have been the major source of funding for the Capital Programme in recent years. The amount of useable capital receipts in hand at 1 April 2020 was £1.425m. Capital receipts are committed to finance the currently approved Capital Programme. Additional capital projects may be financed from capital receipts obtained by asset sales or other new capital streams.

A previously significant source of capital receipts has been the Council's continuing right to a share of receipts arising from tenants of Aspire Housing under the Right to Buy legislation. However, Right to Buy sales have diminished from historically high levels, both because of the present depressed property market and there being fewer potential purchasers as time goes by. Future sales income is projected to be in the range of £0.5m per annum.

Capital receipts from sales of land and property (including covenant release payments) have been relatively modest in recent times.

The Asset Management Strategy sets out expected sales over the next ten years. It is anticipated that receipts from sales will increase in the medium term, enabling some increase in financing of capital investment from this source. The Capital Review Group meets on a bi-monthly basis and is responsible for the formulation of strategies in respect of income generation relating to asset disposals.

The use of capital receipts and reserves to finance new capital projects has an effect upon investment income receipts and hence the General Fund Revenue Account. At current investment interest rates of around 0.5%, every £100,000 of such capital receipts or reserve balances used will cost £500 to the revenue account on an ongoing basis. The use of capital receipts and reserves to finance the Capital Programme 2021/22 is taken account of in the Medium Term Financial Strategy. Any receipts generated from the sale of assets will be invested until they are required to finance capital expenditure.

Wherever Government grants are available to meet all or part of the cost of capital projects the Council will ensure that these are applied for and used to maximise the amount of investment which can be made and the benefit which will result from that investment.

Funding will be sought towards the cost of capital projects from external parties wherever possible and appropriate. These will include property developers, central government and government agencies, funding bodies such as the National Lottery or the Football Foundation and partner organisations that may join with the Council to bring forward particular projects of mutual benefit. In the current climate, however, the Council may find such sources of funding to be limited.

The Council is presently debt free, having no long term loans outstanding. The capital investment programme set out in Annex B will require a significant amount of borrowing if it is to be carried out in its entirety.

There has no intention to charge any capital investment directly to the General Fund Revenue Account.

The Council does not presently intend to consider the use of Private Finance Initiative type arrangements or tax increment financing to meet the cost of capital investment.

The Head of Finance (Section 151 Officer) will prepare estimates of the resources which are presently in hand plus those likely to be available in future to finance capital investment. She will keep these estimates up to date and periodically report upon them to Cabinet and Council, particularly when the Capital Programme is being considered. The Council will decide on the appropriate form of financing for projects included in the Capital Programme based on advice from the Head of Finance (Section 151 Officer) as to availability and the consequences and costs of use of the various options.

The need to have available liquid funds to be used to pay for capital projects will be considered when drawing up the Council's Treasury Management Strategy. An appropriate limit will be placed on long term investments based on predictions of the capital spending profile over the period covered by the Strategy so that there are likely to be enough readily available easily cashable investments to meet requirements.

Revenue Implications

The impact upon the General Fund Revenue Account arising from capital investment proposals will be calculated and considered at the time projects are placed before Cabinet or Full Council for inclusion in the Approved Capital Programme or for specific approval. Such impact may be in the form of reduced interest receipts, where projects are to be financed from capital receipts or reserves, borrowing costs, if loan finance is to be employed, or additional running costs arising from the provision of a new or altered facility. Offset against these costs will be any savings which might accrue, for example from “invest to save” projects.

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

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

Appraisal and Prioritisation of Investment Proposals

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

Work is being undertaken to develop the project prioritisation process further during 2020/21 in order to provide a robust, transparent and impartial basis for determining the relative merits of individual projects proposed for inclusion in the capital programme. No projects should be considered in isolation. They must be required to be measured against all other competing projects to determine which should go forward. This process should also apply to any projects which are proposed subsequent to the approval of the programme, to ensure that only those projects with a high priority are proceeded with and funds are not diverted to projects of a lesser priority.

A Risk Assessment, in the approved corporate format, will be completed for capital projects over £20,000.

Monitoring Arrangements and Project Management

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

All projects will be assigned to a named officer who will be responsible for overseeing the project, including project monitoring and control and implementing exception reports and, where appropriate, corrective action if the project deviates from its planned progress or cost. Where complex major projects are to be carried out, consideration will be given to employing the Prince2 project management methodology.

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

Statutory Framework

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

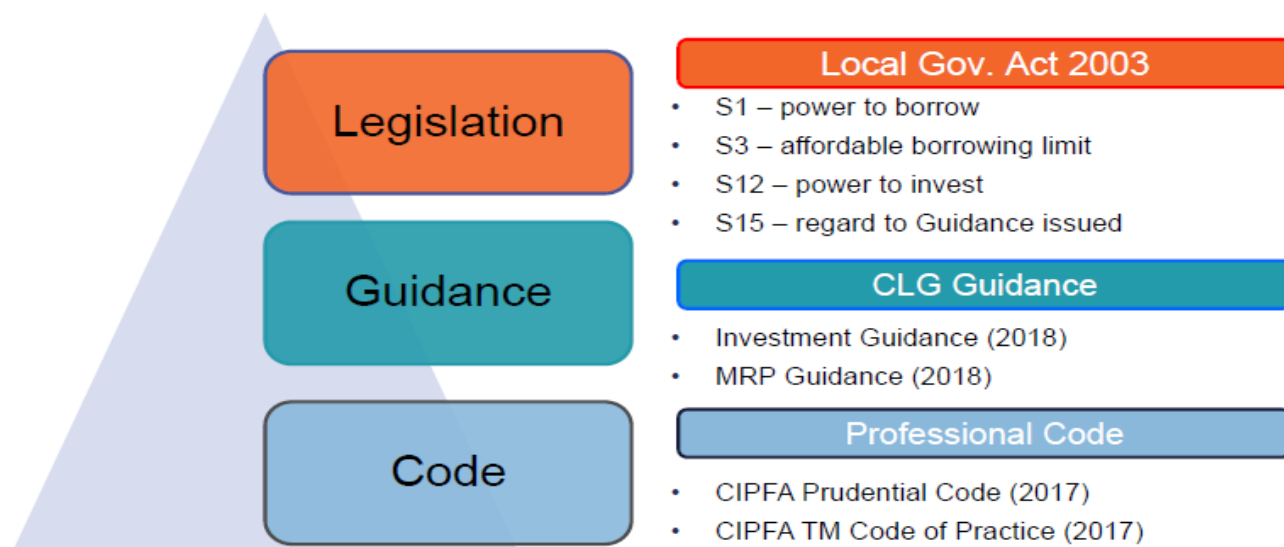
Capital expenditure is defined by the 2003 Act as that which falls to be capitalised in accordance with proper practices, which means in accordance with the Code of Practice on Local Authority Accounting, published by the Chartered Institute of Public Finance and Accountancy (CIPFA), applicable to all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

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

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

Capital Finance Regulations

Legal and Regulatory Requirements



Prudential Indicators

The Council shall ensure that all of its capital expenditure, investments and borrowing decisions are prudent and sustainable. In doing so it will take into account its arrangements for the repayment of debt and consideration of risk and the impact, and potential impact, on the Council's overall fiscal sustainability. The Council's prudential indicators (shown in Annex C) are as follows:-

- Estimates of capital expenditure

The Council will make reasonable estimates of the total of capital expenditure that it plans to incur during the forthcoming financial year and at least the following two financial years.

- Actual capital expenditure

After the year end, the actual capital expenditure incurred during the financial year will be recorded.

- Estimates of capital financing requirement

The Council will make reasonable estimates of the total capital financing requirement at the end of the forthcoming financial year and the following two years.

- Actual capital financing requirement

After the year end, the actual capital financing requirement will be calculated directly from the Council's balance sheet.

- Ratio of financing costs to net revenue streams

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs.

- Authorised limit on external borrowing

The Authorised Limit sets the maximum level of external borrowing on a gross basis (i.e. excluding investments) for the Council. This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.

- Operational boundary for external debt

This indicator refers to the means by which the authority manages its external debt to ensure it remains within the statutory authorised limit. It differs from the authorised limit in as far as it is based on the most likely scenario, in terms of capital spend and financing during the year.

- Gross debt and capital financing requirement

This is a key indicator of prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

Where the gross debt is greater than the capital financing requirement the reasons for this should be clearly stated in the annual treasury management strategy.

Procurement

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

Where estimated project contract costs exceed the relevant statutory threshold, the appropriate EU or other tendering procedures will be followed.

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

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

Future Capital Programme

Capital investment needs have been assessed over a ten year period (2021/22 to 2030/31) and are set out in Annex B.

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

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

In addition to the essential works outlined above, there are significant amounts of expenditure which need to be incurred:

- in respect of the commercial portfolio in order to keep properties in a state of repair such as to continue to obtain a reasonable rental income
- to maintain various engineering structures such as walls, bridges, drains, and reservoirs to ensure safety to the public
- to enable agreed actions in relation to approved policies and strategies to be progressed and to meet other Council commitments.

Over the period 2021/22 to 2030/31 it is estimated that this expenditure will total £76.569m.

Funding will depend on capital receipts from asset sales. There will be insufficient capital receipts arising from these planned sales to meet all of the costs of the investment programme. Accordingly, it is estimated that around £23.490m of expenditure will have to be funded from borrowing over the ten year period if the programme is to be delivered in its entirety.

There will be a consequent cost to the revenue budget which will have to be included in the MTFS projections. Based on the expenditure shown in Annex B and forecasts of the amount and timing of receipts and current capital financing costs, the additional costs to the revenue budget will be around £11.180m over 10 years, with the costs in each year 2021/22 to 2030/31 being as shown below:

Year	Total £m
2021/22	0.22
2022/23	0.65
2023/24	0.79
2024/25	1.33
2025/26	1.36
2026/27	1.39
2027/28	1.41
2028/29	1.44
2029/30	1.26
2030/31	1.33
Total	11.18

A capital programme for 2021/22 to 2023/24 totalling £31.057m will be recommended to Full Council on 17 February 2021, consistent with the detail shown in Annex B. The prudential indicators that will apply for this 3 year period are set out at Annex C.

Funding for 2021/22 expenditure is likely to be available from the following sources:

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

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

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

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

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

Expenditure that should be capitalised will include expenditure on the:

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

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

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

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

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

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

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

2020/21 to 2029/30 Capital Programme

Annex B

CAPITAL PROGRAMME	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
PRIORITY - Local Services that work for Local People											
Service Area – ICT and Digital	649,000	110,000	102,000	15,000	653,000	40,000	29,000	15,000	565,000	125,000	2,303,000
Total	649,000	110,000	102,000	15,000	653,000	40,000	29,000	15,000	565,000	125,000	2,303,000
PRIORITY - Growing our People and Places											
Service Area - Housing Improvements	1,080,000	2,615,000	2,625,000	2,675,000	2,775,000	2,975,000	3,500,000	5,125,000	3,125,000	3,125,000	29,620,000
Service Area - Managing Property & Assets	466,174	593,634	662,174	335,928	188,066	206,041	396,600	9,100	1,400	433,605	3,292,723
Total	1,546,174	3,208,634	3,287,174	3,010,928	2,963,066	3,181,041	3,896,600	5,134,100	3,126,400	3,558,605	32,912,723
PRIORITY - A Healthy, Active and Safe Borough											
Service Area - Environmental Health	-	-	60,000	-	12,000	-	-	-	12,000	-	84,000
Service Area - Streetscene and Bereavement Services	610,450	2,210,600	1,125,600	850,600	360,600	330,600	235,600	195,600	210,600	1,235,600	7,365,850
Service Area - Recycling and Fleet	971,500	351,000	2,899,500	565,500	1,026,500	3,431,000	1,395,000	303,000	3,109,000	600,000	14,652,000
Service Area - Leisure	5,671,000	687,000	17,000	17,000	150,000	-	-	-	-	-	6,542,000
Service Area - Museum	240,000	40,000	-	-	-	-	-	-	-	-	280,000
Service Area - Managing Property & Assets	275,957	359,345	264,669	212,528	1,004,869	329,020	100,475	181,374	62,000	451,766	3,242,003
Service Area - Engineering	383,000	590,000	1,070,000	85,000	272,000	20,000	-	-	-	125,000	2,545,001
Total	8,151,907	4,237,946	5,436,769	1,730,628	2,825,969	4,110,620	1,731,075	679,974	3,393,600	2,412,366	34,710,854
PRIORITY - A Town Centre for All											
Service Area - Managing Property & Assets	1,576,353	1,257,890	493,248	331,183	441,266	320,561	220,800	321,245	332,000	348,000	5,642,545
Total	1,576,353	1,257,890	493,248	331,183	441,266	320,561	220,800	321,245	332,000	348,000	5,642,545
CONTINGENCY											
	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
TOTAL	12,923,434	8,814,470	9,319,191	5,087,739	6,883,301	7,652,222	5,877,475	6,150,319	7,417,000	6,443,971	76,569,122

FUNDING											
Capital Receipts	3,075,000	3,128,000	500,000	4,037,739	5,788,301	6,577,222	4,813,475	5,100,319	6,332,000	850,944	40,203,000
External Contributions	2,252,000	2,035,000	1,085,000	1,050,000	1,095,000	1,075,000	1,064,000	1,050,000	1,085,000	1,085,000	12,876,000
Borrowing/Leasing	7,596,434	3,651,470	7,734,191	-	-	-	-	-	-	4,508,027	23,490,122
TOTAL	12,923,434	8,814,470	9,319,191	5,087,739	6,883,301	7,652,222	5,877,475	6,150,319	7,417,000	6,443,971	76,569,122

Annex C – Prudential Indicators

Capital Prudential Indicators

Actual and Estimate of Capital Expenditure

31/03/20 Actual (£000's)	31/03/21 Estimate (£000's)	31/03/22 Estimate (£000's)	31/03/23 Estimate (£000's)	31/03/24 Estimate (£000's)
2,923	7,302	12,923	8,814	9,319

The Capital Financing Requirement (The Councils Borrowing Need)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

The CFR projections are below:

31/03/20 Actual (£000's)	31/03/21 Estimate (£000's)	31/03/22 Estimate (£000's)	31/03/23 Estimate (£000's)	31/03/24 Estimate (£000's)
4,405	4,405	12,001	15,652	23,386

The amounts shown above from 2020/21 onwards allow the Council to borrow during those years to finance capital expenditure which cannot be funded from other revenue or capital resources. However, the likelihood of individual schemes, the timings and the amounts involved cannot be assessed with certainty at this point.

The sale of Council assets for capital receipts will have a significant impact upon the CFR, if sales are made the Council's borrowing requirement will be reduced, if not the Council's borrowing requirement will be greater.

Affordability Prudential Indicators

Actual and Estimates of the Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Financing Costs comprise the aggregate of: interest payable, interest receivable and investment income; the amount charged as MRP; depreciation and impairment charges that have not been reversed out of the revenue account.

Net Revenue Stream is defined as the 'amount to be met from government grants and local taxpayers'. This is the Council's 'budgetary requirements' figure shown in the General Fund Revenue Budget, being the net expenditure for the year before deducting government grants (Revenue Support and Business Rates Retention) and adjusting for the Collection Fund surplus/deficit. The relevant figures for this Council are set out in the table below:

	2019/20 Actual (£000's)	2020/21 Estimate (£000's)	2021/22 Estimate (£000's)	2022/23 Estimate (£000's)	2023/24 Estimate (£000's)
Net Revenue Stream	13,257	15,690	15,709	15,784	15,861
Financing Costs	(49)	40	263	690	832
Ratio	(0.37%)	0.25%	1.67%	4.37%	5.25%

Treasury Indicators

Limits to Borrowing Activity

The Local Government Act 2003 requires each local authority to determine and keep under review how much money it can afford to borrow. This is to be determined by the calculation of an affordable borrowing limit which Regulations to the Act specify should be calculated with regard to the CIPFA Prudential Code.

Previously borrowing has not been used to fund the capital programme because the Council has had sufficient reserves and useable capital receipts to finance capital expenditure from these sources.

The Operational Boundary

This is the limit beyond which external debt is not normally expected to exceed.

Operational boundary	2020/21 Estimate (£000's)	2021/22 Estimate (£000's)	2022/23 Estimate (£000's)	2023/24 Estimate (£000's)
Borrowing	75,000	75,000	75,000	75,000
Other long term liabilities	0	0	0	0

The Authorised Limit for External Borrowing

A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

The Council is asked to approve the following authorised limit:

Authorised limit	2020/21 Estimate (£000s)	2021/22 Estimate (£000's)	2022/23 Estimate (£000's)	2023/24 Estimate (£000's)
Debt	85,000	85,000	85,000	85,000
Other Long Term Liabilities	0	0	0	0

Limits on Interest Rate Exposures (fixed and variable interest rates)

The following limits will apply in relation to the Council's interest rate exposure. They relate to interest on both borrowings and investments. These limits are intended to reduce the risk of the Council suffering unduly from significant adverse fluctuations in interest rates.

Limit on Fixed Interest Rate Exposures (as a percentage of total borrowings / investments)

	Borrowing		Investments	
	Upper	Lower	Upper	Lower
2020/21	100%	0%	100%	0%
2021/22	100%	0%	100%	0%
2022/23	100%	0%	100%	0%
2023/24	100%	0%	100%	0%

Limit on Variable Interest Rate Exposures (as a percentage of total borrowings/ investments)

	Borrowing		Investments	
	Upper	Lower	Upper	Lower
2020/21	100%	0%	100%	0%
2021/22	100%	0%	100%	0%
2022/23	100%	0%	100%	0%
2023/24	100%	0%	100%	0%

In relation to both borrowing and investing fixed rate investments and loans may be anything between 0% and 100% of the total, with the same proportions being permitted for variable rate loans – in effect there is no limit on each type. This enables maximum flexibility to be afforded to take advantage of prevailing interest trends to obtain the best deal for the Council.

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Treasury Management Strategy 2021/22



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Introduction

Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council may invest or borrow substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy.

Economic Situation

Highlights of the report supplied by Arlingclose Ltd.

External Context

Economic background: The impact on the UK from coronavirus, together with its exit from the European Union and future trading arrangements with the bloc, will remain a major influence on the Authority's treasury management strategy for 2021/22.

The Bank of England (BoE) maintained Bank Rate at 0.10% in November 2020 and also extended its Quantitative Easing programme by £150 billion to £895 billion. The Monetary Policy Committee voted unanimously for both, but no mention was made of the potential future use of negative interest rates. Within the latest forecasts, the Bank expects the UK economy to shrink -2% in Q4 2020 before growing by 7.25% in 2021, lower than the previous forecast of 9%. The BoE also forecasts the economy will now take until Q1 2022 to reach its pre-pandemic level rather than the end of 2021 as previously forecast.

GDP growth fell by -19.8% in the second quarter of 2020, a much sharper contraction from -2.0% in the previous three months, with the annual rate falling -21.5% from -1.6%. All sectors fell quarter-on-quarter, with dramatic declines in construction (-35.7%), services (-19.2%) and production (-16.3%), and a more modest fall in agriculture (-5.9%). Monthly GDP estimates have shown the economy is recovering but remains well below its pre-pandemic peak. Looking ahead, the BoE's November Monetary Policy Report forecasts economic growth will rise in 2021 with GDP reaching 11% in Q4 2021, 3.1% in Q4 2022 and 1.6% in Q4 2023.

GDP growth in the euro zone rebounded by 12.7% in Q3 2020 after contracting by -3.7% and -11.8% in the first and second quarters, respectively. Headline inflation, however, remains extremely weak, registering -0.3% year-on-year in October, the third successive month of deflation. Core inflation registered 0.2% y/y, well below the European Central Bank's (ECB) target of 'below, but close to 2%'. The ECB is expected to continue holding its main interest rate of 0% and deposit facility rate of -0.5% for some time with further monetary stimulus expected later in 2020.

Credit outlook: After spiking in late March as coronavirus became a global pandemic, credit default swap (CDS) prices for the larger UK banks have steadily fallen back to almost pre-pandemic levels. Although uncertainty around COVID-19 related loan defaults lead to banks provisioning billions for potential losses in the first half of 2020, drastically reducing profits, reported impairments for Q3 were much reduced in some institutions. However, general bank profitability in 2020 is likely to be significantly lower than in previous years.

The credit ratings for many UK institutions were downgraded on the back of downgrades to the sovereign rating. Credit conditions more generally though in banks and building societies have tended to be relatively benign, despite the impact of the pandemic.

Looking forward, the potential for bank losses to be greater than expected when government and central bank support starts to be removed remains a risk, as does the UK not achieving a Brexit deal, suggesting a cautious approach to bank deposits in 2021/22 remains advisable.

Interest rate forecast: The Authority's treasury management adviser Arlingclose is forecasting that BoE Bank Rate will remain at 0.1% until at least the end of 2023. The risks to this forecast are judged to be to the downside as the BoE and UK government continue to react to the coronavirus pandemic and the Brexit transition period ends. The BoE extended its asset purchase programme to £895 billion in November while keeping Bank Rate on hold. However, further interest rate cuts to zero, or possibly negative, cannot yet be ruled out but this is not part of the Arlingclose central forecast.

Gilt yields are expected to remain very low in the medium-term while short-term yields are likely remain below or at zero until such time as the BoE expressly rules out the chance of negative interest rates or growth/inflation prospects improve. The central case is for 10-year and 20-year to rise to around 0.5% and 0.75% respectively over the time horizon. The risks around the gilt yield forecasts are judged to be broadly balanced between upside and downside risks, but there will almost certainly be short-term volatility due to economic and political uncertainty and events.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at Annex A.

Local Context

On 30th November 2020, the Council held no borrowing and £16.8million of treasury investments, largely due to grant monies temporarily held. This is set out in further detail at Annex B. Forecast changes in these sums are shown in the balance sheet analysis in table below:

Balance Sheet Summary and Forecast	31/03/2020 Actual £m	31/03/2021 Forecast £m	31/03/2022 Forecast £m	31/03/2023 Forecast £m	31/03/2024 Forecast £m
General Fund CFR	4.4	4.4	12.0	15.6	23.3
Less: Existing external borrowing	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Capital borrowing level	4.3	4.3	11.9	15.5	23.2
Less: Usable reserves	(6.2)	(10.3)	(8.4)	(6.4)	(4.6)
Less: Working capital	(2.8)	(0.5)	(0.5)	(0.5)	(0.5)
Investments or Cash Held/ (New external borrowing)	4.7	6.5	(3.0)	(8.6)	(18.1)

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their

underlying levels, sometimes known as internal borrowing. Where borrowing is required this will be in line with Arlingclose's current advice of doing so from other local authorities on a short term basis. This will be undertaken until it becomes advantageous to switch to long term debt, with the lowest cost option being considered, include such options as municipal bonds

The Council has an increasing CFR due to the capital programme, but minimal investments and may therefore be required to borrow over the forecast period. More details in relation to the Council's CFR are included within the Capital Strategy.

CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The table above shows that the Council expects to comply with this recommendation during 2020/21.

Borrowing Strategy

The Council does not currently hold any loans, as per the previous year, as part of its strategy for funding previous years' capital programmes.

The balance sheet forecast, in the table above, shows that the Authority [expects to borrow in 2021/22. The Authority may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing.

The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. These short terms loans will be via local to local borrowing where possible, until a time where it becomes advantageous to switch to longer term debt, including municipal bonds on either a project by project, or overall global basis.

By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal or short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2021/22 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the Public Works Loans Board (PWLB), but the government increased PWLB rates by 1% in October 2019 making it now a relatively expensive option. A HM Treasury consultation on lowering PWLB rates concluded in July 2020, and in November 2020 new lending terms were published. These lending terms included a reduction of 1% in all Standard Rate and Certainty Rate PWLB loans. As a condition of accessing the PWLB, local authorities will be asked to confirm there is no intention to buy investment assets primarily for yield in the current or next two financial years. At this present time, the Council will look to borrow short term from other local authorities in the first instance and will then review any other sources of funding if required.

Alternatively, the Council may arrange forward starting loans during 2021/22, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Council may borrow short-term loans to cover unplanned cash flow shortages.

Sources of borrowing:

The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board);
- any institution approved for investments (see below);
- any other bank or building society authorised to operate in the UK;
- any other UK public sector body;
- UK public and private sector pension funds;
- capital market bond investors; and
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues.

Other sources of debt finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing;
- hire purchase; and
- sale and leaseback.

Municipal Bonds Agency: UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to Council.

Short-term and variable rate loans: These loans leave the Council exposed to the risk of short-term interest rate rises.

Debt rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Treasury Investment Strategy

The Council can hold significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's treasury investment balance has ranged between nil and £27 million, and similar levels are expected to be maintained in the forthcoming year. The highest figure of £27 million was invested at the beginning of the financial year, when the Council received monies in relation to the Business Rate Relief grants that were to be distributed to local businesses due to Covid-19.

The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

The COVID-19 pandemic has increased the risk that the Bank of England will set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. Since investments cannot pay negative income, negative rates will be applied by reducing the value of investments. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Given the increasing risk and very low returns from short-term unsecured bank investments, the Council aims to diversify into more secure and higher yielding asset classes during 2021/22.

Under the new IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

The Council may invest its surplus funds with any of the counterparty types in the table below, subject to the cash limits (per counterparty) and the time limits shown.

Approved investment counterparties and limits

Sector	Time limit	Counterparty limit	Sector limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£7m	unlimited
Secured investments*	25 years	£7m	unlimited
Banks (unsecured)*	13 months	£7m	unlimited
Building societies (unsecured)*	13 months	£7m	£7m
Registered providers (unsecured)*	10 years	£10m	£10m
Money market funds*	n/a	£7m	unlimited
Real estate investment trusts	n/a	£2m	£2m
Other investments	5 years	£7m	£7m

* Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is

used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

For entities without published credit ratings, investments may be made either where external advice indicates the entity to be of similar credit quality.

Government: Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Registered providers (unsecured): Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Authority will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic pooled funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Real estate investment trusts: Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Authority's investment at risk.

Operational bank accounts: The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £7,000,000 per

bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

Risk assessment and credit ratings: Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “negative watch”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

Investment limits: In order that the Council will not be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government and Registered Providers) will be £7 million. A group of entities under the same ownership will be treated as a single organisation for limit purposes.

Limits are also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Additional Investment limits

	Cash limit
Any group of pooled funds under the same management	£7m per manager
Negotiable instruments held in a broker's nominee account	£7m per broker
Foreign countries	£7m per country

Liquidity management: The Council uses cash flow forecasting to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

Non-treasury investments are covered by the Council's Investment Strategy.

Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

Security

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit rating	A

Maturity structure of borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Limits to Borrowing Activity

The Local Government Act 2003 requires each local authority to determine and keep under review how much money it can afford to borrow. This is to be determined by the calculation of an affordable borrowing limit which Regulations to the Act specify should be calculated with regard to the CIPFA Prudential Code.

Borrowing limits are set in order to enable the completion of the Council's Commercial Strategy, and will be funded via local to local borrowing until such time as it is advantageous to switch to long term debt. Advice on this will be sought from the Council's treasury management advisors.

The Operational Boundary

This is the limit beyond which external debt is not normally expected to exceed.

Operational boundary	2021/22 Estimate (£000's)	2022/23 Estimate (£000's)	2023/24 Estimate (£000's)	2024/25 Estimate (£000's)
Borrowing	75,000	75,000	75,000	75,000
Other long term liabilities	0	0	0	0

The Authorised Limit for External Borrowing

A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

The Council is asked to approve the following authorised limit:

Authorised limit	2021/22 Estimate (£000's)	2022/23 Estimate (£000's)	2023/24 Estimate (£000's)	2024/25 Estimate (£000's)
Debt	85,000	85,000	85,000	85,000
Other Long Term Liabilities	0	0	0	0

Limits on Interest Rate Exposures (fixed and variable interest rates)

The following limits will apply in relation to the Council's interest rate exposure. They relate to interest on both borrowings and investments. These limits are intended to reduce the risk of the Council suffering unduly from significant adverse fluctuations in interest rates.

Limit on Fixed Interest Rate Exposures (as a percentage of total borrowings / investments)

	Borrowing		Investments	
	Upper	Lower	Upper	Lower
2021/22	100%	0%	100%	0%
2022/23	100%	0%	100%	0%
2023/24	100%	0%	100%	0%
2024/25	100%	0%	100%	0%

Limit on Variable Interest Rate Exposures (as a percentage of total borrowings/ investments)

	Borrowing		Investments	
	Upper	Lower	Upper	Lower
2021/22	100%	0%	100%	0%
2022/23	100%	0%	100%	0%
2023/24	100%	0%	100%	0%
2024/25	100%	0%	100%	0%

In relation to both borrowing and investing fixed rate investments and loans may be anything between 0% and 100% of the total, with the same proportions being permitted for variable rate loans – in effect there is no limit on each type. This enables maximum flexibility to be afforded to take advantage of prevailing interest trends to obtain the best deal for the Council.

Principal sums invested for periods longer than a year

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2021/22	2022/23	2023/24
Limit on principal invested beyond year end	£25m	£25m	£25m

Related Matters

The CIPFA Code requires the Council to include the following in its treasury management strategy.

Financial Derivatives: Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk. The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Markets in Financial Instruments Directive (MiFID II): The Council has retained retail client status with its providers of financial services, including advisers and banks, allowing it access to a smaller range of services but with the greater regulatory protections afforded to individuals and small companies. This is believed to be the most appropriate status given the size and range of the Council's treasury management activities. The Council may upgrade their client status to professional if the requirements to do so are met during the year. This will allow a greater range of services but without the same level of regulatory protections provided by retail client status.

Financial Implications

Due to the current rate of return on investments, the budget for investment income in 2021/22 is nil. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

Other Options Considered

The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. It is believed that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Annex A – Arlingclose Economic & Interest Rate Forecast November 2020

Underlying assumptions:

- The medium-term global economic outlook remains weak. Second waves of Covid cases have prompted more restrictive measures and further lockdowns in Europe and the UK. This ebb and flow of restrictions on normal activity will continue for the foreseeable future, at least until an effective vaccine is produced and importantly, distributed.
- The global central bank and government responses have been significant and are in many cases on-going, maintaining more stable financial, economic and social conditions than otherwise.
- Although these measures supported a sizeable economic recovery in Q3, the imposition of a second national lockdown in England during November will set growth back and likely lead to a fall in GDP in Q4.
- Signs of a slowing economic recovery were already evident in UK monthly GDP and PMI data, even before the latest restrictions. Despite some extension to fiscal support measures, unemployment is expected to rise when these eventually come to an end in mid-2021.
- This situation will result in central banks maintaining low interest rates for the medium term. In the UK, Brexit is a further complication. Bank Rate is therefore likely to remain at low levels for a very long time, with a distinct possibility of being cut to zero. Money markets continue to price in a chance of negative Bank Rate.
- Longer-term yields will also remain depressed, anchored by low central bank policy rates, expectations for potentially even lower rates and insipid inflation expectations. There is a chance yields may follow a slightly different path in the medium term, depending on investor perceptions of growth and inflation, the development of a vaccine or if the UK leaves the EU without a deal.

Forecast:

- Arlingclose expects Bank Rate to remain at the current 0.10% level.
- Additional monetary loosening through increased financial asset purchases was delivered as we expected. Our central case for Bank Rate is no change, but further cuts to zero, or perhaps even into negative territory, cannot be completely ruled out.
- Gilt yields will remain low in the medium term. Shorter term gilt yields are currently negative and will remain around zero or below until either the Bank expressly rules out negative Bank Rate or growth/inflation prospects improve.
- Downside risks remain in the near term, as the government continues to react to the escalation in infection rates and the Brexit transition period comes to an end.

	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Official Bank Rate													
<i>Upside risk</i>	0.00	0.00	0.00	0.15	0.15	0.15	0.15	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
<i>Downside risk</i>	-0.10	-0.20	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
3-mth money market rate													
<i>Upside risk</i>	0.05	0.05	0.05	0.10	0.10	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.10	0.10	0.15	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
<i>Downside risk</i>	-0.40	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
5-yr gilt yield													
<i>Upside risk</i>	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70
Arlingclose Central Case	0.00	0.00	0.05	0.10	0.15	0.15	0.20	0.20	0.25	0.25	0.25	0.25	0.25
<i>Downside risk</i>	-0.30	-0.40	-0.50	-0.55	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60
10-yr gilt yield													
<i>Upside risk</i>	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70
Arlingclose Central Case	0.30	0.30	0.35	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.55	0.55	0.55
<i>Downside risk</i>	-0.30	-0.40	-0.50	-0.55	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
20-yr gilt yield													
<i>Upside risk</i>	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70
Arlingclose Central Case	0.70	0.70	0.70	0.75	0.75	0.75	0.80	0.80	0.85	0.85	0.85	0.85	0.85
<i>Downside risk</i>	-0.20	-0.20	-0.25	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30
50-yr gilt yield													
<i>Upside risk</i>	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70
Arlingclose Central Case	0.60	0.60	0.60	0.65	0.65	0.65	0.70	0.70	0.75	0.75	0.75	0.75	0.75
<i>Downside risk</i>	-0.20	-0.20	-0.25	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 1.80%

PWLB Local Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

PWLB HRA Rate = Gilt yield + 0.8%

Annex B – Existing Investment & Debt Portfolio Position

	30/11/2020 Actual Portfolio £m	30/11/2020 Average Rate %
<i>Treasury investments:</i>		
Banks & building societies (unsecured)	3.8	0.00
Government (incl. local authorities)	11.0	0.00
Money Market Funds	2.0	0.05
Total treasury investments	16.8	
Total external borrowing	0.0	
Net investments	16.8	

Annex C – Minimum Revenue Provision Policy

Background

In instances whereby Local Authorities have a positive Capital Financing Requirement (CFR), Ministry of Housing, Communities and Local Government (MHCLG) Guidance requires them to adopt a prudent approach in order to fund the repayment of debt. This may be achieved by setting aside a minimum amount from revenue, known as the Minimum Revenue Provision (MRP). This means that the Council would be required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the MRP).

MHCLG Regulations and Guidance have been issued which require the Full Council to approve an **MRP Statement** in advance of each year. Four options for prudent provision of the MRP are provided to councils, these being:

Option 1 – Regulatory Method

For debt which is supported by the Government through the Revenue Support Grant system, authorities may continue to use the formulae in the current regulations, since the Revenue Support Grant is calculated on that basis. Although the existing regulation 28 is revoked by regulation 4(1) of the 2008 Regulations, authorities will be able to calculate MRP as if it were still in force. Solely as a transitional measure, this option will also be available for all capital expenditure incurred prior to 1 April 2008.

Option 2 – Capital Financing Requirement Method

This is a technically much simpler alternative to Option 1 which may be used in relation to supported debt. While still based on the concept of the CFR, which is easily derived from the balance sheet, it avoids the complexities of the formulae in the old regulation 28 (though for most authorities it will probably result in a higher level of provision than Option 1).

Option 3 – Asset Life Method

For new borrowing under the Prudential system for which no Government support is being given and is therefore self-financed, there are two options included in the guidance.

Option 3 is to make provision over the estimated life of the asset for which the borrowing is undertaken. This is a possibly simpler alternative to the use of depreciation accounting (Option 4), though it has some similarities to that approach.

Within option 3, two methods are identified. The first of these, the equal instalment method, will normally generate a series of equal annual amounts over the estimated life of the asset. The original amount of expenditure (“A” in the formula) remains constant.

The cumulative total of the MRP made to date (“B” in the formula) will increase each year. The outstanding period of the estimated life of the asset (“C” in the formula) reduces by 1 each year.

For example, if the life of the asset is originally estimated at 25 years, then in the initial year when MRP is made, C will be equal to 25. In the second year, C will be equal to 24, and so on. The original estimate of the life is determined at the outset and should not be varied thereafter, even if in reality the condition of the asset has changed significantly

The formula allows an authority to make voluntary extra provision in any year. This will be reflected by an increase in amount B and will automatically ensure that in future years the amount of provision determined by the formula is reduced.

The alternative is the annuity method, which has the advantage of linking MRP to the flow of benefits from an asset where the benefits are expected to increase in later years. It may be particularly attractive in connection with projects promoting regeneration or administrative efficiencies or schemes where revenues will increase over time.

Option 4 – Depreciation Method

Alternatively, for new borrowing under the Prudential system for which no Government support is being given, Option 4 may be used.

This means making the MRP in accordance with the standard rules for depreciation accounting. A step in this direction was made in the last set of amendments to the MRP rules [SI 2007/573]. However, the move to reliance on guidance rather than regulations will make this approach more viable in future.

Authorities will normally need to follow the standard procedures for calculating depreciation provision. But the guidance identifies some necessary exceptions:

The MRP continues until the total provision made is equal to the original amount of the debt and may then cease.

If only part of the expenditure on the asset was financed by debt, the depreciation provision is proportionately reduced.

MRP Policy in respect of Finance Leases

The introduction of International Financial Reporting Standards in 2011/12 resulted in some leases being reclassified as finance leases instead of operating leases. This resulted in a positive CFR and as such the need to set aside a MRP.

In accordance with the revised MHCLG Guidance this Council will set aside an annual MRP equal to the amount of the lease that has been taken to the Balance Sheet to reduce the finance lease liability i.e. the principal amount of the finance lease. This approach will produce an MRP charge which is the same as Option 3 in the guidance (Asset Life Method – annuity method). The revised guidance aims to ensure that authorities are in the same position as if the change in accounting standards had not occurred.

MRP Policy – Other Capital Expenditure

Capital Financing Requirement (CFR)

The Council's CFR is currently positive. This means that there is a requirement to set aside a MRP for the redemption of debt. The Prudential Indicator for the CFR, shown at Table 1 in the Treasury Management Strategy, indicates that the CFR will become positive within the period covered by the Strategy. This is based on the assumption that there will be a general overall increase in expected capital expenditure, which cannot be funded from revenue or capital resources. Accordingly, the Council needs to determine the option it will employ to make the necessary MRP in respect of the amount borrowed, when this occurs.

Option for making MRP

The most appropriate of the four options permitted by the Regulations is Option 3, the Asset Life Method, within which there are two further options, an equal instalment method and an annuity method (as detailed in 1.1 – option 3). The Council is permitted to apply either of these two further options to projects on a scheme by scheme basis. However preference will be the annuity method.

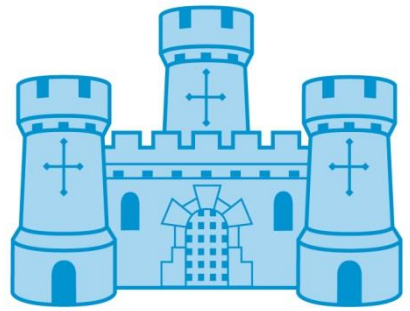
It should be noted that MRP does not commence until the year following that in which the asset concerned became operational; however, voluntary MRP can be made at any given time if considered prudent.

Annex D – Treasury Management Glossary of Terms

- *Basis Points* – there are 100 basis points to 1%.
- *Credit Default Swap* – an additional assessment of credit worthiness by providing a risk analysis of changes in credit quality as perceived by the market.
- *CFR* – the Capital Financing Requirement is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources.
- *CIPFA* – the Chartered Institute of Public Finance and Accountancy, is the professional body for accountants working in Local Government and other public sector organisations.
- *Counterparty* – an institution with whom a borrowing or investment transaction is made.
- *CPI* – a measure that examines the weighted average of prices of a basket of consumer goods and services. The Consumer Price Index is calculated by taking price changes for each item in the predetermined basket of goods/services and averaging them; the goods are weighted according to their importance. Changes in CPI are used to assess price changes associated with the cost of living.
- *Credit Rating* – is an opinion on the credit-worthiness of an institution, based on judgements about the future status of that institution. The main rating agencies are Fitch, Standard and Poor's and Moody's.
- *Depreciation* – the measure of the cost or revalued amount of the benefits of the fixed asset that have been consumed during the period. Consumption includes wearing out, using up or other reduction in the useful life of a fixed asset whether arising from use, time or obsolescence through either changes in technology or demand for the goods and services produced by the asset.
- *DMADF and DMO* – the DMADF is the 'Debt Management Account Deposit Facility' which is a highly secure fixed term deposit account with the Debt Management Office, part of Her Majesty's Treasury.
- *Forward Commitments* - agreeing in advance to place an investment with a borrower at a future specified date at an agreed interest rate.
- *GDP* – Gross Domestic Product is the market value of all officially recognised final goods and services produced within a country in a given period of time.
- *GILTS* – the name given to bonds issued by the UK Government. Gilts are issued bearing interest at a specified rate, however, they are traded on the markets like shares and their value rises or falls accordingly. The 'yield' on a gilt is the interest paid divided by the market value of that gilt.
- *IFRS (International Financial Reporting Standards)* – International accounting standards that govern the treatment and reporting of income and expenditure in an organisation's accounts, which came fully into effect from 1 April 2010.
- *Leasing* - a lease is a contractual arrangement calling for the lessee (user) to pay the lessor (owner) for use of an asset.
- *Liquidity* – relates to the amount of readily available or short term investment money which can be used for either day to day or unforeseen expenses. For example Call Accounts allow instant daily access to invested funds.
- *MHCLG* – Ministry of Housing, Communities, and Local Government (formerly the Department for Communities and Local Government).

- *Money Market Funds (MMF)* – Money Market Funds are investment funds that are invested by a Fund Manager in a wide range of money market instruments. MMF's are monitored by the official ratings agencies and due to many requirements that need to be fulfilled; the funds usually receive the highest quality rating (AAA) so provide minimal risk. They are very flexible and can be withdrawn in the same way as any other call deposit.
- *MPC* – interest rates are set by the Bank of England's Monetary Policy Committee. The MPC sets an interest rate it judges will enable the inflation target to be met
- *MRP* – the Minimum Revenue Provision represents the revenue charge for the repayment of debt.
- *PWLB* – the Public Works Loan Board is a statutory board that is run within the UK Debt Management Office (DMO), its function is to lend money to Local Authorities and other prescribed bodies.

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**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

Investment Strategy 2021/22



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Introduction

This strategy is compiled according to the Ministry of Housing, Communities and Local Government's Guidance on Local Government Investments ("the Guidance") and the 2017 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code") It sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

The Guidance distinguishes between Treasury Management Investments and Other Investments. Treasury Management Investments are those which arise from the Council's cash flows and debt management activity and ultimately represent balances which need to be invested until the cash is required for use in the course of business. Other Investments are all those falling outside of normal treasury management activity, as defined above. They may be made with the express purpose of making a financial surplus for the Council, usually as a means towards balancing the revenue budget. They may be funded from borrowing where appropriate. The prime example referred to in the Guidance is direct investment in property assets. Loans, for example to voluntary organisations, local enterprises or joint ventures are also classified as Other Investments.

The Council invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as [treasury management investments](#)),
- to support local public services by lending to or buying shares in other organisations ([service investments](#)), and
- to earn investment income (known as [commercial investments](#) where this is the main purpose).

This investment strategy meets the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

Possible Revisions to the Strategy

The initial strategy may be replaced with a revised strategy at any time during the year in cases where any treasury management issues (including investment issues) need to be brought to the attention of Full Council.

Treasury Management Investments

The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £0m and £15m during the 2021/22 financial year.

Contribution: The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

Further details: Full details of the Council's policies and its plan for 2020/21 for treasury management investments are covered in a separate document, the treasury management strategy.

Service Investments: Loans

Contribution: During 2020/21 the Council has not lent money to local charities, housing associations or any other bodies. However the Council would consider applications from such bodies individually, in order to support local public services and stimulate local economic growth.

Security: The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Loans for service purposes in £ thousands

Category of borrower	31/03/2020 Actual			2021/22
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Local charities	0	0	0	500
Housing associations	0	0	0	10,000
Other bodies	0	0	0	500
TOTAL	0	0	0	11,000

Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Council's statement of accounts are shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

Risk assessment: The Council assesses the risk of loss before entering into and whilst holding service loans on an individual basis for each proposal. The risks inherent in the proposal will be reported to members when it is placed before them for consideration together with an assessment of the likelihood of any of them materialising, their impact on the revenue budget and the mitigating controls that will be put in place. Risk factors to be assessed include:

- barriers to entry into and exit out of the market concerned;
- the nature and level of competition;
- how the market and customer needs will evolve over time;
- ongoing need for further investment to be made; and
- whether there is sufficient internal capacity to assess the business case and risks relating to the proposal.

An initial review of each proposal will be carried out by Council officers, intended to determine whether there are any risks apparent at that stage which indicate that the proposal should not be proceeded with. Provided this is not the case and it has also been determined that there is a worthwhile business case for further consideration, a more detailed risk assessment will be carried out. Where necessary, owing to lack of internal expertise, external advisors may be used to assist with the assessment of appropriate risks. Any other appropriate sources of information may be used to assess and monitor risk,

including credit ratings, if these are relevant. Data used to monitor ongoing risk will be reviewed regularly and appropriate action will be taken if there are any indications of increasing risk or risks materialising.

The Council will consider the following points:

- the degree to which the loan complies with corporate policies and furthers corporate objectives;
- the overall desirability of the activity which the loan is intended to fund;
- affordability in terms of the use of capital or other resources and impact on the revenue budget;
- the likelihood that the loan will be repaid in accordance with agreed terms; and
- the total amount of loans already made to ensure that as a whole the Council is not over-exposed to the risk of default.

All proposed loans will be subject to approval by members, normally via Full Council, following consideration of a report setting out all relevant matters, including compliance with the above criteria.

All loans will be subject to credit control arrangements to recover overdue repayments. Credit risk will be determined by reference to the “expected credit loss” model for loans and receivables as set out in International Reporting Standard (IFRS) 9 Financial Instruments.

Service Investments: Shares

Contribution: The Council currently does not invest in the shares of suppliers and local businesses in order to support local public services and stimulate local economic growth. This is due to the nature of the risks associated with investing in shares i.e. they are volatile and may fall in value meaning that the initial outlay may not be recovered. If the Council was to consider investing in shares, then in order to limit the risk, upper limits on the sum invested in each category of shares would need to be set.

Shares held for service purposes in £ thousands

Category of company	31/03/2020 actual			2021/22
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Suppliers	0	0	0	250
Local businesses	0	0	0	250
TOTAL	0	0	0	500

Non-specified Investments: Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Council’s upper limits on non-specified investments. The Council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

If the Council were to consider placing funds in any other type of investment which would be categorised as Non-Specified, the security of the capital sum would be the paramount concern. The same requirements as to credit ratings relating to Specified Investments will

apply, and in appropriate cases the advice of the Council's treasury management advisors will be sought.

Commercial Investments: Property

Contribution: The Council invests in local commercial property with the intention of making a profit that will be spent on local public services. These are held primarily to earn income to be used to support the revenue budget although in some cases there may also be a contribution towards the economic wellbeing of the Borough.

Security: In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

A fair value assessment of the Council's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment.

The majority of the investment property portfolio was acquired some time ago and there is no debt associated with any of the properties and the initial investment costs have been recouped many years ago. Investment properties are valued at fair value. The values of the properties will fluctuate according to market conditions prevailing from time to time, however these fluctuations do not constitute losses of capital invested. The value of investment properties included in the Council's balance sheet as at 31 March 2020 is £16.737m.

If there are any new commercial investments funded from borrowing, their value will be monitored to determine whether it is sufficient to act as security for the capital invested and outstanding borrowing. If there is a significant fall in value then this will be reported to members.

Risk assessment: There are risks associated with making and holding commercial investments which require assessment and management.

With regard to the Council's current portfolio of commercial investments, comprising investment properties, the main risk is of not achieving the budgeted amount of income or of expenditure exceeding budgeted amounts. These risks are assessed and provided for via the assessment of the appropriate amount to hold in reserve in General Fund Balances. If the result of the assessment shows that current levels are inadequate, the necessary additional contribution will be made via inclusion in the Medium Term Financial Strategy.

With regard to consideration of proposed new commercial investment there will be additional risks to be assessed and taken account of. The degree of control which the Council has over the materialisation of these risks and its ability to mitigate them should they arise will be important considerations. In most, if not all, cases the Council will be operating in a competitive environment and possibly one which it is not experienced in operating within, all of which increases the level of risk.

A comprehensive risk assessment, taking account of all appropriate factors, will be carried out on an individual basis for each investment proposal. The risks inherent in the proposal will be reported to members when it is placed before them for consideration together with an assessment of the likelihood of any of them materialising, their impact on the revenue budget and otherwise and available mitigation measures. Risk factors to be assessed include:

- barriers to entry into and exit out of the market concerned;
- the nature and level of competition;
- how the market and customer needs will evolve over time;
- ongoing need for further investment to be made, for example to adapt investment property or repair defects or carry out cyclical maintenance; and

- whether there is sufficient internal capacity to assess the business case and risks relating to the proposal.

An initial review of each proposed investment will be carried out by Council officers, intended to determine whether there are any risks apparent at that stage which indicate that the proposal should not be proceeded with. Provided this is not the case and it has also been determined that there is a worthwhile business case for further consideration of the investment, a more detailed risk assessment will be carried out. Where necessary, owing to lack of internal expertise, external advisors may be used to assist with the assessment of appropriate risks. Any other appropriate sources of information may be used to assess and monitor risk, including credit ratings, if these are relevant. Data used to monitor ongoing risk will be reviewed regularly and appropriate action will be taken if there are any indications of increasing risk or risks materialising.

An independent review shall be undertaken by external investment property advisors on the Council's existing commercial property portfolio. The recommendations from this review will be actioned where necessary.

Liquidity: Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. There is no outstanding borrowing in relation to the current portfolio so any sales proceeds would be available in full to support capital investment.

In the case of any future commercial property investments, the likely degree of liquidity will be a consideration in deciding whether to make the investment.

Loan Commitments and Financial Guarantees

Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Council and are included here for completeness. To date, the Council is not contractually committed to make any loans.

Proportionality

The Council is dependent on profit generating investment activity to achieve a balanced revenue budget.

Net investment property income is subject to fluctuation according to market conditions and other factors such as bad debts and unforeseen expenditure. Accordingly the possibility of shortfalls in contribution towards the revenue budget from this source is one of the factors specifically taken into consideration in calculating the level of General Fund balance to be held as a contingency against adverse budget variances. A total of £1.548m is held in balances at 31.3.2020 to cover this and other risks and can be drawn upon in the event of risks materialising, this total is to be increased significantly for 2021/22.

It is not planned to vary the amount of investment property held in the short term. However, in accordance with the Asset Management Strategy, all such property will be kept under review to determine whether the return obtained justifies retention and there may be instances where it is decided to dispose of property to obtain a capital receipt. The net contribution made towards balancing the revenue budget and the options for replacing any significant loss of income will be one of the factors taken into account when determining whether or not to dispose of a property.

Borrowing in Advance of Need

The Prudential Code for Capital Finance in Local Authorities (2017) issued by CIPFA states that local authorities should not borrow more than or in advance of their needs purely to profit from the investment of the extra sums borrowed. This is repeated in the Statutory Investment Guidance issued by the Ministry of Housing, Communities and Local Government.

The reasons for making an investment are unlikely to be purely in order to make a profit since investments may also be made with the intention of furthering corporate aims or service objectives, such as economic regeneration.

Accordingly, borrowing will be permitted in respect of Other Investments. The Council will consider each proposal to borrow on its merits. As well as the corporate or service benefits due regard will be given to the financial impact upon the revenue budget in terms of capital financing costs.

All borrowing will be subject to approval by members, normally via Full Council, following consideration of a report setting out all relevant matters, including those referred to above.

Capacity, Skills and Culture

Council members and staff involved in dealing with Other Investments will have regard to the provisions of the CIPFA Prudential Code and the regulatory regime within which local authorities operate when carrying out these functions.

Investment in commercial property is a specialist area and the Council will therefore commission external advice in order to effectively appraise investment proposals, negotiate with third parties or manage certain types of investment on an ongoing basis. The external advice will be commissioned on a case by case basis and where asset management is required external managers may need to be employed, particularly if investment is made in residential property.

Decisions to make Other Investments and the means of financing them will be subject to member approval. This will normally be by Full Council (but may be by Cabinet where permitted by the Council's Constitution). Members will consider a report setting out all matters relevant to the making of an investment before making a decision. The normal scrutiny and call-in arrangements will apply.

Investment Indicators

The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

Gross and Net Income - Historic and Current Year

	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Estimate
	£'000	£'000	£'000	£'000
Commercial Properties				
Gross Income	991	907	806	829
Gross Expenditure (Excluding Capital Charges)	(649)	(649)	(519)	(586)
Net Income	342	258	287	243
Net Service Expenditure (Whole Council)	(6,776)	(7,011)	(7,487)	(7,870)
Ratio of Net Income to Net Service Expenditure	5.05%	3.68%	3.83%	3.09%

Gross and Net Income - Over Period of Approved Medium Term Financial Strategy 2021/22 to 2025/26 – Based on 2% increase on 2020/21

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
	£'000	£'000	£'000	£'000	£'000
Gross Income	846	862	880	897	915
Gross Expenditure	(597)	(610)	(622)	(634)	(647)
Net Income	249	252	258	263	268

Vacancy Levels

2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Actual at Q2
%	%	%	%
7.7	10.1	8.3	5.7

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Cabinet
13 January 2021

Report Title: Scale of Fees and Charges 2021/22
Submitted by: Head of Finance (Section 151 Officer)
Portfolios: Finance and Efficiency
Ward(s) affected: All

Purpose of the Report

To obtain approval for the proposed scale of fees and charges to apply from 1 April 2021.

Recommendation

- (a) That the fees and charges proposed to apply from 1 April 2021, as set out in Appendix 1 be approved.
- (b) That following the completion of a review of Jubilee 2 by Alliance Leisure, the Executive Director (Commercial Development & Economic Growth) in conjunction with the Portfolio Holder (Leisure, Culture and Heritage) be delegated authority to implement a revised membership pricing structure and offers to attract new memberships.

Reasons

It is necessary to review the fees and charges which the Council makes in order to keep them in line with the cost of service provision, ensure compliance with the Charging Policy and to establish the amounts to be included in the 2021/22 budget.

1. Background

- 1.1 The Cabinet is asked annually to consider proposals for the fees and charges to be applied during the following financial year. It is proposed that the new fees and charges set out at Appendix 1 should take effect from 1 April 2021 and remain in force until 31 March 2022.
- 1.2 The Council has an approved Charging Policy (the most recent version of which was approved by Cabinet on 10 September 2014), which is followed when fees and charges are proposed and agreed. This sets out the criteria that should be taken into consideration when establishing the amounts to be charged.

2. Issues

- 2.1 The Medium Term Financial Strategy, reviewed by Cabinet on 11 November 2020, assumed an overall 3% increase in the amount of income raised from fees and charges in 2021/22 in line with assumptions about the rate of inflation over the period that these charges will be in force, reflecting the real increases in costs being incurred by services.

- 2.2 The proposals made vary between minimal decreases, freezes in fees and charges and increases. When these proposals are applied to the appropriate income budgets they fall broadly in line with the assumed overall 3% increase.
- 2.3 Most of the fees and charges are inclusive of VAT but in some cases no VAT is chargeable or VAT is added to the fee or charge. The VAT status of individual fees and charges is shown in Appendix 1.
- 2.4 When considering the level of fees and charges the principles contained in the Charging Policy, as approved by Cabinet on 10 September 2014, should be followed.
- 2.5 In drawing up the proposed fees and charges for 2021/22 these have been considered by Heads of Service who were provided with a copy of the Charging Policy and were requested to ensure that their charges were set in accordance with the Charging Policy, taking into account:
- The cost of providing the service;
 - How much income it is desired to generate and why;
 - Comparison of charges made by other Councils or providers of similar services;
 - Whose use of services it is desired to subsidise and by how much;
 - Whose behaviour it is desired to influence and in what ways;
 - How will charges help to improve value for money, equity and access to services;
 - Will the cost of collecting the income outweigh the income likely to be collected; and
 - Any other relevant factors.
- 2.6 It is acceptable for charges to be set at a level where costs are not fully recovered. There may be particular reasons for doing so, such as a desire to encourage take up of a service by specified groups, for example the unemployed, benefits recipients, the elderly, disabled persons or children, or to influence particular forms or patterns of behaviour.
- 2.7 The decision to charge less than cost ought to be a conscious one, taken by members and justified by reference to the reasons for setting charges at less than cost as set out in the charging principles contained in section 5 of the Charging Policy, shown in Appendix 2.
- 2.8 For 2021/22 a considerable number of fees compared to previous years have remained frozen due to the impact of Covid-19. This is due to the negative impact it may have had on service uptake. In respect of Jubilee 2 memberships a review of the service is currently being undertaken by Alliance Leisure, until this review is completed it is recommended that membership fees remain unchanged. Following the completion of the review it is proposed that the Executive Director (Commercial Development & Economic Growth) in conjunction with the Portfolio Holder (Leisure, Culture and Heritage) be delegated authority to implement a revised membership pricing structure and offers to attract new memberships.
- 2.9 The Scale of Fees and Charges (Appendix 1) shows the current and proposed fees and charges for 2021/22 and indicates those which have been frozen at current levels. There are a number of new charges proposed for 2021/22. The table below shows these:

New Charges - Description of Charge	Fee / Charge 2020/21 (£)
ELECTIONS	
Police Fire and Crime Commissioner candidate	5,000.00
ENVIRONMENTAL HEALTH	
Environmental Offences - Fixed Penalty Notices	

New Charges - Description of Charge	Fee / Charge 2020/21 (£)
Household waste duty of care fixed penalty notices. Environmental protection Act 1990 Section 34(2)A (paid within 10 days)	120.00
Household waste duty of care fixed penalty notices. Environmental protection Act 1990 Section 34(2)A (paid within 14 days)	200.00
LEISURE CHARGES	
<u>Jubilee 2</u>	
Plus Membership – annual fee <i>entitles the holder to use the facilities with a £1.00 discount off the lite membership price, includes first session</i>	12.00
Friends and family membership (2 Adults) 12 month contract	50.00
Family Membership (2 adults and up to 2 children) 12 month contract	68.00
Family Membership (1 adult and up to 2 to children) 12 month contract	43.00
Blue light membership NHS, Armed Forces, Police, Fire Brigade) 12 month contract	19.99
PEST CONTROL	
Fleas / Bedbugs / Cockroaches (domestic) – prepayment	105.00
Fleas / Bedbugs / Cockroaches (domestic) – payment by invoice	125.00
Insect control treatments (domestic) including wasps, ants – prepayment	75.00
Insect control treatments (domestic) including wasps, ants – payment by invoice	95.00
WASTE & RECYCLING BINS/RECEPTACLES	
Replacement / additional Food waste Caddie	10.00
Replacement / additional recycling bag	5.00

- 2.10 The current Lyme Card scheme is to be replaced by an annual card that allows access to Plus Membership charges on casual gym, swim and class fees. This is in line with other local service providers and allows holders to save £1 per session attended.
- 2.11 New memberships are to be introduced in order to attract families to use the facility together and also a Blue Light membership. Both of these initiatives are aiming to assist in the recovery of the membership base post Covid-19.
- 2.12 The pest control fee structure has been amended slightly. Flea treatment has been moved to higher tariff insect control. This is due to the relevant treatment time and material costs.
- 2.13 Charges for fixed penalty notices for environmental offences have been introduced in line with statutory requirements.
- 2.14 Where residents require a replacement or additional food waste caddie or recycling bag, a charge will now be incurred. This is in line with other local authorities. Within the commercially sensitive trade waste fees, a new service is being introduced for Business Recycling and Food Collection.

2.15 A number of fees and charges approved for 2020/21 have been deleted from the proposed fees and charges for 2021/22. The table below shows these:

Deleted Charges - Description of Charge	Fee/Charge 2020/21 (£)
CREMATORIUM	
Cremation Fees	
Use of TV for DVD photographs or 3-5 minute films	24.00
ENVIRONMENTAL HEALTH	
Environmental Health Commercial Support (SRS)	
Food Safety Direct	Officer hourly rate
Licensing Direct	Officer hourly rate
Environmental Protection Act 1990 - Part 1 Pollution Prevention & Control Act 1999 Register of Permits	
Copy of list of applications received	18.00
Copy of a register entry	18.00
LEISURE SERVICES	
Jubilee 2	
<i>Aqua Sauna (includes access to swimming pool)</i>	
Adult - Lyme Card	10.50
Concession (18+) - Lyme Card	8.00
<i>Junior Memberships</i>	
Active1 5-11 years: Swimming and climbing sessions (parental supervision)	12.00
Community Events	
Hire of display boards (delivery, set up & collection)	33.00
PEST CONTROL	
Bedbugs / Cockroaches (domestic) – prepayment	100.00
Bedbugs / Cockroaches (domestic) - payment by invoice	120.00
Insect control treatments (domestic) including wasps, ants & fleas – prepayment	75.00
Insect control treatments (domestic) including wasps, ants & fleas - payment by invoice	95.00
3 treatment scheme (3 for 2 offer) – prepayment	150.00
3 treatment scheme (3 for 2 offer) – payment by invoice	170.00

2.16 Fees in relation to the aqua sauna have been removed due to the facilities ongoing closure.

2.17 There has been a change to the structure of the pest control fees as highlighted above in 2.12, this has meant the previous fee is to be removed.

- 2.18 Under Environmental Protection Act 1990 - Part 1 Pollution Prevention & Control Act 1999 Register of Permits, applications are required to be publicly available and are disclosable under EIR regulations. Fees which can be charged are covered under Environmental Information Regulations - Regulation 8 and ICO Guidance on charging for Environmental Information
- 2.19 The remaining fees listed above are no longer being provided and therefore have been removed.
- 2.20 Charges in relation to the licencing of Private Hire / Hackney Carriage are, following consultation, to be presented at the meeting of Public Protection Committee on 26 January 2021.
- 2.21 Due to the commercial sensitivity of the proposed charges for the trade waste service, these are not included on part 1 of the agenda and are exempt from publication by reasons of paragraph 3 of part 1 of schedule 12a of the Local Government Act 1972. The proposed charges can be found in part 2 of the agenda.
3. **Proposal**
- 3.1 That the fees and charges proposed to apply from 1 April 2021, as set out in Appendix 1 be approved.
4. **Reason for Preferred Solution**
- 4.1 Applying selective increases to fees and charges will enable economic activity to be promoted within the Borough. It will also contribute to the delivery of a sustainable budget for 2021/22 and later years and will help to keep fees and charges in line with the cost of service provision.
5. **Legal and Statutory Implications**
- 5.1 Statutory charges are included in the scale of fees and charges, and are noted as such. These are set by the government rather than by the Council. Land Charges and Licensing fees are set in accordance with a statutory requirement to balance income with expenditure. All other charges may be set by the Council in accordance with its Charging Policy.
6. **Financial and Resource Implications**
- 6.1 The approved levels of fees and charges will be incorporated in the General Fund Budget for 2021/22. The Medium Term Financial Strategy (MTFS) assumes increased income of £151,000 from an average increase of 3% across the existing range of fees and charges.
- 6.3 The proposals made vary between minimal decreases to increases. When these proposals are applied to the appropriate income budgets they fall broadly in line with the assumed overall 3% increase.
7. **Major Risks**
- 7.1 A major risk is that the current depressed economic situation and general restrictions imposed due to the Covid-19 virus leads to less demand from users of Council services, resulting in significant loss of income. The level of charges will in some cases influence this demand.
8. **Key Decision Information**
- 8.1 This is a key decision; it has been included in the Forward Plan.

9. **List of Appendices**

Appendix 1 – Proposed charges from 1 April 2021

Appendix 2 – Charging principles included in Charging Policy

SCALE OF FEES AND CHARGES 2021/22

ALLOTMENTS	2
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WASTE & RECYCLING BINS/RECEPTACLES	36

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
ALLOTMENTS				Cabinet	No VAT
Rent (per annum) per square metre Note: 20% concession for Junior/60+/Unemployed	0.46	0.48	0.02		
BULKY RECYCLING				Cabinet	No VAT
1-3 Items non reusable/waste items	38.50	39.30	0.80		
4-6 Items non reusable/waste items	61.50	62.75	1.25		
7-9 Items non reusable/waste items	77.00	78.60	1.60		
Additional items non reusable/waste items	11.50	11.75	0.25		
Reusable items	Free	Free	N/A		
BUS DEPARTURE CHARGES				Cabinet	Plus VAT
Fee per departure	0.23	0.23	Freeze		
CAR PARKS					
Charges for Infringements					No VAT
Civic parking enforcement - higher charge	70.00	70.00	Freeze		
Civic parking enforcement - lower charge	50.00	50.00	Freeze		
Discount for block purchase of permits					
Discount for purchase of 20 or more permits	20.00	20.00	Freeze		
Construction permit (max of 1 week permit)					VAT Incl.
Initial day rate	15.00	15.00	Freeze		
Additional days	6.00	6.00	Freeze		
Bankside				Cabinet	VAT Incl.
Season ticket - per quarter	156.00	156.00	Freeze		
Each additional permit for the same numbered bay - per quarter	25.00	25.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		

	Fee/ Charge 2020/21	Proposed Fee/ Charge 2021/22	Increase/ Decrease	Committee Approval/ Comments	VAT Status
	£.p	£.p	£.p		
Blackfriars (Zone C)				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.50	1.50	Freeze		
Up to 3 hours	2.00	2.00	Freeze		
Up to 4 hours	2.50	2.50	Freeze		
Up to 6 hours	3.00	3.00	Freeze		
6 hours to 24 hours	3.50	3.50	Freeze		
Season ticket - per quarter	156.00	156.00	Freeze		
Overnight 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Cherry Orchard (Zone B)				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.90	1.90	Freeze		
Up to 3 hours	2.80	2.80	Freeze		
Up to 4 hours	4.00	4.00	Freeze		
4 hours to 24 hours	5.20	5.20	Freeze		
Season ticket - per quarter	156.00	156.00	Freeze		
Overnight 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Civic Offices - Saturdays Only (Zone A)				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.90	1.90	Freeze		
Up to 3 hours	2.80	2.80	Freeze		
Up to 4 hours	4.00	4.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Corporation Street/Merrial Street (Zone A)				Cabinet	VAT Incl.
Up to 1/2 hour	0.80	0.80	Freeze		
Up to 1 hour	1.50	1.50	Freeze		
Overnight 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		
Bank Holiday	1.50	1.50	Freeze		
Event Parking	1.50	1.50	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Fogg Street East (Zone A)					
Season ticket - per quarter	156.00	156.00	Freeze	Cabinet	VAT Incl.
Each additional permit for the same numbered bay - per quarter	25.00	25.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		
Goose Street (Zone B)				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.90	1.90	Freeze		
Up to 3 hours	2.80	2.80	Freeze		
Up to 4 hours	4.00	4.00	Freeze		
4 hours to 24 hours	5.20	5.20	Freeze		
Season ticket - per quarter	156.00	156.00	Freeze		
Overnight 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Hassell Street (Zone B)				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.90	1.90	Freeze		
Up to 3 hours	2.80	2.80	Freeze		
Up to 4 hours	4.00	4.00	Freeze		
4 hours to 24 hours	5.20	5.20	Freeze		
Season ticket - per quarter	156.00	156.00	Freeze		
Resident permit - per quarter	60.00	60.00	Freeze		
Overnight 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
High Street (Rear of)				Cabinet	VAT Incl.
Season ticket - per quarter	156.00	156.00	Freeze		
Each additional permit for the same numbered bay - per quarter	25.00	25.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		
King Street (Zone C)				Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze		
Up to 2 hours	1.50	1.50	Freeze		
Up to 3 hours	2.00	2.00	Freeze		
Up to 4 hours	2.50	2.50	Freeze		
Up to 6 hours	3.00	3.00	Freeze		

	Fee/ Charge 2020/21	Proposed Fee/ Charge 2021/22	Increase/ Decrease	Committee Approval/ Comments	VAT Status
	£.p	£.p	£.p		
6 hours to 24 hours	3.50	3.50	Freeze		
Season Ticket - per quarter	156.00	156.00	Freeze		
Overnight 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Lyme Valley					
Up to 2 hours	Free	Free	N/A	Cabinet	VAT Incl.
Up to 3 hours	3.20	3.20	Freeze		
Up to 3 hours – Buckmaster Ave	Free	Free	N/A		
Up to 4 hours	4.25	4.25	Freeze		
4 - 24 hours	6.00	6.00	Freeze		
Lyme Valley A34 Season Ticket - per quarter	156.00	156.00	Freeze		
Lyme Valley Buckmaster Ave - Season Ticket - per quarter	156.00	156.00	Freeze		
Lyme Valley - LymeValley Road Season Ticket - per quarter	156.00	156.00	Freeze		
Bank Holiday	Free	Free	N/A		
Midway (Zone A)				Cabinet	VAT Incl.
Up to 1 hour	1.10	1.10	Freeze		
Up to 2 hours	2.10	2.10	Freeze		
Up to 3 hours	3.20	3.20	Freeze		
Up to 4 hours	4.25	4.25	Freeze		
Up to 24 hours	6.00	6.00	Freeze		
Season ticket - per quarter	156.00	156.00	Freeze		
Overnight 1pm to 8am (closed at 9pm Mon-Sat and 5.30pm on Sunday))	1.00	1.00	Freeze		
Overnight quarterly permit	60.00	60.00	Freeze		
Bank Holiday	1.10	1.10	Freeze		
Event Parking	1.10	1.10	Freeze		
Ryecroft (Zone B)				Cabinet	VAT Incl.
Up to 1 hour	1.10	1.10	Freeze		
Up to 2 hours	2.10	2.10	Freeze		
Up to 3 hours	3.20	3.20	Freeze		
Up to 4 hours	4.25	4.25	Freeze		
Up to 24 hours	6.00	6.00	Freeze		
Overnight 1pm to 8am	1.10	1.10	Freeze		
Bank Holiday	1.10	1.10	Freeze		

	Fee/ Charge 2020/21	Proposed Fee/ Charge 2021/22	Increase/ Decrease	Committee Approval/ Comments	VAT Status		
	£.p	£.p	£.p				
Event Parking	1.10	1.10	Freeze	Cabinet	VAT Incl.		
School Street/Barracks Road (Zone B)							
Up to 1 hour	1.00	1.00	Freeze				
Up to 2 hours	1.90	1.90	Freeze				
Up to 3 hours	2.80	2.80	Freeze				
Season ticket - per quarter	156.00	156.00	Freeze				
Overnight 1pm to 8am	1.00	1.00	Freeze				
Overnight quarterly permit	60.00	60.00	Freeze				
Bank Holiday	1.00	1.00	Freeze				
Event Parking	1.00	1.00	Freeze				
Silverdale Road (Zone C)				Cabinet	VAT Incl.		
Up to 1 hour	1.00	1.00	Freeze				
Up to 2 hours	1.50	1.50	Freeze				
Up to 3 hours	2.00	2.00	Freeze				
Up to 6 hours	3.00	3.00	Freeze				
6 hours to 24 hours	3.50	3.50	Freeze				
Season ticket - per quarter	156.00	156.00	Freeze				
Resident permit - per quarter	60.00	60.00	Freeze				
Overnight 1pm to 8am	1.00	1.00	Freeze				
Overnight quarterly permit	60.00	60.00	Freeze				
Bank Holiday	1.00	1.00	Freeze				
Event Parking	1.00	1.00	Freeze				
Windsor Street (Zone B)						Cabinet	VAT Incl.
Up to 1 hour	1.00	1.00	Freeze				
Up to 2 hours	2.00	2.00	Freeze				
Season ticket - after school (30 minutes)	30.00	30.00	Freeze				
Overnight 1pm to 8am	1.00	1.00	Freeze				
Overnight quarterly permit	60.00	60.00	Freeze				
Bank Holiday	1.00	1.00	Freeze				
Event Parking	1.00	1.00	Freeze				
CEMETERIES				Cabinet	No VAT		
Interment Fees - Resident Fees							
17 years and under	Free	Free	N/A				
18 years & over	932.00	960.00	28.00				
Woodland burial - Keele Cemetery (1 full interment only in each grave)	497.00	512.00	15.00				
Cremated remains at 2 feet	408.00	421.00	13.00				

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Woodland burial cremated remains at 2 feet - Keele Cemetery (4 interments only in each grave)	408.00	421.00	13.00	Cabinet	No VAT
Additional depth for cremated remains over 2 feet	146.00	151.00	5.00		
Additional depth over 6 feet per foot	156.00	161.00	5.00		
Purchase of Graves - Resident Fees					
(includes right to erect memorial for single grave)					
Exclusive Right of Burial & Memorialisation for a Single Grave	1,256.00	1,294.00	38.00		
Lawn Graves Reservation	1,256.00	1,294.00	38.00		
Exclusive Right of Burial in a Woodland Grave at Keele Cemetery (1 full interment only in each grave plus memorial tree)	925.00	953.00	28.00		
Reservation of Woodland Grave	925.00	953.00	28.00		
Exclusive Right of Burial and Memorialisation in a Cremated Remains Grave at 2ft	621.00	640.00	19.00		
Reservation of a Cremated Remains Grave	621.00	640.00	19.00		
Exclusive Right of Burial in a Woodland Cremated Remains Grave, Keele Cemetery at 2ft Inclusive of a Shrub	621.00	640.00	19.00		
Reservation of Woodland Cremated Remains Grave	621.00	640.00	19.00		
Renewal of exclusive right of burial & memorialisation (full grave)	594.00	612.00	15.00		
Renewal of exclusive right of burial & memorialisation (cremated remains grave)	298.00	307.00	9.00		
Transfer of ownership of exclusive rights of burial & memorialisation	95.00	98.00	3.00		
Duplicate deed of exclusive rights of burial & memorialisation	50.00	51.00	1.00		
Interment Fees - Non-Resident Fees				Cabinet	No VAT
17 years and under	Free	Free	N/A		
18 years & over	1,398.00	1,440.00	42.00		
Woodland burial - Keele Cemetery (1 full interment only in each grave)	745.50	768.00	22.50		
Cremated remains at 2 feet	612.00	631.00	19.00		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Woodland burial cremated remains at 2 feet - Keele Cemetery (4 interments only in each grave)	612.00	631.00	19.00		
Additional depth for cremated remains over 2 feet	219.00	226.00	7.00		
Additional depth over 6 feet per foot	234.00	242.00	8.00		
Purchase of Graves - Non-Resident Fees (includes right to erect memorial for single grave)				Cabinet	No VAT
Exclusive Right of Burial & Memorialisation for a Single Grave	1,884.00	1,941.00	57.00		
Lawn Graves Reservation	1,884.00	1,941.00	57.00		
Exclusive Right of Burial in a Woodland Grave at Keele Cemetery (1 full interment only in each grave plus memorial tree)	1,387.50	1,430.00	42.50		
Reservation of Woodland Grave	1,387.50	1,430.00	42.50		
Exclusive Right of Burial and Memorialisation in a Cremated Remains Grave at 2ft	931.50	960.00	28.50		
Reservation of a Cremated Remains Grave	931.50	960.00	28.50		
Exclusive Right of Burial in a Woodland Cremated Remains Grave, Keele Cemetery at 2ft Inclusive of a Shrub	931.50	960.00	28.50		
Reservation of Woodland Cremated Remains Grave	931.50	960.00	28.50		
Renewal of exclusive right of burial & memorialisation (full grave)	891.00	918.00	27.00		
Renewal of exclusive right of burial & memorialisation (cremated remains grave)	447.00	461.00	14.00		
Transfer of ownership of exclusive rights of burial & memorialisation	142.50	147.00	4.50		
Duplicate deed of exclusive rights of burial & memorialisation	75.00	77.00	2.00		
Erection of Memorials (no prior right given)				Cabinet	No VAT
Memorial not exceeding 3 feet in height	152.00	157.00	5.00		
Replacement memorial	51.00	52.00	1.00		
Columbarium				Cabinet	No VAT
10 year lease including 1st interment	577.00	595.00	18.00		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
2nd interment	81.00	83.00	2.00	Cabinet	No VAT
Renewal of 10 year lease	289.00	298.00	9.00		
Additional 5 year lease	289.00	298.00	9.00		
Use of Chapel & Community Room Newcastle cemetery chapel	81.00	83.00	2.00		
Keele community room - service	81.00	83.00	2.00		
Keele community room - full day hire	78.00	80.00	2.00		
Keele community room - half day hire	42.00	43.00	1.00		
Keele community room - per hour hire	16.00	16.50	0.50		
Private Maintenance of Grave Non- Lawn Types					
Turfing	50.00	51.00	1.00	Cabinet	VAT Incl.
Spring/summer planting & maintenance	104.00	106.00	2.00		
Sundry Items					
Single abstract information from registrar	72.00	74.00	2.00		
Family history research	23.00	24.00	1.00		
Caskets	87.00	90.00	3.00		
Wooden cross	49.00	50.00	1.00		
Memorial benches	745.00	768.00	23.00		
Memorial benches - maintenance By request (cleaning & staining)	173.00	179.00	6.00		
Memorial trees	381.00	393.00	12.00	Cabinet	No VAT
Barrier fob replacements	11.00	11.00	Freeze		
CIRCUSES & FAIRS					
Hire rate per day of site presence (based on an 8 hour day - 1 day to set up & 1 day to dismantle free of charge)	650.00	650.00	Freeze	Cabinet	No VAT
Returnable deposit - cleaning	950.00	950.00	Freeze		
Returnable deposit - damage	950.00	950.00	Freeze		
COVENANT CONSENTS				Cabinet	No VAT
Covenant consents	150.00	150.00	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
CREMATORIUM					
Cremation Fees				Cabinet	No VAT
17 years of age and under	Free	Free	N/A		
18 years & over 9.20am service time only	471.00	486.00	15.00		
18 years & over from 10am	694.00	715.00	21.00		
Cremation environmental charge	73.00	75.00	2.00		
Burial of remains cremated elsewhere	214.00	221.00	7.00		
Chapel hire - additional use to cremation service	79.00	81.00	2.00		
Obitus Fees					VAT Incl.
Webcast Live	30.00	31.00	1.00		
Webcast Live + 28 day + downloadable	45.00	46.00	1.00		
Webcast - Keepsake copy	50.00	51.00	1.00		
Single Photo	12.00	12.50	0.50		
Slideshow	38.00	39.00	1.00		
Pro Tribute	70.00	71.00	1.00		
Family-made Video Checking	18.00	19.00	1.00		
Keepsake copy of Pro Tribute	23.00	24.00	1.00		
Downloadable Pro Tribute	10.00	11.00	1.00		
Additional physical copies	23.00	24.00	1.00		
Each extra 25 photos	21.00	22.00	1.00		
Extra work	21.00	22.00	1.00		
Urns & Containers				Cabinet	VAT Incl.
Oak casket	87.00	90.00	3.00		
Postage & packaging	Cost	Cost	N/A		
Memorialisation				Cabinet	VAT Incl.
Book of remembrance per line (up to 3 lines)	32.00	33.00	1.00		
Book of remembrance for 4 lines	108.00	112.00	4.00		
Book of remembrance for 5 lines	139.00	144.00	5.00		
Book of remembrance for 6 lines	169.00	175.00	6.00		
Book of remembrance for 7 lines	199.00	205.00	6.00		
Book of remembrance for 8 lines	232.00	239.00	7.00		
Simple floral emblem	94.00	97.00	3.00		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Coat of arms, badges, ornate floral emblem	129.00	133.00	4.00		
Additional lines of inscription for cards/books	32.00	33.00	1.00		
Plaques				Cabinet	VAT Incl.
12" x 4" new plaque & 10 year hire	351.00	362.00	11.00		
Each succeeding 10 year hire	140.00	145.00	5.00		
12" x 8" new plaque & 10 year hire	701.00	723.00	22.00		
Each succeeding 10 year hire	282.00	291.00	9.00		
24" x 8" each succeeding 10 year hire	560.00	577.00	17.00		
Adding to existing plaque per letter or figure	7.00	7.00	Freeze		
Regilding existing letters	5.00	5.00	Freeze		
Additional Memorials				Cabinet	VAT Incl.
Memorial benches	745.00	768.00	23.00		
Memorial benches maintenance by request (cleaning & staining)	173.00	179.00	6.00		
Memorial vases	342.00	353.00	11.00		
Each succeeding 5 year hire	206.00	213.00	7.00		
Vases various – small	Various	Various	N/A		
Planters	791.00	815.00	24.00		
Each succeeding 5 year hire	322.00	332.00	10.00		
Trees	676.00	697.00	21.00		
Each succeeding 10 year hire	353.00	364.00	11.00		
Additional plaques	86.00	89.00	3.00		
Shrubs (inclusive of aluminium vase)	375.00	387.00	12.00		
Each succeeding 5 year hire	161.00	166.00	5.00		
Donations Memorial Fish/Bulbs	Various	Various	N/A		
DOG WARDEN SERVICE					
Recovery of Stray Dogs				Cabinet	No VAT
During normal working hours - reclaim fee	70.00	70.00	Freeze		
Daily kennelling fees	Cost	Cost	N/A		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
ELECTIONS					
Rule 9 (1) Parliamentary Election Regulations & Rule/Reg 9 (1) Police Fire and Crime Commissioner Election Regulations - Candidates' Deposits				Statutory	No VAT
Parliamentary election candidate	500.00	500.00	Freeze		
Police Fire and Crime Commissioner candidate	-	5,000.00	New		
Regulations 48 & 49 Representation of the People Regulations 2001				Statutory	No VAT
Supply of Full Register					
Sale of full register (printed)	10.00	10.00	Freeze		
Plus per 1,000 names or part 1,000 (printed)	5.00	5.00	Freeze		
Sale of full register (data)	20.00	20.00	Freeze		
Plus per 1,000 names or part 1,000 (data)	1.50	1.50	Freeze		
List of overseas electors (printed)	10.00	10.00	Freeze		
Plus per 100 names or part 100 (printed)	5.00	5.00	Freeze		
List of overseas electors (data)	20.00	20.00	Freeze		
Plus per 100 names or part 100 (data)	1.50	1.50	Freeze		
Supply of Edited Register				Statutory	No VAT
Sale of edited register (printed)	10.00	10.00	Freeze		
Plus per 1,000 names or part 1,000 (printed)	5.00	5.00	Freeze		
Sale of register (data)	220.00	220.00	Freeze		
Plus per 1,000 names or part 1,000 (data)	1.50	1.50	Freeze		
Regulations 120 Representation of the People Regulations 2001				Statutory	No VAT
Supply of Marked Register					
Supply of marked registers (printed)	10.00	10.00	Freeze		
Plus per 1,000 entries or part 1,000	2.00	2.00	Freeze		
Supply of marked registers (data)	10.00	10.00	Freeze		
Plus per 1,000 entries or part 1,000	1.00	1.00	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Inspection & Copies of Documents				Statutory	No VAT
Regulation 10 representation of the people regulations 2001 - inspection of candidates expenses	5.00	5.00	Freeze		
A4 - copies (black & white)	0.20	0.20	Freeze		
Town & Parish Elections					No VAT
<i>Borough Council Election taking place on the same day:</i>					
Town or Parish specific printing / postage costs	Market rate + 5% admin	Market rate + 5% admin	N/A		
- Room hire	50% of cost	50% of cost	N/A		
- Staffing costs (polling & count)	50% of staffing rate	50% of staffing rate	N/A		
<i>Town or Parish Election on different day i.e. by-election</i>					
- printing, postage, stationery, room hire costs and other associated costs	Market rate + 5% admin	Market rate + 5% admin	N/A		
- polling station / count staff cost	Standard NULBC staffing rates	Standard NULBC staffing rates	N/A		
Uncontested Town or Parish Election Administration Fee	100.00	100.00	Freeze		
Room hire	Full costs	Full costs			
ENVIRONMENTAL HEALTH					
Works in default of statutory notice				Cabinet	No VAT
Calculated in accordance with the following formula -	Per Formula	Per Formula	N/A		
a) Contractor costs					
b) Officer costs (per hour at actual rate)					
c) Car mileage & subsistence					
d) On costs (b+c) + 25%					
e) Disbursements (e.g. warrant application, postage, printing, cost of invoice etc.)					
Total = a+d+e+ interest on outstanding balance as determined by council at start of financial year					
Environmental Offences - Fixed Penalty Notices				Statutory	No VAT
Waste receptacles - Section 47ZA(2) (paid in 10 days)	60.00	60.00	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Waste receptacles - Section 47ZA(2) (paid in 14 days)	80.00	80.00	Freeze		
Failure to Produce Waste Carrier Registration Documents – Control of Pollution (Amendment) Act 1989 – section 5B	300.00	300.00	Freeze		
Failure to furnish documentation (waste carrier authority - Section 34(2))	300.00	300.00	Freeze		
Litter - Section 88(1) (paid in 10 days)	75.00	75.00	Freeze		
Litter - Section 88(1) (paid in 14 days)	100.00	100.00	Freeze		
Unauthorised distribution of literature on designated land - Schedule 3A (7)2 (paid in 10 days)	75.00	75.00	Freeze		
Unauthorised distribution of literature on designated land - Schedule 3A (7)2 (paid in 14 days)	100.00	100.00	Freeze		
Failure to comply with a Community Protection Notice or Public Spaces Protection Order (paid in 10 days)	75.00	75.00	Freeze	Cabinet	
Failure to comply with a Community Protection Notice or Public Spaces Protection Order (paid in 14 days)	100.00	100.00	Freeze	Cabinet	
Littering from vehicles outside of London (Keepers: Civil Penalties) Regulations 2018 , Regulation 6 (Paid in 14 days)	75.00	75.00	Freeze	Pubic Protection Committee	
Littering from vehicles outside of London (Keepers: Civil Penalties) Regulations 2018 , Regulation 6 (Paid in 28 days)	100.00	100.00	Freeze		
Graffiti and Fly Posting (Anti-Social Behaviour Act 2003 - Section 43)	100.00	100.00	Freeze		
Household waste duty of care fixed penalty notices. Environmental protection Act 1990 Section 34(2)A) (paid within 10 days)	-	120.00	New		
Household waste duty of care fixed penalty notices. Environmental protection Act 1990 Section 34(2)A) (paid within 14 days)	-	200.00	New		
Fly tipping (The Unauthorised Deposit of Waste (Fixed Penalties) Regulations 2016 which amends Environmental Protection Act 1990 “33ZA Fixed penalty notices for contravention of section 33(1)(a): England (paid in 10 days)	350.00	350.00	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Fly tipping (The Unauthorised Deposit of Waste (Fixed Penalties) Regulations 2016 which amends Environmental Protection Act 1990 "33ZA Fixed penalty notices for contravention of section 33(1)(a): England (paid in 14 days)	400.00	400.00	Freeze		
Vehicle repair & sale offences (Clean Neighbourhoods and Environment Act 2005, Sections 3 & 4	100.00	100.00	Freeze		
FPN for abandoned vehicles	200.00	200.00	Freeze		
Environmental Protection Act 1990 - Part 1 Pollution Prevention & Control Act 1999 Register of Permits				Cabinet	No VAT
Copy of tape/CD recorded interviews	16.50	16.50	Freeze		
Environmental Information Regulations 1992 (requests for information), Charge per Hour (ICO guidance)	25.00	25.00	Freeze	ICO Guidance	
Noise monitoring service for Registered Social Landlords & Private Landlords for 1 period of up to 7 days & subsequent report & copy of recording	280.00	285.00	5.00		
Noise monitoring service for Aspire Housing for 1 period of up to 7 days & subsequent report & copy of recording	280.00	285.00	5.00		
Environmental Health Licences				Cabinet	No VAT
Dangerous wild animals - first licence	540.00	600.00	60.00		
Dangerous wild animals - renewal	290.00	300.00	10.00		
Zoo - first licence	Price on Application	Price on Application	N/A		
Zoo - renewal	Price on Application	Price on Application	N/A		
Selling animals as Pets – Grant new licence	315.00	330.00	15.00		
Selling animals as Pets – Renew licence	290.00	300.00	10.00		
Selling animals as Pets – Grading review (no visit)	60.00	80.00	20.00		
Selling animals as Pets – Variation	80.00	100.00	20.00		
Animal Boarding – Grant new licence	315.00	330.00	15.00		
Animal Boarding – Renew licence	290.00	300.00	10.00		
Animal Boarding – Grading review (no visit)	60.00	80.00	20.00		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Animal Boarding – Variation	80.00	100.00	20.00		
Hiring out horses – Grant new licence Exc Vet Fee	540.00	550.00	10.00		
Hiring out horses – Renew licence Exc Vet Fee	510.00	520.00	10.00		
Hiring out horses – Grading review (no visit)	60.00	80.00	20.00		
Hiring out horses – Variation	80.00	100.00	20.00		
Hiring out horses – Annual horse check	260.00	280.00	20.00		
Breeding Dogs – Grant new licence	540.00	550.00	10.00		
Breeding Dogs – Renew licence	290.00	300.00	10.00		
Breeding Dogs – Grading review (no visit)	60.00	80.00	20.00		
Breeding Dogs – Variation	80.00	100.00	20.00		
Keeping or training animals for exhibition - Grant new licence (3yrs)	215.00	220.00	5.00		
Keeping or training animals for exhibition - Renew licence (3yrs)	215.00	220.00	5.00		
Keeping or training animals for exhibition - Variation	80.00	100.00	20.00		
Re-inspection	80.00	100.00	20.00		
Registration of premises for acupuncture, tattooing, cosmetic piercing, electrolysis & semi-permanent skin colouring	147.00	150.00	3.00		
Registration of each operative	90.00	92.00	2.00		
Additional treatment registration	74.50	76.00	1.50		
Export health certificates	157.00	160.00	3.00		
Charges for Authorised Process - Local Authority Pollution Prevention Control Act				Statutory	
The scale of charges is set by DEFRA annually after consultation with Local Authorities, representatives of industry and other stakeholders. The scale of charges is designed to cover the regulatory and administrative costs (including visits, administration, advice and time) to the regulator arising from each process. The 2018/19 charges are to be advised by DEFRA in February 2018.	As per DEFRA Guidance	As per DEFRA Guidance	N/A	To be advised by DEFRA	
Factual Statements (Food Safety Act, Health & Safety at Work Act, Environmental Protection Act)				Cabinet	
Charge for factual statements - additional time	140.00	143.00	3.00		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Charge for factual statements - disclosure of documents	72.50	75.00	2.50		
Private Water Supplies				Statutory	No VAT
Risk assessment (per hour, plus mileage)	Hourly charge out rate for officer plus mileage or cost incurred if contractor (each LA sample visit to also include an additional £40 to cover UKAS accreditation)	Hourly charge out rate for officer plus mileage or cost incurred if contractor (each LA sample visit to also include an additional £40 to cover UKAS accreditation)	N/A		
Sampling			N/A		
Investigation			N/A		
Authorisation			N/A		
Analysis - during Regulation 10	Laboratory cost	Laboratory cost	N/A		
Analysis - during check monitoring			N/A		
Analysis - during audit monitoring			N/A		
Swimming Pools				Cabinet	No VAT
Sampling of pool water - per annum	657.00	668.00	11.00		
Sampling of pool water - one sample	67.50	69.00	1.50		
Food Hygiene Rating Scheme				Public Protection	No VAT
Food Hygiene Rating Scheme inspection	200.00	203.00	3.00		
FACILITIES MANAGEMENT					
NULBC delivery of Facilities Management services to Community Centres on full repairing leases and Kidsgrove Town Council. Calculated in accordance with the following formula - a) Contractor costs + b) Officer costs for administration and management + c) Car mileage & subsistence + d) On costs + 3%	As per formula	As per formula	N/A	Cabinet	Plus VAT
GARDEN WASTE RECYCLING				Cabinet	No VAT
Garden waste service - one bin	36.00	36.00	Freeze		
Every additional garden waste bin	30.00	30.00	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Delivery of each additional garden waste bin	25.75	26.25	0.50		
HIRE OF ROOMS (KIDSGROVE)				Cabinet	VAT Incl.
Standard rates:					
Room 1 – per day (Mon & Fri)	21.00	21.00	Freeze		
Room 1 – per half day (Tue & Thu pm)	11.00	11.00	Freeze		
Local statutory bodies:					
Room 1 – per day (Mon & Fri)	16.00	16.00	Freeze		
Room 1 – per half day (Tues & Thurs pm)	9.00	9.00	Freeze		
Voluntary & community sector:					
Room 1 – per day (Mon & Fri)	11.00	11.00	Freeze		
Room 1 – per half day (Tues & Thurs pm)	8.00	8.00	Freeze		
LAND CHARGES				Cabinet	
Residential LLC1 – land charges register search only	36.50	42.00	5.50		LLC1 – No VAT
Commercial LLC1 – land charges register search only	91.00	105.00	14.00		LLC1 – No VAT
Residential – Con 29R (conveyancer search)	109.50	125.50	16.00		CON29 – Plus VAT,
Commercial – Con 29R (conveyancer search)	273.00	315.00	42.00		CON29 – Plus VAT,
Residential – full standard search (LLC1 & Con 29R)	146.00	168.00	22.00		Plus VAT on Con29 Element
Commercial – full standard search (LLC1 & Con 29R)	364.00	419.00	55.00		Plus VAT on Con29 Element
Con 290 – (conveyancer optional form) each enquiry	32.00	36.70	4.70		
Each additional enquiry	Cost	Cost	N/A		
Residential – additional parcel of land	73.00	84.00	11.00		
Commercial – additional parcel of land	182.00	209.00	27.00		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
LEISURE CHARGES					
Sport Development				Cabinet	No VAT
Sports Development Activities up to 2 hours	3.50	4.00	0.50		
Jubilee 2					
Equipment Resale					
Saleable items	Market Value	Market Value	N/A	Portfolio Holder	VAT Incl.
Equipment Hire	Market Value	Market Value	N/A		
<i>Plus Membership</i>				Cabinet	VAT Incl.
Plus Membership - annual fee entitles the holder to use the facilities with a £1.00 discount off the lite membership price, includes first session	-	12.00	New		
Plus Membership (Concession scheme) yearly membership, entitles holder to concession prices, includes first session	6.00	7.00	1.00		
<i>Junior Memberships</i>					
Active2 12-16 years: Swimming , gym*, and appropriate classes (14 years and above with a paying Adult)	16.00	16.00	Freeze		VAT Incl.
*Access between the hours Monday – Friday 6.00 pm to 9.00pm with an appropriate adult. All other times individuals can attend unsupervised					
DJD Junior Dance - Daniel Jones Dance Junior Membership	21.00	21.00	Freeze		No VAT
<i>Premium Membership Charges Adults</i>				Cabinet	VAT Incl.
<i>(including gym, classes, swim, climbing, discount on retail)</i>					
Joining fee (includes inductions) (16 years +) (one off fee - includes key)	20.00	20.00	Freeze		
Single Membership - 12 month minimum contract - payment monthly by direct debit.	29.50	29.50	Freeze		
Single Membership - no contract - per month	37.50	37.50	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Single Membership - 12 month membership for price of 11 months - payable in advance	346.50	346.50	Freeze		
Corporate membership – peak (includes Students)	25.00	25.00	Freeze		
Friends and family membership (2 Adults) 12 month contract	-	50.00	New		
Family Membership (2 adults and up to 2 children) 12 month contract	-	68.00	New		
Family Membership (1 adult and up to 2 to children) 12 month contract	-	43.00	New		
Blue light membership NHS, Armed Forces, Police, Fire Brigade) 12 month contract	-	19.99	New		
Promotions in line with Alliance Leisure	N/A	N/A	N/A		
Legacy Off Peak Memberships annual % increase (rounded to nearest 10p)	3%	0%	New		
<i>Studio Hire</i>				Cabinet	VAT Incl.
Studio 1	27.00	30.00	3.00		
Studio 2	27.00	30.00	3.00		
<i>Swim / Climbing Casual Fee</i>					
Adult - Lite membership	6.00	6.00	Freeze		
Adult - Plus membership	5.40	5.00	-0.40		
Adult - Plus Membership concession fee	4.00	4.00	Freeze		
Juniors	3.00	3.00	Freeze		
Children u4 (swim only)	Free	Free	N/A		
<i>Gym / Classes Casual Fee</i>			-		VAT incl.
Adult - Lite membership	6.00	7.00	1.00		
Adult - Plus membership	5.40	6.00	0.60		
Adult - Plus Membership concession fee	4.00	5.00	1.00		
Junior 12 and over - Activities accessed in accordance with Industry guidance	3.00	4.00	1.00		
<i>Swimming Instruction</i>					
<i>Swimming Lessons</i>				Cabinet	No VAT
Adult swimming lesson (30 minutes)	9.00	9.00	Freeze		

	Fee/ Charge 2020/21	Proposed Fee/ Charge 2021/22	Increase/ Decrease	Committee Approval/ Comments	VAT Status
	£.p	£.p	£.p		
Junior swimming lesson (30 minutes) price per lesson - block of 12	6.00	6.00	Freeze		
Spectators - Lyme Card	Free	Free	N/A		
<i>Private Lessons</i>				Cabinet	No VAT
1:1 swim lesson (per 30 minutes)	20.00	20.00	Freeze		
1:1 dance lesson with DJD Dance - 30 minutes	20.00	20.00	Freeze		
1:1 swim / dance lesson with DJD Dance - 30 minutes, block of four lessons	70.00	70.00	Freeze		
<i>Pool Courses</i>				Cabinet	No VAT
Rookie lifeguards (per 2 hour session) - Lyme Card	9.00	10.00	1.00		
Other courses	Market Value	Market Value	N/A	Portfolio Holder	
<i>Swimming Pool Hire</i>				Cabinet	VAT Incl.
Teaching Pool Hire	60.00	65.00	5.00		
Main Pool Hire - (8 lane) (per lane per hour)	16.00	18.00	2.00		
Additional staff for pool hire (per staff member)	25.00	28.00	3.00		
Set up fee - galas	22.00	28.00	6.00		
Time equipment hire - galas	22.00	28.00	6.00		
<i>Parties</i>					VAT Incl.
Pool Party inclusive of 1 hour studio use	80.00	90.00	10.00		
Climbing Party (six people) inclusive of studio use	80.00	90.00	10.00		
Additional instructor per six children	25.00	28.00	3.00		
Bowls				Cabinet	VAT Incl.
Adult	4.32	4.41	0.09		
Junior/60+	2.16	2.20	0.04		
Summer season ticket - adult	61.29	62.52	1.23		
Summer season ticket - junior/60_/unemployed	40.43	41.24	0.81		
Winter season ticket	15.14	15.44	0.30		
Summer/winter season ticket - adult	72.62	74.07	1.45		
Summer/winter season ticket - junior/60+/unemployed	51.00	52.02	1.02		
Merit competition per player - per hour	8.24	8.40	0.16		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Greenage fees for pre-booking (plus playing fee per person)	10.00	10.25	0.25		
Tennis Class A (Westlands, Wolstanton)				Cabinet	VAT Incl.
Adult 30 minutes (per person)	Free	Free	N/A		
Adult 1 hour (per person)	Free	Free	N/A		
Adult 1 hour (group ticket 4 persons)	Free	Free	N/A		
Family ticket 1 hour (up to 4 adults & or 4 children with 2 adults)	Free	Free	N/A		
Family ticket 1 hour (1/2 adults & 2/3 children)	Free	Free	N/A		
Junior/60+/unemployed 30 minutes (per person)	Free	Free	N/A		
Junior/60+/unemployed 1 hour (per person)	Free	Free	N/A		
Junior/60+/unemployed 1 hour (group ticket 4 persons)	Free	Free	N/A		
Annual tickets - adult (per person)	Free	Free	N/A		
Annual tickets - junior/60+/unemployed (per person)	Free	Free	N/A		
Monthly ticket - adult (per person)	Free	Free	N/A		
Monthly ticket - junior/60+/unemployed (per person)	Free	Free	N/A		
Summer ticket (August only) - junior (per person)	Free	Free	N/A		
Tennis Class B (Chesterton, Silverdale, Birchenwood, Bradwell, Clough Hall)	Free	Free	N/A		
Football (alternate weekly use per season)				Cabinet	No VAT
Birchenwood	-	-	N/A		
Wolstanton Marsh Pavilion	566.50	578.00	11.50		
All other pitches	393.50	401.00	7.50		
Junior pitch	60% of fee	60% of fee	N/A		
Mini soccer pitch (unmarked)	229.00	234.00	5.00		
Mini soccer pitch (marked)	322.00	328.00	6.00		
Rugby (alternate weekly use per season)				Cabinet	No VAT
Bathpool	798.50	814.50	16.00		
Lyme Valley	798.50	814.50	16.00		
Clough Hall	798.50	814.50	16.00		
Junior Pitch	60% of fee	60% of fee	N/A		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Rugby (casual use per match)	92.70	94.60	1.90	Cabinet	VAT Incl.
Concessionary Licences				Cabinet	No VAT
Brampton Park ice cream sales	772.50	788.00	15.50		
Brampton Park use of bouncy castle	772.50	788.00	15.50		
4 Large Parks Northern part of Borough – ice cream	664.00	677.00	13.00		
4 Large Parks Southern part of Borough – ice cream	664.00	677.00	13.00		
Community Events				Cabinet	Plus VAT
Wedding Photos within a park setting	43.00	44.00	1.00		
Advertising within parks	10.00 to 5125	10.00 to 5125.00	N/A		Plus VAT
Booking large events - more than 6 months planning	173.00	176.00	3.00		No VAT
Booking medium events - more than 6 months planning (firework displays, carnivals etc.)	86.50	88.00	1.50		No VAT
Booking small events - more than 6 months planning (competitions, fun days, picnics etc.)	32.45	33.00	0.55		No VAT
LICENCES					
General					No VAT
Sex establishments - application fee	3,193.00	3,289.00	96.00	Licensing Committee	
Sex establishments - Renewal	3,193.00	3,289.00	96.00		
Sex establishments - variation	1,082.00	1,114.00	32.00		
Sex establishments - transfer	1,082.00	1,114.00	32.00		
Scrap metal dealer site licence	273.00	281.00	8.00		
Scrap metal dealer collectors licence	216.00	222.00	6.00		
Gambling Act 2005					No VAT
Lotteries - application fee	40.00	40.00	Freeze	Statutory fees - Licensing Committee	
Lotteries - annual fee	20.00	20.00	Freeze		
Bingo - application fee	3,500.00	3,500.00	Freeze		
Bingo - annual fee	1,000.00	1,000.00	Freeze		
Bingo - application to vary	1,750.00	1,750.00	Freeze		
Bingo – application for transfer	1,200.00	1,200.00	Freeze		
Bingo – application to reinstate	1,200.00	1,200.00	Freeze		
Track betting - application fee	2,500.00	2,500.00	Freeze		
Track betting - annual fee	1,000.00	1,000.00	Freeze		
Track betting - application to vary	1,250.00	1,250.00	Freeze		

	Fee/ Charge 2020/21	Proposed Fee/ Charge 2021/22	Increase/ Decrease	Committee Approval/ Comments	VAT Status
	£.p	£.p	£.p		
Track betting - application to transfer	950.00	950.00	Freeze		
Track betting – application to reinstate	950.00	950.00	Freeze		
Betting premises - application fee	3,000.00	3,000.00	Freeze		
Betting premises - annual fee	600.00	600.00	Freeze		
Betting premises - application to vary	1,500.00	1,500.00	Freeze		
Betting premises - application to transfer	1,200.00	1,200.00	Freeze		
Betting premises – application to reinstate	1,200.00	1,200.00	Freeze		
Family entertainment centre - application fee	2,000.00	2,000.00	Freeze		
Family entertainment centre - annual fee	750.00	750.00	Freeze		
Family entertainment centre - application to vary	1,000.00	1,000.00	Freeze		
Family entertainment centre - application to transfer	950.00	950.00	Freeze		
Family entertainment centre – application to reinstate	950.00	950.00	Freeze		
Adult gaming centre - application fee	2,000.00	2,000.00	Freeze		
Adult gaming centre - annual fee	1,000.00	1,000.00	Freeze		
Adult gaming centre - application to vary	1,000.00	1,000.00	Freeze		
Adult gaming centre - application to transfer	1,200.00	1,200.00	Freeze		
Adult gaming centre – application to reinstate	1,200.00	1,200.00	Freeze		
Copy of any of the above licences (lost, stolen, damaged)	25.00	25.00	Freeze		
Notice of Intention – 2 or less gaming machines	50.00	50.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines	150.00	150.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines – Variation	100.00	100.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines – Transfer	25.00	25.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines – Annual Fee	50.00	50.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines – Change of Name	25.00	25.00	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Licensed Premises Gaming Machine Permits – more than 2 machines – Copy (lost, stolen, damaged)	15.00	15.00	Freeze		
Club Gaming/Club Machine Permits – New/Renew	200.00	200.00	Freeze		
Club Gaming/Club Machine Permits for holders of Club Premises Certificates (under LA03) – New/Renew	100.00	100.00	Freeze		
Club Gaming/Club Machine Permit – Annual Fee	50.00	50.00	Freeze		
Club Gaming/Club Machine Permit – Variation	100.00	100.00	Freeze		
Club Gaming/Club Machine Permit – Copy (lost, stolen, damaged)	15.00	15.00	Freeze		
UFEC (Unlicensed family entertainment Centre – 10 year licence)	300.00	300.00	Freeze		
Prize Gaming Permit – New/Renewal	300.00	300.00	Freeze		
Prize Gaming Permit – Change of Name	25.00	25.00	Freeze		
Prize Gaming Permit – Copy (lost, stolen, damaged)	15.00	15.00	Freeze		
Temporary Use Notice (TUN)	-	-	Freeze		
Casino Small – New application	6,930.00	7,138.00	208.00		
Casino Small – Annual Fee	3,465.00	3,569.00	104.00		
Casino Small - Variation	2,310.00	2,379.00	69.00		
Casino Small – Application for Transfer	1,485.00	1,530.00	45.00		
Casino Small – application to reinstate	1,485.00	1,530.00	45.00		
Private Hire/Hackney Carriage OPERATORS				Public Protection	No VAT
PHO Application fee	250.00	266.00	16.00		
Add/Remove Director	38.00	41.00	3.00		
Copy/Replacement Licence	6.00	7.00	1.00		
Basic DBS	23.00	23.00	Freeze		
DRIVERS					No VAT
Dual Driver Badge - 3 years	257.00	273.00	16.00		
Change of address	16.00	17.00	1.00		
Replacement badge	12.00	13.00	1.00		
Replacement vehicle badge	12.00	13.00	1.00		
Reissue/replacement badge (with amended details)	26.00	28.00	2.00		
DBS (CRB check)	40.00	40.00	Freeze		

	Fee/ Charge 2020/21	Proposed Fee/ Charge 2021/22	Increase/ Decrease	Committee Approval/ Comments	VAT Status
	£.p	£.p	£.p		
DBS (CRB check) online	60.34	60.34	Freeze		
Safeguarding training	38.00	39.00	1.00		
Fail to attend Safeguarding Training	38.00	39.00	1.00		
Exemption certificates	12.00	12.00	Freeze		
Knowledge test	25.00	27.00	2.00		
Fail to attend Knowledge Test	25.00	27.00	2.00		
Replacement Safeguarding training certificate	6.00	7.00	1.00		
Change of Name	16.00	17.00	1.00		
Replacement vehicle badge holder	5.00	5.00	Freeze		
Disability Training	35.00	35.00	Freeze		VAT
Disability Training (fail to attend)	35.00	35.00	Freeze		VAT
DE Training replacement cert	0.00	0.00	Freeze		
Copy of Paper Licence	6.00	7.00	1.00		
VEHICLES					No VAT
Transfer of vehicle	38.00	41.00	3.00		
Change of vehicle registration	43.00	46.00	3.00		
Failure to attend for vehicle test	104.00	104.00	Freeze		
Retest	42.00	42.00	Freeze		
Replacement plate carrier – front	8.00	9.00	1.00		
Replacement plate carrier – rear	10.00	11.00	1.00		
Replacement vehicle plate - front	7.00	7.00	Freeze		
Replacement vehicle plate - rear	10.00	10.00	Freeze		
Replacement vehicle sticker signage	5.00	5.00	Freeze		
Copy of paper part of licence	6.00	7.00	1.00		
Change of Vehicle Colour	43.00	46.00	3.00		
HCV test	108.00	109.00	1.00		
HCV test 10yrs+	108.00	109.00	1.00		
PHV test	108.00	109.00	1.00		
PHV test 10yrs+	108.00	109.00	1.00		
HCV application fee	230.00	242.00	12.00		
PHV application fee	228.00	240.00	12.00		
Basic DBS	£23.00	23.00	Freeze		
Change of Name/Address	38.00	41.00	3.00		
Spot check	25.00	26.00	1.00		
Replacement Internal Plate	7.00	8.00	1.00		
Licensing Act 2003 - New Application				Statutory	No VAT
Premise licence, band A (rateable value of up to £4,300)	100.00	100.00	Freeze		
Premise licence, band B (rateable value of £4,301 to £33,000)	190.00	190.00	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Premise licence, band C (rateable value of £33,001 to £87,000)	315.00	315.00	Freeze		
Premise licence, band D (rateable value of £87,001 to £125,000)	450.00	450.00	Freeze		
Premise licence, band E (rateable value of >£125,001)	635.00	635.00	Freeze		
Additional fee (5,000 to 9,999 patrons)	1,000.00	1,000.00	Freeze		
Additional fee (10,000 to 14,999 patrons)	2,000.00	2,000.00	Freeze		
Additional fee (15,000 to 19,999 patrons)	4,000.00	4,000.00	Freeze		
Additional fee (20,000 to 29,999 patrons)	8,000.00	8,000.00	Freeze		
Additional fee (30,000 to 39,999 patrons)	16,000.00	16,000.00	Freeze		
Additional fee (40,000 to 49,999 patrons)	24,000.00	24,000.00	Freeze		
Additional fee (50,000 to 59,999 patrons)	32,000.00	32,000.00	Freeze		
Additional fee (60,000 to 69,999 patrons)	40,000.00	40,000.00	Freeze		
Additional fee (70,000 to 79,999 patrons)	48,000.00	48,000.00	Freeze		
Additional fee (80,000 to 89,999 patrons)	56,000.00	56,000.00	Freeze		
Additional fee (90,000 patrons & above)	64,000.00	64,000.00	Freeze		
Licensing Act 2003 - Annual Fee				Statutory	No VAT
Premise licence, band A (rateable value of up to £4,300)	70.00	70.00	Freeze		
Premise licence, band B (rateable value of £4,301 to £33,000)	180.00	180.00	Freeze		
Premise licence, band C (rateable value of £33,001 to £87,000)	295.00	295.00	Freeze		
Premise licence, band D (rateable value of £87,001 to £125,000)	320.00	320.00	Freeze		
Premise licence, band E (rateable value of £125,001 & above)	350.00	350.00	Freeze		
Additional fee (5,000 to 9,999 patrons)	500.00	500.00	Freeze		
Additional fee (10,000 to 14,999 patrons)	1,000.00	1,000.00	Freeze		
Additional fee (15,000 to 19,999 patrons)	2,000.00	2,000.00	Freeze		
Additional fee (20,000 to 29,999 patrons)	4,000.00	4,000.00	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Additional fee (30,000 to 39,999 patrons)	8,000.00	8,000.00	Freeze		
Additional fee (40,000 to 49,999 patrons)	12,000.00	12,000.00	Freeze		
Additional fee (50,000 to 59,999 patrons)	16,000.00	16,000.00	Freeze		
Additional fee (60,000 to 69,999 patrons)	20,000.00	20,000.00	Freeze		
Additional fee (70,000 to 79,999 patrons)	24,000.00	24,000.00	Freeze		
Additional fee (80,000 to 89,999 patrons)	28,000.00	28,000.00	Freeze		
Additional fee (90,000 patrons & above)	32,000.00	32,000.00	Freeze		
Licensing Act 2003 - Miscellaneous Fees (Application or Notice)				Statutory	No VAT
Section 25 (theft, loss, etc. of premises licence or summary)	10.50	10.50	Freeze		
Section 29 (application for a provisional statement)	315.00	315.00	Freeze		
Section 33 (notification of change of name or address)	10.50	10.50	Freeze		
Section 37 (application to vary licence to specify individual as premises supervisor)	23.00	23.00	Freeze		
Section 42 (application for transfer of premises licence)	23.00	23.00	Freeze		
Section 47 (interim authority notice following death of licence holder)	23.00	23.00	Freeze		
Section 79 (theft, loss etc. of certificate or summary)	10.50	10.50	Freeze		
Section 82 (notification of change of name or alteration of rules of club)	10.50	10.50	Freeze		
Licensing Act 2003 - Miscellaneous Fees (Application or Notice)				Statutory	No VAT
Section 83 (1) or (2) (change of relevant registered address of club)	10.50	10.50	Freeze		
Section 100 (temporary event notice)	21.00	21.00	Freeze		
Section 110 (theft, loss of temporary event notice)	10.50	10.50	Freeze		
Section 117 (application for, or renewal of personal licence)	37.00	37.00	Freeze		
Section 126 (theft, loss of personal licence)	10.50	10.50	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Section 127 (duty to notify change of name/address)	10.50	10.50	Freeze		
Section 110 (theft or loss of temporary event notice)	10.50	10.50	Freeze		
Section 126 (theft or loss of personal licence)	10.50	10.50	Freeze		
Section 127 (duty to notify change of name/address)	10.50	10.50	Freeze		
Section 178 (right of freeholder etc.)	21.00	21.00	Freeze		
Minor Variation	89.00	89.00	Freeze		
Removal of DPS at community premises	23.00	23.00	Freeze		
MARKETS				Cabinet	No VAT
Open market - stall (per day) Monday,	20.00	20.00	Freeze		
Open market - second stall (per day) Monday,	10.00	10.00	Freeze		
Open market - stall (per day) Wednesday	11.00	11.00	Freeze		
Open market - second stall (per day) Wednesday	10.00	10.00	Freeze		
Open market - stall (per day) Fri/Sat Zone A	21.00	21.00	Freeze		
Open market - stall (per day) Fri/Sat Zone B	21.00	21.00	Freeze		
Open market - additional space (per day) Fri/Sat	10.00	10.00	Freeze		
Farmers market - stall (per day)	20.00	20.00	Freeze		
Antique market - stall (per day)	7.50	7.50	Freeze		
Craft fair (bric-a-brac) - stall (per day)	5.00	5.00	Freeze		
Catering Pitches - minimum charge (per day)	25.00	25.00	Freeze		
MOT				Cabinet	No VAT
MOT - car	45.75	46.70	0.95		
MOT - car (for discounted partner incl. Lyme Card)	40.25	41.10	0.85		
MOT - class 7 (up to 3.5 tonnes)	57.50	58.65	1.15		
Retest	15.75	16.10	0.35		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
MUSEUM & ART GALLERY				Cabinet	
Reproduction prints of items in collection	N/A	N/A	N/A	Per Staffs Pasttrack	VAT Incl.
Photocopies (black & white)	1.00	1.00	Freeze		VAT Incl.
Commission of picture sales from exhibitions	30% of price	30% of price	N/A		Plus VAT
Education session per pupil - half day	4.00	4.15	0.15		No VAT
Education session per pupil - full day	6.50	6.75	0.25		No VAT
Education sessions - minimum charge half day (20 pupils or fewer)	70.00	71.50	1.50		No VAT
Education sessions - minimum charge full day (20 pupils or fewer)	110.00	112.00	2.00		No VAT
Holiday activities per child	10.00	10.50	0.50	Max charge	No VAT
Adult object handling/reminiscence sessions per hour	30.00	30.75	0.75		
Outreach fee	40.00	40.75	0.75		No VAT
Outreach education – schools per session	75.00	76.50	1.50		No VAT
Hire of meeting room - half day	30.00	30.50	0.50		No VAT
Hire of meeting room - half day - community/charity	22.00	22.50	0.50		No VAT
Hire of meeting room - full day	60.00	60.00	Freeze		No VAT
Hire of meeting room - full day - community/charity	37.00	37.75	0.75		No VAT
Refreshment Charges - tea/coffee & biscuits per head	2.00	2.25	0.25		
Education item loan	15.00	15.75	0.75		No VAT
Saleable items	RRP	RRP	N/A		
Open art registration - per item	5.00	5.25	0.25		VAT Incl.
Open art registration - three items	13.50	14.00	0.50		VAT Incl.
Open art registration - per item concession	4.50	4.75	0.25		VAT Incl.
Open art registration - three items concession	12.00	12.50	0.50		VAT Incl.
Event Fees				Cabinet	VAT Incl.
Visit to Father Christmas	5.00	5.50	0.50		
Talks	15.00	15.50	0.50		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
NAMING/NUMBERING OF STREETS/PROPERTIES					
New or Redevelopment				Cabinet	No VAT
Charge for naming of a street	200.00	200.00	Freeze		
Charge for naming of a commercial building	100.00	100.00	Freeze		
Single residential property on existing street	130.00	130.00	Freeze		
Number/name 2-9 properties (includes first property)	200.00	200.00	Freeze		
Plus - per plot	70.00	70.00	Freeze		
Number/name 10 plus properties (includes first property)	200.00	200.00	Freeze		
Plus - per plot	70.00	70.00	Freeze		
Change to layout after notification	250.00	250.00	Freeze		
Plus - per plot	40.00	40.00	Freeze		
Existing Properties/Streets				Cabinet	No VAT
Adding or alteration of a house/building name	70.00	70.00	Freeze		
Renaming of a street	On request	On request	N/A		
House or building renumbering (including sub division to flats)	250.00	250.00	Freeze		
Confirmation of postal address	40.00	40.00	Freeze		
Requests not included in above fees per hour	50.00	50.00	Freeze		
Road closure	30.00	30.00	Freeze		
PEST CONTROL				Cabinet	VAT Incl.
Treatment of rats (domestic) - prepayment (up to 4 visits)	48.00	50.00	2.00		
Treatment of rats (domestic) - payment by invoice (up to 4 visits)	68.00	70.00	2.00		
Treatment of mice (domestic) – prepayment (up to 3 visits)	48.00	50.00	2.00		
Treatment of mice (domestic) – payment by invoice (up to 3 visits)	68.00	70.00	2.00		
Fleas / Bedbugs / Cockroaches (domestic) - prepayment	-	105.00	New		
Fleas / Bedbugs / Cockroaches (domestic) - payment by invoice	-	125.00	New		
Insect control treatments (domestic) including wasps, & ants - prepayment	-	75.00	New		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Insect control treatments (domestic) including wasps & ants - payment by invoice	-	95.00	New		
Pest control commercial (other) - first hour	100.00	105.00	5.00		
Pest control commercial (other) - per 1/4 extra hour	25.00	26.25	1.25		
Mole & Rabbit control (per treatment course, max 3 visits) - prepayment	180.00	180.00	Freeze		
Mole & Rabbit control (per treatment course, max 3 visits) - payment by invoice	200.00	200.00	Freeze		
Squirrel control - prepayment (up to 4 visits)	120.00	125.00	5.00		
Squirrel control - payment by invoice (up to 4 visits)	140.00	145.00	5.00		
Telephone Advice (prepayment only)	10.00	10.00	Freeze		
Advice Visit (no treatment) - prepayment	48.00	50.00	2.00		
Advice Visit (no treatment) - payment by invoice	68.00	70.00	2.00		
Fixed term pest control treatment agreements (commercial premises)	On request	On request	N/A		
Works in default (Prevention of Damage by Pests Act 1949) first hour (invoiced)			N/A		
Works in default (Prevention of Damage by Pests Act 1949) per additional 1/4 hour (invoiced)	As per formulae for works in default	As per formulae for works in default	N/A		
PLANNING SERVICES					
Postage & packaging	0.90	1.00	0.10		No VAT
Copies up to £1 are free of charge					No VAT
Paper copies of planning/building control decisions & documents - per sheet (A4 black & white)	0.20	0.25	0.05		No VAT
Paper copies of planning/building control decisions & documents - per sheet (A3 black & white)	0.30	0.35	0.05		No VAT
Paper copies of plans - planning files - per sheet (A4 black & white)	0.20	0.25	0.05		No VAT
Paper copies of plans - planning files - per sheet (A3 black & white)	0.40	0.45	0.05		No VAT
Paper colour copies of an A4 sheet of planning/building control decision, planning documents or plan	0.40	0.45	0.05		No VAT

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Paper colour copies of an A3 sheet of decision, planning documents or plan	0.70	0.75	0.05		No VAT
Scanned copies of documents - charge per hour of scanning (where legal to charge)	35.00	36.00	1.00		No VAT
Paper copies of plans - planning files - each plan (A2)	2.30	2.40	0.10		No VAT
Paper copies of plans - planning files - each plan (A1)	3.40	3.50	0.10		No VAT
Paper copies of plans - planning files - each plan (A0)	4.50	4.60	0.10		No VAT
Weekly lists - statutory consultees	Free	Free	N/A		
Requests for site information – commercial per hour	76.00	78.00	2.00		No VAT
Requests for site information - individuals	Cost	Cost	N/A		No VAT
Pre Planning Application Advice				Cabinet	VAT Incl.
Large Scale Major Developments (residential developments over 200 dwellings or where number not known, a site area of 4 ha or more. Non-residential developments over 10,000m ² of floor space or where floor space not known, a site area of 2ha or more)	701.00	715.00	14.00		
Small Scale Major Developments (residential developments of between 10 & 200 dwellings or where number not known, a site area of between 0.5ha & 4ha. Non-residential developments of between 1000m ² & 10,000m ² of floor space or where floor space not known, a site area of between 1ha & 2ha)	348.00	360.00	12.00		
1 dwelling	103.00	105.00	2.00		
Minor Developments (residential developments of between 2 & 9 dwellings or where number not known, a site area of less than 0.5ha. Non-residential developments of under 1,000m ² of floor space or where floor space not known, a site area of less than 1ha)	159.00	162.00	3.00		
Householder Development.					
Half hour appointment	23.00	24.00	1.00		
Appointment in excess of 30 minutes	33.00	34.00	1.00		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Other Development (excluding householder development but including changes of use, advertisements, prior approval proposals & listed building proposals)	57.00	58.00	1.00		
Planning Application Fees				Statutory	No VAT
Owing to the complexity of the fee structure, it is not shown here. Details of fees payable may be obtained from the Council's Planning Section. Alternatively the fee calculator available at the Planning Portal website can be used to determine the fees payable in respect of individual applications.	Planning Portal	Planning Portal	N/A		
Building Control fees (North Staffs Building Control Partnership)	Per Board	Per Board	N/A	Partnership Board	
Planning & development briefs (as & when prepared)	Free	Free	N/A		
Core spatial strategy	36.00	37.00	1.00		
Local development framework proposals map - north or south	8.00	8.25	0.25		
Local development framework proposals map - north & south	13.00	13.50	0.50		
Strategic housing land availability assessment (SHLAA)	36.00	37.00	1.00		
PRIVATE SECTOR HOUSING				Cabinet	No VAT
Houses in multiple occupation licence fee	610.50	623.00	12.50		
Each additional bedroom	8.00	8.25	0.25		
Renewal of houses in multiple occupation licence	451.50	461.00	9.50		
Each additional bedroom	8.00	8.25	0.25		
Houses in multiple occupation licence fee for a member of the North Staffs Landlord Accreditation Scheme	510.50	523.00	12.50	Cabinet	
Each additional bedroom	8.00	8.25	0.25		
Renewal of houses in multiple occupation licence or a member of the North Staffs Landlord	351.50	361.00	9.50	Cabinet	
Immigration Inspections	127.50	130.00	2.50		
Provision of accommodation for homeless households	Cost	Cost	N/A		
Annual interest to be applied to unpaid debts for enforcement action	8%	8%	0%		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
Charges for work in default notices to remedy Housing Health & Safety issues				Cabinet	No VAT
Officer time (per hour)	Cost	Cost	N/A		
Travelling costs (per mile)	Cost	Cost	N/A		
Management costs (per hour)	Cost	Cost	N/A		
Land registry fee	Cost	Cost	N/A		
Inspection by qualified electrician or gas engineers	Cost	Cost	N/A		
Recorded delivery	Cost	Cost	N/A		
Other costs (stated as per individual case)	Cost	Cost	N/A		
Administration fee (to cover service recharges)	12%	12%	0%		
Annual interest to be applied to unpaid debts for enforcement action	8%	8%	0%		
REMOVAL OF DOMESTIC ANIMAL CARCASSES				Cabinet	VAT Incl.
Removal of domestic animal carcasses	38.00	39.00	1.00		
SALE OF SANDBAGS				Cabinet	VAT Incl.
5 sand bags	38.00	40.00	2.00		
10 sand bags	43.00	55.00	12.00		
15 sand bags	49.00	70.00	21.00		
20 sand bags	55.00	85.00	30.00		
STREET TRADING				Cabinet	No VAT
Newcastle Town Centre (daily)	27.50	27.50	Freeze		
Eastbound layby A500 (per annum)	9,400.00	9,400.00	Freeze		
Northbound layby A500 (per annum)	9,400.00	9,400.00	Freeze		
TOWN CENTRE DISPLAYS				Cabinet	No VAT
Local promotions (minimum charge)	27.50	27.50	Freeze		
Charity & local community groups	5.50	5.50	Freeze		
National promotions (minimum charge)	77.50	77.50	Freeze		

	Fee/ Charge 2020/21 £.p	Proposed Fee/ Charge 2021/22 £.p	Increase/ Decrease £.p	Committee Approval/ Comments	VAT Status
TREE PRESERVATION ORDERS				Cabinet	No VAT
Single copy of a tree preservation order	31.00	31.00	Freeze		
WASTE & RECYCLING BINS/RECEPTACLES				Cabinet	No VAT
Bins/receptacles per property on new developments (to be paid by the developer)	65.00	66.30	1.30		
Replacement bin due to loss / theft	25.00	25.50	0.50		
Replacement / additional Food waste Caddie. (new item)	-	10.00	New		
Replacement / additional recycling bag. (new item)	-	5.00	New		

Charging Principles Included in the Charging Policy

5. CHARGING PRINCIPLES

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

The cost of providing the service

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

How much income is it desired to generate and why?

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

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

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

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

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

- Should subsidies be given by reducing the charges payable or by offering concessions to offset the charge?

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

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

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

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

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

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

Any other relevant factors

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

- 5.6 Where, without prior agreement by the Council, individuals or organisations engage in activities that result in a cost to the Council, the Council will seek to recover this cost, wherever possible.
- 5.7 Consideration may be given to offering a discount or other reduction, in appropriate cases, where it is felt that this may improve take up of the service or to encourage prompt payment, following consultation with the Head of Finance (S151 Officer) who must approve all such initiatives.
- 5.8 Penalties, in the form of fines, may also be imposed in order to deter inappropriate or antisocial behaviour, for example littering. The amount of the fine will be set at a level designed to deter such behaviour.
- 5.9 Activities carried out by the Council will be continually reviewed in order to identify any new areas where it would be appropriate to make a charge to persons or organisations benefiting (actually or potentially) from those activities. The level of the charge will be determined in accordance with these charging principles.

Classification: NULBC UNCLASSIFIED

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

13 January 2021

Report Title: Business Improvement District, Newcastle Town Centre – Re-Ballot

Submitted by: Executive Director - Commercial Development & Economic Growth

Portfolios: Corporate & Service Improvements, People and Partnerships

Ward(s) affected: Newcastle Town

Purpose of the Report

To update Members on the Newcastle-under-Lyme Business Improvement District (BID) plans to hold a re-ballot for a further five year term until 2026 to continue the good work of the BID in its first term with the aim of assisting in the provision of a sustainable future for the Town Centre.

Recommendations:-

1. That Cabinet notes the requirements of the Council to operate the ballot (and collection of levy if vote is successful) in line with the regulations covering BID ballots.
2. To note the Prospectus and the Aims and Objectives of the BID and its Business Plan for the new BID duration 2021 to 2026.
3. To support the BID in its efforts for a successful ballot outcome.
4. That the Portfolio Holder for Corporate & Service Improvements, People and Partnerships is authorised to vote Yes for each of the Council hereditaments to the BID proposal for a new term.

Reasons

The current BID term / duration was due to expire on the 30th December 2020 but due to the COVID Pandemic experienced in 2020 the Coronavirus Act 2020 allowed the BID to extend its term / duration until 31st March 2021 and reschedule its re-ballot.

The BID has delivered against its original aims and objectives (see attached Prospectus) and is widely seen to have been a success for the Town Centre and extending its term / duration is seen a further positive contribution to the sustainable renewal of the Town Centre activities.

1. Background

- 1.1 A BID is a defined area within which rate-paying businesses decide on new improvements to help transform their area and fund them via a levy.
- 1.2 Improvements are made using the funding from the levy if the majority of ratepayers in a designated area approve them through a vote. This enables businesses to have a direct role in deciding what improvements should be made in their local area. The vote is open to business rate payers within the defined area - if a majority of those who vote, both by number and by

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rateable value, approve the proposal, the levy becomes mandatory on all defined ratepayers and is treated as a statutory debt. The Prospectus indicates that the levy will be 1.5% of the rateable value in Town Centre and 1% for the surrounding area. See section 16 of the Prospectus for further details.

- 1.3 The BID area will cover the Town Centre from the College and the Sainsburys superstore in the west, to the edge of the business areas on King Street and George Street up to the Borough boundary. The boundary in the north includes the large professional services firms in the Brampton and in the South includes the Morrison and Aldi superstores.
- 1.4 The BID will continue to deliver the changes and improvements that businesses in the area identify, continuing the good work that the BID has delivered over the last 5 years. Section 5 of the Prospectus highlights the achievements of the BID first term in terms of
 - National recognition through awards and accreditation
 - Securing over £300,000 for events and activities
 - Invested £40,000 in CCTV for the Town Centre
 - Provided business support to businesses in the BID area, and
 - Moved in a new home in the Guildhall in the Town Centre.
- 1.5 The BID will contribute to the post COVID recovery of the Town Centre and the businesses therein and will help shaping the future of the Town Centre offer.

2. Issues

- 2.1 The Council has a part to play in supporting the BID and these key responsibilities for the local authority to facilitate the processes within the regulations are listed below:

- The provision of the business rates data to calculate the BID levy

In line with the regulations the Council is obliged to give the BID information on the business rates within the proposed town centre area.

- The organisation of the formal BID ballot

There is a requirement to finalise which businesses are eligible to vote and to establish a ballot in line with the regulations. The BID propose to complete the ballot for billing in March 2021.

- The preparation and commitment to the baseline service agreements

The Council is required to state the level of services provided within the proposed BID area in order that businesses can see what additional services may be provided for the additional levy.

- The collection and enforcement of the BID levy (which is then passed straight to the BID Company).

Subject to the ballot being successful a new operating agreement will be established with the BID for the new term / duration to set out how the BID levy will be collected, enforcement procedures and payment processes. This will need to specify the Council charges for this service.

3. BID Strategic Objectives and Activities for 2021- 2026

3.1 The BID Prospectus contains three Strategic Objectives and Activities:-

- Support business growth and investment with a great business offer

To support the growth, development and investment of businesses by working in partnership with key stakeholders to enhance Newcastle-under-Lyme as an attractive and forward-thinking town.
- Create a welcoming and attractive Town, ensuring a safe experience

To create a safe and appealing town that can be enjoyed by the local community, visitors and people who work in Newcastle-under-Lyme.
- Create and promote Newcastle-under-Lyme as a Town for all, preserving the heritage and cultural aspect of the area.

To develop, build awareness and promote, locally and regionally the identity of Newcastle-under-Lyme through collaboration, with a community focus.

4. Outcomes linked to Corporate Priorities

- 4.1 The Council Plan identifies the Economic Development Strategy as one of the three main local strategies to delivery of the Council priorities. Supporting the economic development of the town centres is a corporate priority and as such it is appropriate that the Council supports the re-ballot.

5. Legal and Statutory Implications

- 5.1 The BID will continue to operate within the regulations; Part 4 of the Local Government Act 2003 and Statutory Instrument 2004 No. 2443 - Business Improvement Districts Regulations.

6. Equality Impact Assessment

- 6.1 There are no direct implications for equality.

7. Financial and Resource Implications

- 7.1 In order for the BID to achieve the strategic objectives and activities stated above, the Council will continue to support in the form of payments based on the rateable value of the Council's premises in the town centre, in line with other public and private companies operating in the BID area. Officer and member support to the Board and where appropriate theme groups will continue in line with the Council's adopted Economic Development Strategy.
- 7.2 Officers have calculated that the cost to the Council based on current business rates and property occupancy will be circa £20,000. The key buildings in the town centre which the Council pay rates on are J2, the Civic Offices, Guildhall, the Depot, Lancaster Buildings, properties on Merrial Street and Fogg Street, the bus station, town centre car parks and market stalls. Whilst the outcome of the BID re-ballot won't be known until March it would be appropriate for the Council to consider this as part of the annual budget setting process.

- 7.3 In line with the BID regulations the Council can charge for the additional administration caused by the collation of funds on behalf of the BID. The current administration fee paid to the Council from the BID is £9,500. It is therefore recommended that this issue is addressed through the service agreement.
- 7.4 It is anticipated that officer support will be required to complete the business rates information and this will take approximately 5 days. The re-ballot will require approximately 5 days of officer time and £500 for stationary / postage. In addition economic development officer time will be used to support the overall process. These officer resources will be prioritised within existing resources.
- 7.5 A levy of 1.5% of rateable value (RV) is proposed for businesses inside the ring road with an RV of £12,001 or more and a levy of 1% of rateable value (RV) is proposed for businesses outside the ring road with an RV of £12,001 or more which fall within the levy criteria laid down in Section 16. Properties which fall under the management of a shopping mall operator and/or who pay a service charge to the shopping mall operator and organisations which are registered charities or have charitable status will receive discounted levy tariffs or be exempt, dependent upon the criteria.
- 7.6 This levy arrangement will generate around £1.25 million of ring-fenced funding over the five-year life of the BID and will also be used to lever in additional funds where possible adding a further £100,000 over the life of the BID. This will be used to fund the projects identified in the Business Plan.
- 7.7 In the event of the BID re-ballot being unsuccessful, there will be an expectation for the Council to deliver similar activities directly without the additional BID Levy for which there is no budget for these.

8. Major Risks

- 8.1 The major risk is the resource implications on the Council should the BID re-ballot not be successful as the activities undertaken by the BID will cease but there will be a requirement for similar activities to continue delivered directly by the Council but without the additional BID Levy.

9. Key Decision Information

- 9.1 This is not a key decision.

10. Background Papers

- 10.1 Attached BID Proposal and Business Plan 2021-2026

PROSPECTUS FOR
NEWCASTLE-UNDER-LYME
BUSINESS IMPROVEMENT
DISTRICT 2021 – 2026



**NEWCASTLE
UNDER LYME**

B BUSINESS **I**MPROVEMENT **D**ISTRICT



CHAIR'S INTRODUCTION

Message from the Chair

a collective voice for a stronger future

With the impact of the COVID-19 pandemic and the end of the Brexit transition period on 31st December 2020, the national economy is in uncertain times and what-ever happens, many challenges lie ahead and the commercial world continues to change at an ever-increasing pace.

It is probable that many of these changes will have a permanent impact upon the way in which town and city centres operate and the opportunities and challenges which businesses are grappling with.

It is evident that Newcastle-under-Lyme was exposed, even before COVID to the same changing dynamics effecting the way in which people use all towns and city centres. The

scale of change facing larger cities and towns is even greater but for smaller towns such as Newcastle-under-Lyme, there are new opportunities emerging.

In many respects Newcastle-under-Lyme is ideally placed to take advantage of these opportunities and start to develop into a safe, welcoming and forward-thinking town for the whole community. It should take advantage of its heritage, its distinctiveness and its relatively attractive environment both within the town centre and its surrounding area to create a greater sense of community, both of businesses and organisations and the local residents it serves.

Newcastle-under-Lyme BID is your collective voice but the BID

recognises that its role needs to change from simply acting as a delivery mechanism to one which works with, supports, facilitates and coordinates others to make the most of all the skills, experience and knowledge which exists locally. By working as part of a wider team representing the business interests it's collective voice will not only have more impact but will have more relevance and foster the feeling of businesses and organisations of Newcastle-under-Lyme coming together as one community, serving the residents which live within and around the town.

It is our chance to work together to help Newcastle-under-Lyme to reach its full potential. With your involvement we will be able to provide the projects and support you need now more than ever. We urge you to look carefully at this proposal and give it your full support.

So please look out for the ballot



papers which will be in the post in January and make sure that you tick the box that says 'YES' to create that sense of community in Newcastle-under-Lyme. Your support, your 'yes' vote, your involvement and your say in how Newcastle-under-Lyme BID evolves will turn the excitement of this opportunity into a reality for Newcastle-under-Lyme.

Eddie Leligdowicz

Chair of
Newcastle-under-Lyme BID



NEWCASTLE UNDER LYME

BUSINESS IMPROVEMENT DISTRICT

Directors and Steering Group members

Viv Bradford – Limestone Vaults
Director

Joanne Bisson – Wilkos Store
Steering Group

Nigel Davies – Boss and Sons and Castle Art
Steering Group

Joanne Halliday – NULBC
Steering Group

Eddie Leligdowicz – Lemaca (McDonalds)
Director and Chair of Board

Christopher Maydew – Mounsey Chartered
Surveyors, Director

Simon McEnery – NULBC
Steering Group

Leila Mitchell – Aspire Housing
Steering Group

Simon Tagg – NULBC Council Leader
Director and Steering Group

Jane Tunnicliff – NSCG College
Director and Steering Group

Fiona Wallace – New Vic Theatre
Director

This prospectus should be read in conjunction with the full Business Improvement District Proposal and Business Plan accessible on www.newcastleunderlyme.org or by emailing manager@nulbid.co.uk or Tel: **01782 922712**.

OUR VISION

A vision for Newcastle-under-Lyme created by you, the business community:

To build on Newcastle-under-Lyme's traditions by creating a safe, welcoming, forward thinking town for the whole community.



WHAT IS A BID?

- A Business Improvement District (BID) is a defined geographical area within which the businesses have voted to invest collectively to improve their trading environment.
- The lifetime of the BID is covered by regulations and is set at no more than five years.
- A not-for-profit company is set up and run by the businesses in the area and is responsible for ensuring that the aims and objectives of the BID Proposal are delivered.

- BIDs are about additionality. They do not replace local authority or police services but have to provide additional resource and activities to benefit the area.
 - There are over 320 BIDs in the UK.
- For more information about BIDs visit www.placemanagement.org



We will be voting yes as the BID has helped Newcastle to maintain the Purple Flag accreditation, which has helped in supporting our business in the evening, helping visitors feel safe within the town.



Mr A R Sheikh
Borough Arms Hotel



YOUR FEEDBACK






THIS PROPOSAL HAS BEEN DETERMINED BY YOU, THE NEWCASTLE-UNDER-LYME BUSINESS COMMUNITY.

The last 18 months has seen extensive research undertaken to ensure that the plan which has emerged has an in depth understanding of the views and aspirations of the businesses in the area as well as an appreciation of the perceptions of those who visit and also work in the area.

The Role of the BID – Given the nature of this new BID Proposal and Business Plan the BID

recognises that its role needs to change from simply acting as a delivery mechanism to one which works with, supports, facilitates and coordinates others to make the most of all the skills, experience and knowledge which exists locally.

We re-visited the original survey and saw some distinct changes in business priorities for the longer term. These had a big impact upon the plan and changed its focus significantly to make sure that we can bring real benefit to businesses across sectors, the town and the surrounding area.

-  All businesses invited to complete two surveys, pre-COVID and during COVID to review priorities
- 247** Personal visits or calls to discuss the BID
- 178** Detailed surveys completed by businesses
-  **4** Vision and objective setting workshops
-  **1** Budget setting workshop
-  **4** Newsletters mailed out and hand delivered to all businesses
-  Dedicated BID web site for businesses

PROJECTS AND ACTIVITIES TO SUPPORT BUSINESSES

HIGH STANDARDS

- Achieved British BID's **National Accreditation**
- Maintained **Purple Flag** accreditation

INVESTMENT

- Secured investment to the area of over **£1 million**
- Invested **£40,000** into a new and upgraded digital CCTV system for the town.
- The BID has been responsible for providing the **Christmas Lights** and adds additional lights to the scheme each year making the town look more appealing.

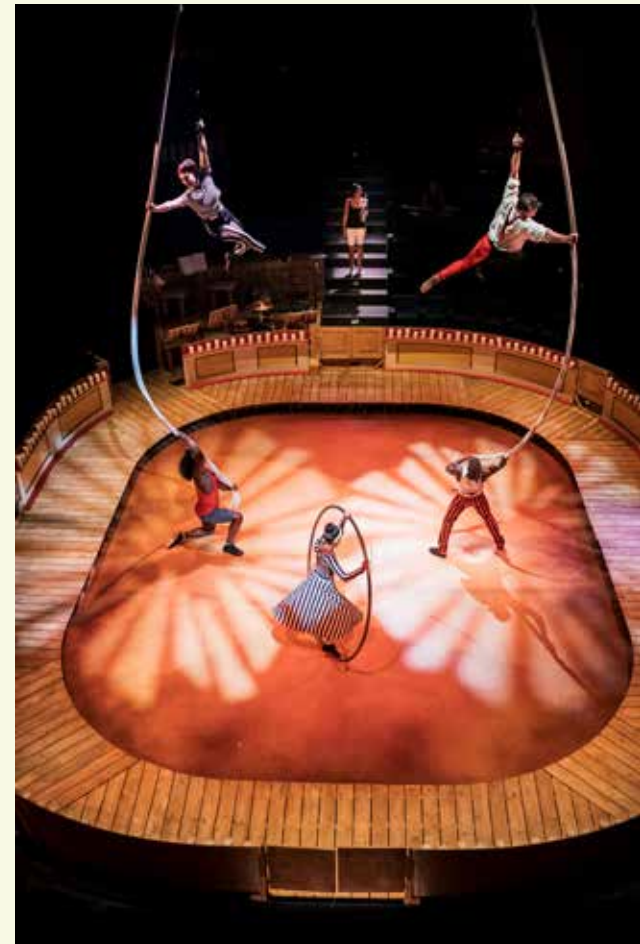


PARKING

- Secured **parking initiatives** by working with the local authority at key trading times to encourage visits and footfall.

SUPPORT FOR OUR TOWN AND BUSINESSES

- **Ambassadors** patrol the town to create a safer environment, and provide updates for businesses on events and projects
- The BID fully funded **15 training courses** for BID businesses, including social media, first aid, human resources and HMRC's new Making Tax Digital changes.
- The BID supported a number of **investment projects** including: Castle House – the new civic hub – opened to the public, upgrade of the Queen's Gardens. Maxim's site at The Belong Village, Blackburn House renovation now occupied by students, and the proposed development of the former Metropolis/Savoy into further student accommodation.





“

Jeanne Marie Florist will be voting yes for the Newcastle BID to continue as they have helped to promote and advertise the area to encourage people into the town.



Dianna Sava
Jeanne Marie Florist

PROMOTION

- The **#LoveNuL Golden Ticket** scheme resulting in thousands of pounds invested in BID area businesses through a series of weekly giveaways.
- Monthly airtime with local radio station Hitmix with **12 adverts** a day played supporting the Retail, Professional Services and Leisure sectors.

EVENTS TO DRIVE FOOTFALL

- **Annual** Jazz and Blues Festival every May **over 4 years** attracting people from the local community and further afield.
- **Annual 4-day** Lymelight Music Festival every May **over 4 years** - resulting in high footfall in the area.
- Successful **Christmas Lights events** bringing characters such as Paddington Bear, Minions and Storm Troopers as well as Santa's Sleigh, performances from local groups, fairground rides, Festive Markets and fireworks.



COVID-19 SUPPORT

Throughout this challenging time **the BID remained open and operational** supporting businesses throughout the pandemic wherever they could and ensuring latest guidelines and information were readily available.

Since March 2020 the BID undertook the following activities to provide support:

- Newcastle-under-Lyme BID were part of an industry wide campaign to support BIDS throughout the crisis and were successful in **securing funding** for BIDS through the BIDS Resilience Fund
- Worked in partnership with the Local Authority for **a safe re-opening** of the High Street in June. This included identifying hot spots for queuing issues, free parking, signage installation around the area to encourage social distancing
- Worked with partners at the Borough Council and County Council to affect a road closure on Pepper Street to allow businesses to utilise the outdoor space for trading – this has meant they could apply for **pavements licences** through the newly announced legislation.

Specific Projects – were delivered to support the business community and local community:

- Hand Sanitising Stations
- Large Social Distancing **Window Vinyls**
- Social Distancing **Bollards**
- Supported Local NHS Charities to encourage footfall and raise much needed funds
- Social media **competitions** to win vouchers for the local High Street
- Children’s ‘Lockdown’ **Colouring Competition** to share their lockdown memories and win vouchers to spend in the local area
- Worked in Partnership with Borough Council and Police delivered three **Sunday Record Fairs**. These events saw an increase of 30% in footfall.



“

The Bridal Lounge will be voting yes as the BID has helped Newcastle become a more welcoming town, we as a business have confidence the BID will continue to help and support us grow, the relationship the Ambassadors have with the businesses is great.

Rhys Carlidge
The Bridal Lounge



“

Sense will be voting for the BID to continue because the BID has been brilliant at promoting businesses, especially through difficult times.

Shannon Silbey
Sense





Through the BIDs investment in CCTV in the town I feel my business and staff are safer in Newcastle, I will be voting yes in the upcoming ballot in February.



Nigel Davies
Castle Art

COMMUNICATION

- Weekly **eBulletins**
- Re-Opening **Businesses Advice and Guidelines**
- Dedicated **COVID-19 page** on the BID website
- COVID-19 **Business Support Guide**
- Dedicated NUL BID Business **Social Media Group**



BUSINESS SUPPORT

- Liaised with the local authority on Business Grants made available to the businesses
- Supported business with **advice and guidance** on Job Retention Scheme/Furlough scheme
- Over **200 Re-Opening Kits** were given to businesses – These included: Floor Stickers, Social Distancing Posters, Face Coverings, Hand Sanitiser.
- **Extra PPE** was offered to ALL BID businesses – **over 800 masks** were given to businesses in the area
- Shop and Love Local **social media campaigns**
- **Shop Safe on Sunday campaign** with FREE parking on Sundays
- Supported **Raise the Bar Campaign** – to lobby the Government to increase support for businesses with a rateable value of over £51k
- **Eat Out to Help Out** – Supported all businesses within the BID that took part in this scheme
- Access to **FREE Training** and **Webinars** – worked closely with Staffordshire University, Staffordshire Chamber of Commerce and HMRC to upskill staff and advice business owners
- BID Ambassadors liaised with Council & Police – Assisted with any queuing issues and reported on safety issues in the town, **checked on closed businesses** from a security aspect
- **Networking** – Our monthly networking sessions continued through lockdown and beyond through Zoom to continue the sense of community with all businesses



McDonald's Restaurants Limited has been located within Newcastle BID for 30 years and will be voting for the BID to continue because the BID has helped us immeasurably through the business support it offers, the events it holds and for promoting Newcastle under Lyme town as a destination of choice for so many visitors, positively driving much needed footfall.

With thanks to the BID, our McDonald's restaurant benefits greatly from the support it receives from the BID, the way the BID promotes the town.

We will be voting YES.

Eddie Leligdowicz Mcdonalds



THE FUTURE

It is evident that Newcastle-under-Lyme was exposed, even before COVID to the same changing dynamics effecting the way in which people use all towns and city centres. Over the last nine months during the challenges of COVID, these changes have simply accelerated and now is an ideal time to completely review the needs of businesses and the way in which the BID will deliver the objectives of the BID Proposal and Business Plan in the future.

In many respects Newcastle-under-Lyme is ideally placed to take advantage of these changes and start to develop into a safe, welcoming and forward-thinking town for the whole community. It should take advantage of its heritage, its distinctiveness and its relatively attractive environment both within the town centre and its surrounding area to create a greater sense of community, both of businesses and organisations and the local residents it serves

The BID will act as a catalyst for businesses and organisations to come together and play a key role in this new and exciting era in the life of this town. This plan has been designed to ensure that the activities benefit as wide a range of businesses and organisations as possible.

YOUR PRIORITIES

Businesses from across Newcastle-under-Lyme identified key priority areas for a new BID which fall into three objectives:

Objective 1: Support business growth and investment with a great business offer.

To support the growth, development, and investment of businesses by working in partnership with key stakeholders to enhance Newcastle-under-Lyme as an attractive and forward-thinking town.

Objective 2: Create a welcoming and attractive town, ensuring a safe experience.

To create a safe and appealing town that can be enjoyed by the local community, visitors and people who work in Newcastle-under-Lyme.

Objective 3: Celebrate and promote Newcastle-under-Lyme as a town for all, preserving the heritage and cultural aspect of the area.

To develop, build awareness and promote, locally and regionally the identity of Newcastle-under-Lyme through collaboration, with a community focus.



The BID has helped our business to educate and train our staff through their funding of training courses, without the BID we would not have these resources we will be voting yes for the BID to continue.



Daniel Tearle
Synectic Solutions



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OBJECTIVE 1 – SUPPORT BUSINESS GROWTH AND INVESTMENT WITH A GREAT BUSINESS OFFER

To support the growth, development, and investment of businesses by working in partnership with key stakeholders to enhance Newcastle-under-Lyme as an attractive and forward-thinking town.



AMOUNT THE BID WILL SPEND:

£45,982 in year 1.

Increasing to over **£52,056** in year 5.

A total of **£255,567** over the 5 years.



The overall consensus in workshops was that the commercial attractiveness needs to be improved in Newcastle-under-Lyme, to attract new businesses into the area and people into the town. The need to improve the market was expressed on many occasions in the workshops, as well as improving the range of shops across the town.

Businesses in the workshops talked about the need to support the growth of independent businesses in Newcastle under Lyme. There

were also comments that the BID should support opportunities for new business development and growth and setting up of new businesses, as well as needing a 'business support unit' to help new businesses with property related issues.



In workshops held for the renewal, 'commercial attractiveness' was an aspect to be improved in Newcastle under Lyme, to attract new businesses into the area and people into the town

73%

of businesses said 'Things to do for the family, visitors and local people' is important to them

WHAT WE CAN DELIVER IF YOU VOTE YES

VOTE 'YES'

1.1 Creative and flexible use of space.

- a) Coordinate communication between landlords and potential investors to encourage flexibility on the use of space for new and existing businesses.
- b) Work with partners to support businesses and potential investors to establish, develop and grow in Newcastle under Lyme.

1.2 Access to services

- a) Identify and encourage links to services which are important to businesses and the local community.
- b) Continue to seek match funding and grant opportunities to increase value for Newcastle-under-Lyme businesses and to enhance the BID budget, broadening the potential scope of projects and activities to maximise impact and benefits.
- c) Work with key partners to improve urban mobility, using different modes of sustainable transport and encourage an ongoing range of options for access to the town.
- d) Work closely with partners to provide support for business continuity at times of a national or local incident or emergency situations.

1.3 Business growth

- a) Work with key stakeholders and influence the marketability of vacant sites and properties across the town to encourage growth and investment.
- b) Encourage and support relationships between businesses and organisations to develop skills and sharing of best practise which have a positive impact upon business performance and future business needs
- c) Monitor visitor behaviour and commercial performance to identify opportunities for businesses and effective delivery of the BID Business Plan.

MEASURES AND RESULTS:

- Numbers of businesses actively engaged in award schemes for customer care and businesses performance.
- Increased level of investment in existing and new businesses.
- Increased range of retail, tourism, leisure and evening economy offerings.
- Reduced levels of vacant and derelict properties across the BID Area.
- Increased number of new businesses established in the BID Area.
- Increased number of business enquiries through commercial property agents.



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OBJECTIVE 2 – CREATE A WELCOMING AND ATTRACTIVE TOWN, ENSURING A SAFE EXPERIENCE.



AMOUNT THE BID WILL SPEND:

£66,000 in year 1.

Increasing to over **£74,033** in year 5.

A total of **£362,585** over the 5 years.

Although there had been improvements in addressing crime and safety during the BID, businesses felt that this was still one of the top issues to be addressed. This was the third most discussed topic of concern in the workshops.

In the 'pre COVID' surveys, the top two issues ranked as very poor or quite poor were both crime and safety related issues. Street begging and rough sleepers ranked as the worst issue with 86% followed by drug and drink issues on the streets with 78% of the businesses saying this was either

very poor or quite poor. This was also one of the key factors which affected the way in which people feel about Newcastle under Lyme and there were noticeable negative perceptions about the amount of homelessness, people begging and drink and drug issues on the streets. Within the 'during COVID' survey businesses were asked how important certain aspects are 'Personal safety during the day' was ranked as important by 88% of businesses.

81%

of businesses ranked 'Development of Business Crime reduction scheme' as beneficial

90%

of businesses surveyed said 'Crime and Safety generally' was important to them

76%

of businesses ranked 'Feeling part of the town and its activity' as important

2.1 Creating a safe secure and clean environment

- a) Work collaboratively with the Police, Local Authority, CCTV, voluntary organisations and other agencies to influence reduction in business crime, antisocial behaviour, street drinking and begging on the streets which impacts upon businesses and the visitor experience.
- b) Being a strategic coordinator to improve business crime intelligence sharing opportunities between businesses for both the evening and day time economies, working in partnership with the Police, the Local Authority and other agencies.
- c) Employ uniformed Ambassadors to:
 - I. Communicate with the Police and other agencies on issues related to crime and anti-social behavior.
 - II. Act as a welcome presence for visitors to the town
 - III. To support delivery of projects and events.
 - IV. Support businesses by communicating issues which affect their business on a day to day basis.
 - V. Liaise with businesses on the benefits and opportunities which exist through BID projects and activities.
- d) Where appropriate and in addition to services provided by the Local Authority, improve the cleanliness of the area and physical environment, through additional cleaning services and/or targeted 'hotspot' cleaning.
- e) Support businesses in situations where there is a need to respond to any national or local incident or situation which requires special operating measures for businesses and use of the town centre and its surrounding environment.

2.2 Being creative and imaginative

- a) Work closely with the Local Authority to regenerate and develop the market.
- b) Promote and encourage new businesses that are creative and imaginative.
- c) Collaborate with creative groups to deliver projects and events that encourage regular footfall and return visits by making the town look and feel more appealing.

2.3 Attractive and Accessible

- a) Represent the interests of the business community on parking initiatives and tariff structures. Work with the Local Authorities to encourage targeted parking offers and schemes.
- b) Explore ways to improve the parking provision and experience for residents and visitors to the town.
- c) Influence projects which create a relaxed and enjoyable pedestrian experience, such as Digital Wayfinding, street cafes and green spaces.
- d) Represent businesses on initiatives that remodel and improve public realm spaces through strategic initiatives such as Town Deal and Future High Street Fund which improves the attractiveness of the town as a whole.
- e) Work with the business community and others to improve attractiveness of the streets and open spaces with creative displays of lighting, floral and other means.

MEASURES AND RESULTS:

- Improved perceptions of visitor, worker, business and resident safety and feeling of welcome.
- Reduction of incidents of crime and anti-social behaviour.
- Increased interaction with and support from stakeholders including local authorities.
- Measured assessment of the degree of litter and cleanliness of the Newcastle-under-Lyme BID area.
- Improved perceptions of ease with which visitors, workers, and residents they can navigate and traverse the BID Area.
- Numbers of parking spaces available in or near the BID area both on and off-street.
- Regular flow of information and sharing of intelligence to support business crime prevention.

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OBJECTIVE 3 – CELEBRATE AND PROMOTE NEWCASTLE-UNDER-LYME AS A TOWN FOR ALL, PRESERVING THE HERITAGE AND CULTURAL ASPECT OF THE AREA.

To develop, build awareness and promote, locally and regionally the identity of Newcastle-under-Lyme through collaboration, with a community focus.



AMOUNT THE BID WILL SPEND:

£70,000 in year 1.

Increasing to over **£77,443** in year 5.

A total of **£380,252** over the 5 years.

'Pre COVID', 'Developing the town's identity and branding to attract more visitors' was ranked as the second most beneficial initiative for businesses, with 83% saying that it would be important for their business, within the 'during COVID' survey this was the highest ranked beneficial project.

'Pre COVID', businesses have valued the promotional activity undertaken by the current BID with 90% of businesses saying that they want the BID social media channels to continue for the next BID term. The main suggestions for improving

marketing and promotion were focussed around helping to promote individual businesses and support with social media. There were also comments about town-wide promotion and showcasing what Newcastle-under-Lyme has to offer (this appeared in pre and 'during COVID' comments).

81%

of businesses said that developing a new sense of identity for Newcastle in the Post COVID world will be of benefit to them.

76%

of businesses said that marketing and promotion to across all media channels will be even more beneficial to them now.

3.1 Community Focused

- a) Support the business community to provide excellent customer service and improve the visitor experience in Newcastle-under-Lyme.
- b) Encourage established community groups to work collaboratively on projects to help promote the town
- c) Work with others to develop initiatives that attract loyalty and a sense of pride in Newcastle-under-Lyme.
- d) Develop ways of celebrating the culture and heritage of the area that benefits both the business and local community.
- e) To regularly communicate BID news and activity to businesses and the local community to increase awareness of business opportunities and encourage the local community to visit the town.

3.2 Promotion

- a) Work with all stakeholders to define, develop and promote the identity of Newcastle-under-Lyme which reflects its strengths, culture and heritage and creates a sense of pride in its businesses and local residents.
- b) Coordinate information sharing between key partners to market and promote the area and its activities. Recognise and highlight any business activity through the BID's media channels e.g. business events, offers or promotions.
- c) Help businesses to achieve more by supporting them to increase their presence on digital platforms such as social media and/or online.

3.3 Loyalty

- a) Develop and coordinate loyalty schemes and promotional campaigns which:
 - I. Increase trade between and for businesses in Newcastle-under-Lyme.
 - II. Maximise benefits for those who work in, live in and visit, the town.
 - III. Develop a sense of community and belonging which encourages repeat visits and local spend.

3.4 Collaboration

- a) Support businesses at times of a national or local incident or situation, through the sharing of relevant and timely information and encouraging collaborative working to provide practical support wherever appropriate and possible.

MEASURES AND RESULTS:

- Improve visitor and business perception of the sense of community in the BID area.
- Increased levels of sales activity and footfall across the whole of the town.
- Positive media exposure locally and regionally measured through numbers of articles, publications, click-throughs on digital media and value through using advertising value equivalent. (a.v.e).
- Numbers of businesses actively engaged in BID activities and the use of and their association with Newcastle-under-Lyme BID in their own marketing and promotion.
- Numbers of businesses and public regularly engaged and involved in a loyalty scheme.



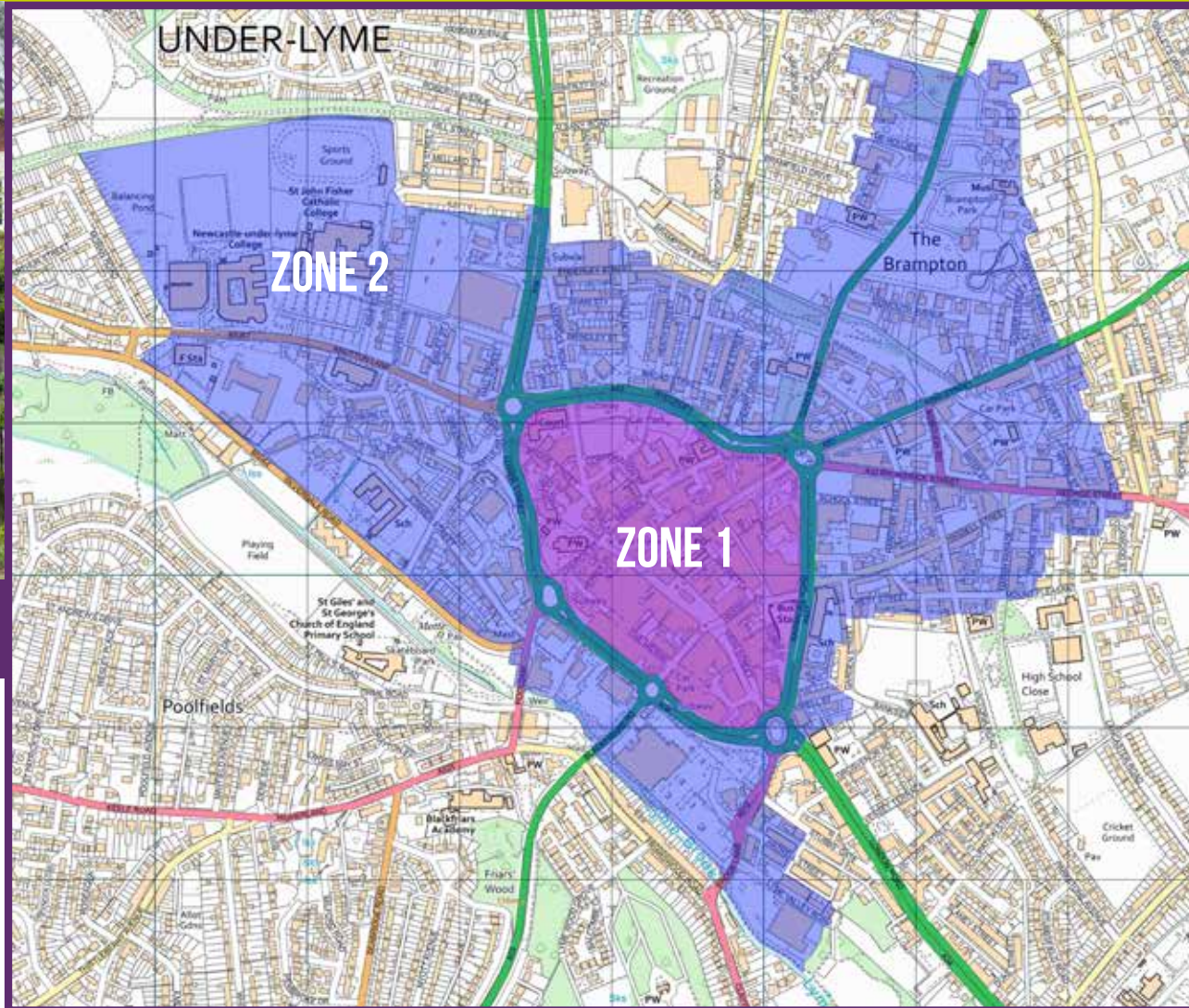


THE BID AREA

The shaded area represents the full extent of the Newcastle-under-Lyme Business Improvement District.

The BID covers those businesses, whose rateable value is £12,001 or greater. The area includes any smaller business areas located off the roads or streets that are located within the boundary of the BID area defined by the shaded area on the map and any other road or street, even if they are not listed in Appendix two of the full Business Plan and Proposal.

Any new road or street which is developed or created during the life of the BID which is within the BID area will be included.



We will be voting yes for the BID to continue for a second term due to support provided through networking sessions helping businesses to network and share positive news and ideas.

Pete Herbert King Street Studios





Average Annual
Levy Income
£249,229



Objective 1
Annual Average
£51,113



Objective 2
Annual Average
£72,517



Objective 3
Annual Average
£76,050

NEWCASTLE-UNDER-LYME BID 5 YEAR BUDGET 2021 – 2026

	Year 1	Year 2	Year 3	Year 4	Year 5	Total	% to total
Income							
BID levy revenue (Note 1)	£224,718	£251,558	£254,074	£256,614	£259,180	£1,246,144	92%
Other Income (Note 2)	£20,000	£20,000	£20,200	£20,402	£20,606	£101,208	8%
Total Income	£244,718	£271,558	£274,274	£277,016	£279,786	£1,347,352	100%
Expenditure							
Objective 1 – Support business growth and investment	£45,982	£52,530	£52,343	£52,656	£52,056	£255,567	19%
Objective 2 – Create a welcoming, safe and attractive town.	£66,000	£74,365	£74,187	£74,000	£74,033	£362,585	27%
Objective 3 – Celebrate and promote Newcastle-under-Lyme	£70,000	£77,880	£77,701	£77,228	£77,443	£380,252	29%
Central Management Costs, Administration, Office (Note 3)	£46,000	£46,460	£46,925	£47,394	£47,868	£234,646	18%
Levy Collection costs (NULBC)	£5,500	£5,555	£5,611	£5,667	£5,723	£28,056	2%
Contingency (Note 4)	£11,236	£12,378	£12,704	£12,831	£12,959	£62,108	5%
Total Expenditure	£244,718	£269,168	£269,470	£269,775	£270,082	£1,323,213	100%
Accrual for Renewal (Note 5)	£-	£2,390	£4,804	£7,241	£9,704	£24,139	

Notes

1. Based on 1.5% (Zone 1) and 1% (Zone 2) for Yr 1, 1.65% and 1.15% for Yr 2 and then 1% inflation thereafter.
2. Excluding income from landlords, associate members of the BID and other sources (including in-kind).
3. Central admin, office and fixed overheads.

4. Assumes a non collection rate of 5% of total levy billed.

5. Accrual retained from levy revenue to provide for costs of renewal of the BID for any additional term, otherwise they will be spent on additional projects in the final year.

For further details on the budget and levy criteria refer to the full BID Proposal and Business Plan accessible on www.newcastleunderlyme.org or by emailing manager@nulbid.co.uk or telephone **01782 922712**.

WHAT IT WILL COST YOU



COST OF A COFFEE PER WEEK = £1MILLION

The levy is based upon a property's rateable value. In year one this will be 1.5% of rateable value for properties inside the ring road and 1% of the rateable value for properties outside the ring road. In year two this will revert to what it would have been with inflation to 1.65% inside ring road and 1.15%. This is explained in more detail within the Levy Criteria of the full BID Proposal and Business Plan. This will generate over £1.5 million over five years.

For the smallest business in the Business Improvement District, the weekly cost is less than the cost of a coffee from a coffee shop and even for a larger business; the weekly cost is less than the price of a coffee a day.



INDICATIVE COSTS

Rateable Value	Annual	This equates to: weekly	This equates to: daily
£12,000 and below	none	none	none
£12,001	£180	£3.46	£0.49
£20,000	£300	£5.77	£0.82
£50,000	£750	£14.42	£2.05
£100,000	£1,500	£28.85	£4.11
£250,000	£3,750	£72.12	£10.27
£500,000	£7,500	£144.23	£20.55

LEVY RELIEF

Three decisive steps taken by the board:

- The minimum threshold for paying the levy has been raised from £3,000, to provide 100% relief to all businesses with a rateable value of £12,000 or less.
- The percentage for the levy calculation for year one has been brought back to what it was five years ago at 1.5% for inside the ring road and 1% for outside the ring road.
- Any business ratepayer who is legally required to cease use of their premises will be given 100% relief for that time period.

THE BENEFITS

As a business which pays, whether through a levy or voluntary payment, you will have the opportunity to be directly involved in the decision making and action planning for everything the BID delivers based upon the BID's business plan.

As a business who pays into the BID this is an investment. The aim of the BID is to deliver as much value back in benefits, if not more, than the money you pay in.

By working together as a collective voice, you will be not only be benefiting your business but improving Newcastle-under-Lyme.

ADDITIONAL FUNDING AND INFLATION

The BID Company is committed to seeking additional funding where possible to increase the benefits that can be delivered by the BID to businesses.

There will be an annual inflationary increase of all levy charges year on year for the duration of the Business Improvement District. This will be a minimum of 1% increase year on year or the inflation percentage as determined by the Consumer Price Index as at the 1st December of the year before the next billing process, whichever is the greater. Inflation will not apply for the first billing cycle in 2021.

BALLOT TIMETABLE

BALLOT AND VOTING

Businesses in Newcastle-under-Lyme will be asked to vote on whether or not they wish the Newcastle-under-Lyme BID to implement the business plan over the next five years 2021 to 2026. Ballot papers will be sent out on Thursday 28th January 2021 to the person identified in the specially prepared register of potential voters held by Newcastle-under-Lyme Borough Council. Each rateable property has one vote. A proxy vote will be available. Completed ballot papers are to be returned no later than 5pm Thursday 25th February 2021. The result will be announced on the following day.

TIMETABLE

Week commencing:

Monday 18th January 2021 – Launch of Business Plan week

Ballot period begins

Thursday 28th January 2021 – Ballot papers issued

Ballot period ends

Thursday 25th February 2021 – Ballot closes at 5pm

Friday 26th February 2021 – Ballot results announced

Thursday 1st April 2021 – Operations of the new BID start



THE IMPORTANCE OF VOTING 'YES'

If you want the BID and its collective influence and all its associated benefits to continue and support your business you will need to vote for it. If the vote does not get sufficient votes in favour both by number and rateable value the BID and all its associated activities will stop as of 31st March 2021 and businesses will be left to face the challenges and uncertainties of the future alone.



GET INVOLVED – THIS IS YOUR BID

VOTE 'YES' IN THE BID RENEWAL BALLOT.

The ballot has to meet two tests to succeed:



A simple majority of those who vote must register a **YES** vote.

AND



The aggregate rateable value of those that vote **YES** must be greater than that of those that vote **NO**.



The Limestone Vaults will be voting YES to BID in the forthcoming elections as the support from the team, events in the town and the links to partner agencies have increased trade and supported our business.

Viv Bradford Limestone Vaults



Given the nature of this new BID Proposal and Business Plan the BID recognises that its role needs to change from simply acting as a delivery mechanism to one which works with, supports, facilitates and coordinates others to make the most of all the skills, experience and knowledge which exists locally. By working as part of a wider team representing the business interests it's collective voice will not only have more impact but will have more relevance and foster the feeling of businesses and organisations of Newcastle-under-Lyme coming together as one community, serving the residents which live within and around the town.

The BID will act as a catalyst for businesses and organisations to come together and play a key role in this new and exciting era in the life of this town. This plan has been designed to ensure that the activities benefit as wide a range of businesses and organisations as possible.

All businesses and organisations stand to benefit from these additional projects and activities which have been identified by businesses across Newcastle-under-Lyme as crucial to their future:

To continue on working in partnership with key stakeholders to build on Newcastle-under-Lyme becoming a forward-thinking town.

To promote Newcastle-under-Lyme as a welcoming and attractive town, ensuring a safe experience for all.

To build on the identity Newcastle-under-Lyme through collaboration, with a community focus.



As a business we will be voting 'yes' for the BID to continue as the BID is great for advertising the area and town to the wider area through adverts within the Welcome to Staffordshire Guide and on local radio station The Hitmix.



Ramesh Mohindra
 1st Imaging



The BID team are always friendly and approachable, they keep us up to date with any matters or activities and are there to support with any issues we have, vote yes for this support to continue.



Boots
 Tracy Barker Manager

GOVERNANCE

The preparation of this BID Proposal has been managed by the Newcastle Under Lyme BID Company which is a not for profit company, limited by guarantee. It is legally and operationally responsible to the businesses in the BID area for all BID activities and acts on their behalf.

The Board is elected by the members of the Newcastle Under Lyme BID Company, drawn predominantly from those paying a levy in the area and made up of a representative cross-section of the businesses and stakeholders of the area and key agencies associated with the successful delivery of the BID projects. It will continue to be driven by the private sector and includes one Councillor from Newcastle Under Lyme Borough Council as a Director.

The main role of the Board is to safeguard the interests of levy payers by ensuring that the business operates in line with the BID plan, is professional and offers consistent value for money in line with its targets. The Board will ensure that the implementation of the BID will be monitored and delivered cost effectively, through keeping overheads to a minimum and using methods which will optimise the use of the revenue budget and add real value to the delivery of the plan.

All businesses will be encouraged to be actively involved in the Board and associated working groups to represent the levy payers. Through specific working groups, the Board will be instrumental in prioritising the requirements of the levy payers into deliverable projects which address their needs, within the framework of the business plan. All roles on the Board, and any working groups are voluntary and are undertaken with a commitment to represent the interests of all businesses in the area.

There will also continue to be hands-on dedicated Project and Contract Management to support the initiatives from the working groups. This management role will also provide administrative support and project delivery for the BID Company as well coordinating activity with partner organisations and ensuring cost-effective delivery of projects through tendering and careful management of contracts.





VOTE 'YES'

Let's shape the future of Newcastle-under-Lyme together

This prospectus should be read in conjunction with the full Business Improvement District Proposal and Business Plan accessible on www.newcastleunderlyme.org or by contacting the BID team on manager@nulbid.co.uk or **01782 922712**.



Newcastle BID has helped our staff to feel safer in the town with thanks to the Ambassadors and their physical presence in the town, vote yes for this support to continue.

New look Bernie Dans Manager

VOTE 'YES'

Over the last five years and especially over the last twelve months I have become increasingly aware of the importance of working together to help each other face the challenges of this rapidly changing world. I believe Newcastle-under-Lyme is a place which has the potential of bettering the sense of community that already exists but is in need of realigning direction, revitalizing a sense of purpose and clearer objectives in a rapidly changing world.



The BID has helped Newcastle-under-Lyme become a safer place by supporting the deployment of extensive CCTV and maintaining the coveted Purple Flag status, creating a more welcoming place through the great work of the BID Ambassadors, staging numerous events that have positively driven visitor footfall, facilitating business growth and generally supporting the needs of the businesses within the BID area.

A renewal of the Business Improvement District provides us with an opportunity to ensure that Newcastle-under-Lyme does not get left behind but takes advantage of its unique position in terms of its attractive environment, cultural heritage and the strength of its people through their passion for the town.

This plan provides a renewed energy for Newcastle-under-Lyme, also ensuring a clear direction post COVID recovery phase.

The first step in your involvement and the forthcoming journey is to vote YES in the ballot in February.

Eddie Leligdowicz

Chair of Newcastle-under-Lyme BID
Director, Lemaca (McDonalds)

BID PROPOSAL AND BUSINESS PLAN

NEWCASTLE-UNDER-LYME BUSINESS IMPROVEMENT DISTRICT 2021 – 2026



www.newcastleunderlyme.org



**NEWCASTLE
UNDER LYME**

B BUSINESS **I**MPROVEMENT **D**ISTRICT

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1. Foreword

Newcastle-under-Lyme Business Improvement District (BID) Proposal and Business Plan 2021 – 2026

Message from the Chair – a collective voice for a stronger future

With the impact of the COVID-19 pandemic and the end of the Brexit transition period on 31st December 2020, the national economy is in uncertain times and what-ever happens, many challenges lie ahead and the commercial world continues to change at an ever-increasing pace.

It is probable that many of these changes will have a permanent impact upon the way in which town and city centres operate and the opportunities and challenges which businesses are grappling with.

It is evident that Newcastle-under-Lyme was exposed, even before COVID to the same changing dynamics effecting the way in which people use all towns and city centres. The scale of change facing larger cities and towns is even greater but for smaller towns such as Newcastle-under-Lyme, there are new opportunities emerging.

In many respects Newcastle-under-Lyme is ideally placed to take advantage of these opportunities and start to develop into a safe, welcoming and forward-thinking town for the whole community. It should take advantage of its heritage, its distinctiveness and its relatively attractive environment both within the town centre and its surrounding area to create a greater sense of community, both of businesses and organisations and the local residents it serves.

Newcastle-under-Lyme BID is your collective voice but the BID recognises that its role needs to change from simply acting as a delivery mechanism to one which works with, supports, facilitates and coordinates others to make the most of all the skills, experience and knowledge which exists locally. By working as part of a wider team representing the business interests its collective voice will not only have more impact but will have more relevance and foster the feeling of businesses and organisations of Newcastle-under-Lyme coming together as one community, serving the residents which live within and around the town.

It is our chance to work together to help Newcastle-under-Lyme to reach its full potential. With your involvement we will be able to provide the projects and support you need now more than ever. We urge you to look carefully at this proposal and give it your full support.

So please look out for the ballot papers which will be in the post in January and make sure that you tick the box that says 'YES' to create that sense of community in Newcastle-under-Lyme. Your support, your 'yes' vote, your involvement and your say in how Newcastle-under-Lyme BID evolves will turn the excitement of this opportunity into a reality for Newcastle-under-Lyme.

Eddie Leligdowicz
Chair of Newcastle-under-Lyme BID

2. Newcastle Under Lyme BID Ltd

BID Board and Steering Group Members

The Newcastle-under-Lyme BID Board developed its business representation to create a single Steering Group to develop this BID Proposal and Business Plan for this ballot to ensure that the business views represented were as broad as possible by both geography and business sector across the Newcastle-under-Lyme BID area.

This Steering Group has acted on behalf of Newcastle-under-Lyme BID Ltd, which has 'proposed' the BID for the purposes of the BID Statutory Provisions.

Newcastle-under-Lyme BID Ltd is a company limited by guarantee and will be responsible for the implementation of the BID plan. The membership of the board of the company continues to be open to all businesses in the BID area.

The members of the BID Steering Group were as follows:

Name	Board/Steering Group	Organisation
Viv Bradford	Director	Lymestone Vaults
Joanne Bisson	Steering Group	Wilkos Store
Nigel Davies	Steering Group	Boss and Sons and Castle Art
Joanne Halliday	Steering Group	NULBC
Eddie Leligdowicz (Chair of the Board)	Director	Lemaca (McDonalds)
Christopher Maydew	Director	Mounsey Chartered Surveyors
Simon McEnery	Steering Group	NULBC
Leila Mitchell	Steering Group	Aspire Housing
Simon Tagg	Director and Steering Group	NULBC Council Leader
Jane Tunnicliff	Director and Steering Group	NSCG College
Fiona Wallace	Director	New Vic Theatre

3. Executive summary

3.1. BID background

Business Improvement Districts are created by businesses and organisations which come together to collaborate on initiatives that improve the location where they trade or do business. Business Improvement Districts are driven by participating businesses who work together to draw up a business plan which is voted on and, if agreed, is then funded through a levy based on business rateable values, as well as trying to lever in additional funding where possible for investment into the delivery of projects for the benefit of businesses.

This levy is collected by the Newcastle-under-Lyme Borough Council and paid directly to the Business Improvement District company. This is a not for profit company set up by the businesses and is accountable to the businesses in the Newcastle-under-Lyme BID area to manage the delivery of the business improvement district business plan.

3.2. The benefits of the Newcastle-under-Lyme Business Improvement District

With the economic uncertainty of 'Brexit' and the dynamic change of the commercial world impacting on the way we live and work due to COVID-19, the need for businesses to work together for a better future has never been greater.

Newcastle-under-Lyme is a market town which has always competed with its neighbouring conurbation of Stoke-on-Trent and struggles to define itself when it is no longer a shopping centre of national brands such as Marks and Spencer but in fact acts as home to interesting independent retailers and many professional service and specialist businesses of national and international reputation.

The ring road of the 1970's is seen by many as an artificial barrier which constrains the opportunity for the town to make the most of its business offer, its progressive and expanding College of further education and its strong links to Keele University. As a consequence of the research and consultation with businesses, this plan reflects the clearly stated view that Newcastle-under-Lyme has a lot to offer as a town which exists both inside and outside a ring road.

The benefits of a BID do not just come from the ability to deliver projects and services from a guaranteed budget but come from the collective influence of the businesses in the BID area. It will have the influence to change key issues which impact upon the operation and success of our businesses such as promotion of the town, crime and safety issues and attractiveness of the town for our clients, customers and everyone who lives and works here.

The collective voice of businesses working together also translates into productive relationships and outcomes, and the ability to influence more strategic issues such as road and rail networks when working with other organisations and public bodies.

The BID business plan has been developed to ensure that it:

- is balanced to cover all business sectors
- clearly defines the role of the BID
- seeks to create and take advantage of new opportunities
- has focused activities that will remain relevant for the next five years
- has deliverable and achievable objectives

The plan clearly lays out a business-led programme of investment to tackle issues identified by businesses with the aim of creating a positive and even more profitable trading environment which will benefit all business sectors.

3.3. Finance

The levy will be collected on behalf of the Business Improvement District (BID) by the 'Billing Authority' which is Newcastle-under-Lyme Borough Council, which has responsibility for the public administration and collection of business rates of the area covered by the BID. The levy will then be paid directly to the BID Company in its entirety. This charge is payable by non-domestic rate payers in the defined BID area, regardless of whether or not they voted in the BID ballot, or how they actually voted. It is collected by the 'Billing Authority' in much the same way as business rates.

In the light of the challenges business have faced this year the levy charges and criteria have been reviewed and the BID levy in year one will be 1.5% of rateable value in the town centre and 1% for the surrounding area. This charge has been taken back to as it was five years ago with charges rising with inflation each year for five years. The manner in which the BID Levy charge is calculated is explained in the Levy Criteria Section 16.

The budgeted income over the five-year period of the BID is planned to be in the order of £1.5 million. The yearly income will be made up of some £290,000 from the levy revenues and a sum averaging around £20,000 from voluntary private and public sector contributions. (See income and expenditure table in Section 15).

The management of the budget and the delivery of the BID Proposal and Business Plan is the responsibility of the Newcastle-under-Lyme BID Ltd which is a not for profit company set up, directed and controlled by business people elected by businesses from the BID area who are directly accountable to the businesses operating and trading in the Newcastle-under-Lyme BID area.

3.4. The Area

The Newcastle-under-Lyme Business Improvement District covers the town from the College and the Sainsburys superstore in the west, to the edge of the business areas on King Street and George Street up to the borough boundary. The boundary in the north includes the larger professional service firms in the Brampton and in the south includes the Morrisons superstore and the Aldi superstore.

3.5. The Vision

Through a business-led programme of investment our vision is for:

To build on Newcastle-under-Lyme's traditions by creating a safe, welcoming, forward thinking town for the whole community.

3.6. Strategic objectives and activities

The BID investment programme will be delivered through the three key strategic objectives and their related activities:

Objective 1 –

Support business growth and investment with a great business offer.

To support the growth, development, and investment of businesses by working in partnership with key stakeholders to enhance Newcastle-under-Lyme as an attractive and forward-thinking town.

Objective 2 –

Create a welcoming and attractive town, ensuring a safe experience.

To create a safe and appealing town that can be enjoyed by the local community, visitors and people who work in Newcastle-under-Lyme.

Objective 3 –

Celebrate and promote Newcastle-under-Lyme as a town for all, preserving the heritage and cultural aspect of the area.

To develop, build awareness and promote, locally and regionally the identity of Newcastle-under-Lyme through collaboration, with a community focus.

Subject to a successful ballot in February 2021, the new BID will start on 1st April 2021.

4. How a BID works

4.1. Background

A Business Improvement District (BID) is a precisely defined geographical area within which the businesses have voted to invest collectively in local improvements to enhance their trading environment.

BIDs were enabled by parliament through the Business Improvement Districts (England) Regulations 2004. This legislation was based on the experience of some twenty years of successful BID activity in America and Canada. Since 2004, over 300 BIDs have been proposed and approved by business communities in England and Wales. This includes Birmingham which has 13 BIDs, many of them coming up for renewal in 2021, Cathedral Quarter Derby, now in its third term and St Peters Quarter Derby about to come to the end of its second term.

There are a more than 120 BID areas which have been operating for more than five years and have gone through a renewal ballot and more than 30 have now entered their third term having gone through a third ballot. In most cases BIDs going on to a second term have received an even greater endorsement in the vote than they did the first time. BIDs have brought significant improvements to the trading environment of the businesses based in these locations. Further information about BIDs is available on the BID Foundation website www.placemanagement.org.

The lifetime of the BID is prescribed by the Regulations and is set at no more than 5 years. It is possible for a BID to be extended by proposing a new Business Plan at the end of the BID lifetime for a fresh formal vote by the businesses.

The purposes of a BID are to provide new or expanded works and services or environmental enhancements within the prescribed BID area, funded via a BID Levy charge. All services/improvements will be additional to those already provided by Newcastle Under Lyme Borough Council. This charge is payable by non-domestic rate payers and is collected by the council in much the same way as business rates. The manner in which the BID Levy charge is calculated is defined in Section 16.

All works and services will be contracted by the Newcastle Under Lyme BID Company, the BID body for the BID area. The objectives and aspirations of the Newcastle Under Lyme BID are set out in this BID Proposal and Business Plan.

This business plan has been prepared in line with best practice and with 'reference to the 'Industry Criteria and Guidance' prepared for Revo in association with; Association of Town and City Management, the Association of Convenience Stores, the British Retail Consortium, Intu and the British Property Federation.

A set of definitions for terms used throughout this document is contained in Appendix (1).

4.2. BID life and extension due to COVID 19

As a result of the pandemic experienced by the UK in 2020, the Coronavirus Act, was passed on the 25th March making various provisions and restrictions on the economy and social framework of this country. Chapter 7, Part 1, Section 79 of this act permitted any BID which was due to come to the end of its five-year life between the act being passed and the 31st December 2020, to extend its life until 31st March 2021 and raise any levy bills on a pro-rata basis between the BID's original end date and the new end date. In line with the Coronavirus Act the BID term of the Newcastle-under-Lyme BID was extended accordingly.

4.3. The Vote

To succeed the ballot has to pass two tests: A simple majority vote of those who vote must register

a 'YES' and the aggregate rateable value of those who vote 'YES' must be greater than that of those that vote 'NO'. If these two criteria are met, the Business Plan is activated and all businesses in the area concerned will be required to pay the levy.

The persons entitled to vote, and be liable for the levy, are the ratepayers of non-domestic premises in the Business Improvement District. Properties with a rateable value of less than £12,001 will be excluded from the vote and levy.

The Newcastle-under-Lyme Borough Council's Democratic Services returning officer will be the ballot holder for the Business Improvement District vote. Details of voting procedures and how you can confirm persons entitled to vote can be found by contacting Newcastle-under-Lyme Borough Council's Democratic Services on 01782 742229 or by e-mail electreg@newcastle-staffs.gov.uk.

4.4. Alteration of arrangements

The Business Improvement District, its boundaries, business plan and the levy percentage cannot be altered without an alteration ballot, although its board can adjust projects and spend as they feel appropriate, provided the basic tenets and budgets are not compromised. This is explained in more detail in Section 15.

4.5. The Levy

A levy of 1.5% of rateable value (RV) is proposed for businesses inside the ring road with an RV of £12,001 or more and a levy of 1% of rateable value (RV) is proposed for businesses outside the ring road with an RV of £12,001 or more which fall within the levy criteria laid down in Section 16. Properties which fall under the management of a shopping mall operator and/or who pay a service charge to the shopping mall operator and organisations which are registered charities or have charitable status will receive discounted levy tariffs or be exempt, dependent upon the criteria identified in Section 16.

This levy arrangement will generate around £1.25 million of ring-fenced funding over the five-year life of the BID and will also be used to lever in additional funds where possible adding a further £100,000 over the life of the BID. This will be used to fund the projects identified in this Business Plan

4.6. Duration & Commencement date of the next BID Arrangement

Subject to the successful ballot in February 2021 our proposal is for the Arrangements for the Newcastle-under-Lyme Business Improvement District Proposal and Business Plan to operate for five years and to commence, on the 1st April 2021. After five years, in 2026, it can be extended or renewed – but only after being subject to a renewal ballot.

4.7. Timescales

Action	Day and Date
Notice by BID Proposer to Billing Authority & Secretary of State of intention to hold ballot (at least 84 days before Ballot Holder requested to hold ballot Action Point 4)	Fri 18 September 2020
Establish Register of Businesses as specified in BID proposal	Target Date: Thu 24 December 2020
	Latest Date: Thu 14 January 2021
BID Proposer requests Billing Authority to instruct Ballot Holder to hold a Ballot (BID proposals need to be completed)	Target Date: Thu 24 December 2020
	Latest Date: Thu 14 January 2021
BID Proposer mail out copies of the BID Prospectus to potential levy payers	Thu 31 December 2020
Billing Authority formally requests Ballot Holder to hold ballot	Target Date: Mon 04 January 2021
	Latest Date: Thu 14 January 2021
Ballot Holder issues Letter to Business Ratepayers to give information about the ballot and identify named person to receive ballot paper (latest date is 42 days before Ballot Day)	Target Date: Thu 07 January 2021
	Latest Date: Thu 14 January 2021
Ballot Holder publishes Notice of Ballot (latest date = 42 days before ballot day) also to send copy to Secretary of State , a copy of the published notice of ballot, as per Schedule 2 3(d) of the 2004 Business Improvement Districts (England) Regulations	Target Date: Thu 07 January 2021
	Latest Date: Thu 14 January 2021
Ballot Holder Issues ballot papers (at least 28 days before Ballot Day)	Thu 28 January 2021
Last day to appoint a proxy (tenth day before Ballot Day)	Mon 15 February 2021
Lost ballot papers – earliest date for issuing a replacement for a lost ballot paper (where papers not received by the 4th working day before the ballot)	Fri 19 February 2021
Spoilt ballot papers – last day/deadline to apply for a replacement ballot paper for a spoilt ballot paper (not later than 3 working days before the ballot)	Mon 22 February 2021
Ballot Day (up to 5pm)	Thu 25 February 2021
Count and announcement of result	Fri 26 February 2021
Disposal of ballot papers	Sat 28 August 2021

5. The first five years

The first Newcastle under Lyme Business improvement district term began five years ago on 1st October 2015, established to support all businesses and organisations in Newcastle under Lyme town centre and the surrounding area.

At that time the traditional market was in long term decline, many of the national retail brands had left the high street and yet surrounded by nationally respected firms the town was struggling to try and find its way forward.

Since the successful ballot in July 2015 and the creation of the Business Improvement District, and maybe because of the challenges of COVID, over the last few months, businesses across Newcastle-under-Lyme have started to come together to find a new sense of direction, as a community.

2020 presented un-precedented challenges for all, however the BID stepped up to provide whatever support it could to all businesses across the BID area. Although there are still many challenges to face, working together as a BID we have seen a number of changes, activities and achievements:

5.1. National recognition

- In 2018 Newcastle under Lyme BID received the British BIDs National Award for Place Marketing.
- Achieved British BID's National Accreditation in 2018 – an industry recognised standard, externally assessed by independent auditors.
- Gained and maintained the prestigious Purple Flag accreditation for the evening and night-time economy over the last five years.
- Profiling of Newcastle under Lyme in the Great British High Streets competition 3 years running, giving us important coverage on the competition website and social media.
- Newcastle under Lyme had the great honour of being entered into the 'Champion of Champions' section of the Britain in Bloom competition and very proudly received a Gold award.

5.2. Securing Investment and funding

- As a member of the Board for both the Town Deal and Future High Streets Fund the BID has had a significant influence in securing investment to the area of over £1 million in advanced and the potential for a further £50m into the town in the near future.
- Secured £158,000 in Arts Council grants to deliver The Homecoming events between 2016 and 2019.
- Worked with partners to secure a £180,000 Heritage Lottery Funding producing a series of major events in 2018 to celebrate the father of the modern-day circus, Philip Astley.
- Working with partners who are on the BID Board to secure and deliver against £1.75 million of funding from the Arts Council for the Appetite programme which is due to be rolled out over the next four years.
- Secured more than £30,000 worth of voluntary contributions through in kind support and local advertising.

5.3. Crime and safety

- Invested £40,000 into a new and upgraded digital CCTV system for the town, enabling higher definition and more cameras.
- Our Ambassadors have played a hugely important role working with businesses, the Police and other partners to ensure the town is safe and welcoming.

- Sharing crime intelligence through regular meetings and coordinated communication between the BID Ambassadors, the Police, CCTV, Pubwatch, Storennet radio and Partnership for Business Crime in Staffordshire (PABCIS).
- Representation of the BID on the Board for PABCIS by the BID Manager to strive to improve the provision for business crime and information sharing.

5.4. Marketing and promotion

The BID has worked hard to promote all businesses across whole of the town through:

- A renewed BID website in 2019 aimed at visitors, residents and BID area businesses.
- The #LoveNuL Golden Ticket scheme resulting in thousands of pounds invested in BID area businesses through a series of weekly giveaways.
- A BID Health and Beauty booklet showcasing the large number of businesses in this sector
- A professional services directory putting the spotlight on the large number of businesses in this sector and the huge range of specialist services they offer.
- Monthly airtime with local radio station Hitmix with 12 adverts a day played supporting the Retail, Professional Services and Leisure sectors.
- The Keele University Welcome event and handing out over 3,000 bags of goodies and info about the town.
- PR and marketing campaigns using our social media channels which included our #LoveNUL campaign encouraging people to shop local and use their town for leisure.
- Adverts in the 'Welcome to Staffordshire Guide' in 2018 and 2019 distributed to over 750 hotels and leisure destinations across Staffordshire and Cheshire.
- Funding a monthly page in locally distributed free magazine – Junction 15 promoting events, competitions and local shopping

5.5. Business support

- Funded monthly networking sessions held in the town to encourage local businesses to promote themselves and network with other business people.
- Sponsorship of the annual Business Boost Awards, which encourages creativity and entrepreneurial spirit in the local business community, and the Newcastle College Awards.
- Organised a total of fully funded 15 training courses for BID businesses, including social media, first aid, human resources and HMRC's new Making Tax Digital changes.
- Supported a number of investment projects including: Castle House – the new civic hub – opened to the public, upgrade of the Queen's Gardens. Maxim's sit at The Belong Village, Blackburn House renovation now occupied by students, and the proposed development of the former Metropolis / Savoy into further student accommodation.
- Secured parking initiatives by working with the local authority at key trading times such as events and Christmas to encourage visits and footfall.

5.6. Events

The BID has funded, organised and delivered events to drive footfall to the town and increase the profile and sense of community for the town, including:

- An annual Jazz and Blues Festival every May over 4 years attracting people from the local community and further afield
- In partnership, an annual 4-day Lymelight Music Festival every May over 4 years – resulting in high footfall in the area
- Christmas Tree Festival
- Five hugely successful Christmas Lights events bringing characters such as Paddington Bear, Minions and Storm Troopers as well as Santa's Sleigh, performances from local groups,

fairground rides, Festive Markets and fireworks, attracting people to our town and increasing footfall year on year

- The BID is responsible for providing the Christmas Lights and has added additional lights to the scheme each year making the town look more appealing and welcoming for the community and visitors during the festive season
- Easter Eggstravangza
- Queen Victoria 200th Birthday Celebrations
- Staffordshire Cycling Festival
- Outdoor Cinema Event – showing Mary Poppins Returns and Wreck it Ralph
- Halloween Spooktacular

5.7. BID operation

- **A New Home for the BID** – in March 2019 the BID moved into the first floor of the Guildhall in Newcastle under Lyme. This move made the BID team more accessible to businesses as well as created a meeting room space which the BID offer free to the levy payers.
- The BID works hard to keep our BID levy payers and its businesses up to date with the work of the BID. We issue a fortnightly email bulletin and quarterly printed newsletters to reinforce key messages and campaigns.
- We hold bi-monthly retailers' meetings, attend monthly networking meetings and manage a Facebook group for BID businesses.
- We continue to monitor footfall in the town and to share this information with businesses, as well as monitoring retail index information across all sectors.

6. COVID 19 Support

Throughout this challenging time the BID remained open and operational supporting businesses throughout the pandemic wherever they could and ensuring latest guidelines and information were readily available

Since March 2020 the BID undertook the following activity to provide support:

- Newcastle under Lyme BID were part of an industry wide campaign to support BIDS throughout the crisis and were successful in securing funding for BIDS through the BIDS Resilience Fund
- Worked in partnership with the Local Authority for a safe re-opening of the High Street in June. This included identifying hot spots for queuing issues, free parking, signage installation around the area to encourage social distancing
- Worked with partners at the Borough Council and County Council to affect a road closure on Pepper Street to allow businesses to utilise the outdoor space for trading – this has meant they could apply for pavements licences through the newly announced legislation.

6.1. Specific Projects

- **Hand Sanitising Stations** – were installed to encourage people to regularly clean their hands whilst using the town
- **Large Window Vinyls** – were put up to encourage social distancing and to thank key workers and the local community for continuing the support the town
- **Social Distancing Bollards** – were created with floral designs to make the area look attractive as well as safe
- **Supported Local NHS Charities** – by hosting a Monster Hero Safari trail to encourage footfall and raise much needed funds
- **Engagement with Local Community** – through social media competitions to win vouchers for the local High Street
- **Children's 'Lockdown' Colouring Competition** – to engage with the local community and encourage people to share their lockdown memories and win vouchers to spend in the local area
- **Worked in Partnership** – with the markets team from the Borough Council and the local policing team on successful delivery of **3 Sunday Record Fairs**. These events saw an increase of 30% in footfall compared to a normal Sunday.

6.2. Communication

Since the beginning of lockdown in March Government guidelines and rules have changed rapidly and frequently. We have ensured that businesses across all sectors have been kept up to date with the rapidly changing information, guidelines and regulations by:

- **E-Bulletins** – sent weekly during March, April and May advising of any change in guidelines and regulations
- **Re-Opening advice and Guidelines** – sent across sectors for Hairdressers, Retail, Hospitality, Health and Beauty, Gyms and Sport Venues in preparation for re-opening.
- **Dedicated COVID19 Page** – set up immediately on the website with a downloadable **Business Support Guide** that was updated each week with latest funding opportunities, grant schemes, information on the Job Retention Scheme and latest issued guidelines – this is ongoing.
- **NUL BID Business Social Media Group** – has been used to share latest e-bulletins, guidelines and business support guide. This group was open to all BID area businesses.

6.3. Business Support

- **Business Grants** – the BID stepped in to help businesses get their grants swiftly through the local authority - business that were in financial difficulty were given priority.
- **Job Retention Scheme** – the BID liaised with businesses about the furlough scheme and worked one to one with businesses to guide them through application process.
- **Re-Opening Kits** – were offered to businesses ahead of the wide re-opening of shops and businesses in June.
These included: Floor Stickers, Social Distancing Posters, Face Coverings, Hand Sanitiser.
Over 200 packs were given to businesses allowing them to have the correct measures in place and re-open safely.
- **Extra PPE** – was offered to ALL BID businesses in the form of face masks. 15 masks were offered to each business. To date we have given over 800 masks to businesses in the area.
- **Shop and Love Local** – social media campaigns have been run throughout June, July, August and September to encourage the local community to continue to support the town during the pandemic.
- **Shop Safe on Sunday** – Campaign has been launched to encourage people to make use of FREE parking on Sundays.
- **Supported – Raise the Bar Campaign** – through promotion to lobby the Government to increase support for businesses with a rateable value of over £51k.
- **Eat Out to Help Out** – all businesses within the BID that took part in this scheme were highlighted on a dedicated page on the BID website and posts were regularly shared through social media channels.
- **Access to FREE Training and Webinars** – was shared with businesses from institutions such as the Staffordshire University, Staffordshire Chamber of Commerce and HMRC to upskill staff and advice business owners.
- **BID Ambassadors** – one of the BID Ambassadors was returned to work in readiness for the wider re-opening of shops and businesses in June. They assisted with any queuing issues and reported on safety issues across the town, checked on closed businesses from a security aspect and reported any problems to the council or Police.
- **Networking** - our monthly networking sessions continued through lockdown and beyond via Zoom. This has allowed local business to share ideas and work together during these difficult times.

7. Working together will make a difference.

With the impact of the COVID-19 pandemic and the end of the Brexit transition period on 31st December 2020, the national economy is in uncertain times and what-ever happens, many challenges lie ahead and the commercial world continues to change at an ever-increasing pace. Besides the challenges of the economy, lifestyles are changing and influencing the way in which we use our time and spend our money. Technology continues to develop and change the way we live and work as individuals and operate as businesses.

Trends and changes which impact upon town and city centres such as the increase in on-line shopping had already started before COVID, but over the last nine months many of these trends have accelerated.

It is probable that many of these changes will have a permanent impact upon the way in which town and city centres operate and the opportunities and challenges which businesses are grappling with.

In this very uncertain world, it is difficult to make any predictions for the long term, however one thing is becoming clear in that people are starting to value their local town more and town and city centres of the future will become hubs for their local community for all aspects of people's lives. They will not simply be shopping destinations but places where people will want to live, work and spend their leisure time in a flexible way.

The scale of change facing larger cities and towns is even greater but for smaller towns such as Newcastle-under-Lyme, there are new opportunities emerging.

We need to think about ways in which we can work together to take advantage of these new opportunities and create a town which is welcoming, safe and forward-thinking that serves both the business and local community.

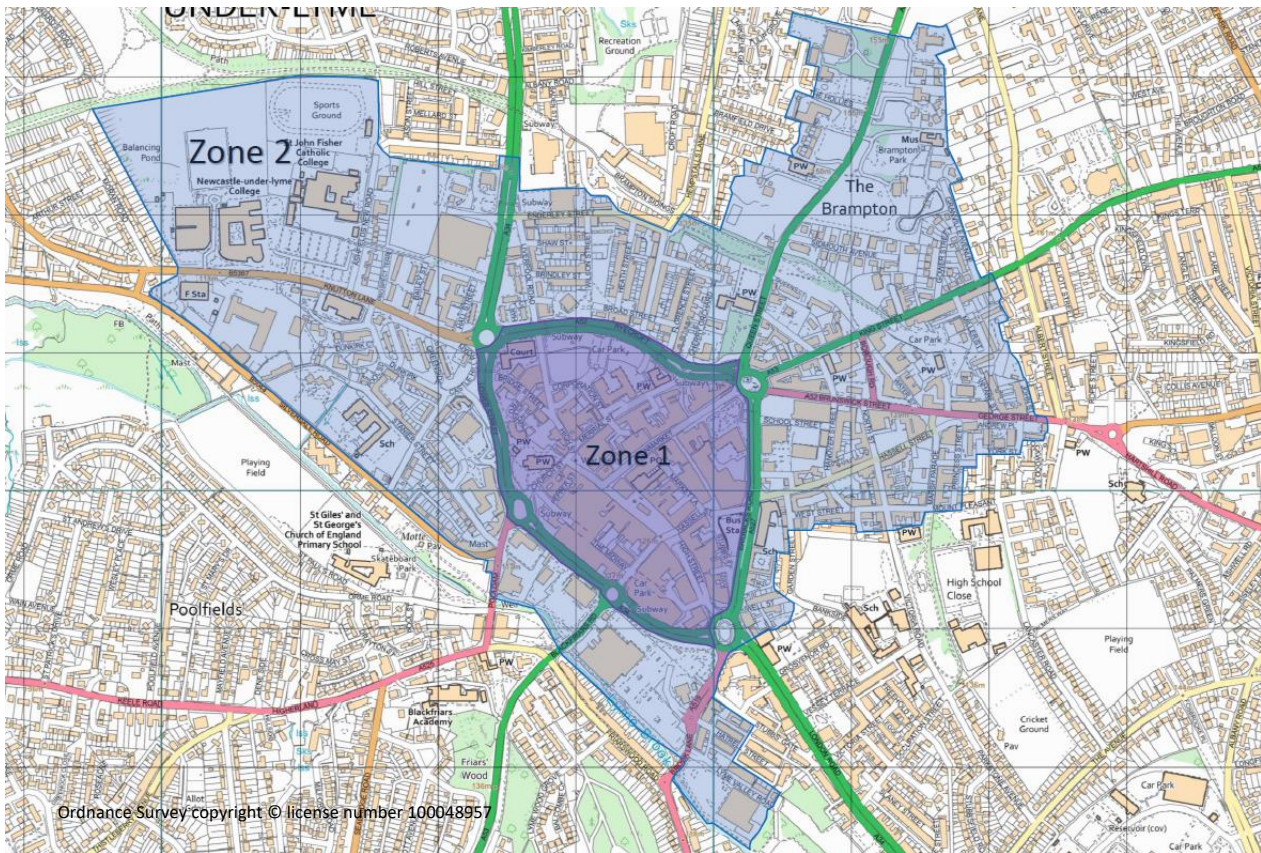
The extensive surveys, interviews and workshops undertaken to develop this BID Proposal identified a clear desire expressed by businesses and organisations from across Newcastle-under-Lyme to work even more closely together and with others to raise the town's profile and improve the appeal to visitors, skilled people and business investors. This collective and focused approach would serve to improve the trading and operating environment and allow existing businesses to flourish and grow and attract new business investment.

Newcastle-under-Lyme is within easy reach of large audiences and business markets but it does not currently fully tap into the great potential of its own assets by working as a cohesive business community and promoting its collective strength.

Taking onboard all of the above, this Business Plan has identified opportunities and taken account of the needs and challenges faced by all business sectors across the BID area. By working together and with strategic partners and key stakeholders through a renewal Business Improvement District there is huge potential to continue on the momentum to make Newcastle-under-Lyme a great place to visit, live, work and grow a business.

8. Where Newcastle BID will operate.

The shaded area represents the full extent of the Newcastle-under-Lyme Business Improvement District. A list of roads and streets within the BID area is shown in Appendix 2.



The Newcastle-under-Lyme Business Improvement District covers the town from the College and the Sainsburys superstore in the west, to the edge of the business areas on King Street and George Street up to the borough boundary. The boundary in the north includes the larger professional service firms in the Brampton and in the south includes the Morrisons superstore and the Aldi superstore.

The aim of the BID Area is to bring the business community of Newcastle Under Lyme together to act as one voice with an open policy to encourage dialogue and involvement from other businesses and organisations which may not be in the area but have a direct stake in the town.

A full list of streets within the BID area is shown in Appendix 2. All non-domestic hereditaments within the BID area will, if the BID is approved, be liable for the BID levy (as defined in section 16). The BID covers those businesses, whose rateable value is £12,001 or greater. Thus banks, building societies, car parks, Council facilities, the college, restaurants, clubs and pubs, estate agents, leisure operators, recruitment agents, retail and health and beauty outlets, solicitors, hotels, museums, and transport and travel agents and all other non-domestic hereditaments are included within the BID and will, subject to the detailed levy criteria in Section 16, contribute to the BID's collective funding and activities flowing from the combined budget.

9. Services provided by the Councils

9.1. Council's Support for the Newcastle-under-Lyme BID

Newcastle-under-Lyme Borough Council fully supports the Newcastle-under-Lyme BID. In particular, it endorses the fundamental principle of additionality within the BID by agreeing to maintain the provision of existing services from the Council to businesses at their current level (subject to budgetary constraints) across the Newcastle-under-Lyme BID area. Thus, in line with BID legislation, BID services within the Newcastle-under-Lyme BID will be additional to (not in substitution for) those provided by the Council. If there is a need for any change in service levels provided by the Council these will not be disproportionate to other parts of Newcastle-under-Lyme borough outside the BID area.

The Council's commitment to the Newcastle-under-Lyme BID and the working relationships between the Council and Newcastle-under-Lyme BID Company are set out in complementary documents agreed between the two parties:

- A Memorandum of Understanding and Operating Agreement which defines the working relationship between the Council and Newcastle-under-Lyme BID Company and sets out the Council's Operational Support to the BID on a number of specific issues.
- A set of Baseline Agreements, each defining the benchmark for a specific service provided by the Council and other agencies to the businesses in the area.

9.2. Council's Vision for the BID

Beyond its clear commitments set out in the Memorandum of Understanding, the Council welcomes the opportunity offered by the BID disciplines to continue to develop a strong and dynamic partnership between the Council itself and Newcastle-under-Lyme's businesses. The Council intends that this forward looking relationship with businesses should take shape along the following lines during the five year BID period:

- Maintaining the serious dialogue with Newcastle-under-Lyme businesses on issues that can promote a stronger trading environment conducive to investment, business development and growth and a stronger community of businesses serving the businesses themselves and all those who live and work in the area.
- Exploring more effective means of delivering council services to businesses. This will include more cohesive ways of tailoring and delivering specific services to Newcastle-under-Lyme.

9.3. Council Services for Business

Businesses will continue to benefit from all the standard council services provided for the benefit of all stakeholders in the town (cleaning, access, safety, maintenance and public amenities). In addition, the Council delivers a wide range of services either directly or indirectly specifically for businesses, these include:

Land and premises
Grants
Planning
Business Information Service
Inward Investment
Licensing
Environmental Health and Safety

Commercial Waste and recycling
Business Rates
Tendering for Council business
Parking permits

Details of these services can be found on the Council's web site.

9.4. Individual Baseline Statements

In full support of the above commitments, Heads of Service within the Council will draw up Baseline Statements on the specific services they are responsible for. These documents define the benchmarks for the provision of these services and the fact that any change will not disproportionately impact upon the BID area more than any other area outside the BID within the Borough's administrative boundary. They also cover how the services will be measured. The Council attaches particular importance to the incorporation of value for money principles and measures within all the Baseline Statements.

The Baseline Services are defined below:

Newcastle-under-Lyme Borough Council

- Christmas Lights
- Environmental Health
- Grounds Maintenance and Arboricultural services
- Markets
- Newcastle Partnership
- Off Street Parking
- Public Area CCTV
- Street Cleansing and waste

Staffordshire County Council

- Highways Maintenance – Lighting Maintenance
- Highways Maintenance – Signage
- On Street Car Parking

Other Public bodies

- Police

The process of having creating the baseline agreements proves valuable to both the service providers and the BID company. The development of these partnerships and the additional focus on the services provided in the area, will give tangible benefits over and above those derived from the projects outlined below.

9.5. Council's Operational Support for the Newcastle-under-Lyme BID

The Council's support for the BID will take practical shape in the following specific ways:

- Conducting, through the council's Democratic Services, the formal BID vote in accordance with current BID legislation and procedures
- Assuming a positive outcome to the BID vote, collecting the BID levy defined in the BID Business Plan from Newcastle-under-Lyme businesses and transferring the levy sums direct

to the Newcastle-under-Lyme BID Company. The Council proposes to make a charge for the BID levy collection and will pay the gross levy sums to the Newcastle-under-Lyme BID Company within 30 days of collecting it.

- Provide a Councillor to sit as a Director on the BID Company Board
- Provide a senior council officer to act as adviser to the Newcastle-under-Lyme BID Company Board and to provide a business-focused dynamic link on all BID matters with senior Council staff
- Paying the appropriate BID levy set out in the Business Plan in respect of all its own hereditaments within the Newcastle-under-Lyme town BID area.

9.6. Monitoring and Review

The Council is committed to the regular monitoring of the operation of the BID Operating Agreement and reviewing its effectiveness in conjunction with Newcastle-under-Lyme BID Company. This will be carried out as follows:

- The Council monitors performance of key services through the Corporate Plan with monitoring reported to the Cabinet. Where there is a specific issue with service delivery within the BID area the respective Head of Service will discuss this with the Newcastle- under-Lyme BID Company.
- An annual review of the overall effectiveness of the Operating Agreement. This will be led by the Cabinet member with responsibility for the BID and will reflect the Executive's commitment to address any shortfalls and propose measures to evolve the partnership to the mutual benefit of the Council and Newcastle-under-Lyme BID. These reviews will be scheduled to best effect for the Council's and Newcastle-under-Lyme BID Company's yearly budgeting cycles.

10. The Research and Consultation Process

10.1. Background

The last few months has seen extensive research undertaken across a wide range of stakeholders to ensure that the plan which has emerged has an in depth understanding of the views and aspirations of the businesses in the area as well as an appreciation of the perceptions of those who visit and also work in the area.

As a result of the dramatic impact of the Coronavirus pandemic on the economy, the Coronavirus Act was passed in March 2020 (see Section 4.2). As a result of the original ballot date being deferred from the summer of 2020 it meant that the consultation could take the opportunity of reviewing the feedback taken before Coronavirus and undertake further studies to re-evaluate business priorities. This re-evaluation has proved to be essential in shaping a plan which is fit for the immediate term and the next five years.

The Board decided to extend the representation of businesses involved in developing the new BID Proposal and Business plan by creating a Steering Group which included all the Board Directors and additional business representatives. This representation was extended even further by setting up Working Groups made of some Steering group members and additional business representatives, with each group focussing on one aspect of the new Business Plan. All these groups considered all research and findings from the surveys, workshops, interviews and interactions of businesses across the Newcastle-under-Lyme BID area in shaping the ultimate Vision, Objectives and their associated activities.

The research encouraged participation from all businesses across the town:

- Two surveys have been produced over the last year to get the views of businesses and (pre COVID survey produced in May 2019, during COVID survey produced in June 2020).
- In May 2019 all potential levy paying businesses in the BID area were mailed survey forms and asked to complete them seeking their opinions on a variety of issues.
- In June 2020, potential levy paying businesses in the BID area were sent during COVID surveys via email, ebulletins, visits from the BID Ambassadors and were given the option to complete the survey either via telephone or video call with a member of the BID team.
- All potential levy paying businesses were included in mail shots and publicity including BID newsletters and frequently asked questions and e-bulletins where e-mail addresses were available.
- 69% of all businesses which meet the levy criteria had a personal visit to discuss the BID. 247 businesses were visited in total, with 218 of these being unique visits.
- A total of 178 businesses which met the levy criteria completed detailed four-page surveys. 125 of these were unique surveys whilst 51 businesses completed both pre and during COVID surveys.
- All businesses were invited to a launch and information event at the start of the renewal work.
- A series of four Vision and Objective Setting workshops where all businesses were invited and discussed their challenges, opportunities and vision for the future of the town.

- A Budget Setting workshop, where businesses were invited to identify specific projects and tactics emerging from the research process.
- Businesses were invited to submit their views via e-bulletins and the BID website
- BID website used to promote all the events and invite feedback and opportunities for businesses to contact the BID team to discuss renewal.
- Active participation and decision making by the business representatives from the Newcastle under Lyme BID Board, Steering Group and the associated Working Groups in the development of this plan.

10.2. What were the aims of the research?

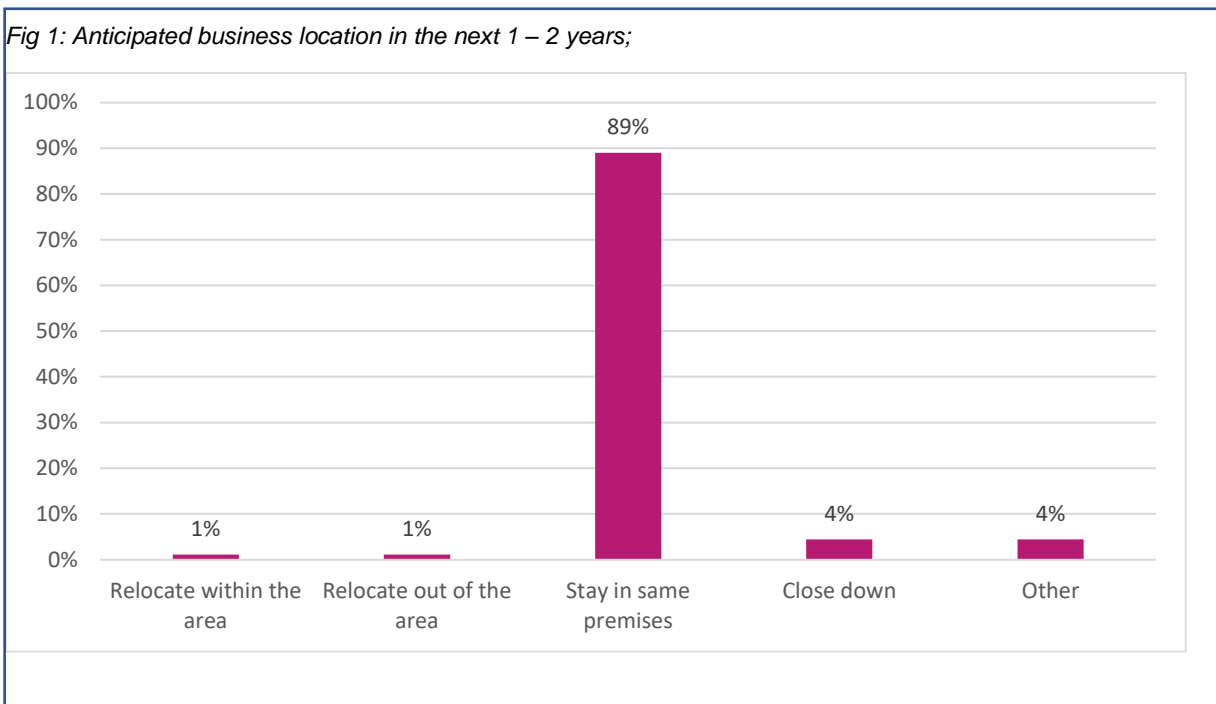
The objective of the research was to:

- Identify the key issues which impact upon all businesses in the area across all business sectors and to develop solutions to address them which will help businesses achieve their own internal objectives
- Identify and assess the impact and the relative importance of different potential initiatives on businesses
- Ensure that the Vision, Objectives and their associated activities reflect the business challenges and opportunities for the immediate term and the next five years.

11. Research results

Surveys, interviews and workshops were carried out across a range of businesses from all sectors and sizes across Newcastle-under-Lyme town centre and the surrounding area.

Despite the economic uncertainty and challenges for all businesses since the COVID pandemic started, the majority of businesses considered that they would survive. In May and June 2020, 24% of businesses from across a range of sectors believed that they would see growth in business over the next year but just over half of the businesses anticipated that their business levels would see a downturn in the next twelve months. Within the 'during COVID' survey 89% of businesses anticipated they would stay trading in the same premises within Newcastle Under Lyme over the next 1 -2 years.



11.1. Support business growth and investment

The overall consensus in workshops was that the commercial attractiveness needs to be improved in Newcastle-under-Lyme, to attract new businesses into the area and people into the town. The need to improve the market was expressed on many occasions in the workshops, as well as improving the range of shops in the town. This is also echoed in the survey analysis, in the 'during COVID' survey, 73% of businesses said 'Things to do for the family, visitors and local people' is important to them.

Businesses in the workshops talked about the need to support the growth of independent businesses in Newcastle under Lyme. There were also comments that the BID should support opportunities for new business development and growth and setting up of new businesses, as well as needing a 'business support unit' to help new businesses with property related issues.

Fig 2: Top twenty projects ranked by businesses as being beneficial; (showing quite and very beneficial responses and comparing responses before COVID and 'during COVID')



11.2. Creating a safe and welcoming town

Although there had been improvements in addressing crime and safety during the BID, businesses felt that this was still one of the top issues to be addressed. This was the third most discussed topic of concern in the workshops.

In the 'pre COVID' surveys, the top two issues ranked as very poor or quite poor were both crime and safety related issues. Street begging and rough sleepers ranked as the worst issue with 86% followed by drug and drink issues on the streets with 78% of the businesses saying this was either very poor or quite poor. This was also one of the key factors which affected the way in which people feel about Newcastle under Lyme and there were noticeable negative perceptions about the amount of homelessness, people begging and drink and drug issues on the streets. Within the 'during COVID' survey businesses were asked how important certain aspects are to businesses and interestingly 'Crime and Safety generally' was ranked as quite or very important by 90% of those businesses surveyed, closely followed by 'Personal safety during the day' (88%).

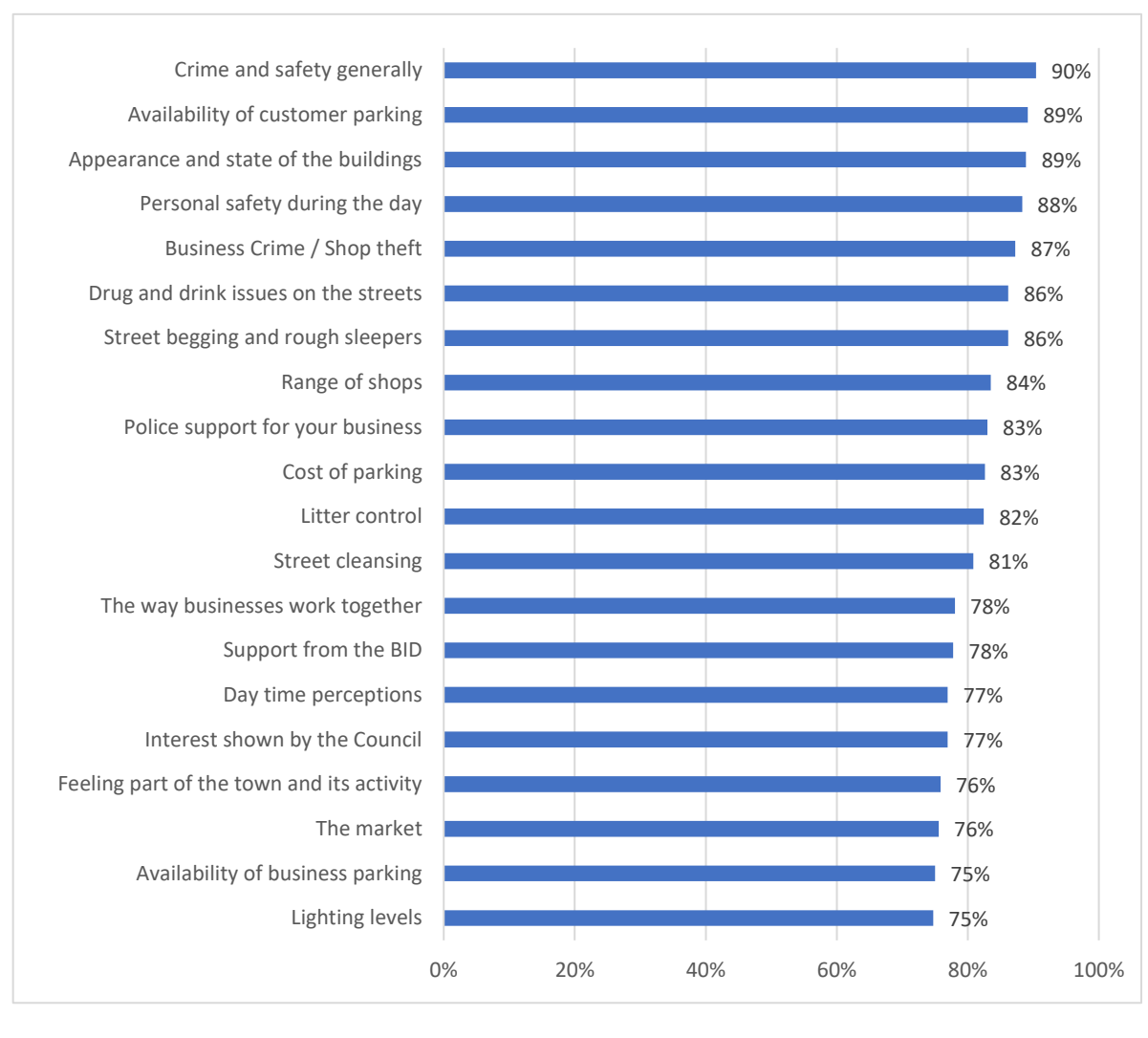
When considering the most beneficial initiatives for business, within the 'pre COVID' survey 'Development of Business Crime reduction scheme' was ranked the third most beneficial to businesses, however within the 'during COVID' survey this was deemed more beneficial ranking as the second most beneficial. Not far behind this and also related to creating a safer town, 'Improve police presence by direct funding by BID' was ranked as beneficial by 77% of businesses ('pre COVID'), in the 'during COVID' survey this was ranked as beneficial by 72% of businesses.

Along with crime and safety issues, accessibility into the town was also a key concern that arose from the surveys and workshops. At the top of all the initiatives that would be most beneficial to businesses was 'More parking initiatives for customers', with 85% saying that it would be important for their business 'pre COVID' and was ranked as the third most beneficial in the 'during COVID' surveys. Also related to access into the town, within the 'pre COVID' surveys 78% said that an improved parking experience would be a beneficial project for their business. Access into the town was also the second top suggestion (both pre and 'during COVID') that businesses made when asked what other projects they would like the BID to deliver.

11.3. Creating an accessible town

Within the 'pre COVID' surveys two out of the top five issues that were ranked as either very poor or quite poor were in relation to access into the town. 66% of businesses said that the cost of parking was one of these two rankings, whilst 61% also said that availability of business parking was very poor or quite poor. Within the 'during COVID' survey businesses ranked 'Availability of customer parking' (89%) and 'Cost of parking' (83%) as either quite or very important to their business. Within the comments made in relation to access in the workshops, by far the biggest topic brought up was the lack of parking availability, with the need for more short-stay and drop-off parking being a clear issue for businesses.

Fig 3: Top twenty important aspects ranked by businesses as quite or very important ('during COVID');



11.4. Creating an attractive town

A key factor in making a place attractive for living, working and visiting, is animation. The results from the 'pre COVID' surveys were generally positive in relation to events in the town, with all the top five initiatives being event related when businesses were asked if they were aware of the current BID activities. 'Events and animation on the streets' was also ranked as the second most improved aspect since the BID started in 2015. However, some comments in the workshops alluded to the issue that events do bring footfall into the town but do not necessarily translate into sales. Comments in the workshops relating to markets were also largely negative, with critiques such as the market is in decline and needs to radically change.

Interestingly, results from the 'during COVID' show that events and markets are still key priorities. When asked to rank the importance of certain aspects to their business 'The Market' and 'Feeling part of the town and its activity' were both ranked quite or very important by 76% of businesses.

Another key factor in making a place attractive is improving the appearance through initiatives such as floral displays and festive and creative lighting. Within the 'pre COVID' survey landscaping and

greenery/floral ranked bottom in terms of the number of businesses that ranked it either very poor or quite poor, other aspects of appearance did not fare as well. Appearance and state of the buildings ranked much higher on the very poor and quite poor scale, and indeed 76% of businesses said that improving the appearance of derelict, vacant building and sites would be beneficial to their business. 66% of businesses also stated that targeted cleaning and litter control would be important for their business. Within the 'during COVID' survey analysis the aspects ranked as most important relating to appearance were; Appearance and state of the buildings – 89%, Litter control – 82% and Street Cleansing 81%.

11.5. Celebrating and promoting Newcastle-under-Lyme

'Pre COVID', 'Developing the town's identity and branding to attract more visitors' was ranked as the second most beneficial initiative for businesses, with 83% saying that it would be important for their business, 'during COVID' this was the highest ranked beneficial project. Also related to the promotion of Newcastle under Lyme, 76% of businesses said that increasing marketing across all media channels, digital, print and social media to attract new customers, clients and visitors would be beneficial to their business similarly, 'during COVID' 71% of businesses said this would be beneficial.

'Pre COVID', businesses have valued the promotional activity undertaken by the current BID with 90% of businesses saying that they want the BID social media channels to continue for the next BID term. The main suggestions for improving marketing and promotion were focussed around helping to promote individual businesses and support with social media. There were also comments about town-wide promotion and showcasing what Newcastle-under-Lyme has to offer (this appeared in pre and 'during COVID' comments).

12. The BID's response

Following our extensive research and review of priorities during the turbulent times of the Coronavirus, three key project areas of the Newcastle-under-Lyme BID have emerged reflecting the key issues and opportunities identified by the businesses. The activities within each of the project areas have been specifically designed to address and take advantage of these.

It is evident that Newcastle-under-Lyme was exposed, even before COVID to the same changing dynamics effecting the way in which people use all towns and city centres. Over the last nine months during the challenges of COVID, these changes have simply accelerated and now is an ideal time to completely review the needs of businesses and the way in which the BID will deliver the objectives of the BID Proposal and Business Plan in the future.

In many respects Newcastle-under-Lyme is ideally placed to take advantage of these changes and start to develop into a safe, welcoming and forward-thinking town for the whole community. It should take advantage of its heritage, its distinctiveness and its relatively attractive environment both within the town centre and its surrounding area to create a greater sense of community, both of businesses and organisations and the local residents it serves.

12.1. The role of the BID

Given the nature of this new BID Proposal and Business Plan the BID recognises that its role needs to change from simply acting as a delivery mechanism to one which works with, supports, facilitates and coordinates others to make the most of all the skills, experience and knowledge which exists locally. By working as part of a wider team representing the business interests it's collective voice will not only have more impact but will have more relevance and foster the feeling of businesses and organisations of Newcastle-under-Lyme coming together as one community, serving the residents which live within and around the town.

The BID will act as a catalyst for businesses and organisations to come together and play a key role in this new and exciting era in the life of this town. This plan has been designed to ensure that the activities benefit as wide a range of businesses and organisations as possible.

All businesses and organisations stand to benefit from these additional projects and activities which have been identified by businesses across Newcastle-under-Lyme as crucial to their future:

- To continue on working in partnership with key stakeholders to build on Newcastle-under-Lyme becoming a forward-thinking town.
- To promote Newcastle-under-Lyme as a welcoming and attractive town, ensuring a safe experience for all.
- To build on the identity Newcastle-under-Lyme through collaboration, with a community focus.

12.2. How will the delivery be monitored?

Monitoring and measuring the performance and effectiveness of the BID activities is an integral and essential part of the plan. Businesses need to be confident that their levy money is being invested as productively as possible to maximise results.

The effectiveness of the measures undertaken will be gauged by key performance indicators monitored and relevant for each project area, including footfall, customer surveys, business surveys, photographic evidence, vacant properties and footfall trends.

13. Vision and objectives

Assuming a positive BID vote by a majority of businesses by both rateable value and number of hereditaments, BID operations will start on 1st April 2021 and will continue for a total of 5 years.

13.1. The Vision

Through a business-led programme our vision is for:

To build on Newcastle-under-Lyme's traditions by creating a safe, welcoming, forward thinking town for the whole community.

Strategic objectives and activities

The BID investment programme will be delivered through the three key strategic objectives and their related activities:

Objective 1 – Support business growth and investment with a great business offer.

To support the growth, development, and investment of businesses by working in partnership with key stakeholders to enhance Newcastle-under-Lyme as an attractive and forward-thinking town.

Objective 2 – Create a welcoming and attractive town, ensuring a safe experience.

To create a safe and appealing town that can be enjoyed by the local community, visitors and people who work in Newcastle-under-Lyme.

Objective 3 – Celebrate and promote Newcastle-under-Lyme as a town for all, preserving the heritage and cultural aspect of the area.

To develop, build awareness and promote, locally and regionally the identity of Newcastle-under-Lyme through collaboration, with a community focus.

13.2. Objectives, activities and outcomes

Objective 1 – Support business growth and investment with a great business offer.

To support the growth, development, and investment of businesses by working in partnership with key stakeholders to enhance Newcastle-under-Lyme as an attractive and forward-thinking town.

Expenditure

An initial budget of £45,982 p.a, increasing to £52,056 by year 5 – a total of £255,567 over five years.

Activities

1.1 Creative and flexible use of space.

- a) Coordinate communication between landlords and potential investors to encourage flexibility on the use of space for new and existing businesses.
- b) Work with partners to support businesses and potential investors to establish, develop and grow in Newcastle under Lyme.

1.2 Access to services

- a) Identify and encourage links to services which are important to businesses and the local community.
- b) Continue to seek match funding and grant opportunities to increase value for Newcastle-under-Lyme businesses and to enhance the BID budget, broadening the potential scope of projects and activities to maximise impact and benefits.
- c) Work with key partners to improve urban mobility, using different modes of sustainable transport and encourage an ongoing range of options for access to the town.

- d) Work closely with partners to provide support for business continuity at times of a national or local incident or emergency situations.

1.3 Business growth

- a) Work with key stakeholders and influence the marketability of vacant sites and properties across the town to encourage growth and investment.
- b) Encourage and support relationships between businesses and organisations to develop skills and sharing of best practise which have a positive impact upon business performance and future business needs
- c) Monitor visitor behaviour and commercial performance to identify opportunities for businesses and effective delivery of the BID Business Plan.

Measures and Results:

- Numbers of businesses actively engaged in award schemes for customer care and businesses performance.
- Increased level of investment in existing and new businesses.
- Increased range of retail, tourism, leisure and evening economy offerings.
- Reduced levels of vacant and derelict properties across the BID Area.
- Increased number of new businesses established in the BID Area
- Increased number of business enquiries through commercial property agents.

Objective 2 – Create a welcoming and attractive town, ensuring a safe experience.

To create a safe and appealing town that can be enjoyed by the local community, visitors and people who work in Newcastle-under-Lyme.

Expenditure

An initial budget of £66,000 p.a, increasing to £74,033 by year 5 – a total of £362,585 over five years.

Activities

2.1 Creating a safe secure and clean environment

- a) Work collaboratively with the Police, Local Authority, CCTV, voluntary organisations and other agencies to influence reduction in business crime, antisocial behaviour, street drinking and begging on the streets which impacts upon businesses and the visitor experience.
- b) Being a strategic coordinator to improve business crime intelligence sharing opportunities between businesses for both the evening and day time economies, working in partnership with the Police, the Local Authority and other agencies.
- c) Employ uniformed Ambassadors to:
 - I. Communicate with the Police and other agencies on issues related to crime and anti-social behavior.
 - II. Act as a welcome presence for visitors to the town
 - III. To support delivery of projects and events.
 - IV. Support businesses by communicating issues which affect their business and benefits and opportunities which exist through BID projects and activities.
- d) Where appropriate and in addition to services provided by the Borough Council, improve the cleanliness of the area and physical environment, through additional cleaning services and/or targeted 'hotspot' cleaning.
- e) Support businesses in situations where there is a need to respond to any national or local incident or situation which requires special operating measures for businesses and use of the town centre and its surrounding environment.

2.2 Being creative and imaginative

- a) Work closely with the Local Authority to regenerate and develop the market.
- b) Promote and encourage new businesses that are creative and imaginative.
- c) Collaborate with creative groups to deliver projects and events that encourage regular footfall and return visits by making the town look and feel more appealing.

2.3 Attractive and Accessible

- a) Represent the interests of the business community on parking initiatives and tariff structures. Work with the Local Authorities to encourage targeted parking offers and schemes.
- b) Explore ways to improve the parking provision and experience for residents and visitors to the town
- c) Influence projects which create a relaxed and enjoyable pedestrian experience, such as Digital Wayfinding, street cafes and green spaces.
- d) Represent businesses on initiatives that remodel and improve public realm spaces through strategic initiatives such as Town Deal and Future High Street Fund which improves the attractiveness of the town as a whole
- e) Work with the business community and others to improve attractiveness of the streets and open spaces with creative displays of lighting, floral and other means

Measures and Results:

- Improved perceptions of visitor, worker, business and resident safety and feeling of welcome.
- Reduction of incidents of crime and anti-social behaviour
- Increased interaction with and support from stakeholders including local authorities.
- Measured assessment of the degree of litter and cleanliness of the Newcastle-under-Lyme BID area
- Improved perceptions of ease with which visitors, workers, and residents they can navigate and traverse the BID Area.
- Numbers of parking spaces available in or near the BID area both on and off-street
- Regular flow of information and sharing of intelligence to support business crime prevention

Objective 3 – Celebrate and promote Newcastle-under-Lyme as a town for all, preserving the heritage and cultural aspect of the area.

To develop, build awareness and promote, locally and regionally the identity of Newcastle-under-Lyme through collaboration, with a community focus.

Expenditure

An initial budget of £70,000 p.a, increasing to £77,443 by year 5 – a total of £380,252 over five years.

Activities

3.1 Community Focused

- a) Support the business community to provide excellent customer service and improve the visitor experience in Newcastle-under-Lyme.
- b) Encourage established community groups to work collaboratively on projects to help promote the town
- c) Work with others to develop initiatives that attract loyalty and a sense of pride in Newcastle-under-Lyme.
- d) Develop ways of celebrating the culture and heritage of the area that benefits both the business and local community.

- e) To regularly communicate BID news and activity to businesses and the local community to increase awareness of business opportunities and encourage the local community to visit the town.

3.2 Promotion

- a) Work with all stakeholders to define, develop and promote the identity of Newcastle-under-Lyme which reflects its strengths, culture and heritage and creates a sense of pride in its businesses and local residents
- b) Coordinate information sharing between key partners to market and promote the area and its activities. Recognise and highlight any business activity through the BID's media channels e.g. business events, offers or promotions.
- c) Help businesses to achieve more by supporting them to increase their presence on digital platforms such as social media and/or online.

3.3 Loyalty

- a) Develop and coordinate loyalty schemes and promotional campaigns which:
 - I. Increase trade between and for businesses in Newcastle-under-Lyme.
 - II. Maximise benefits for those who work in, live in and visit, the town.
 - III. Develop a sense of community and belonging which encourages repeat visits and local spend

3.4 Collaboration

- a) Support businesses at times of a national or local incident or situation, through the sharing of relevant and timely information and encouraging collaborative working to provide practical support wherever appropriate and possible

Measures and Results:

- Improve visitor and business perception of the sense of community in the BID area
- Increased levels of sales activity & footfall across Newcastle-under-Lyme.
- Positive media exposure locally and regionally measured through numbers of articles, publications, click-throughs on digital media and value through using advertising value equivalent. (a.v.e)
- Numbers of businesses actively engaged in BID activities and the use of and their association with Newcastle-under-Lyme BID in their own marketing and promotion.
- Numbers of businesses and public regularly engaged and involved in a loyalty scheme.

14. Organisation, Resources and Delivery

The preparation of this BID Proposal has been managed by the Newcastle-under-Lyme BID Ltd which is a not for profit company, limited by guarantee. It is legally and operationally responsible to the businesses in the BID area for all BID activities and acts on their behalf.

The Board is elected by the members of the Newcastle-under-Lyme BID Company, drawn predominantly from those paying a levy in the area and made up of a representative cross-section of the businesses and stakeholders of the area and key agencies associated with the successful delivery of the BID projects. It will continue to be driven by the private sector and includes one Councillor from Newcastle-under-Lyme Borough Council as a Director and one Council Officer who acts as an advisor, but not as a Director.

The main role of the Board is to safeguard the interests of levy payers by ensuring that the business operates in line with the BID plan, is professional and offers consistent value for money in line with its targets. The Board ensures that the implementation of the BID is externally monitored and delivered cost-effectively, through keeping overheads to a minimum and using methods which will optimise the use of the revenue budget and add real value to the delivery of the plan.

All businesses will be encouraged to be actively involved in the Board and associated working groups to represent the levy payers. Through specific working groups, the Board will be instrumental in prioritising the requirements of the levy payers into deliverable projects which address their needs, within the framework of the business plan.

The Board will continue to provide a consistent, collective and effective voice for the businesses and organisations in Newcastle-under-Lyme. All roles on the Board, and any working groups are voluntary and are undertaken with a commitment to represent the interests of all businesses in the area.

Collaborative working is actively encouraged to build upon the sense of the business community in the area and ensure that the skills and resources available for delivery of the BID are enhanced and deliver best value.

There also continues to be a hands-on project management and delivery team to support the initiatives from the Board and any working groups. This support provides administrative support to the BID Company, coordinates activity with partner organisations and ensures cost-effective delivery of projects through tendering and careful project and contract management.

The effectiveness of the measures undertaken will be gauged by key performance indicators for each project area, including footfall, customer surveys, business surveys, photographic evidence and retail turnover movement. Full measures are identified in this plan with each objective.

Besides regular newsletters and other forms of bulletins, there will be an annual report providing details on activities and performance of the company against the objectives of the delivery plan for the previous year.

All levy payers shall be entitled to be members of the BID Company. There will be an annual general meeting at which all members are invited to attend and vote and at which Directors will be retired by rotation and new Directors elected in accordance with the articles of the company.

15. Newcastle-under-Lyme BID Budget and Finances

15.1. Balancing the Budget

2020 presented the businesses and organisations of Newcastle-under-Lyme with unprecedented and significant challenges and the Board have tried to balance the costs to businesses with the requirement to generate sufficient funds to provide support, make a tangible difference on the ground and help drive the changes needed in Newcastle-under-Lyme forward.

In structuring this budget the Board have taken three decisive steps:

- The minimum threshold for paying the levy has been raised from £3,000, to provide 100% relief to all businesses with a rateable value of £12,000 or less.
- The percentage for the levy calculation for year one has been brought back to what it was five years ago at 1.5% for inside the ring road and 1% for outside the ring road.
- Any business ratepayer who is legally required to cease use of their premises will be given 100% relief for that time period.

The investment being sought from businesses in the BID area is still modest in relation to what can be achieved. For the smallest business in the business improvement district, the cost is less than the cost of a coffee from a coffee shop once a week and even for a larger business the cost is less than a cost of a coffee per day.

The BID has been very successful in leveraging in additional funding as outlined above in Section 5.2, and will continue to look to leverage in additional cash funding, grants and value in kind, to support the delivery of this plan and add to the investment made by Newcastle-under-Lyme businesses through the BID.

With a 1.5% of rateable value contribution, the indicative costs to a business would be:

Rateable Value	Annual	This equates to: weekly	This equates to: daily
£12,000 and below	none	none	none
£12,001	£180	£3.46	£0.49
£20,000	£300	£5.77	£0.82
£50,000	£750	£14.42	£2.05
£100,000	£1,500	£28.85	£4.11
£250,000	£3,750	£72.12	£10.27
£500,000	£7,500	£144.23	£20.55

15.2. The Newcastle-under-Lyme Budget five years 2021 - 2026

	Year 1	Year 2	Year 3	Year 4	Year 5	Total	% to total
Income							
BID levy revenue (Note 1)	£ 224,718	£ 251,558	£ 254,074	£ 256,614	£ 259,180	£ 1,246,144	92%
Other Income (Note 2)	£ 20,000	£ 20,000	£ 20,200	£ 20,402	£ 20,606	£ 101,208	8%
Total Income	£ 244,718	£ 271,558	£ 274,274	£ 277,016	£ 279,786	£ 1,347,352	100%
Expenditure							
Objective 1 -Support business growth and investment	£ 45,982	£ 52,530	£ 52,343	£ 52,656	£ 52,056	£ 255,567	19%
Objective 2 –Create a welcoming, safe and attractive town.	£ 66,000	£ 74,365	£ 74,187	£ 74,000	£ 74,033	£ 362,585	27%
Objective 3 - Celebrate and promote Newcastle-under-Lyme	£ 70,000	£ 77,880	£ 77,701	£ 77,228	£ 77,443	£ 380,252	29%
Central Management Costs, Administration, Office (Note 3)	£ 46,000	£ 46,460	£ 46,925	£ 47,394	£ 47,868	£ 234,646	18%
Levy Collection costs (NULBC)	£ 5,500	£ 5,555	£ 5,611	£ 5,667	£ 5,723	£ 28,056	2%
Contingency (Note 4)	£ 11,236	£ 12,378	£ 12,704	£ 12,831	£ 12,959	£ 62,108	5%
Total Expenditure	£ 244,718	£ 269,168	£ 269,470	£ 269,775	£ 270,082	£ 1,323,213	100%
Accrual for Renewal (Note 5)	£ -	£ 2,390	£ 4,804	£ 7,241	£ 9,704	£ 24,139	

Notes

1. Based on 1.5% (Zone 1) and 1% (Zone 2) for Year 1, 1.65% and 1.15% for Year 2 and then 1% inflation thereafter.
2. Including income from landlords, associate members of the BID and other sources (including in-kind)
3. Central admin, office and fixed overheads
4. Assumes a non-collection rate of 5% of total levy billed
5. Accrual retained from levy revenue to provide for costs of renewal of the BID for any additional term, otherwise they will be spent on additional projects in the final year

15.3. Cost of the BID Development

The costs incurred in undertaking the research and developing the new BID proposals have been built into the budget of the current BID. The costs for holding the renewal ballot, are being met by Newcastle-under-Lyme Borough Council, for which we give sincere thanks.

15.4. Sources of Additional Funding

The BID Company is committed to seeking additional funding where possible to increase the benefits that can be delivered by the BID to businesses. Other possible income sources will include grants where the criteria matches the aims of the business plan, voluntary contributions from property owners, companies and organisations outside the BID area and those not liable for the levy. It is estimated that this could be around £100,000 over the five year period.

Through discussion, developers, property owners and other stakeholders in the area will be invited to participate in the Business Improvement District and improve delivery against the business plan objectives even further.

15.5. Application of BID Funds

The BID funds will be ring-fenced and will be controlled by participating businesses. Details of the BID Company's accountability to businesses are given in Section 12 The BID's Response.

As part of the Alteration of BID Arrangements (see Section 4.1), the budget headings and the project costs can be altered within the constraints of the revenue received through the levy. The Newcastle-under-Lyme BID Company will be empowered to move funds between budget headings and between financial years to provide the services which best meet the requirements of the BID area within the framework of the BID Proposal and Business Plan's objectives. Such adjustments will be fully accountable to the businesses through the performance monitoring arrangements set out in Sections 12 and 13.

15.6. Governance and management of the BID Budget

In order to ensure that the projects remain relevant and continue to address needs and priorities of the businesses in Newcastle-under-Lyme during its five-year life, the Board may from time to time make modifications to the budget allocations for each of the main projects and the management and administration of the BID.

It will be the responsibility of the Board to make adjustments to the allocations of expenditure budget as and when they deem appropriate and to ensure that all the main aims of the BID, stated in Section 13, continue to be addressed and that all BID activity contributes towards the achievement of the vision. The Board will also monitor and gauge the effectiveness of the BID operations and activities.

16. Levy Criteria for the Newcastle-under-Lyme BID

Every BID has to establish its own levy rules. Reference has been made to the use of the 'Industry Criteria and Guidance' prepared for Revo in association with; ATCM, ACS, BRC, Intu and BPF in developing the rules which will apply to the Newcastle under Lyme BID.

Business Improvement Districts use rateable values of businesses as a means of calculating levy and determining the associated criteria. This provides the basis for an equitable approach to charging to reflect the value which businesses will receive in services and support from the activities of the BID.

The Newcastle under Lyme BID Company has tried to balance the ambitions of businesses in the BID plan against the affordability of the levy and the requirement to ensure that the BID is able to deliver best value.

A hereditament is defined in Section 115 (1) of the General Rate Act 1967 (the 1967 Act) as: 'property which is or may become liable to a rate, being a unit of such property which is, or would fall to be, shown as a separate item in the valuation list'. For the purposes of this levy criteria the words, 'land, 'properties' and 'premises' will also be interpreted as a hereditament.

1. Assuming a positive BID vote by a majority of businesses by number and rateable value of those who vote, the BID levy will be charged on all hereditaments listed in the local Non-Domestic Rating List located within the BID area. This applies irrespective of whether or how a business has voted in the formal BID ballot. Legislation within the Local Government Finance Act (2003) enables the local authority to issue a bill for the levy. The levy is collected by the billing authority, Newcastle-under-Lyme Borough Council. The Newcastle- under-Lyme BID Company will invoice the billing authority, Newcastle-under-Lyme Borough Council, for the levy collected for exclusive use of the BID.
2. All businesses which will be subject to the BID who are shown on the Newcastle-under-Lyme Borough Council Rating Database on the day before the postal ballots are printed and who should be shown as the liable party for the 4th January 2021, subject to final check and audit, will be entitled to vote for the BID proposal in a 28 day postal ballot which will commence on 28th January 2021, with the close of ballot at 5pm on 25th February 2021. The result will be announced as soon as possible thereafter.
3. If successful at the ballot, the BID will be fixed for a term of 5 years. The BID will commence operation on 1st April 2021 and will run until 31st March 2026. Levy bills will be issued for the first payment due 1st April 2021 and thereafter on the 1st April each year. (see paragraph 9 for more detail)
4. The levy amounts for ratepayers who have business premises which fall inside the ring road of Newcastle under Lyme will be applied as follows:
 - a. The BID levy will be 1.5% of the 2017 rateable value shown on Newcastle-under- Lyme Borough Council's (the billing authority's) Capita's NNDR billing system as at 4th January 2021 for the first billing cycle April 2021 and will be 1.65% for the second billing cycle in April 2022 and then only subject to the changes as stated in the clauses below for each defined business within the scope of the BID for each year thereafter, with the exception of those hereditaments with a rateable value of less than £12,001 showing on the billing authority's Capita system as at 4th January 2021.
 - b. Ratepayers with an RV of less than £12,001 value shown on Newcastle-under- Lyme Borough Council's (the billing authority's) Capita's NNDR billing system as at 4th

January 2021 will not pay a levy for these properties and will not have a vote for these properties although they will enjoy the benefits that come with trading in the BID area.

5. The levy amount for ratepayers who have business premises which are situated within the boundary of the BID but outside the ring road of Newcastle under Lyme, will be applied as follows:
 - a. The BID levy will be 1% of the 2017 rateable value shown on Newcastle-under-Lyme Borough Council's (the billing authority's) Capita's NNDR billing system as at 4th January 2021 for the first billing cycle April 2021 and will be 1.15% for the second billing cycle in April 2022 and then only subject to the changes as stated in the clauses below for each defined business within the scope of the BID for each year thereafter, with the exception of those hereditaments with a rateable value of less than £12,001 showing on the billing authority's Capita system as at 4th January 2021.
 - b. Ratepayers with an RV of less than £12,001 value shown on Newcastle-under-Lyme Borough Council's (the billing authority's) Capita's NNDR billing system as at 4th January 2021, will not pay a levy for these properties and will not have a vote for these properties although they will enjoy the benefits that come with trading in the BID area.
6. The levy will be due from businesses who are liable to pay business rates, including empty properties other than those that are exempt within the criteria laid out in this section 12 of this business plan 'BID Levy Criteria for the Newcastle-under-Lyme BID'.
7. The liable person is the ratepayer liable for occupied or unoccupied premises. In accordance with the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (S.I. 1989/1058) and the Non-Domestic Rating (Collection and Enforcement) (Miscellaneous Provisions) Regulations 1989 (S.I. 1989/1060). The Billing Authority, Newcastle-under-Lyme Borough Council will be responsible for the imposition, administration, collection, recovery and application of the BID levy. The Council will also be responsible for any enforcement action that may be appropriate in case of non-payment of the levy.
8. With effect from the billing cycle starting 1st April 2023, there will be an annual inflationary increase of all levy charges year on year for the duration of the Business Improvement District. This will be a minimum of 1% increase year on year or the inflation percentage as determined by the Consumer Price Index as at the 1st December of the year before the next billing process, whichever is the greater, rounded to the nearest tenth of a penny. (e.g if a levy bill is £200 the inflation applied to this at a level of 1% would be £2 per annum). Negative inflation will not apply.
9. The BID financial year will last for 365 days (366 in a leap year) between 1st April and 31st March. The BID's chargeable period is a year or pro-rata, broken down into daily charges based on rateable value. It is to be paid in full in advance, the payment due date being the 1st April in the first year and for each year thereafter. The first billing period will run from 1st April 2021 to 31st March 2022 and the last billing period will run from 1st April 2025 to 31st March 2026. The only exception to the due date is where a proportional liability exists under paragraph 10, in which case, the levy charge will fall due one month after the demand is issued. The daily BID levy charge for each individual ratepayer is to be calculated by multiplying its rateable value by the BID percentage levy and dividing the result by the number of days in the financial year.
10. The levy will be charged annually in advance upon service of a Demand Notice. Any business which ceases to become the liable party during the year must apply to the Newcastle under Lyme Borough Council for a refund for the remainder of the period if an apportionment is required between the outgoing and incoming liable parties, and the new liable party will be charged on a pro-rata basis.

11. If a property is deleted from the Rating List revised bills will be issued provided that the amount due on charge or refund is £10 or more. The charge or refund amount will be calculated pro rata between the date of the change in occupation and the date of the financial year end.
12. The BID levy is payable in one installment. This installment date will be specified on the Demand Notice. The notice will be served as soon as practicable after the Billing Authority becomes aware of a BID levy liability and the liability will be calculated from the effective date of any of the following changes being recorded on the Rating List:
 - a. New premises, or properties which were not on the rate valuation list at the start of the BID but become subject to rates within the BID boundary or on new streets within the BID boundary after the BID is in force, will be expected to pay a BID Levy based on the % or fixed levy charge appropriate in relation to its new/current rateable value
 - b. Where property is split, two or more BID levies should be made on the revised premises from the date of split on the basis of the revised new/current rateable values.
 - c. Where premises are merged the BID Levy should be based on the % or fixed levy charge appropriate in relation to the revised property's new/current rateable value.
 - d. Any change of use which affects the rateable value of the property.
 - e. Any change of ownership or occupancy of a property where the business rate payer as the liable party for the levy, changes.
 - f. The creation of a new business rated hereditament within the BID boundary will be liable to the levy rate based on the rateable value at the time of change of use or creation of the new business hereditament.
 - g. If a property which had been deleted from the rating list or been assigned a zero rateable value is added back on or assigned a rateable value of more than zero.

Adjustments will be made and revised bills issued provided that the amount due on charge or refund is £10 or more. The charge or refund amount will be calculated pro rata between the date of the change covered by this paragraph 12 and the date of the financial year end.

13. No amendments will be made to the rateable value of any property in the BID area as a result of any general or property specific re-valuation other than for the criteria listed above whether or not it is applied retrospectively to a point in time prior to the 4th January 2021.
14. No other relief will be given to any class of non-domestic ratepayer and there is no distinction made between occupied or unoccupied hereditaments, both occupancy status attracting the full BID levy, unless it is a hereditament: -
 - a. whose owner or occupier is prohibited by law from occupying it or allowing it to be occupied, for clarity and for the purposes of this levy criteria it will only cover a property where the prohibition by law results in no 'value or benefit to the possessor.
 - b. which is kept vacant by reason of action taken by or on behalf of the Crown or any local or public authority with a view to prohibiting the occupation of the hereditament or to acquiring it;
 - c. which is vacant and is included in the Schedule of monuments compiled under section 1 of the Ancient Monuments and Archaeological Areas Act 1979(b);
 - d. where, in respect of the owner's estate, there subsists a bankruptcy order within the meaning of section 381(2) of the Insolvency Act 1986(c);
 - e. whose owner is entitled to possession of the hereditament in his capacity as trustee under a deed of arrangement to which the Deeds of Arrangement Act 1914(d) applies;
 - f. whose owner is a company which is subject to a winding-up order made under the Insolvency Act 1986 and as amended in the Corporate Insolvency and Governance Act 2020 or which is being wound up voluntarily under that Act;
 - g. whose owner is a company in administration within the meaning of paragraph 1 of

Schedule B1 to the Insolvency Act 1986 and as amended in the Corporate Insolvency and Governance Act 2020 or is subject to an administration order made under the former administration provisions within the meaning of article 3 of the Enterprise Act 2002 (Commencement No. 4 and Transitional Provisions and Savings) Order 2003(e);

- h. whose owner is entitled to possession of the hereditament in his capacity as liquidator by virtue of an order made under section 112 or section 145 of the Insolvency Act 1986 and as amended in the Corporate Insolvency and Governance Act 2020.

In which case the hereditament will be exempt for the period of time where any one of these criteria apply.

15. Hereditaments used as hostels, places of refuge or rehabilitation, places of religious worship and any creches, nursery schools, primary schools, secondary schools, or academies will be exempt from the levy for that hereditament only and will not be permitted to vote for this hereditament in the ballot. Places of Further Education and other training will not be exempt. No other discounts or reductions shall apply. Any of the premises exempted will be permitted to enter into a voluntary arrangement with the BID Company.
16. For clarity a hereditament which is the subject of a building preservation notice within the meaning of the Planning (Listed Buildings and Conservation Areas) Act 1990(a) or is included in a list compiled under section 1 of that Act will be subject to levy unless its use is covered by any of the other exemptions listed in this section 16 of this business plan 'Levy Criteria for the Newcastle-under-Lyme BID'
17. The levy will be due from businesses or individuals who are liable to pay business rates, from any hereditaments on any roads which have not yet been constructed or named at the time of the ballot and any new hereditaments built or created within the shaded area of the map shown in Section 8 in this Proposal and Business Plan which fall within the levy criteria of Section 16, from the 4th January 2021 at any time during the life of the BID but which are not specifically identified on the map in Section 8, with effect from the date at which their rateable value takes effect.
18. The BID levy contribution will not be reassessed if the rateable value is amended after the end of the BID.
19. Businesses with a rateable value of less than £12,001 will be exempt from the levy and will not be permitted to vote in the ballot. Any business with an R.V which falls below or above these thresholds will be encouraged to enter into a voluntary arrangement direct with the BID Company so that they can benefit from the full range of services provided by the BID.
20. Subject to this criteria stated above and within the BID boundary as defined in this document, the BID levy is a statutorily compulsory payment regardless of whether the business exercised its vote or voted against the BID.

17. Risk analysis

17.1. The responsibilities of BID Company

The BID Company is a legal entity, a company limited by guarantee, and a significant business in its own right. It not only has all the attendant risks and responsibilities that go with this but also, subject to the vote in favour of the BID, will have a mandate from the businesses in the area to deliver the BID Business Plan. This is a significant responsibility which has an influence over the commercial prosperity of Newcastle-under-Lyme, the businesses in the area and everyone who relies upon it for their living.

It is important therefore, to articulate some of the external and internal issues that have a direct bearing on the ability of the Company to trade successfully, as well as highlight the consequences of not adopting the principles of the BID and the benefits that accrue from the delivery of the plan.

17.2. BIDs in other places

BIDs have been proving their worth and commercial value across the UK over the last fifteen years as effective mechanisms to improve trading environments for all sorts and types of businesses. Over the last few months, during the challenges faced by businesses during the pandemic BIDs have stepped up to provide whatever support they can to their businesses.

Where BIDs have reached the end of their first term the majority have seen even greater votes in favor and larger turn-outs than the first time of voting. They are seen as providing businesses with very effective returns on investment. A few ballots have already taken place during the last few months despite the challenges of COVID generating high turnouts and significant votes in favour. These include Nottingham and Altrincham, both renewals into their second term, reflecting the value businesses place upon them.

There are many towns and cities in the midlands which now have Business Improvement Districts and many of these are already in their second and third terms. These include Derby's Cathedral Quarter which is now in its third term, Derby's St Peters Quarter in its second term and Birmingham which has thirteen BIDs within its administrative boundary.

17.3. The Importance of Voting 'YES'

If you want the BID and its collective influence and all its associated benefits to continue and support your business you will need to vote for it. If the vote does not get sufficient votes in favour both by number and rateable value the BID and all its associated activities will stop as of 31st March 2021. There will be no collective voice or mechanism through which you can shape or control the support you receive and businesses will be left to face the challenges and uncertainties of the future alone.

17.4. Working with key partners

In order to deliver exceptional value for money within the framework of the aims and objectives of the plan, the BID will work closely with other key stakeholders such as property owners, developers, the Borough Council and the Police. It will seek, wherever possible to influence and shape larger projects to the benefit of its own aims while supporting others to achieve their own objectives.

In working with others, the over-riding principle of the BID should not be compromised i.e that the BID is providing services and benefits additional to those which would have happened if the BID had not been in existence.

17.5. Sustainable mechanism for the development of Newcastle-under-Lyme

The BID is a unique mechanism which combines solid business support with a compulsory payment scheme which creates benefit for all on an equitable basis. It also guarantees constant cash flow to deliver the projects and priorities identified by the businesses. It provides a solid platform for the BID Company to control costs, plan over the longer term and rise to the expectations of its stakeholders.

A contingency is contained within each of the project areas, meaning, that should the income from the additional voluntary contributions fall short of those budgeted for any period, costs can be adjusted accordingly.

In the unlikely event that circumstances beyond the control of the BID Company mean that it fails to bring about the benefits envisaged, the business electorate will have the final say. At the end of the 5 years, if no discernable difference is detected then a vote against renewal can simply “switch off” the BID and with it all business contributions.

There is no plan to rely upon bank or other financial support other than the levy and so there is no prospect of financial insecurity. In any event, the Company will produce monthly management accounts and financial forecasts for information for the Board, nominated by the levy payers. Appointed auditors will produce end-of-year accounts, made available to all contributors and the local authority and these will be filed at Companies House in the normal way.

Newcastle-under-Lyme BID Ltd is VAT registered to ensure that the tax can be reclaimed on expenditure. It also benefits from mutual trading status meaning that it is exempt from any Corporation Tax liability on the levy and grants revenue received.

18. Final thoughts

The last five years as the chair I have worked closely with a group of business people who have continued in creating new opportunities for the business community of Newcastle -under-Lyme and for those who live and work here. I believe Newcastle -under-Lyme is a place which has the potential of bettering the sense of community that already exists but is in need of realigning direction, revitalizing a sense of purpose and clearer objectives in a rapidly changing world.

The BID has helped Newcastle-under-Lyme become a safer town by supporting the deployment of extensive CCTV & maintaining the converted Purple Flag status, creating a more welcoming town through the great work of the BID Ambassadors, staging numerous events that have positively driven visitor footfall, facilitating business growth and generally supporting the needs of the businesses within the BID area.

Investing in these qualities and building upon them for the mutual benefit of everyone in the area is an exciting and interesting opportunity.

A renewal of the Business Improvement District provides us with an opportunity to forge even stronger links between ourselves and work on projects which we initiate and are important to us as committed and hardworking business people. Towns and cities across the UK are changing rapidly and we need to ensure that Newcastle -under-Lyme does not get left behind but takes advantage of its unique position in terms of its attractive environment, cultural heritage and the strength of its people through their passion for the town.

This plan provides a renewed energy for Newcastle -under-Lyme, also ensuring a clear direction post COVID recovery phase.

The first step in your involvement and the forthcoming journey is to vote YES in the ballot in February.

Eddie Leligdowicz
Chair of Newcastle-under-Lyme BID

Appendices

Appendix 1 – Definitions

The following terms, used throughout this Proposal document, shall have the same meaning as provided in the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004.

- “BID” means Business Improvement District.
- This document is a BID proposal for the purposes of the Act. If approved it will become the BID arrangements which govern the way in which the BID levy can be used.
- “the 2003 Act” means the Local Government Act 2003.
- “the 1988 Act” means the Local Government Finance Act 1988.
- “the COVID Act” means the 2020 Coronavirus Act, Chapter 7, Part 1, Section 79.
- “BID ballot” means a ballot under Section 49(1) of the Local Government Act, 2003.
- “BID body” means, the body (whether corporate or not corporate) responsible for the implementation of the arrangements in this case defined in the plan as the ‘Newcastle-under-Lyme BID Ltd’.
- “BID Company” is the ‘Newcastle-under-Lyme BID Ltd’ and is accountable for the budget and delivery of the BID Arrangements in accordance with this BID Proposal and Business Plan.
- “BID proposer” means the person or body who draws up BID proposals as defined by the BID Regulations, in this plan it is the ‘Newcastle-under-Lyme Company’s BID Steering Group’
- “commencement date” subject to regulation 9(12) of the Business Improvement Districts (England) Regulations 2004, means the day, pursuant to Section 53 of the 2003 Act, the BID arrangements are to come into force.
- “hereditament” means anything which is or is treated as being a hereditament by virtue of the provisions of or any provisions made under Section 64 of the 1988 Act including any hereditament to which regulation 6 of the Non-Domestic Rating (Miscellaneous Provisions) Regulations 1989 applies but otherwise excluding any hereditament to which regulations made under Section 64(3)(b) of the 1988 Act apply.
- “renewal ballot” means a ballot under Section 54(2) of the 2003 Act.
- “BID Levy” means a charge imposed on the non-domestic ratepayers, or a class of such ratepayers in the district

Appendix 2 – Streets included in the BID Area listed alphabetically

Zone 1 Street Name	Limitations
Bridge Street	
Castle Walk	
Corporation Street	
Fellgate Court	
Fogg Street	
Friars Street	
Froghall	
Hassell Street	2a - 10
Hick Street	
Hickman Street	
High Street	
Ironmarket	
Lad Lane	
Liverpool Road	1 – 11a
Lower Street	
Merrial Street	
Paradise Street	
Pepper Street	
Queens Parade	
Ryecroft	
Stubbs Street	
The Midway	
York Place	

Zone 2 Street Name	Limitations
Andrew Place	
Ashfields New Road	
Barracks Road	
Borough Road	
Brompton Road	Between the roundabout at the beginning of Brompton road, leading north east to RBS Operations.
Brindley Street	
Broad Street	
Brook Lane	
Brunswick Street	
Castle Hill Road	
Cherry Orchard	
Dunkirk	
Enderley Street	
Garden Street	
George Street	
Goose Street	
Gower Street	
Hanover Street	
Hassell Street	
Hatrell Street	
Lyme Valley Road	1 - 9
Heath Street	
John Street	

King Street	Including all businesses between the round about where King Street starts, to number 88 Kind Street
Knutton Lane	Between the start of Knutton lane stopping at 85 Knutton Lane (Newcastle Community Fire Station)
Liverpool Road	All businesses between 54A Liverpool Road, and where Liverpool Road meets Ashfield New Road.
London Road	1 – 21 inclusive
Lyme Valley Road	
Marsh Parade	
Mayfield - Brampton	
Miller Street	
Mount Pleasant	Including 1 Mount Pleasant only
North Street	
Pool Dam	Excluding businesses past where Pool Dam joins Orme Road
Princess Street	
Queen Street	
Scott Street	
Seagrave Street	
Sidmouth Avenue	
Silverdale Road	Between Pool Dam and the B5367, only properties on the northern side.
Stanier Street	
Stubbs Gate	Between Brook Lane and 22A.
Water Street	
Well Street	
West Brampton	
West Street	
Wharf Street	
Windsor Street	
York Street	

Acknowledgements

The Newcastle-under-Lyme BID would like to acknowledge the support of the following in preparing this Business Plan:

Newcastle-under-Lyme Borough Council
Partnerships for Better Business Ltd

Further information

For more information about the BID or to discuss any aspect of this business plan please contact the BID on email manager@nulbid.co.uk or telephone 01782 922712 or visit the web site at www.newcastleunderlyme.org



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NEWCASTLE UNDER LYME

BUSINESS **I**MPROVEMENT **D**ISTRICT

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Cabinet
13 January 2021

<u>Report Title:</u>	Newcastle Town Deal
<u>Submitted by:</u>	Executive Director Commercial Development and Economic Growth
<u>Portfolios:</u>	Corporate and Service Improvement, People and Partnerships
<u>Ward(s) affected:</u>	Crackley and Red Street, Bradwell, Holditch and Chesterton West, Wolstanton, May Bank, Cross Heath, Knutton, Silverdale, Thistleberry, Town, Clayton, Westlands, Keele, Westbury Park and Northwood

Purpose of the Report

To update on the work to produce the Town Investment Plan for Newcastle Town Deal area and consider the next steps in its delivery.

Recommendation

That:

1. That Cabinet formally endorses the submission of the Newcastle Town Deal Investment Plan
2. That Officers are authorised to continue working with the Town Deal Board and other organisations as necessary to progress development and delivery of projects in the Newcastle Town Deal Investment Plan in readiness for submission to MHCLG and upon confirmation of the grant
3. That the multi-disciplinary officer group established to support delivery of the Advance Town Deal Projects continues this role to support delivery of the Newcastle Town Investment Plan
4. That the Executive Director Commercial Development and Economic Growth, in consultation with the Section 151 Officer and the Portfolio Holder Corporate and Service Improvement. People and Partnerships are authorised to pursue delivery of the Newcastle Town Investment Plan.

Reasons

To enhance the economic, social and community wellbeing of the Newcastle Town Deal area. To deliver on the Newcastle Town Centre objective in the Growth Deal for Newcastle-under-Lyme 2019 – 2023. To pursue Council Plan Objective Four A Town Centre for All as it relates to Newcastle.

1. **Background**

- 1.1 In September 2019 the government invited 100 places to develop proposals for a Town Deal as a part of the £3.6 billion Towns Fund. Within the Borough both Newcastle and Kidsgrove were invited to participate in this valuable opportunity to drive significant investment into the Borough. This report focuses on the Newcastle element of that work.

- 1.2 The objective of the Towns Fund is to drive long-term economic growth and resilience, and to improve living standards and productivity sustainably in these areas. It will support the long-term transformation of towns through investment in connectivity, place, enterprise and skills. Including:
- Urban regeneration, planning and land use: ensuring towns are thriving places for people to live and work, including by: increasing density in town centres; strengthening local economic assets including local cultural assets; site acquisition, remediation, preparation, regeneration; and making full use of planning tools to bring strategic direction and change.
 - Skills and enterprise: driving private sector investment and ensuring towns have the space to support skills and small business development.
 - Connectivity: developing local transport scheme that complement regional and national networks, as well as supporting the delivery of improved digital connectivity
- 1.3 Since the announcement officers across the Council have worked with Members to drive activity, establish a Town Deal Board and develop a Town Investment Plan.

2. Issues

- 2.1 In line with guidance set out in the Towns Fund Prospectus, the Council established a Town Deal Board for the Newcastle area. The Board membership includes public, private and voluntary sector representation. The Board has been responsible for shaping the proposals for the Town Investment Plan with support from the Council in its role as accountable body for the Newcastle Town Deal.
- 2.2 Development of the Town Investment Plan (TIP) was also supported by the appointed consultancy AECOM who were selected following a competitive procurement process.
- 2.3 To support development of proposals that respond to local need and opportunity consultation with a wide range of local stakeholders took place including:
- Individual consultation sessions were held with both Board members and members of the local community. Consultees were drawn from a number of sectors and a variety of interests to ensure the TIP drew from a diverse range of opinions and priorities for the future success and long-term sustainability of Newcastle.
 - A “Call for Projects” survey was used to encourage residents, organisations and businesses to submit project or investment ideas that were in line with the three themes of the Town Deal Fund and which offered good prospects of delivery. The call for projects was distributed through various channels, including the social media profile of the local MP, community organisations such as VAST, the Town Council, Locality Action Partnerships and Ward Members.
 - MHCLG’s #MyTown campaign provided a platform for communities to outline how Town Deal funding could transform their town. Newcastle received 104 responses which were analysed and used to shape the vision and interventions outlined within the TIP.
 - The team preparing the TIP has presented at various local stakeholder group sessions to inform them of the work being undertaken such as the Newcastle-

under-Lyme Employment and Skills Group, and to gain a greater understanding of local conditions, examples of best practice and priorities.

- A “Vision Survey” was developed and distributed to Board members to inform the development of the vision for Newcastle, supplemented by #MyTown responses and conversations with individual stakeholders to ensure the vision was representative of the views of the broad Newcastle community.
- 2.4 Small project groups, comprising Board members, project stakeholders, AECOM and the Council were used to develop the priority projects that the Board agreed to take forward in the Town Investment Plan.
- 2.5 The Town Investment Plan has projects proposed within 3 strategic objectives
- a. Objective 1: Digital –
 - i. A Smart Newcastle – Digital Infrastructure. A mechanism designed to increase the number of businesses and households with connections to high speed digital networks and associated teaching / learning activities.
 - b. Objective 2: Transport –
 - i. Sustainable public transport solutions Investment to improve and provide sustainable bus services in Newcastle-Under-Lyme
 - ii. Town Centre Permeability Funding A package of measures designed to improve pedestrian and cycle access to Newcastle Town Centre
 - iii. EV Charging Electric vehicle charging in town centre car parks
 - c. Objective 3: Development of Key Sites –
 - i. Key Gateway sites
 - ii. Development of sites contained in the Knutton Masterplan
 - iii. Chesterton Cross Street development
 - d. Objective 4: Culture -
 - i. Development of The Astley International Centre for Performing Arts
- 2.6 The Newcastle Town Investment Plan is asking for circa £25 million funding from Town Deal monies. This investment will be matched from a number of other sources representing a significant investment in the Newcastle town Deal area.
- 2.7 Following submission of the Newcastle Town Investment Plan, the Investment Plan will be assessed by the Government’s Town Hub who will offer feedback and progress to Heads of Terms for projects selected for further business case development. On this basis it is expected that project delivery would take place from Summer 2021 onwards.
- 2.8 Following the award of Advance Town Deal Funding (considered by Cabinet in September 2020) an internal multi-disciplinary officer group was established to ensure the proper oversight and administration of the grant monies and ensure the Council fulfils its obligations as accountable body for the Town Deal.
- 2.9 At this stage of development the Newcastle Town Investment Plan is not expected to present a fully worked up business case for each project but it is expected to give a level

of detail to enable Government to assess the strategic fit and deliverability of the projects proposed within the Investment Plan.

3. **Proposal**

- 3.1 That Cabinet formally endorses the Newcastle Town Deal Investment Plan.
- 3.2 That Officers are authorised to continue working with the Town Deal Board and other organisations as necessary to progress development and delivery of projects in the Newcastle Town Deal Investment Plan.
- 3.3 That the multi-disciplinary officer group established to support delivery of the Advance Town Deal Projects continues this role to support delivery of the Newcastle Town Investment Plan.
- 3.4 That the Executive Director Commercial Development and Economic Growth, in consultation with the Section 151 Officer and the Portfolio Holder Corporate and Service Improvement. People and Partnerships are authorised to pursue delivery of the Newcastle Town Investment Plan.

4. **Reasons for Proposed Solution**

- 4.1 Delivery of the Newcastle Town Investment Plan is a significant opportunity to attract Government funding to the Newcastle Town Deal area to support its economic, social and community wellbeing.
- 4.2 To deliver on the Newcastle Town Centre priority of the Growth Deal for Newcastle-under-Lyme 2019 – 2023.
- 4.3 To maintain momentum of delivery of the Newcastle Town Investment Plan.

5. **Options Considered**

- 5.1 The Council is not obliged to pursue delivery of the Newcastle Town Investment Plan but its delivery is in line with Council Plan Objective four A Town Centre for All and the priorities of the Growth Deal for Newcastle-under-Lyme 2019 – 2023.

6. **Legal and Statutory Implications**

- 6.1 As Accountable Body for the Newcastle Town Deal the Council has a number of obligations, including to ensure that decisions made by the Town Deal Board are in accordance with good governance principles and to support delivery arrangements for the Town Deal. This includes:
 - Upholding the Seven Principles of Public Life (The Nolan Principles);
 - Developing a delivery team, delivery arrangements and agreements;
 - Ensuring that decision are made by the Board in accordance with good governance principles;
 - Ensuring transparency requirements are met through publication of information on the Council's website or on a Town Deal specific website;
 - Developing agreed projects in detail and undertaking any necessary feasibility studies;
 - Undertaking any required Environmental Impact Assessments or Public Sector Equalities Duties

- Helping develop detailed business cases;
- Liaising with potential private investors in identified local projects and schemes;
- Signing the Heads of Terms Agreement with Government;
- Monitoring and evaluating the delivery of individual Town Fund projects;
- Submitting regular monitoring reports to the Towns Hub;
- Receiving and accounting for the Town's funding allocation.

7. **Equality Impact Assessment**

7.1 The nature of the Newcastle Town Investment Plan is intended to seek benefits for all residents of the Newcastle Town Deal area. Individual projects will require Equality Impact Assessments as their business case development is done.

8. **Financial and Resource Implications**

8.1 The Council was allocated £162,019 development funding to support development of the Newcastle Town Investment Plan.

8.2 In delivering the Town Deal the Council will be expected to manage the grant payments as needed. Subject to all projects being successful this equates to £25 million over 6 years from 202/21.

8.3 The Newcastle Town Investment Plan includes a revenue element of £1.2 million for project management/Board support and assurance and business case development. It is likely that the Council will need extra capacity in some form to fulfil its obligations as set out in 6.1 above.

9. **Major Risks**

9.1 At this stage the critical risk would be that the Newcastle Town Investment Plan is not accepted by Government. The mitigation against this is that the Newcastle Town Investment Plan is fully compliant with the guidance received and has robust governance arrangements in place.

9.2 Individual project specific risk assessments will be developed as a part of the business case development process.

10. **Sustainability and Climate Change Implications**

10.1 Clean and inclusive growth is a cross cutting theme of the Newcastle Town Investment Plan.

11. **Key Decision Information**

11.1 This is a key decision as it requires the Council to administer funds to the value of £25 million

12. **Earlier Cabinet/Committee Resolutions**

12.1 4 December 2019

12.2 September 2020

13. **List of Appendices**

N/A

14. **Background Papers**

- 14.1 Newcastle Town Deal page on the Council's website: <https://www.newcastle-staffs.gov.uk/all-services/business/business-information/Newcastle-town-deal>
- 14.2 Towns Fund Prospectus November 2019 (MHCLG)
- 14.3 Towns Fund Guidance June 2020 (MHCLG)

Published 11th January 2021

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

Report to Cabinet

13th January 2021

Report Title: Local Plan – Options

Submitted by: Chief Executive

Portfolios: Planning & Development

Ward(s) affected: All

Purpose of the Report

The report seeks to provide Cabinet with an update following consultation in December and January on options for staying with, or separating from Stoke on Trent on the Joint Local Plan

Recommendation

That Cabinet consider the information provided in this report and determine whether to commence work on a Borough Local Plan for Newcastle under Lyme. If minded to commence work on a Borough Local Plan, then Cabinet is recommended:

- i. To withdraw from the preparation of a Joint Local Plan with Stoke on Trent City Council;
- ii. To commence work on the development of a Borough Local Plan, under the stewardship of a member Steering Group chaired by the Leader of the Council or the relevant Portfolio Holder;
- iii. To make provision in the Medium Term Financial Plan for the costs associated with delivering a Borough local Plan, amounting to £550,000 over the period 2021-23.

Reasons

To ensure that the Council has in place the most suitable Local Plan to guide the development of the borough.

1. **Background**

- 1.1 On 9th December, Cabinet considered a paper on the option of continuing to work with Stoke on Trent on the Joint Local Plan or departing from Stoke and commencing work on a Borough Local Plan.
- 1.2 The resolution of that meeting was that Cabinet supports the option of commencing work on a Borough Local Plan, and it agreed to:
 - Commission further advice on the impact of COVID and BREXIT on the local economy, and the local planning process; and
 - Engage with the stakeholders identified in this report to better understand their position regarding a Borough Local Plan
- 1.3 That work was undertaken following the meeting and findings can now be presented to Cabinet for consideration.
- 1.4 Consultation was undertaken through four channels:

- Direct approaches were made to a number of key stake holders including Parish Councils, developers and external bodies engaged in the Plan making process;
- Notice was provided on the Council's website informing people of the review and providing opportunity for comments to be submitted to the Council;
- An on-line survey was offered to allow people to express an opinion on the options;
- An external consultancy was commissioned to provide advice on issues relating to commencing a Borough Local Plan.

1.5 Each of these routes of communication provided information to guide this report.

Lichfields Planning Consultancy Advice

2.1 Following the December Cabinet meeting, officers commissioned Lichfields, a planning and development consultancy, to assist the Council in determining its approach to the local plan by reviewing the options available and the issues associated with the preparation of a Borough Local Plan. The company is a leading consultancy practice in the country and has been engaged in advising councils and developers on the planning system for over 50 years.

2.2 Their report looked at three key areas.

- The current plan position
- Emerging issues including Brexit and Covid 19
- Options for a Borough Plan

Current Plan Position

2.3 With regard to the current plan position, it was noted that the current Local Plan was adopted in 2003 and covered the period 2001 to 2011. The Joint Core Strategy was adopted in 2009 and covered the period 2006 to 2026. Both of these documents preceded the National Planning Policy Framework (NPPF) first published in 2012.

2.4 Together with the 2017 Staffordshire Minerals Plan, the joint 2013 Staffordshire and Stoke Waste Local Plan and the adopted Neighbourhood Plans, these documents make up the development plan for Newcastle Under Lyme.

2.5 The background to the JLP was reviewed including the Issues and Options consultation in 2016, the Strategic Options consultation in 2017 and the Preferred Options review in 2018. A summary was also provided of the current evidence base citing all the reports and studies that underpinned the work in the three earlier rounds of consultation and the next steps in making the emerging plan.

Emerging Issues

- **Planning White Paper**

2.6 On the emerging plan, Lichfields considered the effects of Brexit, Covid 19 and the government's Planning White Paper from October, Planning for the Future. The key expectation from the White Paper is that all local planning authorities (LPA's) will have an adopted Local Plan in place by the end of 2023. If they do not then there is the risk of intervention. These plans should themselves be no more than five years old.

2.7 The process proposed in the white paper involves the use of less reliance on repeating policies already set out in national guidance, the use of identified zones for growth, renewal or protection and other policy initiatives like First Homes and changes to permitted development rights. In addition, the importance of adhering to the Standard Methodology for defining the base line for housing delivery in

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the plan area is highlighted and the December adjustments to the formulas to steer the level of housing to be provided across the country.

2.8 In the case of Stoke, the 35% proposed increase over their base line 500 dwellings per annum is noted as leading to a requirements for 675 houses per annum. Whilst notable, Lichfields recognise this is still below their past average of 810 dwellings per annum the city has delivered over the past three years.

2.9 For the Borough, they have confirmed that the annual delivery target will remain at 355 dwellings per annum, with an average delivery of 303 dwellings per annum over the last three years.

- **Covid19**

2.10 Lichfields note that the major changes experienced during the pandemic are likely to have long term impacts on where and how people work. Regarding Covid 19, changes in demand notably for leisure, recreation, retail and hospitality sectors are expected along with shifts in travel patterns and increases in home working. As these changes may result in significant excess stock of properties in one or more sectors, new plan policies will need to be sufficiently flexible to allow reuse or redevelopment of these premises.

2.11 One key shift anticipated is the move to more home working and a reduction in demand for high density office space. Not only would this affect town centres and office parks but also housing development as people seek home office space in their new properties. As the effects of Covid 19 remain unclear on the property sector, it will be ever more important for plans to be flexible in their nature to accommodate changing circumstances.

- **Brexit**

2.12 With regard to Brexit, this too is anticipated to have a significant impact on the country the effects of which are not fully known at the moment. Again, flexibility will be a key requirements going forward with any plan.

- **Progressing a Borough Plan**

2.13 Lichfields recognise that working jointly with another authority adds complexity into the process which inevitably causes delay and after seven years the JLP still has not progressed to consultation. Whilst not revisiting the reasons behind the delays with the plan to date, Lichfields state that it can be assumed that a single Local Plan, with the Borough in control of the process and programme, should create an environment where more rapid progress can be made.

2.14 The Lichfields report underlines the importance of reviewing the evidence base which underpins the plan, to enable elements to be re-used for a Borough specific plan. They note that progressing a Borough Local Plan will allow for the policies to be better adapted to the needs of the Council, and observe that there will probably be a need for additional land to be identified unless it can be demonstrated those needs will be met in Stoke on Trent.

2.15 They regard the Duty to Co-operate as an important issue to maintain focus on in the separation of the two plans as this is likely to give rise to complications going forward is not properly addressed. In addition, they observe that a Borough Local Plan will need to address the historic borough experience regarding affordability of housing affecting younger people, and under provision of housing against delivery target. An overly optimistic approach to delivery not previously experienced risks derailing any future examination process.

- **Delivery Programme**

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2.16 Regarding delivery of a Borough Plan, Lichfields envisage that the following timescales could be achievable:

- Revision to the Core Evidence Base Early 2021
- Publish Evidence Based Docs (inc. Green Belt, IDP etc.) along with updated suite of Technical Notes Summer 2021
- Publication Draft (Regulation 18) Consultation Summer 2021
- Submission Draft (Regulation 19) Consultation Spring 2022
- Submission to SoS Summer 2022
- Examination in Public Late 2022
- Main modifications / Adoption Early 2023

2.17 This allows for a six to nine-month buffer period to allow for further modifications to be made to any draft Borough local Plan. However, it is critical that the timetable is maintained for the Regulation 18 and 19 consultations to avoid any significant delays. On balance, Lichfields are of the view that delivery by 2023 is probably more likely by a single comprehensive Local Plan for Newcastle under Lyme than the current two part approach to the JLP.

2.18 Their review did not find any significant hurdles to the Borough in achieving that goal. The programme is tight, but achievable. Resource implications will need to be considered internally. However, the evidence of other Local Plan processes shows that a robust/flexible plan produced on a short timescale is more likely to get through the process, than a long drawn out one.

3 **Responses to Consultation**

3.1 In addition to commissioning expert advice, the Council invited comment from interested stakeholders, including an online survey for residents of the borough. This feedback is summarised below, with a focus on the key issue of whether the Council should progress with a Borough Local Plan or continue with the Joint Local Plan. Whilst some contributors have made comments regarding issues which would need to be addressed in any Borough Local Plan, these are not repeated here, but will be reflected on when progressing a plan of whichever form.

- **Residents**

3.2 The on line survey elicited 265 responses with including responses from every ward in the Borough (only two responses were from outside the borough). In addition to background questions asking respondents for their background and importantly, postcode, three questions were asked:

- Do you think Covid 19 and the departure from the European Union (Brexit) will result in a different outlook for 2021 than expected a year ago?
- Do you think Stoke on Trent and the Borough of Newcastle-under-Lyme should operate as a single economic and housing area or as two distinctly different parts of North Staffordshire?
and
- Do you think Newcastle-under-Lyme Borough Council should stay with Stoke-on-Trent City Council working on a Joint Local Plan or commence work in 2021 on its own Borough Local Plan?

3.3 On the first question, 79% of people thought Brexit and Covid 19 would have an impact on the outlook for 2021 with only 15% not believing this to be the case and 6% unsure.

3.4 On the question as to whether people felt the Borough and the City should work as one area, only 14% agreed and 2% were undecided. A significant 84% of people though felt the two Councils act as two distinctly different parts of North Staffordshire.

3.5 For the final question, again there was a marked level of support for the Council to proceed with its own plan. 85% supported the idea of the Council stepping away from Stoke and commencing work on a Borough Plan with only 13% of people not supporting the idea and 2% undecided.

- **Comments from local Councils**

3.6 Staffordshire County Council and Cheshire East Council have both commented that the decision on whether to progress with a joint plan with Stoke on Trent, or commence the development of a Borough Local Plan is a matter solely for the borough council to determine, and that they would support and work with the Council regardless of its choice.

3.7 Of the three Parish Councils which responded, two (Loggerheads and Keele) favoured the development of a Borough Local Plan, whilst Silverdale favoured completion of the Joint Local Plan.

Industry Stakeholders

3.8 Industry stakeholders commented on issues such as the Duty to Cooperate, and the need to step up delivery of housing to meet government targets, and making best use of sites which are easier to develop without significant upfront costs. On the specific issue of Borough Local Plan or Joint Local Plan, those members of the business community who responded to the consultation favoured the continuation of the Joint Local Plan process. The key representations received were as follows:

- The Chamber of Commerce strongly support the completion of a joint local plan with Stoke on Trent, as they see as a mechanism to draw in investment into the area which may otherwise be lost to Cheshire East, Staffordshire Moorlands and Stafford.
- Wardell Armstrong did not offer a definitive opinion, but reiterate issues to be alert to, in particular around the Duty to Co-operate;
- Hollings Strategic Land support the continuation of the Joint Local Plan and then head to review within five years, noting the risk of delay in housing delivery, and the issues around Duty to Co-operate;
- URBME support the continuation of the Joint Local Plan process;

Interest Groups

3.9 Two interest groups responded to the consultation:

- Campaign for the Protection of Rural England support the continuation of the Joint Local Plan, and then preparing a new Local Plan under the new legislation which emerges from the White Paper.
- Save Our Green Space, an interest group which has grown up around the proposals to develop the former Keele Golf Course, advocated delaying a decision on the approach to the local plan until the national and local economic picture is clearer following Brexit and the pandemic. Underlying this, the group was keen to advocate a brownfield first strategy to development to assist in the preservation of the Green Belt.

Summary of Issues

3.10 From the evaluation prepared by Lichfields, and from the response received from the wider consultation, there are a number of themes which emerge:

- Residents strongly favour the development of a Borough Local Plan focussed on the emerging needs of Newcastle under Lyme as opposed to a Joint Local Plan with Stoke on Trent;
- Businesses voices who responded largely support the continuation of the Joint Local Plan, because of concerns about potential delay generated by a change in approach at this stage; his position is not supported by the Lichfields advice which points to a Borough Local Plan being able to be delivered in the required timeframe.

- Duty to co-operate – industry representatives highlighted the need for sustained engagement between the two councils, and indeed with other neighbouring councils, regardless of the approach taken to ensure that housing and infrastructure needs are met and that any plan is sound;
- Housing Delivery – whatever approach is taken, the consultation points to a need to facilitate housing delivery in line with the government’s standard methodology for calculating housing numbers. This sets a baseline for annual housing delivery, which is currently 355 dwellings per annum.
- Greenbelt – While featuring in a number of responses, there is no consensus on this, with interest groups and industry each having different perspectives. Nonetheless, it is clear that this will be an issue which needs to be the subject of careful reflection in any Local Plan, regardless of whether Borough or Joint.

4 Proposal

- 3.1 Cabinet is invited to consider the issues raised in this report, taking account also of the issues raised in the initial report on this matter to Cabinet in December, and determine how to progress with the development of a Local Plan which addresses the needs and aspirations of the Borough. In its December meeting Cabinet was advised that, if minded to progress with a Borough Local Plan, and deliver at pace on that plan, it would require additional resourcing amounting to an additional £550,000 over the period 2021-2023, and these costs will need to be reflected in the Medium Term Financial Plan, as well as an allowance for any residual risks associated with this decision. It is clear from comments received that the pace of delivery is a critical issue, and any decision now to commence work on a Borough Local Plan would need to be matched by the resourcing necessary to progress without delay. Lichfields have confirmed that delivery at pace should allow the 2023 deadline to be met.
- 3.2 With the Brexit deal now completed, and the national vaccination programme generating an anticipation of being able to regrow the economy following the pandemic, there is a real need for the Borough to have a local plan through which that growth can be shaped. Additionally, investment in HS2 will both impact the borough during construction, and potentially influence demand for both employment and housing land as the opportunities associated with the development of Crewe station materialise. These issues combine to make this a key time to ensure the Council has an up to date local plan which directly addresses the needs of the borough.
- 3.3 If minded to support the development of a Borough Local Plan, Cabinet may wish to adopt the following resolution:
- To withdraw from the preparation of a Joint Local Plan with Stoke on Trent City Council;
 - To commence work on the development of a Borough Local Plan, under the stewardship of a member Steering Group chaired by the Leader of the Council or the relevant Portfolio Holder;
 - To make provision in the Medium Term Financial Plan for the costs associated with delivering a Borough local Plan, amounting to £550,000 over the period 2021-23.

4 Reasons for Proposed Solution

- 4.1 To ensure the most appropriate local plan is delivered for the Council, with resourcing to enable the plan to be delivered at pace.

5 Legal and Statutory Implications

- 5.1 In reaching a decision in this matter, it is important that Cabinet are content that they have identified and evaluated the full range of likely impacts of each available course of action, associated cost implications and identified and carefully considered all of the relevant factors, and has taken into

Published 11th January 2021

account representations from those who may be affected by each available option. Cabinet must then balance these issues in arriving at a decision that it believes is in the best interests of the proper planning of the area.

- 5.2 A main consideration will be the potential impact on the outcome of planning applications during any period that the council's development plan is considered to be out of date, and the extent to which the National Planning Policy Framework and/or Neighbourhood Plans will be sufficient to ensure plan-led development. That will need to be balanced against the longer-term advantages Cabinet feels can be achieved by taking one approach over any other.

6 Equality Impact Assessment

- 6.1 Both maintaining progress with the JLP and commencing work on a new Borough plan allow equal consideration to be given to equality matters. It is considered that the impact of each decision is comparable in this respect.

7 Financial and Resource Implications

- 7.1 If a move is made now to commencing work on a Borough plan, officers will need to revisit the Local Development Scheme and the issues and options papers before commencing work in the draft plan. Delivery at pace will require additional resourcing as set out in this report, amounting to an additional £550,000 over the period 2021-2023, and these costs will need to be reflected in the Medium Term Financial Plan, as well as an allowance for any residual risks associated with this decision.

8 Major Risks

- 8.1 Failure to have an adopted plan in place may expose the Council to the risk of negative appeal decisions on planning applications which result in harm to the borough.
- 8.2 To put this in context, such decisions may include small sites of under ten houses to very large schemes in excess of 200 properties. Permissions by appeal also have the potential to deliver obligations in a less than desirable form taking little account of local needs or being removed all together. It also leaves the Council of being seen by the community as unable to determine its own future regarding the shape that development takes in the Borough.

9 Sustainability and Climate Change Implications

- 9.1 Climate change and sustainability is a core element of any development plan. By establishing a Borough Local Plan the Council will be able to address the matter of the Climate Emergency target.

10 Key Decision Information

- 10.1 This is a key decision

11 Earlier Cabinet/Committee Resolutions

- 11.1 Agenda item 7: Local Plan Update to Cabinet meeting of 9th December 2020

12 List of Appendices

Published 11th January 2021

12.1 None

13 Background Papers

13.1 None

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

01 January 2021

Report Title: Temporary Accommodation Policy

Submitted by: Executive Director Commercial Development and Economic Growth

Portfolios: Community Safety and Wellbeing

Ward(s) affected: All

Purpose of the Report

This Report seeks Members approval of a Temporary Accommodation Policy setting out the principles of how Newcastle-under-Lyme Borough Council will seek to meet its responsibilities to people who are homeless or threatened with homelessness in Newcastle-under-Lyme. It also seeks support for Officers to continue to develop a range of temporary accommodation options for the Borough for further consideration as appropriate using existing homelessness base budgets and new income generated from grants.

The intended Temporary Accommodation (TA) Policy relates to the placement of homeless households into temporary accommodation under Section 188 of the Housing Act 1996 Part VII, as amended and longer term temporary accommodation placements under Section 193 *where a main housing duty for households has been accepted*.

This Report therefore recommends a proposed TA Policy for approval, which provides the framework for working to ensure that the Borough's use of temporary accommodation is suitable, cost-effective and meets local needs. It also seeks Members support on further development of temporary accommodation options for 2021/22 and beyond in the Borough.

Recommendation

That Cabinet approve the proposed TA Policy and that Officers are supported to continue to develop a range of temporary accommodation options for the Borough for further consideration as appropriate.

Reasons

This would enable the Council to fulfil its statutory homelessness obligations and provide suitable accommodation for the most vulnerable and those eligible for interim accommodation.

1. **Background**

- 1.1 Under housing and homelessness legislation, the Council has duties to provide interim (or temporary) accommodation to certain households who present as homeless and are considered to be in priority need. In the majority of cases, this is when a household presenting as homeless states that they do not have access to housing and therefore they are placed in temporary accommodation whilst the Council investigates their application.
- 1.2 The Homelessness Reduction Act 2017 widened the Council's duties and means that applicants under the Relief Duty may also be eligible for interim accommodation if required, subsequently to Council's use of temporary accommodation, both in terms of frequency and expenditure has increased significantly over the last couple of years.

- 1.3 In addition to households applying to the Council for accommodation under homelessness legislation, other households can require temporary accommodation. This includes people who are rough sleeping, people who require emergency accommodation due to (risk of) fire or flood etc.
- 1.4 Temporary accommodation is an umbrella term and includes supported housing (both social and private rented), hostels and bed and breakfast accommodation.
- 1.5 The use of bed and breakfast accommodation as temporary accommodation is not only expensive and subject to public sector procurement rules, but is considered unsuitable as it is not designed for residential use. In addition, it is unlawful for Councils to allow homeless families with children or pregnant women stay in bed and breakfast accommodation for more than six weeks.
- 1.6 Therefore, the proposed Temporary Accommodation Policy seeks to prevent the use of bed and breakfast accommodation except in emergencies for the minimum period possible by enabling the development and in some cases commissioning of other temporary accommodation options with local providers.
- 1.7 The Council's statutory homelessness duties are delivered under contract by Midland Heart and known as the Newcastle Housing Advice (NHA) service. The NHA service is due to be brought back in house at the Council in April 2021.
- 1.8 Options for temporary accommodation in the Borough are extremely limited because the Council has no accommodation of its own and relies on other arrangements with local providers which can be costly. The majority of single person households presenting for assistance are accommodated in short term Bed and Breakfast in the Borough, pending enquiries. There are no hostels for single people in the Borough and the hostels in neighbouring authorities prioritise placements for customers with a local connection to their area so they are rarely available for Borough use.

2. Issues

- 2.1 A Temporary Accommodation Review was undertaken and reported to the Council's Executive Management Team (EMT) in July 2020. The Review Report highlighted that the use of and cost to the Council for temporary accommodation has increased considerably over the last 12 -18 months, partly due to the impact of the introduction of the Homelessness Reduction Act 2017 and also because of the pressures from the COVID pandemic.
- 2.2 In order to balance the increasing demands on temporary accommodation and to seek to reduce the financial burden on the Council, a number of recommendations were made in the Review Report, which included;
 - Undertake a market testing exercise to ensure that temporary accommodation with support for complex needs singles and Rough Sleepers is available / can be continued on expiry of the current arrangements until the end of 2020/21. *A subsequent exercise followed, which demonstrated that there are limited providers in this specialist field, however a suitable provider was identified and some supported temporary accommodation provision is now in place until the end of March 2021.*
 - Create a Temporary Accommodation Policy for the Borough – *Draft prepared and shared with Scrutiny Members prior to submission for Cabinet consideration.*
 - Seek a steer on the range of supported accommodation in the Borough to be pursued, and identify available budget to be used to encourage a 'spend to save' approach to TA. *This is ongoing and Members are encouraged to contribute to this discussion in line with the proposed TA Policy.*
 - Recruit to the vacant Housing and Partnership Policy Officer (HPPO) (former Housing Strategy post) to lead work the Council's work on homelessness and homelessness prevention. *Recruitment complete and new post holder started October 2020.*
 - HPPO to lead work on further development of the homelessness strategy action plan and temporary accommodation options for 2021/22, housing partnerships and seeking best practice for the Council. The role will also improve the monitoring arrangements for the usage and expenditure of temporary accommodation for the Council with NHA, particularly as the

service prepares to come back in house. *Induction of new post holder underway and work is already ongoing.*

3. **Proposal**

- 3.1 This Report recommends a proposed TA Policy for approval, which provides the framework for working to ensure that the Borough's use of temporary accommodation is suitable, cost-effective and meets local needs. It also seeks Members support on further development of temporary accommodation options for 2021/22 and beyond in the Borough and highlights that a commitment will be required to deliver this from the existing base homelessness budget and new income generated from grants.

4. **Reasons for Proposed Solution**

- 4.1 This report seeks Members approval for the proposed TA Policy, setting out the principles of how Newcastle-under-Lyme Borough Council will seek to meet its responsibilities to people who are homeless or threatened with homelessness in Newcastle-under-Lyme. It also seeks support for Officers to continue to develop a range of temporary accommodation options for the Borough for further consideration as appropriate using existing homelessness base budgets and new income generated from grants. This would enable the Council to fulfil its statutory homelessness obligations and provide suitable accommodation for the most vulnerable and those eligible for interim accommodation.
- 4.2 The TA Review in July 2020, demonstrated that supported temporary accommodation is more cost effective than B&B accommodation, which also doesn't have the added advantage of support services and is most beneficial to assist vulnerable customers access more sustainable housing options.
- 4.3 The intended Temporary Accommodation (TA) Policy relates to the placement of homeless households into temporary accommodation under Section 188 of the Housing Act 1996 Part VII, as amended and longer term temporary accommodation placements under Section 193 *where a main housing duty for households has been accepted.*

5. **Options considered**

- 5.1 Do nothing - without creating a TA Policy and developing options for temporary accommodation in the Borough, the Council will be unable to fulfil its statutory obligations for homelessness and safeguarding vulnerable people – **this option is not recommended.**
- 5.2 Create a Draft TA Policy and seek Members views on the development of a range of temporary accommodation options for the Borough. This would enable the Council to fulfil its statutory obligations and provide suitable accommodation for the most vulnerable and those eligible for interim accommodation - **this option is recommended.**

6. **Legal and Statutory Implications**

- 6.1 The Housing Act 1996, Part VII (as amended) sets out the circumstances when a local authority is required to provide temporary accommodation to homeless households. The expectations for this temporary accommodation are then set out in the Homelessness (Suitability of Accommodation) (England) Order 2012.
- 6.2 Other relevant statutory guidance includes.
- Homelessness Act 2002
 - Homelessness Code of Guidance for Local Authorities 2006
 - Homelessness (Suitability of Accommodation) Order 1996
 - Homelessness (Suitability of Accommodation) (England) Order 2003
 - Localism Act 2011 (Commencement No 2 and Transitional Provisions) (England) Order 2012
 - Supplementary Guidance on Changes in Localism Act 2011
 - Supplementary Guidance on Domestic Abuse and Homelessness 2014

- The Homelessness Reduction Act 2017.
- 6.3 Not having a fit for purpose service will leave the Council open to a legal challenge.
7. **Equality Impact Assessment**
- 7.1 Temporary accommodation placements are made purely on merit and there are no disproportionate outcomes to any cohort.
8. **Financial and Resource Implications**
- 8.1 The proposed Temporary Accommodation Policy seeks to encourage the Council towards improving the options for temporary accommodation in the Borough and in reducing revenue costs to the Council's General Fund for use of emergency accommodation. It is recognised that this may take some time and some initial investment in capacity will be required to take this work forward with local providers.
- 8.2 Following the recent market testing exercise, the current temporary accommodation provision is in place until 31st March 2021. It is recommended that further temporary accommodation proposals are developed and mobilised from 1st April 2021. A financial budget allocation will be required for the provision of temporary accommodation beyond the end of March 2021. This will be sourced from using existing homelessness base budgets and new income generated from grants.
9. **Major Risks**
- 9.1 There is a risk that this provision is insufficient to meet rising demand and additional B&B use may be required to assist the Council in fulfilling its statutory obligations.
- 9.2 There is a risk of reputational damage to the Council if it does not deliver its statutory duties lawfully and effectively.
10. **Sustainability and Climate Change Implications**
- 10.1 There are no sustainability or climate change implications.
11. **Key Decision Information**
- 11.1 This report can be considered key in the following ways: -
- It results in the Borough Council committing existing resources for the function to which the decision relates and;
 - To be significant in terms of its effects on communities living or working in an area comprising two or more electoral wards in the Borough.
12. **Earlier Cabinet/Committee Resolutions**
- 12.1 N/A
13. **List of Appendices**
- 13.1 Appendix 1 – Draft Temporary Accommodation Policy – November 2020.
14. **Background Papers**
- 14.1 Temporary Accommodation Review July 2020



Temporary Accommodation Policy

December 2020

Contents

1. Introduction and Background
2. Legal Framework
3. Context
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5. Suitability and affordability of accommodation
6. Accommodation offers and refusals
7. Ending of Temporary Accommodation
8. Policy Review
9. Complaints and Compliments

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1. Introduction and Background

This Policy sets out how Newcastle-under-Lyme Borough Council will meet its responsibilities to people who are homeless or threatened with homelessness in Newcastle-under-Lyme.

The Council's housing advice service and statutory homelessness duties are currently delivered under the brand referred to as the Newcastle Housing Advice (NHA) service.

2. Legal Framework

The Council has a statutory duty to assist households presenting as homeless where they are eligible for assistance and in priority need. This Policy relates to the placement of homeless households into temporary accommodation under Section 188 of the Housing Act 1996 Part VII, as amended and longer term temporary accommodation placements under Section 193 where a main housing duty for households has been accepted. Temporary accommodation is for an interim period and households once assessed will be moved on to permanent accommodation in the social or private rented sector.

Additionally case law, specifically *Nzolameso v Westminster (2015) UKSC 22*, set out that Local Authorities must produce a policy which sets out how it will provide accommodation for households who are homeless in its district.

3. Context

When households have been accepted as homeless or are owed a homelessness duty, or in some cases when their homeless application is being investigated the household is expected to be housed temporarily.

Temporary accommodation is an umbrella term for a wide variety of accommodation which can be accessed by homeless households and may include use of bed and breakfast accommodation (B&B), a Private Sector Leasing Scheme (PSL), shared temporary accommodation, supported accommodation etc. (this list is not exhaustive).

In all of these types of accommodation, it is only meant to be temporary, which is for a limited amount of time, until the household either locates their own housing in the private sector or is offered a suitable offer in permanent accommodation if homeless duty has been accepted by the local authority.

In accordance with the law and homelessness legislation, including the '*Homelessness Code of Guidance for Local Authorities (2018)*' so far as reasonably practical, Newcastle-under-Lyme Borough Council will seek to accommodate homeless households within the Borough of Newcastle-under-Lyme and will always consider the suitability of accommodation taking into account the circumstances of the individual.

However, due to a range of factors including the economic down turn, changes to the private sector rented market and the impact of welfare reform, it has become increasingly difficult to acquire suitable accommodation within the Borough. Therefore, where temporary accommodation cannot be secured within the locality, out of Borough accommodation will be sourced, to enable placements to be made to fulfil the Council's housing obligations.

The Council keeps its use of temporary accommodation continually under review, and where a household is placed outside of the Borough, the Council will seek to return them to the Borough at the earliest opportunity to do so.

4. Types of Temporary Accommodation

The Council uses a variety of accommodation to temporarily house those who are homeless or threatened with homelessness. The accommodation includes but is not limited to the following:

- Bed and Breakfast – this is used in an emergency, often out of office hours, when there is no alternative temporary or permanent accommodation available. There are costs attached to B&B and other types of accommodation which can be paid through housing benefit or a contribution from the household and there maybe additional service charges that will need to be paid. Households may face eviction from temporary accommodation if charges are not paid and the Council can choose then to end its duty to house the homeless household.
- Shared temporary accommodation units – this has shared facilities and an element of support. As above there are costs attached which can be paid through housing benefit or a contribution from the household and there maybe additional service charges that will need to be paid. Households may face eviction from temporary accommodation if charges are not paid and the Council can choose then to end its duty to house the homeless household.
- Family temporary accommodation units – these are used subject to availability for families with children to avoid the use of B&B. As above there are costs attached which can be paid through housing benefit or a contribution from the household and there maybe additional service charges that will need to be paid. Households may face eviction from temporary accommodation if charges are not paid and the Council can choose then to end its duty to house the homeless household.
- Refuge accommodation – this is used as a safe house for those fleeing domestic abuse and often those who find themselves homeless. Specialist support is available at refuges to assist residents gain confidence and to rebuild their lives. As above there are costs attached to refuge accommodation, which can be paid through housing benefit or a contribution from the household and there maybe additional service charges that may need to be paid.
- Hostel Accommodation – For homeless applicants with low or no priority need an out of area hostel placement may be offered. Even though the applicant has been placed out of area the duty to relieve homelessness still remains with the Council and Newcastle Housing Advice (NHA) to support those placed out of area to continue to engage with Newcastle-under-Lyme Borough Council and to access housing within the Borough, either in the social or private rented sector.

5. Suitability and Affordability of Accommodation

Newcastle-under-Lyme Borough Council will endeavour to house households in suitable temporary accommodation. The Council sets a number of standards for different types of temporary accommodation which will be assessed periodically by the Council's Housing Strategy Team.

Use of Bed and Breakfast Accommodation (B&B) - Wherever possible, the Council will limit the use of B&B accommodation placements for 16/17 year olds, families with dependent children, pregnant women and those with ill health. Where no other suitable accommodation exists and such placements are necessary, the Council will endeavour to move such households to more suitable accommodation within six weeks. The Council's approach is to utilise B&B in an emergency and where possible to use other temporary accommodation options (at the time of writing provided by Midland Heart and local charity Open Door) to move households on. When offering longer term temporary accommodation, the Council will consider the suitability of the offer taking account of all relevant factors including the size and location of the property and the individual circumstances of the household.

Location – Newcastle-under-Lyme Borough Council will do all it can to accommodate families and individuals within the Borough. It is unlikely that families who are homeless and have priority need will be placed outside the area into another district, unless at the request of the family, and with assistance from Newcastle Housing Advice (NHA). On occasion single people who are homeless with no priority need may be encouraged to access direct access hostels accommodation in other areas. However Newcastle-under-Lyme Borough Council retains the responsibility to that household and will work with the applicant via the personal housing plan to ensure a move back to Newcastle-under-Lyme.

Affordability – The Council will give due consideration to the affordability of any offer made, taking into account the homeless household's entire income including any welfare state benefits, the cost of additional travel to and from the applicants normal place of work, the cost of additional travel to and from children's school or educational institute and the cost of additional travel to access medical services for ongoing treatment or aftercare. Families can be referred to Citizens Advice Bureau for further guidance and advice if this is deemed appropriate. Where service charges are applied, all households will be expected to pay the fee weekly and where households are working then they will be expected to pay an affordable contribution to costs. This is to ensure that the accommodation is affordable to the household and where B & B is utilised, cost is not a deterrent to households.

General Health Factors – The Council will consider health factors, such as ability to climb stairs, care and support provided by other statutory agencies or the need to access any specialist medical services. The Council will determine whether the medical condition itself makes certain accommodation offered unsuitable. For example problems such as depression, asthma, diabetes and / or back pain may not make a property unsuitable, as the problem may persist in any type of accommodation.

6. Accommodation Offers and Refusals

6.1 Offers and refusals under Section 188

Once a household has been assessed and it has been recognised that there is a duty to accommodate temporarily in emergency accommodation, NHA acting on behalf of the Borough Council will make one suitable offer of interim accommodation. There is no obligation upon NHA or the Council to enable applicants to view the accommodation prior to acceptance. If an applicant refuses an offer of accommodation and NHA does not accept the reasons for refusal, and considers that the offer is suitable, the Council's duty will cease and the applicant may not be offered further temporary accommodation and may be required to make their own arrangements.

There is no right of review against the suitability of accommodation offered to applicants, although the applicant can apply for judicial review through the courts, if challenging the suitability of the offer.

6.2 Offers and refusals under Section 193

Where customers are accepted for a main housing duty under Section 193 of the Housing Act, longer term suitable temporary accommodation will be provided. NHA will make one offer of suitable accommodation on behalf of the Council. Where NHA have accepted a main housing duty and have made a suitable offer of accommodation, there is a right to request a review of the suitability of accommodation.

In such circumstances applicants will be encouraged to accept the offer of accommodation whilst a review of the suitability of the offer of accommodation is being considered. Where

applicants refuse to take up the offer of accommodation whilst a review is underway, the current accommodation may only remain available at the discretion of the NHA Manager.

7. Ending of Temporary Accommodation

7.1 Discharge of Section 188 [Interim] accommodation duty

Where NHA decides, on behalf of the Council, that the applicant/s housed temporarily under Section 188, are not owed a main housing duty or that they have breached the licence condition, they will be asked to leave the interim accommodation following warnings and accommodation may be ended with immediate effect, subject to individual circumstances and dependent on the reasons.

7.2 Discharge of Section 193 accommodation duty

The Council shall cease to be subject to the duty under Section 193 [6] of the Housing Act, if the applicant:

- Ceases to be eligible for assistance
- Becomes homeless intentionally from the accommodation made available for their occupation
- Accepts an offer of accommodation under Part VI (allocation of housing)
- Accepts an offer of an assured tenancy (other than an assured short hold tenancy) from a private sector landlord
- Voluntarily ceases to occupy as their principle home, the accommodation made available for occupation
- Having been informed of the possible consequences of refusal and of his right to request a review of the suitability of accommodation, refuses a final offer
- Where the Council decides that their duty has ceased as described above, the applicants housed under Section 193, will be asked to leave the accommodation usually within 28 days or earlier subject to individual circumstances. Two warnings will be issued before the Council ceases its Section 193 duty and accommodation may be ended with immediate effect, subject to individual circumstances and dependent on the reasons.

8. Policy Review

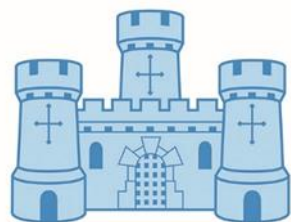
This Policy document will be subject to ongoing review to reflect any changes in legislation or operational need, but will be reviewed as a minimum annually. Minor changes can be agreed by the Director of Commercial Development and Economic Growth. Where there are significant changes, or changes to legislation which impact on the Policy, then this will require the appropriate governance.

9. Complaints and Compliments

To make a complaint regarding the use of this Policy, customers are advised to use the **Newcastle-under-Lyme Borough Council complaints procedure**. Please complete the complaints, comments and compliments online form to register your feedback. Follow the link below:

www.newcastle-staffs.gov.uk/all-services/advice/complaints-comments-and-compliments
or www.nhaoptions.co.uk

You can also register your feedback by calling 01782 717717.



NEWCASTLE·UNDER·LYME
BOROUGH COUNCIL

Cabinet Forward Plan: Newcastle under Lyme Borough Council

Notice of Key Decisions to be taken under the Local Authorities (Executive Arrangements) (Meetings & Access to Information) (England) Regulations 2012

This Plan gives 28 days' notice of Key Decisions which we are expecting to take over the next few months. Councils cannot take Key Decisions without first giving 28 days' notice, unless an urgent decision is required. Urgent Key Decisions may be taken under the urgency procedures set out in the Council's Constitution. A decision notice for each Key Decision made is published within 6 days of it having been made.

"Key decisions" are defined as those Executive (Cabinet) decisions which are likely:

- a. to result in the Council incurring expenditure or making savings of £100,000 or more (in the case of Revenue) and £250,000 or more (in the case of Capital); and/or
- b. to be significant in terms of the effects on communities living or working in an area comprising two or more wards of the Borough.

This Forward Plan also contains details of other important Cabinet decisions that we are expecting to take even if they do not meet this definition.

Whilst the majority of these decisions taken at meetings held in public, some decisions may be taken in private meetings because they deal with confidential information as defined in Schedule 12A of the Local Government Act 1972, and the public interest in withholding the information outweighs the public interest in disclosing it. If we intend to take a decision in private, that will be noted below with reasons.

If you object to a decision being taken in private, you can tell us why by emailing DemocraticServices@newcastle-staffs.gov.uk or contacting the address below. Any representations received at least 8 working days before the meeting will be published with the agenda together with a statement of the Council's response. Any representations received after this time will be reported verbally to the meeting.

The Cabinet is made up of the Leader, Deputy Leader and Cabinet Members with the following portfolios:

Leader of the Council (Corporate & Service Improvement, People & Partnerships)	Councillor Simon Tagg
Deputy Leader & Cabinet Portfolio Holder (Finance & Efficiency)	Councillor Stephen Sweeney
Cabinet Portfolio Holder (Community Safety & Well Being)	Councillor Helena Maxfield
Cabinet Portfolio Holder (Environment & Recycling)	Councillor Trevor Johnson
Cabinet Portfolio Holder (Leisure, Culture & Heritage)	Councillor Jill Waring
Cabinet Portfolio Holder (Planning & Growth)	Councillor Paul Northcott

Exempt Information Categories under Schedule 12A of the Local Government Act 1972

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under the authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals an authority proposes;
 - a. to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - b. to make an order or direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of a crime

Copies of the Council's Constitution, agendas and reports relevant to any key decision may be accessed on the Council's website www.newcastle-staffs.gov.uk or may be viewed during normal office hours. Copies or extracts can be obtained on payment of a fee (unless the publication contains exempt information).

For all enquiries, please contact:-

**The Chief Executive's Directorate, Castle House, Barracks Road
Newcastle-under-Lyme, Staffordshire ST5 1BL
Telephone 01782 742222 Email: DemocraticServices@newcastle-staffs.gov.uk**

Title of Report	Brief Description of Report	Cabinet Portfolio	Intended Decision Date	Relevant Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if applicable)
Newcastle BID Ballot	To support a BID Ballot process	Planning & Growth	Cabinet 13 January 2020	Economy, Environment and Place	All Wards	N/A
Draft Revenue & Capital Budget and Strategies 21/22	To consider proposals for the 2021/22 Revenue & Capital Budget and Strategies	Finance & Efficiency	Cabinet 13 January 2020	Finance, Assets & Performance	All Wards	N/A
Temporary Accommodation Strategy	To consider adopting a temporary accommodation strategy	Community Safety & Wellbeing	Cabinet 13 January 2020	Health, Wellbeing & Partnerships	All Wards	N/A
Schedule of Fees & Charges 2021/22	To consider the proposed schedule of fees & charges for 2021/22	Corporate & Service Improvement, People & Partnerships	Cabinet 13 January 2020	Finance, Assets & Performance	All Wards	N/A
Local Plan Update	To receive an update on the progress of the Local Plan	Planning & Growth	Cabinet 13 January 2020	Economy, Environment and Place	All Wards	N/A
Newcastle Town Deal	To approve a Town Investment Plan for submission to Government	Corporate & Service Improvement, People & Partnerships	Cabinet 13 January 2020	Economy, Environment and Place	All Wards	N/A
CIL S106 Refresh	To assess the viability of implementing a charging structure on new development in accordance	Planning & Growth	Cabinet 3 February 2020	Economy, Environment and Place	All Wards	N/A

	with the Community Infrastructure Levy Regulations and to identify how any funds raised may be utilised. The review will also consider the existing s106 charging system and the overlap between the two methods.					
Self-Build Register	To approve the introduction of a register of land suitable for self-builders	Planning & Growth	Cabinet 3 February 2020	Economy, Environment and Place	All Wards	N/A
Revenue & Capital Budget and Strategies 21/22	To approve proposals for the 2021/22 Revenue & Capital Budget and Strategies	Finance & Efficiency	Cabinet 3 February 2020	Finance, Assets & Performance	All Wards	N/A
Economic Development Strategy Action Plan	To approve the economic development strategy action plan	Planning & Growth	Cabinet 3 February 2020	Economy, Environment and Place	All Wards	N/A
Irrecoverable Items	To note/authorise the writing off of irrecoverable debts	Finance & Efficiency	Cabinet 17 March 2020	Finance, Assets & Performance	All Wards	N/A
Future High Street Fund Update	To report on progress with the Council's application for funding	Planning & Growth	Cabinet 17 March 2020	Economy, Environment and Place	All Wards	N/A
Kidsgrove Sports Centre Update	To update on progress with the Kidsgrove Sports Centre refurbishment	Corporate & Service Improvement, People & Partnerships	Cabinet 17 March 2020	Economy, Environment and Place	All Wards	N/A
Kidsgrove Town	To update on progress with	Corporate &	Cabinet	Economy, Environment	All Wards	N/A

Deal Update	the Kidsgrove Town Deal project	Service Improvement, People & Partnerships	17 March 2020	and Place		
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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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