

Date of meeting Thursday, 8th December, 2022

Time 7.00 pm

Venue Queen Elizabeth II & Astley Rooms - Castle House, Barracks Road, Newcastle, Staffs. ST5 1BL

Contact Denise French 01782 742211



**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

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

Finance, Assets & Performance Scrutiny Committee

AGENDA

PART 1 – OPEN AGENDA

- 1 APOLOGIES
- 2 DECLARATIONS OF INTEREST
- 3 MINUTES OF A PREVIOUS MEETING (Pages 3 - 6)
To consider the Minutes of the previous meeting held on 30 June 2022.
- 4 UPDATE FROM CABINET
- 5 REVENUE AND CAPITAL BUDGET 2023/24 - FIRST DRAFT SAVINGS PLANS (Pages 7 - 34)
- 6 COMMERCIAL STRATEGY (Pages 35 - 40)
- 7 FINANCIAL AND PERFORMANCE REVIEW REPORT - FIRST QUARTER (APRIL - JUNE 2022) (Pages 41 - 68)
- 8 FINANCIAL AND PERFORMANCE REVIEW REPORT - SECOND QUARTER (JULY - SEPTEMBER 2022) (Pages 69 - 98)
- 9 WORK PROGRAMME (Pages 99 - 102)
- 10 PUBLIC QUESTION TIME
Any member of the public wishing to submit a question must serve two clear days' notice, in writing, of any such question to the Borough Council
- 11 URGENT BUSINESS
To consider any business which is urgent within the meaning of Section 100B (4) of the Local Government Act 1972
- 12 DATE OF NEXT MEETING

Thursday 19 January 2023.

Members: Councillors Holland (Chair), Bryan (Vice-Chair), Parker, J Tagg, P Waring, Bettley-Smith, Stubbs, Brockie, Talbot, Allport and Lawley

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 Quorum: The meeting quorum for Scrutiny Committees is 4 of the 11 members.

SUBSTITUTE MEMBER SCHEME (Section B5 – Rule 2 of Constitution)

The Constitution provides for the appointment of Substitute members to attend Committees. The named Substitutes for this meeting are listed below:-

Substitute Members:	Whieldon	D Jones
	Panter	Fox-Hewitt
	Skelding	Wright
	Wilkes	Grocott
	Crisp	Gorton
	Adcock	

If you are unable to attend this meeting and wish to appoint a Substitute to attend in your place you need to:

- Identify a Substitute member from the list above who is able to attend on your behalf
- Notify the Chairman of the Committee (at least 24 hours before the meeting is due to take place)

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

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

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

FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE

Thursday, 30th June, 2022
Time of Commencement: 7.00 pm

[View the agenda here](#)

[Watch the meeting here](#)

Present: Councillor Holland (Chair)

Councillors:	Bryan	Bettley-Smith	Talbot
	J Tagg	Stubbs	
	P Waring	Brockie	

Apologies: Councillor Allport

Substitutes: Councillor Grocott (In place of Councillor Allport)

Officers:	Denise French	Democratic Services Team Leader
	Sarah Wilkes	Head of Finance / S151 Officer

Also in attendance:	Councillor Sweeney	Portfolio Holder for Finance, Town Centres and Growth
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51. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

52. **MINUTES OF PREVIOUS MEETING**

Resolved: that the minutes of the meeting held on 24 March be agreed as a correct record.

53. **UPDATE FROM CABINET**

At the previous meeting the committee had asked for details about empty units in the town centre as a number rather than a percentage. The Portfolio Holder for Finance, Town Centres and Growth circulated a document showing the details of each empty unit including address, type of property and any additional information including one for which a new lease was currently in progress.

[Click here to watch the debate](#)

54. **FINANCIAL AND PERFORMANCE REVIEW REPORT - FOURTH QUARTER (JANUARY - MARCH) 2021 - 22**

The committee considered the financial and performance review report for the fourth quarter – January – March 2022.

The Portfolio Holder for Finance, Town Centres and Growth reported on the council's financial position at year end. A balanced outturn had been forecast but the recent

draft Statement of Accounts showed a favourable variance of c£4k on the Revenue Budget. The Collection Fund had been expected to deliver a surplus but now showed a deficit which would be mostly funded from Section 31 funding. The council had carried forward £1.5m of funding towards the Capital Programme and some projects under Future High Streets funding and Town Deals would continue or commence this financial year. It was noted that the report before the committee was the position at quarter 4 whereas the council was now at the end of quarter 1; the information showed a snapshot of the financial position.

Members raised the following points:

- Was it possible to include a running total alongside the quarterly financial position as a comparison and to present a more real time scenario? This was agreed.
- How did the council address current issues including inflation which would add additional pressure to the finances? It was agreed that additional information could be added to future reports around mitigation measures and how to address any gaps. The budget setting process for 2023/24 was underway and would include consideration of issues including inflation.

The committee considered the performance review report. There was only one area that had scored red against target and this related to sickness absence. The Portfolio Holder explained various reasons for this including winter illnesses, the Omicron variant, increased mixing due to staff returning to the office.

Members suggested that the use of a 'tick' symbol where there was no target was misleading and asked whether this could be changed?

Resolved: that

- (a) The reports be received;
- (b) Future reports include the current financial position alongside the quarterly position and some narrative around how the council is managing changing financial circumstances; and
- (c) The relevant Portfolio Holders be requested to consider changing the symbols in the performance review report to more accurately reflect the targets/current position and provide an update to the next meeting. Members were welcome to email suggestions to officers or the Portfolio Holders.

[Click here to watch the debate](#)

55. **WORK PROGRAMME**

The committee considered the work programme. It was noted that the committee's remit had not changed since the previous council. Members were advised that the committee's officer scrutiny 'champion' was the Head of Neighbourhood Delivery; the role of the champion included coordinating and liaising between scrutiny members and officers, the scrutiny champions were Heads of Service which enabled them to have a council wide perspective.

Resolved: that the work programme be noted and any Member who has a suggestion for future work for the committee was invited to send an email to officers.

[Click here to watch the debate](#)

56. PUBLIC QUESTION TIME

There were no members of the public present.

57. URGENT BUSINESS

There was no urgent business.

58. DATE OF NEXT MEETING

The next meeting was on Thursday 8 September at 7.00pm.

**Councillor Mark Holland
Chair**

Meeting concluded at 7.17 pm

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Finance Assets and Performance Scrutiny Committee 08 December 2022

Report Title: Revenue and Capital Budget 2023/24 – First Draft Savings Plans

Submitted by: Head of Finance (Section 151 Officer)

Portfolios: Finance, Town Centres and Growth

Ward(s) affected: All

Purpose of the Report

To present the refreshed Medium Term Financial Strategy including the first draft proposals being considered to balance the 2023/24 revenue budget and the proposed capital programme for 2023/24 to 2025/26.

Recommendation

1. The first draft proposals as set out in Appendix A and Appendix B to the report be noted.
2. The amendment to the Medium Term Financial Strategy (MTFS) funding gap as a result of revisions to capital financing and inflationary assumptions be noted (Appendix C).
3. The refreshed Medium Term Financial Strategy (MTFS) (Appendix D) be noted.
4. The Committee identify any areas where further information is required for consideration.
5. The Committee suggest any further areas of savings that should be considered.

Reasons

To ensure that the Council meets its statutory duty to set a balanced budget in February 2023.

1. **Background**

- 1.1 The funding pressures facing the Council for the period for 2023/24 to 2027/28 were presented to Cabinet on 6 September 2022. The report indicated that there would be a budget 'gap' of £2.249m in respect of 2023/24 (£4.770m over the 5 year period of the MTFS) and that this will need to be closed in order to produce a balanced budget.

2. **Issues**

- 2.1 The MTFS provides an overarching framework for the allocation of resources to the Council's key priorities as set out in the Council Plan. The Council Plan for 2022-2026 was approved by Cabinet on 6 September 2022 and noted by Full Council on 28 September 2022.
- 2.2 After a ten year period of austerity the financial strategy will continue to focus on the need for the Council to become self-sustaining through developing a strong and growing tax base, making best use of its resources, promoting an "everyone's responsibility" culture in which

there is widespread ownership of the Council's financial position, a robust financial position and a fair funding settlement for Newcastle-under-Lyme.

- 2.3 The MTFS funding gap is constantly reviewed and assumptions made are challenged and amended as circumstances dictate. Following a review of the costs of financing the capital programme (including the interest rates applicable and the timing of capital expenditure) the estimated cost of capital financing in 2023/24 has reduced by £0.082m when compared to the amount previously reported to Cabinet. A revision to estimates regarding inflation on fuel has reduced the amount previously reported to Cabinet by £0.021m (to reflect costs being incurred in September 2022). New pressures have been added for inflationary increases relating to the Payroll contract (£0.008m) and pressures recognised in repairs and renewals expenditure (£0.050m).
- 2.4 The revised budget 'gap' therefore amounts to £2.134m for 2023/24 and £5.808m over the 5 year period of the MTFS (Appendix C).

Proposed Savings and Funding Strategies

- 2.5 A number of savings and funding strategies have been identified as being both feasible and sustainable, via a vigorous Financial 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 have enabled a balanced financial position to be proposed for 2023/24. Further details for 2023/24 are shown in Appendix A.

Detail	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
<i>Income</i>	270	-	-	-	-
<i>One Council</i>	376	-	-	-	-
<i>Staffing Related</i>	18	-	-	-	-
<i>Good Housekeeping</i>	215	-	-	-	-
<i>Tax Base</i>	337	219	222	224	227
<i>Council Tax Increase</i>	159	161	163	165	167
<i>Government Grants</i>	759	-	-	-	-
TOTAL SAVINGS	2,134	380	385	389	394
UPDATED MTFS GAPS	2,134	1,541	423	455	1,255
REMAINING GAP	-	1,161	38	66	861

Capital

- 2.6 The Capital Programme for 2023/24 to 2025/26 (Appendix B) 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 2022-26. These schemes total £45.464m including major investment into the Borough via external funding in terms of the Future High Streets Fund and the Town Deals Fund for both Newcastle and Kidsgrove.
- 2.7 The capital programme will require to be part funded by borrowings. The total net amount of borrowing over 3 years of the proposed Capital Programme for 2023/24 to 2025/26 will amount to £13.479m, significant borrowing will be required during 2023/24 (£13.863m), which may be partially repaid during 2024/25 and 2025/26. The associated borrowing costs have been factored into the MTFS.
- 2.8 A mid-year review of the capital programme for 2022/23 has been undertaken as part of the Efficiency Board and budget setting process for in order to identify any projects that may need

to be re-profiled from 2022/23 into future years. The revised capital programme for 2022/23 totalling £32.977m can be seen at Appendix B.

- 2.9 The table below sets out the key dates of the events to take place before the budget for 2023/24 is finally approved:

Event	Committee	Date
Budget consultation	Proposed to run during December	
Scrutiny of first draft savings proposals	FAPSC	8 December 2022
Approval of final MTFS & consideration of draft budget proposals	Cabinet	10 January 2023
Scrutiny of draft budget proposals	FAPSC	19 January 2023
Final budget proposals recommended for approval by Full Council	Cabinet	7 February 2023
Full Council to approve budget	Full Council	15 February 2023

3. **Proposal**

- 3.1 The committee note the funding gap of £2.134m in 2023/24 and £5.808m over the life of the MTFS.
- 3.2 The committee identify any areas where further information is required for consideration
- 3.3 The committee suggest any further areas of savings that should be considered.

4. **Reasons for Proposed Solution**

- 4.1 The Council has a statutory duty to set a balanced budget by February 2023. Best practice is for financial planning to take place over a 5 year period in the form of a Medium Term Financial Strategy that sets out how the Council plans to allocate resources to meet its objectives.

5. **Options Considered**

- 5.1 None.

6. **Legal and Statutory Implications**

- 6.1 The MTFS is not a statutory document but it is considered best practice.

7. **Equality Impact Assessment**

- 7.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably due to protected characteristics. It is important to consider the potential impact on such groups and individuals when designing or delivering services and budgets. Budget proposals requiring changes or new services and policies will be subject to Equality Impact Assessments including consultation with affected people and organisations.

8. **Financial and Resource Implications**

- 8.1 These are addressed in the body of the report.

9. **Major Risks**

- 9.1 Section 25 of the Local Government Acts 2003 places a duty on the Section 151 Officer to report on the robustness of the budget. The main risks to the budget include spending in excess of budget; income falling short of the budget (including capital receipts from disposal of assets); and unforeseen elements such as changes to Government funding. In the context of uncertainty regarding Government funding reforms there are significant budget risks that will need to be managed. It will be essential the Council has sufficient reserves to call on if required.
- 9.2 It should be noted that a number of assumptions and proposals are provisional or draft, and as such the opinion of robustness will be confirmed in the Revenue and Capital Budgets and Council Tax 2023/24 reports to Cabinet on 7 February 2023 and to Council on 15 February 2023.

10. **UN Sustainable Development Goals (UNSDG)**

- 10.1 In shaping detailed budget proposals consideration will be given to the need for investment in order to deliver the Council's Sustainable Environment Action Plan.



11. **Key Decision Information**

- 11.1 Final approval of the MTFS as part of the budget setting process will be a key decision.

12. **Earlier Cabinet/Committee Resolutions**

- 12.1 None

13. **List of Appendices**

- 13.1 Appendix A – 2023/24 MTFS Funding Strategy
 13.2 Appendix B – 2023/24 to 2025/26 Capital Programme
 13.3 Appendix C – MTFS 'Gaps'
 13.4 Appendix D – MTFS 2023/24 to 2027/28

14. **Background Papers**

- 14.1 None

Appendix A – 2023/24 MTFS Funding Strategy

Ref	Service Area	Description	£000's	Detail
Income				
I1	Bereavement Services	Income review	75	Full review of charges made including comparisons and levelling up with charges made by other local authorities
I2	Leisure and Cultural	Museum commercialisation	25	Increased commerciality of the Museum service through charging and promotion
I3	Leisure and Cultural	School swimming	30	Expansion of school swimming lessons scheme
I4	Leisure and Cultural	Student memberships	19	Introduction of a student specific membership
I5	Recycling and Fleet	Garden waste	36	Removal of discount given for additional garden waste bins and increase in fee
I6	Recycling and Fleet	Waste transfer notice	15	Introduction of a charge to recover administration fee
I7	Recycling and Fleet	Sale of recyclable materials	50	Reflection of increased prices paid by contractors for recyclable materials
I8	Recycling and Fleet	Advertising	20	Advertising on the Council's vehicle fleet
			270	
One Council				
O1	Corporate	One Council	376	Efficiencies to be generated from the introduction of a new Council operating model, continuous review and development of services and continued prioritisation of digital delivery
			376	
Staffing Related Efficiencies				
S1	Leisure and Cultural	Life-saving detection system	18	Introduction of a life-saving detection system leading to a reduced number of life guards being required
			18	
Good Housekeeping/More Efficient Processes				
G1	ICT	Centralisation	25	Centralisation and rationalisation of ICT and telephony budgets
G2	Leisure and Cultural	Subsidy reduction	100	Reduction in subsidy to Leisure service to reflect performance
G3	Recycling and Fleet	Green waste recycling credits	70	Contractor costs paid by Staffordshire County Council following removal of recycling credits
G4	Corporate	Good housekeeping	20	Review of temporary staff and other fees for services budgets
			215	
Alternative Sources of Finance/Other				
A1	Corporate	Tax base – Council Tax	91	Increase in tax base based on market housing supply requirement (431 properties per year)
A2	Corporate	Tax base – Business Rates	246	Assumed increase in tax base of 4%
A3	Corporate	New Homes Bonus	485	Assumed one year allocation of New Homes Bonus based on submitted data (CTB1 form)
A4	Corporate	Services Grant	104	Ongoing source of funding (less contribution to National Insurance reimbursement)
A5	Corporate	Lower Tier Services Grant	170	Ongoing source of funding
A6	Corporate	Council Tax increase	159	Assumed increase of 1.99% per Band D property
			1,255	
Grand Total			2,134	

Appendix B 2023/24 to 2025/26 Capital Programme and 2022/23 Mid-Year Estimate

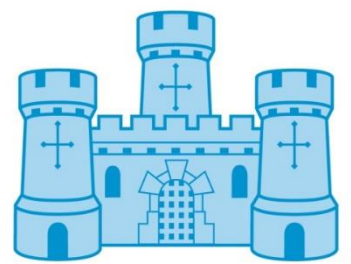


CAPITAL PROGRAMME	2022/23 MID YEAR	2023/24	2024/25	2025/26	TOTAL (2023/24 to 2025/26)
	£	£	£	£	£
PRIORITY – One Council Delivering for Local People					
Service Area - Council Modernisation	309,303	1,991,500	269,000	481,500	2,742,000
Total	309,303	1,991,500	269,000	481,500	2,742,000
PRIORITY – A Successful and Sustainable Growing Borough					
Service Area - Housing Improvements	1,720,000	1,670,000	1,670,000	1,720,000	5,060,000
Service Area - Managing Property & Assets	930,725	883,342	1,442,918	1,266,411	3,591,671
Total	2,650,725	2,552,342	3,112,918	2,986,411	8,651,671
PRIORITY – Healthy, Active and Safe Communities					
Service Area - Environmental Health	60,000	60,000	-	12,000	72,000
Service Area - Streetscene and Bereavement Services	940,000	790,000	240,000	280,000	1,310,000
Service Area - Recycling and Fleet	900,927	5,601,000	303,000	1,230,000	7,134,000
Service Area – Leisure and Cultural	800,341	368,000	16,000	150,000	534,000
Service Area - Engineering	155,000	110,000	1,415,000	120,000	1,645,000
Total	2,856,268	6,929,000	1,974,000	1,792,000	10,695,000
PRIORITY – Town Centres for All					
Service Area - Managing Property & Assets	-	4,700,000	-	-	4,700,000
Future High Streets Fund	5,388,399	1,691,166	-	-	1,691,166
Town Deals – Newcastle	14,356,811	4,706,000	2,251,000	807,000	7,764,000
Town Deals - Kidsgrove	6,415,000	4,190,000	2,794,000	1,236,000	8,220,000
Total	26,160,210	15,287,166	5,045,000	2,043,000	22,375,166
CONTINGENCY (will be carried forward to 2023/24)	1,000,000	1,000,000	-	-	1,000,000
TOTAL	32,976,506	27,760,008	10,400,918	7,320,911	45,463,837
FUNDING					
Capital Receipts	3,684,500	1,400,000	4,000,000	4,000,000	9,400,000
External Contributions	27,877,210	12,497,166	6,545,000	3,543,000	22,585,166
Borrowing	1,414,796	13,862,842	(144,082)	(240,089)	13,478,671
TOTAL	32,976,506	27,760,008	10,400,918	7,302,911	45,463,837

Appendix C – 2023/24 to 2027/28 MTFS ‘Gaps’

Detail	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Description
Employees:						
Increments	61	40	10	2	-	Employees due an increment
Pay awards	508	330	339	347	356	4% pay award assumed for 2023/24 and 2.5% for all years thereafter
2022/23 Pay award	447	-	-	-	-	Pay award proposed for 2022/23 over and above MTFS assumption of 2.5%
Superannuation increases	224	82	77	77	78	22% of increase in increments and pay awards
Superannuation lump sum increases	57	39	41	43	45	Contribution towards pension deficit
National Insurance	153	56	52	53	54	13.8% of increase in increments and pay awards
Premises:						
Business Rates	30	16	16	16	16	Inflationary increase in business rates payable (per CPI)
Utilities	113	11	11	11	11	Inflationary increase in gas and electric (per CPI) and realignment of budget re. 2022/23 increases
Transport:						
Fuel	172	12	12	12	12	Inflationary increase in fuel (per CPI) and realignment of budget re. 2022/23 increases
Financing:						
Borrowing/leasing costs	305	508	15	52	849	Borrowing costs regarding the financing of capital expenditure
Flexible use of capital receipts	100	-	-	-	-	Removal of the flexible use of capital receipts to fund revenue
New Pressures:						
ICT software and maintenance	26	20	20	20	20	ICT costs re. systems maintenance and software licences
Internal Audit fees	8	-	-	-	-	Inflationary increase in contracted costs
Payroll fees	8	-	-	-	-	Inflationary increase in contracted costs
Repairs and renewals	50	-	-	-	-	Increased contract prices
External audit fees	-	100	-	-	-	Likely increase in external audit fees
Income:						
Fees and charges	(253)	(197)	(203)	(209)	(216)	4% increase in fees and charges in 2023/24 and 3% each year thereafter
New Homes Bonus	192	490	-	-	-	Drop out of New Homes Bonus legacy payments
Government grant	12	12	12	12	12	Reduction in Housing Benefit /Council Tax Admin grant
Business Rates baseline funding level	(149)	(78)	(79)	(81)	(82)	Inflationary increase in baseline funding level (per CPI)
Tax base – Council Tax support	(30)	-	-	-	-	Reduction in Council Tax support claimants
Income pressures	100	100	100	100	100	General income shortfalls
TOTAL GAPS	2,134	1,541	423	455	1,255	

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**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

Medium Term Financial Strategy

2023/24 – 2027/28



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Medium Term Financial Strategy 2023/24 to 2027/28

1. Corporate Plan

- 1.1 The Council Plan for 2022-2026 sets out the Council's priorities for the next four years and serves to focus the work of everyone at the Council.
- 1.2 The Council Plan is shaped around our four key priorities:
 - One Council Delivering for Local People
 - A Successful and Sustainable Growing Borough
 - Healthy, Active and Safe Communities
 - Town Centres for All
- 1.3 The Council Plan sets out how we will work to make Newcastle-under-Lyme a better place for everyone who lives here or comes here to work, to study or for leisure. Our aims can only be achieved by taking advantage of every opportunity available and developing further opportunities through innovation and collaborative working.
- 1.4 The Council is committed to strong and sustainable economic growth for the borough, focusing on opportunities around Keele University, Newcastle Town Centre and Kids Grove.
- 1.5 The Council has worked hard to secure more than £50m from government programmes aimed at boosting the economic fortunes of areas such as ours. This plan includes a transformational portfolio of major projects but also reflects our ambition to attract yet more funding and take this work even further.
- 1.6 The Council Plan builds on four years of achievement, despite the huge disruption caused by the Covid-19 lockdown. It is very likely that the initial period of this plan's delivery and the delivery of the Medium Term Financial Strategy will be strongly influenced by the impact of rising energy costs and their impact on the cost of living.

2. Financial Strategy

- 2.1. A sound financial strategy is key to the delivery of the Corporate Plan and financial resilience.
- 2.2. There are five key strands to the strategy:
 - A financially self-sustaining Council
 - Value for Money
 - Everyone's responsibility culture
 - Underpinned by robust financial position
 - Ensuring a fair financial settlement for Newcastle-under-Lyme

Financially Sustainable Council

- 2.3. The change in the balance of funding to local authorities has shifted over the last ten years. The reduced Revenue Support Grant awarded by Government has been replaced by income from retained Business Rates and Council Tax. This has led to a need for local authorities to increase self-financing with a need to promote and grow the local economy and Council Tax bases to provide prosperity and reduce need alongside delivering efficiencies and generating more income.

- 2.4 Newcastle-under-Lyme has a growing population, but in recent decades it has seen low levels of house building which have not kept up with housing demand. The resulting affordability gap for residents puts pressure on our homelessness service but also has dampened council tax income.
- 2.5 Newcastle-under-Lyme's industrial and retail sectors have remained healthy in recent times and the business rates base has grown significantly (current rateable value of £90.862m) since the borough joined the Staffordshire business rates pool in 2013/14 (rateable value of £83.842m).
- 2.6 Alongside the growth in the tax base the rates need to keep base with the Council's inflationary and demand pressures, whilst also reflecting the financial pressures facing our residents. Accordingly the MTFS assumes annual increases of 1.99%.

Value for Money

- 2.7 It is essential that the Council makes best use of its finite resources. In simple terms this means evidence based decisions, testing the market, strong business cases, delivering on the corporate objectives.

Culture

- 2.8 The Council's finances need to be everyone's responsibility. It is not the sole responsibility of the Council's Section 151 Officer, ownership is required across the entire Council, the Cabinet, Chief Executive, Executive Directors and their management teams, senior management and front line workers. This has increasingly been the case through ten years of austerity and now more than ever with the financial impacts of the Covid-19 and Cost of Living crisis's and the continued uncertainty around Local Government funding.

Robust Financial Position

- 2.9 There needs to be clear, transparent and integrated service and budget planning to ensure the Council's finite resources are directed to where they are most needed. It is essential that the finances are understood by members, senior officers, managers and the community. The finances need to be sustainable. A single year budget is not enough, the finances need to be planned over the medium term and good practice is for this term to be five years.
- 2.10 The budgets need to be robust with realistic savings plans to avoid in year volatility. The five year plan needs to recognise all future pressures and income flows. Local Government is a dynamic environment with many demand led services and the growth in demand for services needs to be accurately modelled. The same applies on the income side with a clear understanding required of changes to the Council Tax and Business Rates tax bases and the level of Government support.
- 2.11 There is inevitably a gap between the two or the need to invest in priority areas which will need to be met by changing the way in which the Council operates. This will be through delivery of efficiencies, reducing services or generating more income. All of these measures need to be realistic with appropriate processes in place to ensure their delivery.
- 2.12 Finally, the Council needs to hold an appropriate level of reserves to ensure that it can continue to deliver its objectives in times of financial uncertainty. These reserves will cover the smoothing of spend areas that are known to move from year to year, for specific and general risks and a general provision for unknown risks.

- 2.13 Much work has been done over the past four years to put the Council's finances on a robust sustainable footing. Undeliverable savings and historical overspends have been built back into the base budget, there is a more focussed view of the medium term and there is a far more realistic assessment of future demographic pressures and investment needs. In addition, a Ten Year Capital Strategy has ensured that decision making considers this wider, long term context. This Strategy will set out how this approach can be taken further forward.
- 2.14 The Council has been operating in a period of great uncertainty with the impact of the worldwide Covid-19 Pandemic and the Cost of Living crisis. Detailed scenario planning will therefore be required to identify the different actions that may be necessary to ensure the Council's continued financial sustainability depending on the financial impact and any potential ongoing consequences.

A Fair Financial Settlement for Newcastle-under-Lyme

- 2.15 The Government introduced its Business Rates Retention model for funding local government in 2013/14. It however relied on the historical needs data and damping arrangements from the previous model. At the time government committed to address both of these issues and also set out plans to reset the business rates growth on a regular basis.
- 2.16 Government has been developing Fair Funding proposals to remedy the position, this is now overdue and local authorities have been disadvantaged by both the lack of an update of the underlying data and the damping arrangements. Implementation has been held up due to the Covid-19 pandemic and it is currently unclear when the Government will press ahead with plans for a business rates reset which would see the accumulated growth built up since 2013/14 being redistributed across the system.
- 2.17 As a member of the Staffordshire Business Rates Pool the Council currently saves £0.755m per annum in levy payments which would be payable to the Treasury if the Council ceased to be part of a pooling arrangement. In addition to this, growth within the Borough has enabled a further £1.699m of business rates income to be retained by the Council (this has been recognised in previous savings) over and above the funding baseline set by Central Government. In the event that a business rates reset goes ahead strong lobbying will be required to ensure that appropriate transitional arrangements are in place to cushion the impact locally.
- 2.18 Depending on the funding system in place for the medium term, there will be a requirement for relevant up to date information to ensure its effectiveness. The 2021 Census will be key.
- 2.19 Finally the Council has been successful in ensuring that significant resources required to regenerate the borough have been secured via Town Deals and Future High Street Fund (a number of projects are well underway) and continue to work closely with the County Council and LEP to secure inward investment in the borough to drive growth and employment opportunities for local people.

3. Economic Context

- 3.1 The following economic commentary has been provided by the Council's treasury advisers, Arlingclose, from their November Economic Background.

The ongoing impact on the UK from the war in Ukraine, together with higher inflation, higher interest rates, uncertain government policy, and a deteriorating economic outlook, will be major influences on the Authority outlook for 2023/24.

The Bank of England (BoE) increased Bank Rate by 0.75% to 3.0% in November 2022, the largest single rate hike since 1989 and the eighth successive rise since December 2021. The decision was voted for by a 7-2 majority of the Monetary Policy Committee (MPC), with one of the two dissenters voting for a 0.50% rise and the other for just a 0.25% rise.

The November quarterly Monetary Policy Report (MPR) forecast a prolonged but shallow recession in the UK with CPI inflation remaining elevated at over 10% in the near-term. While the projected peak of inflation is lower than in the August report, due in part to the government's support package for household energy costs, inflation is expected remain higher for longer over the forecast horizon and the economic outlook remains weak, with unemployment projected to start rising.

The UK economy grew by 0.2% between April and June 2022, but the BoE forecasts Gross Domestic Product (GDP) will decline 0.75% in the second half of the calendar year due to the squeeze on household income from higher energy costs and goods prices. Growth is then expected to continue to fall throughout 2023 and the first half of 2024.

CPI inflation is expected to peak at around 11% in the last calendar quarter of 2022 and then fall sharply to 1.4%, below the 2% target, in two years' time and to 0% in three years' time if Bank Rate follows the path implied by financial markets with a peak of 5.25%. However the BoE has stated it considers this path to be too high, suggesting that the peak in interest rates will be lower, reducing the risk of inflation falling too far below target.

The labour market remains tight for now, with the most recent statistics showing the unemployment rate fell to 3.5%, driven mostly by a shrinking labour force. Earnings were up strongly in nominal terms by 6% for total pay and 5.4% for regular pay but factoring in inflation means real total pay was -2.4% and regular pay -2.9%. Looking forward, the MPR shows the labour market weakening in response to the deteriorating outlook for growth, leading to the unemployment rate rising to around 6.5% in 2025.

4. Borough Profile

- 4.1 Newcastle-under-Lyme has a population of 123,300 (2021 census), a decrease of 600 (rounded up), or 0.5%, since the 2011 census. This is a very different situation than the national (6.6% increase), regional (6.2% increase) and county (3.3% increase) pictures which all saw increases over this period.
- 4.2 In the ten years from 2011-2021, the percentage of the borough's population aged 70+ increased from 12.8% to 16.1%, keeping this rate higher than across the West Midlands region (13.8%) and England (13.5%).
- 4.3 The general population has decreased by 0.5% over the past decade, but with the number of residents over 65 increasing by 18.6%, lower than the Staffordshire increase of 23.7% and the England increase of 20.1% over the same period but higher than the West Midlands increase of 18.1%. The over 65 population is projected to increase by a further 14.6% over the next decade, with the under 65 population projected to increase by only 1.5%.
- 4.4 The median age for the borough is 41.8 years, higher than for the West Midlands (39.6) and England (40.2) but lower than Staffordshire (44.8). The borough's median has barely changed since 2010 when it was 41.7.

- 4.5 From 2011 to 2021 there has been an estimated 1.6% increase in the number of households in the borough, from 52,600 to 53,400. It is estimated that this will increase to 59,200 by 2029, and to 62,100 by 2039.
- 4.6 Based on the MYE (Mid-Year Estimate) for 2020, the Office for National Statistics project the population for the borough to increase to 135,700 by 2029. But the projected increase is not uniform across all age groups. The population aged 0-29 is projected to remain fairly stable, but the population aged 65+ is projected to rise from 26,800 to 30,700, an increase of 3,900 or 14.6%.
- 4.7 Measured through the average rank for IMD 2019, Newcastle-under-Lyme is the 150th most deprived local authority in England, out of 317 overall. Newcastle's ranking compared with other local authorities in England has improved slightly from 156th in 2015. In terms of Health Deprivation and Disability the borough is the 80th most deprived local authority but 197th most deprived in terms of Barriers to Housing and Services.
- 4.8 Parts of the borough including Cross Heath and Knutton are in the 10% most deprived areas in England. Further parts of Holditch and Chesterton, Kidsgrove and Ravenscliffe, Crackley and Red Street, Town and Westlands are also in the 20% most deprived. However, parts of Loggerheads, Westbury Park and Northwood, Madeley and Betley and Westlands are in the top 10% least deprived parts of England, with parts of Clayton, Crackley and Red Street, Thistleberry, Westlands, Bradwell, Madeley and Betley, Newchapel and Mow Cop in the top 20% least deprived.
- 4.9 Across the borough in 2021, the annual median gross weekly pay was £565. This was lower than for the West Midlands (£582) and Great Britain (£613). Salaries for both males and females were relatively low as the following table shows:

(Gross weekly pay for full-time workers)

	Newcastle-under-Lyme	West Midlands	Great Britain
Females	£482	£525	£558
Males	£601	£627	£656
Overall	£565	£582	£613

- 4.10 Across the borough there are significant differences in income. In three areas, net annual household income was less than £26,000, but in four it was more than £36,000
- 4.11 In the year up to March 2021, an estimated 74.5% of residents aged 16-64 were classed as 'in employment', broadly similar to the West Midlands region (73.7%) and for Great Britain (74.8%).

(All people in employment) Numbers in brackets are people.

	Newcastle-under-Lyme	West Midlands	Great Britain
April 2015-March 2016	76.9% (64,300)	70.4%	73.7%
April 2016- March 2017	77.4% (66,600)	71.4%	74.3%
April 2017- March 2018	78.0% (68,500)	72.7%	75.0%
April 2018- March 2019	74.6% (63,700)	73.8%	75.4%
April 2019- March 2020	72.5% (60,000)	73.9%	76.0%

April 2020- March 2021	74.5% (61,600)	73.7%	75.2%
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- 4.12 As of 2020, two-thirds (68%) of residents' jobs were full-time, with one-third (32%) part-time. This is very similar to the rate for the West Midlands and Great Britain.
- 4.13 According to official crime summary data, the number of recorded crimes for headline offences in Newcastle-under-Lyme between April 2021 and March 2022 was 7,310 – a decrease of around 16.3% on the previous 12 month period.
- 4.14 The crime rate for this period was 56 per 1,000 residents, lower than the Staffordshire rate of 62 per 1,000 people but higher than all of the Staffordshire boroughs apart from Cannock Chase and Tamworth.
- 4.15 In Newcastle-under-Lyme the three most common types of recorded crime were:
- Violence against the person (3,480)
 - Theft offences (1,759)
 - Stalking and harassment (1,477)
- 4.16 The latest available local estimates from the ONS (Life Expectancy at Birth 2018 to 2020) suggest that life expectancy at birth for males born in this period in Newcastle-under-Lyme is 79.4 years, which is slightly below the Staffordshire (79.3 years) and the same as the England average (79.4 years). Female life expectancy is 82.3 years, while the Staffordshire and England averages are 83.1 years and 83.1 years respectively.
- 4.17 There are, however, wide variations across the borough with the inequality driven by deprivation. For Newchapel and Mow Cop, the life expectancy at birth for males is 82.4 years, but in the Town ward it is 6.5 years lower at 75.9 years.
- 4.18 For females in Loggerheads life expectancy at birth is 87.1 years, but in the Town ward it is 11 years lower at 76.1 years.
- 4.19 Across the borough, the age-standardised mortality rate of 1,136 was higher than the Staffordshire rate of 1,067, the West Midlands rate of 1,122 and England's 1,043.
- 4.20 There are circa 55,800 homes in the borough (2019). At the 2011 Census (this data is not yet available from the 2021 Census) housing tenure was as follows:
- Owned outright 35%
 - Owned with mortgage/loan 34%
 - Shared ownership 0.4%
 - Social rented 19%
 - Private rented from landlord 9%
 - Private rented from other 1%
 - Living rent free 1%
- 4.21 Overcrowding is mostly assessed by the 'bedroom standard' which assesses the number of bedrooms needed according to the size and composition of households. In the 2011 census (2021 census data regarding overcrowding is not yet available), Newcastle-under-Lyme had an overcrowding rate of 4.2% – very similar to Staffordshire's 4.0%.
- 4.22 Across 2021, the local housing affordability ratio i.e. median house price compared to median gross income was 5.59, significantly lower than all of the other Staffordshire

districts. Across the West Midlands the ratio is 6.55, and across England it is 7.4. The borough's rate is lower than in 2009 when the ratio was 5.07.

- 4.23 84.2% of residents of working age have qualifications at level NVQ1 or above, similar to the 84.8% across the West Midlands but lower than the average of 87.9% in Great Britain. As of December 2021, an estimated 36.0% of adults aged 16-64 were qualified to NVQ level 4 or above – lower than both the West Midlands rate of 38.9% and the Great Britain rate of 43.6%.
- 4.24 The unemployment claimant count for the borough of 2.7% as at August 2022 was identical to Staffordshire's rate and lower than Great Britain's 3.6%. As with most of the country, there was a rise from March 2020 when the rate was 2.4%. There is some variance across the borough – in five wards the rate is at least as high as the national average, in four wards it is lower than half that rate.

5. Refresh of Financial Assumptions

- 5.1 Council agreed a five year Medium Term Financial Strategy in February 2022 covering the period 2022/23 to 2026/27. For 2022/23 there was Net Expenditure of £16.302m on services and a Council Tax Requirement of £7.919m. There is a Council Tax Base of 37,668 and a Band D Council Tax of £210.24. There was a balanced budget for 2022/23 but a forecast gap of £3.053m across the period 2023/24 to 2026/27.
- 5.2 The MTFs gaps have been rolled forward a year to cover 2027/28, this was reported to Cabinet on 6 September 2022 and the assumptions updated. There has since been further review of the gaps and this refinement will continue throughout the budget setting process.
- 5.3 The recovery from Covid-19 and the ongoing Cost of Living Crisis are expected to continue to have an impact on the Councils' finances, however, the degree of that impact is difficult to predict. The MTFs has been revised to reflect current information and includes an estimate of pressures that have both a short and medium term impact on the tax base for Council Tax and Business Rates.
- 5.4 Overall, rolling forward a year the Council is forecast to have a funding gap of £5.808m over the next five years. £2.134m of this is in 2023/24 and whilst the overall strategy is to have a balanced five year plan the focus of attention will be on this first year.

	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	2027/28 (£000's)	Total (£000's)
Income	(128)	327	(170)	(178)	(186)	(335)
Expenditure	2,262	1,214	593	633	1,441	6,143
Gap	2,134	1,541	423	455	1,255	5,808

- 5.5 The year one gap has decreased from £2.249m (as reported to Cabinet on 6 September 2022) to £2.134m following a review of the costs of financing the capital programme (£0.082m reduction in costs) and a revision to estimates regarding inflation on fuel (£0.021m reduction in costs).

Income

- 5.6 A provision for income losses of £0.100m has been built in for each year of the MTFs. An assumed annual increase in fees and charges has also been included of 4% for 2023/24 and 3% for each year thereafter.

Detail	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	2027/28 (£000's)	Total (£000's)
Government Grant	204	502	12	12	12	742
Business Rates	(149)	(78)	(79)	(81)	(82)	(469)
Fees and Charges	(253)	(197)	(203)	(209)	(216)	(1,078)
Council Tax Support	(30)	-	-	-	-	(30)
Income Pressures	100	100	100	100	100	500
Total	(128)	327	(170)	(178)	(186)	(335)

Government Grant

- 5.7 Local Government has been through an unprecedented period of austerity. The assumption is for legacy New Homes Bonus grant funding to reduce to nil, with continued one year settlements until further notice, and for Housing Benefit and Council Tax Benefit administration grants to continue to decline over time.

Business Rates

- 5.8 There have been significant impacts to Business Rates as a result of the Covid-19 crisis. Firstly, there have been a wide range of interventions from Government with extensive discounts and also provision of grant to small businesses. These discounts have been matched with Section 31 grant and have therefore not impacted the Council's bottom line.
- 5.9 The MTFS currently assumes an inflationary increase of 4% in 2023/24 and 2% per annum thereafter in terms of collectable Business Rates, this is in addition to an inflationary increase in the base level funding set for the Business Rates Retention scheme by Central Government.

Council Tax

- 5.10 The Council has a market housing supply requirement of 2,153 properties over the 5 year period of the MTFS (excluding affordable housing). The MTFS assumes that the requirement will be met at an average of 431 properties per annum, thus increasing the tax base accordingly. The MTFS assumes a Council Tax increase of 1.99% per Band D property for all years.
- 5.11 The Council operates a Council Tax Support scheme, introduced following the localisation of support by Government at the start of austerity. Increased levels of Council Tax Support were awarded during 2020/21 in the midst of the Covid-19 pandemic. The MTFS forecast assumes that this pressure on the tax base will be relieved over a 3 year period and that by 2023/24 the levels of support will have returned to pre-pandemic levels, however this will continually be reviewed in light of the Cost of Living Crisis.

Savings/Income Generation

- 5.12 Work is continuing to identify additional savings proposals in order to address the increased forecast gaps in 2023/24 and beyond. To date savings of £2.134m have been identified for 2023/24 enabled a balanced position to be proposed. £1.548m has been identified for the remainder of the MTFS (total shortfall of £2.126m).

Detail	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	2027/28 (£000's)	Total (£000's)
Income	270	-	-	-	-	270
One Council	376	-	-	-	-	376
Staffing Related	18	-	-	-	-	18
Good Housekeeping	215	-	-	-	-	215
Tax Base	337	219	222	224	227	1,229
Council Tax Increase	159	161	163	165	167	815
Government Grants	759	-	-	-	-	759
Total	2,134	380	385	389	394	3,682

Expenditure

- 5.13 Employee pressures relate to assumed pay awards of 4% for 2023/24 and 2.5% for all years thereafter, 2023/24 also provides for the 2022/23 pay award (£1,925 per full time employee regardless of grade) that was over and above the 2.5% assumed, this amounts to a further pressure of £0.447m excluding the associated increases to National Insurance and pension contributions.
- 5.14 National Insurance contributions related to assumed pay awards and the 2022/23 pay award amount to an additional £0.153m for 2023/24, whilst associated pension contributions result in a pressure of £0.281m.
- 5.15 A number of new pressures facing the Council in 2023/24 amounting to £0.092m have also been provided for, these include ICT maintenance and software licences (£0.026m) and other inflationary costs and pressures regarding service provision (£0.066m).

	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	2027/28 (£000's)	Total (£000's)
Employees	1,450	546	519	521	533	3,569
Premises	143	27	27	28	28	253
Transport	172	12	12	12	12	220
Financing	405	509	15	52	848	1,829
Pressures	92	120	20	20	20	272
Total	2,262	1,214	593	633	1,441	6,143

Inflation

- 5.16 Provision for price increases is made in line with the Bank of England target 2% for CPI (Consumer Price Index), with the exception of 2023/24 whereby budgets have been analysed following the Cost of Living Crisis and pressures accordingly accounted for.

Investment

- 5.17 The base budget includes an annual contribution to the Borough Growth Fund of £0.250m to fund investment in key Council priorities. At the present time the assumption is that this level of investment will continue over the life of the MTFS.

Capital financing

- 5.18 The proposed Capital Programme for 2023/24 to 2025/26 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 2022-26. These schemes total £45.464m including major investment into the Borough via external funding in terms of the Future High Streets Fund and the Town Deals Fund for both Newcastle and Kidsgrove.
- 5.19 The capital programme will require to be part funded by borrowings. The total amount of borrowing over 3 years of the proposed Capital Programme for 2023/24 to 2025/26 will amount to £13.479m. The associated borrowing costs have been factored into the MTFS.

Other financing adjustments

- 5.20 The Council budgeted to finance £0.100m of one-off costs from flexible use of capital receipts in 2022/23. The current assumption is for this to reduce to nil in 2023/24 eliminating the reliance on capital receipts to finance revenue expenditure.

6. In Year Response to Financial Pressures Arising from Covid-19 and Cost of Living Crisis

- 6.1 There is uncertainty at present with regards to the recovery of lost income levels resulting from the Covid-19 pandemic and the impact of the Cost of Living Crisis. The medium term therefore contains risks around loss of income, these are included as part of the risk assessment informing the Council's level of reserves. A number of steps have been taken in year, or are planned for future periods to continue to address the financial impact and ensure that the Council remains financially resilient including:
- A review of income forecasts as part of monthly budget monitoring processes.
 - Maintaining spend within the existing budget envelope as far as possible.
 - Identifying management action to reduce in year cost pressures.
 - Re-focusing the income collection approach to reduce the impact of bad debt.
 - Reassessment of Capital Programme commitments.
 - A comprehensive review and risk assessment of the Council's reserves.
 - Use of grants to substitute for existing spend wherever possible.
 - Asset review to maximise receipts from disposals.

7. Approach

- 7.1 The following section sets out the central approach to developing the Medium Term Financial Strategy for 2023/24 to 2027/28.

Foundation analysis

- 7.2 Over the summer and early autumn the groundwork for the MTFS has been undertaken which is primarily the review of the Borough Profile and assessment of the impact of Covid-19 and the Cost of Living Crisis, a full benefit opportunity assessment

and benchmarking to give a clear context in which to identify areas for investment and redirection of resources, opportunities for efficiency and income generation and service reconfiguration. Service level benchmarking has primarily been based on DLUHC Revenue Outturn data focussed on the Council's CIPFA statistical "nearest neighbours" and Staffordshire geographical near neighbours. Spend has also been mapped to strategic priorities and outcomes.

One Council

- 7.3 The One Council Programme was launched in February 2021 following Full Council approval of the budget in order to meet the changing needs of our residents by increasing our ability to provide flexible, efficient and customer driven services. The programme is designed to respond to the key lessons from the Covid-19 pandemic, how this impacted on how customers accessed Council services, and how services flexed in order to remain resilient. The programme focusses on reviewing customer need alongside modernising internal processes whilst developing our internal cultural transformation and ensuring we address financial demands.
- 7.4 The One Council programme facilitates a fundamental change in Newcastle-under-Lyme Borough Council's operating model and how we address our challenges. Significantly, it sets out to enable the Council to make better use of the resources available to it, ensuring both efficient and effective service delivery.
- 7.5 Given the broad remit of the programme, overall aims have been considered by integrated work streams aligned to core principles of delivery and achievement and the initial work has been supported by the delivery partner Ignite Consulting who have enabled the team to develop skills in management change and service redesign. Whilst a significant aspect of the programme is to facilitate a move to customer self service via an enhanced website, traditional face to face and telephone access will remain available to those who need it.
- 7.6 One Council is a "spend to save" programme with an agreed investment of £1.2m. Recurrent benefits will be achieved moving forward. The savings are set to be staggered over the life of the 3 year programme (£0.196m has been achieved in 2021/22, £0.601m will be achieved in 2022/23 with a further £0.376m in 2023/24).
- 7.7 In order to build the programme and consider the areas for change and focus, the broad concepts of purpose were considered alongside a benchmarking exercise which placed the customer and delivery of services at centre stage. This analysis supported the development of certain big ideas which have formulated the overall Future Operating Model design and have given a structure to the design of service change through the development of the "Big operating Model Building Blocks" of:
- Leadership and Management
 - Information Advice and Guidance and Website
 - One Front Door
 - Internal Support
 - Mobile Multifunction Team
 - Strategy and Performance Team

Leadership and Management

- 7.8 The programme realises the importance of cultural development, attitudes, behaviours and overall quality and consistency of leadership as a driver for success. As such a dedicated Culture work stream was initiated which considered our purpose as a Council and provider of services as well as the important people driven elements which

would support the achievement of our goals. Focus groups across the council considered our purpose, strengths and weaknesses and contributed to the development of an overall mission statement and related values.

Information, Advice and Guidance / website

- 7.9 A core aim of the overall programme is to enable residents and local business to self-serve wherever possible, thereby freeing up expertise and staff time to support delivery of complex tasks and innovative services in a more efficient model.
- 7.10 The Digital work stream engaged with services to consider changes needed to enable this transition for users of our website and contracted with Jadu to develop the new website which was launched on 27 October 2021.
- 7.11 The site is cleaner and more modern than our previous site and has been developed with a focus on functionality and ease of use to support the customer. The website developments integrate directly with the new One Front Door (or Customer Hub) and drive traffic away from resource heavy phone lines enabling a deeper and broader remit and function to develop within our customer facing team.
- 7.12 Another aim of One Council is to make our site more commercial. Using the new tools and techniques in Jadu we will be able to sell our services more effectively to increase revenue. Examples include J2, Bereavement Services and Garden Waste.

One Front Door

- 7.13 The One Front Door, now known as the Customer Hub, is the customer facing function designed to offer end to end service, advice and transactional support to customers of the Council. Overtime this will sit across all outward facing services and by contacting the team, our customers will be able to undertake a range of tasks from planning related queries, to questions around waste collection. A strong feature of this service is providing the team with training and development across a range of services, as well as giving them access to in service technology to allow them to have up to date information and ability to transact specific elements of queries easily and efficiently.
- 7.14 Work initially focussed on the previous teams for Customer Services and Revenues and Benefits and the two areas have now been consolidated. Pulling the teams together, with focussed work on processes alongside the website development has enabled the team to be resourced more efficiently and for knowledge to be spread amongst a larger number of employees.
- 7.15 As we continue to embed the learning and knowledge in the team, the service is looking across the rest of the organisation and considering how this concept and model can grow to incorporate further processes and support our customers across a wider range of matters.

Internal Support

- 7.16 Work is continuing on developing efficiencies within our internal services. This will again provide services with streamlined support and guidance whilst releasing those with technical expertise to focus on value added delivery.
- 7.17 Much like the One Front Door, there are anticipate efficiencies of scale to be identified here as well as process and technology developments which will enable a reduction in Whole Time Equivalents (WTE) assigned to the teams which is planned to be delivered through MARS as well as natural turnover.

Mobile Multi-Function Team

- 7.18 The Mobile Multi-Functional Team enables an agile and diverse team of operatives to be dispatched where there is immediate need. Linked to a preventative delivery arm and the One Front Door, the impact on the Borough and residents will be significant and positive.

Strategy and Performance Team

- 7.19 The Strategy and Performance Team supports services in their strategic aims as well as becoming a critical friend and challenging function in terms of performance and delivery. This function will enable the Council to better use data and performance indicators to drive outcomes against the Council Plan and other strategic aims.
- 7.20 In addition this service will look outward to strengthen relationships with our partners, consider policy and strategy development and ensure effort and activity drive us closer to our overall aims and vision.

Commercial

- 7.21 The Council approved its Commercial Strategy in October 2019 with the objectives of maximising commercial opportunities as Government support drops away, requiring councils to become more self-financing. Key themes set out in the Commercial Strategy include:
- Creating and nurturing commercial and development opportunities
 - Greater focus on procurement and contract management
 - Creating a sustainable commercial programme
 - Establishing a strong commercial culture and investing in staff and member skills
 - Extracting maximum value from our land and property assets and income streams
 - Challenging where services can be commissioned
 - Driving our digital agenda forward
- 7.22 Progress in implementing the commercial strategy in the current year has been limited due to restrictions placed on borrowing for commercial purposes. However, going forward this remains a key supporting strand of the MTFS whereby regeneration priorities can also be met and will need to be properly resourced.

Property

- 7.23 The Council last updated its Asset Management Strategy in 2018. A further review now needs to be undertaken in order to identify assets which may be suitable for disposal, generating funding for the Capital Programme.

8. Reserves

8.1 Forecast balances for the Council's reserves as at 31 March 2023 are as follows:

Reserve/Fund	Balance 31.3.22 (£'000's)	Forecast Balance 31.3.23 (£'000's)
General Fund	2,160	2,160
Walleys Quarry Reserve	823	500
Income Reserve	100	100
Equipment Replacement	33	-
Budget Support Fund	789	-
Budget Support Fund (Local Plan)	301	-
Budget Support Fund (Homelessness)	329	-
Borough Growth Fund	50	-
Conservation & Heritage Fund	35	-
Mayor's Charity Fund	7	-
Museum Purchases Fund	61	-
Business Rates Reserve	6,046	993
Elections Reserve	150	-
Clayton Community Centre Fund	14	-
Totals	10,898	3,753

8.2 A full reserves risk assessment will be completed as part of the 2023/24 budget preparation. However, based on a preliminary assessment it is considered that the current balance of the general fund reserve will be more than sufficient to provide sufficient cover for foreseeable risks.

8.3 It should be noted that the balance of the Business Rates reserve is inflated for 2021/22 and 2022/23 due to s31 grants received to cover the cost of business rate reliefs in the current financial year. The true underlying position is closer to £1.0m which represents cumulative collection fund surpluses in previous years. This sum will be held to mitigate against future collection fund losses and as a contingency for the Fair Funding Review.

9. Capital Strategy

9.1 The Council agreed its Capital Strategy and Ten Year Capital Programme 2022/23 to 2030/31 in February 2022, this will be refreshed as part of the 2023/24 budget setting process (proposed expenditure for 2023/24 to 2025/26 will be considered as part of the report to Cabinet on 6 December 2022). The Capital Strategy explains how the Council invests its capital funds and the various sources of funding and how this facilitates the delivery of its objectives.

9.2 The main governance of the Capital Strategy is through the Capital, Assets and Commercial Investment Review Group which:

- Reviews and recommends to Cabinet all new General Fund Capital projects
- Ensures capital resources are viewed corporately with a clear link to corporate objectives
- Ensures any revenue costs are identified and considered in the Treasury Management Strategy and the Council's MTFS
- Develops a Capital Strategy which supports the Council's corporate objectives
- Oversees the development and implementation of the asset management and commercial strategies

- Reviews new capital project and commercial investment requests on behalf of Cabinet.
- 9.3 As part of the Efficiency Board process every capital scheme and in-year capital commitment has been reviewed.
- 9.4 The draft 10 year Capital Programme for the period 2023/24 to 2032/33 provides for total investment of £80.753m. This programme will be funded by capital receipts, significant external contributions (Town Deals and Future High Streets Funding) and borrowing. The revenue impact of borrowings has been included within the MTFS.

10. Treasury Management Strategy

- 10.1 The Council agreed its Treasury Management Strategy for 2022/23 in February 2022, the strategy for 2023/24 will be updated alongside the proposed budget and capital programme as part of the 2023/24 budget setting process.
- 10.2 As referred to in the above section, the Council will be required to borrow to fund the draft Ten Year Capital Programme. The PWLB and Council to Council borrowing are the primary borrowing options that the Council is currently reviewing to fund borrowing in relation to the capital programme.
- 10.3 The Capital Financing Requirement is set to increase by a further £28.768m by 2032/33 based on the draft 10 year Capital Programme.

Funding Stream	Capital Receipts	External Contributions	Borrowing	Total
2023/24	1,400	12,497	13,863	27,760
2024/25	4,000	6,545	(144)	10,401
2025/26	4,000	3,543	(240)	7,303
2026/27	4,000	1,500	3,229	8,729
2027/28	4,000	1,500	(1,295)	4,205
2028/29	500	1,500	1,325	3,325
2029/30	500	1,500	7,156	9,156
2030/31	500	1,500	3,596	5,596
2031/32	500	1,500	639	2,639
2032/33	500	1,500	639	2,639
Total	19,900	33,085	28,768	81,753

11. Budget Preparation Timetable

- 11.1 Work on the development of budget proposals for 2023/24 is at an advanced stage. Draft savings proposals will be considered by Cabinet and Finance, Assets and Performance Scrutiny Committee in December and the final revenue budget and Council Tax proposals, along with the Capital Strategy, Capital Programme and Treasury Management Strategy will be presented for approval at Council in February 2023.
- 11.2 An Efficiency Board chaired by the Leader of the Council plays a key role in shaping the MTFS and providing input and challenge to savings and investment proposals.
- 11.3 The decision making timetable is as follows:

Event	Committee	Date
Budget consultation	Proposed to run during December	
Scrutiny of first draft savings proposals	FAPSC	8 December 2022
Approval of final MTFS & consideration of draft budget proposals	Cabinet	10 January 2023
Scrutiny of draft budget proposals	FAPSC	19 January 2023
Final budget proposals recommended for approval by Full Council	Cabinet	7 February 2023
Full Council to approve budget	Full Council	15 February 2023

Appendix A – Summary of Refreshed MTFS Assumptions

	2023/24 (£000's)	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	2027/28 (£000's)	Total (£000's)
Employees	1,450	546	519	521	533	3,569
Premises	143	27	27	28	28	253
Transport	172	12	12	12	12	220
Financing	405	509	15	52	848	1,829
Pressures	92	120	20	20	20	272
Income	(128)	327	(170)	(178)	(186)	(335)
Total	2,134	1,541	423	455	1,255	5,808
Savings						
Income	270	-	-	-	-	270
One Council	376	-	-	-	-	376
Staffing Related	18	-	-	-	-	18
Good Housekeeping	215	-	-	-	-	215
Tax Base	337	219	222	224	227	1,229
Council Tax Increase	159	161	163	165	167	815
Government Grants	759	-	-	-	-	759
Total	2,134	380	385	389	394	3,682
Gap	-	1,161	38	66	861	2,126

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Finance Assets and Performance Scrutiny Committee
08 December 2022

Report Title: Commercial Strategy

Submitted by: Director – Commercial Development and Economic Growth

Portfolios: Finance, Town Centres and Growth and One Council, People and Partnerships

Ward(s) affected: All

Purpose of the Report

To provide an update of the Council's Commercial Strategy.

Recommendation

That Scrutiny Committee:-

1. notes progress on the Council's Commercial Strategy

Reasons

The Property investment market is currently buoyant such that as soon as assets are coming to the market they are selling. Therefore, decisions regarding acquisitions need to be made in between Cabinet cycles.

1. Background

- 1.1 On 16 October 2019, Cabinet approved the Commercial Strategy for the Council. The Strategy outlines a framework for identifying and managing commercial and income generation opportunities.
- 1.2 The Finance Assets and Performance Scrutiny Committee received an update in respect of the work being carried out under the Commercial Strategy in March 2022.
- 1.3 A major source of potential income generation is the property investment market. This market is very strong at the moment so when properties become available they are selling quickly.
- 1.4 The Council's investment consultants are continuing to advise on potential investment opportunities
- 1.5 Since 2019 the Council has adopted a Sustainable Environment Strategy and a Sustainability Base Pledge. Cabinet have requested that this is reflected in the investment opportunities brought forward as part of this strategy.

2. **Issues**

- 2.1 The Council faces challenging financial times. Our Medium Term Financial Strategy is continually being updated and anticipates a cumulative budget shortfall of circa £4m over the next 5 years.
- 2.2 The need to identify further efficiencies, exploit our asset base and generate income is considerable. Coupled with increasing demand for services, higher public expectations, challenging national political circumstances and economic uncertainty, the Council must use all the means at its disposal to ensure that its medium term finances and ability to provide a full range of services to the local community are sustainable. That means that the Council must become more commercial; generating service efficiencies and new income streams, maximising existing revenue streams, having effective procurement and contract management processes, making prudent investment in income generating assets, and developing our strategic asset base in order to boost local growth.
- 2.3 Commercial activity is not new to the Council. The Council already has a substantial commercial property portfolio that contributes £400,000 annually to the Council's revenue budget. It also operates commercial services in areas including leisure, theatre events, car parking and garden waste. The commercial strategy provides an overarching framework for these activities, ensuring a co-ordinated approach across the Council and access to the expertise needed to drive forward our commercial ambitions within a context of robust risk management.
- 2.4 An important element of the Council's commercial approach is finding the right balance between delivering social value and our commercial practices, ensuring that income generated through commercial activity is reinvested in local priorities, services and improvements for the long-term benefit of residents of the borough.
- 2.5 The strategy approved at Cabinet on 16 October 2019 proposes a number of guiding principles that describe how we will achieve our commercial ambitions. It includes acting with intelligence, integrity and agility and working collaboratively across organisational boundaries. The strategy is explicit that the Council will seek to extract maximum value from its land and property assets, challenge where services can be commissioned and stop activities that add no value or benefit to customers.
- 2.6 Delivering our vision for a more sustainable and business-oriented Council that maximises commercial opportunities will require a fundamental shift in how we do business and individual and organisational development around commercial thinking.
- 2.7 The new income generation opportunities currently being explored are listed below:

- Land at Parkhouse Road West, Chesterton

This site measures approximately 2 acres and is situated on the edge of Parkhouse Industrial Estate. The Council has appointed consultants to carry out a market analysis demand survey in respect of a number of sites throughout the Borough of which this is one. The results of this study will inform the mix of units on this site. A design and build contractor is to be appointed to develop out the site following which the Council will let out the space. This will be subject to a separate future Cabinet report. The aspirations for the site and its use is for a 'Green' industry, with sustainable energy and building solutions along with Green Travel plans, setting the tone for future sustainable industrial sites across the Borough.

- Land at Apedale, Chesterton

In January 2022, Cabinet approved the letting of this 4.5-acre site on a 25-year term for battery storage. The Company are currently carrying out their due diligence prior to finalising the lease terms.

- Land at Chatterley Valley

The landowner/developer is now progressing with the land remediation works to level the site to create the building platforms, utilising Town Deal Funds and investment from Staffordshire County Council. It is the intention of the Council to invest in a small business park to support the supply chain of the Advance Ceramic facility being developed.

- Land off Hassell Street, Newcastle (rear of the former Zanzibar premises)

Aspire Housing are redeveloping the site of the former Zanzibar premises and it is proposed that they sell part of the site to the Borough Council for commercial development. As part of the market analysis demand survey that has been commissioned, this site is to be assessed, which in turn will inform future proposed uses.

- York Place, Newcastle

The Council has acquired the York Place shopping centre as part of the Future High Streets Fund regeneration initiative in Newcastle Town Centre. The future uses of this development are currently being considered.

2.8 In addition to the projects above, the Council needs to be in a position to procure additional revenue generating assets. The market for commercial assets is currently buoyant and disposals move at a pace which militates against being able to take decisions to purchase through the current cabinet decision making cycle. Rather, a more agile decision process is required without compromising the rigour of opportunity appraisal that needs to underpin asset acquisition.

2.9 It is the Council's clear plan to maximise its use of sustainable energy solutions for its operations but this will also include investing in sustainable energy solution opportunities as well as making sure that our sustainable agenda is reflected in any investments we make. Opportunities are actively being investigated such as solar energy generation solutions.

2.10 In order to facilitate acquisition it has been agreed by Cabinet to delegate the decision making process to the Director of Commercial Development and Economic Growth in the basis of:

- A commercial appraisal which is approved by the S151 Officer
- Consideration of the appraisal by the Corporate Capital, Assets and Commercial Investment Review Group
- Consultation with the Leader and Deputy Leader
- Reporting to Cabinet at the earliest opportunity

3. **Reasons for Proposed Solution**

- 3.1 Generating efficiencies and additional income by adopting a more commercial approach is key in the Council's plans for addressing the forecast funding gap and maintaining financial sustainability in the medium to long term.
- 3.2 The Property investment market is currently buoyant and as soon as assets are coming to the market, they are selling. Therefore, decisions regarding acquisitions need to be made in between Cabinet cycles.

4. **Options Considered**

- 4.1 Officers to continue to review new investments and report any opportunities to Cabinet. This option carries with it the disadvantages associated with not being able to move quickly between Cabinet cycles.
- 4.2 Officers seek suitable investments and, following consultation with both the Portfolio Holder for Finance, Town Centres and Growth, secure these investments and subsequently report the matter to Cabinet. This is what is being proposed.

5. **Legal and Statutory Implications**

- 5.1 There is complex legislation and case law that governs local government's ability to undertake commercial activities and generate income. This includes trading in services to make a surplus and the recovery of part (contribution) or the whole of the cost of a service through charging.
- 5.2 The Council will need to make sure that its commercial activities are legally and subsidy control (state aid) compliant, including having regard to the Public Sector Duty within the Equality Act 2010, statutory guidance on local authority investments and The Prudential Code for Capital Finance in Local Authorities.
- 5.3 All commercial projects and investment opportunities will be examined to ensure that they are within the Council's powers and legal implications will be identified on a case-by-case basis. Specialist legal and/or professional advice will be required and funded as from the capital programme.

6. **Equality Impact Assessment**

- 6.1 Delivering our vision for a more sustainable and business-oriented Council that maximises commercial opportunities will require a fundamental shift in how we do business and individual and organisational development around commercial thinking.
- 6.2 As a first step towards embedding a more entrepreneurial culture, we will invest in developing the skills of our members and our workforce. However, moving forward it will also influence the skills that we require in the people that we recruit in future into key roles and in the partnerships that we develop.

7. **Financial and Resource Implications**

- 7.1 The aim of the commercial strategy is to facilitate sensible investments, based on local need and subject to robust risk management, which enable the Council to improve outcomes for our residents in accordance with the priorities set out in the council plan. This includes contributing towards the budget savings required to bridge the forecast

funding gap over the next 5 years through income generation, as opposed to reducing spending on services.

- 7.2 The approved 10-year capital programme in February 2022 includes £100,000 per annum for project feasibility studies.
- 7.3 Officers including the Chief Executive, S151 Officer and Executive Director of Commercial Development and Economic Growth review and appraise commercial investment schemes prior to their consideration at Cabinet and Corporate Capital, Assets and Commercial Investment Review Group. The operation of the scheme is open to scrutiny by the Finance, Assets and Performance Scrutiny Committee.

Major Risks

8.
 - 8.1 Management of risk is central to our commercial approach and all potential activities will be assessed with due regard to the risks being taken. This will be in line with the Council's corporate approach to risk management including review of risk frequency.
 - 8.2 As part of a robust risk management process the Council will continue to seek advice from industry experts and specialists, carry out meticulous due diligence and ensure rigorous approval processes and project scrutiny.

9. UN Sustainable Development Goals (UNSDG)

- 9.1 The Commercial Strategy supports UNSG and Climate Change objectives in a number of ways. Principally, through partnership working, promoting sustainable development, the re-use of land, enterprise, infrastructure and skills, the following UNSGs are supported:-



10. Earlier Cabinet/Committee Resolutions

- 10.1 Cabinet approval of Commercial Strategy on 16 October 2019.

11. List of Appendices

- 11.1 None

12. Background Papers

- 12.1 None.

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Finance Assets and Performance Scrutiny Committee 08 December 2022

22 August 2022

Report Title: Financial and Performance Review report – First quarter (Apr-June) 2022-23.

Submitted by: Executive Management Team

Portfolios: One Council, People & Partnerships, Finance, Town Centres & Growth

Ward(s) affected: All

Purpose of the Report

To provide the Finance, Assets and Performance Scrutiny Committee with the Financial and Performance Review report for the first quarter of 2022-23.

Recommendation

That Members note

1. The contents of the attached report and Appendices A and B and continue to monitor and challenge the Council's performance alongside its financial performance for the same period.

Reasons

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

It should be noted that certain activities and delivery in some cases, were impacted by Covid 19 and noted in this report, continue to be affected and the resulting actions taken by the Council to protect and ensure support is available to everyone.

1. Background

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the first quarter 2022/23 by presenting performance data and progress summary set within a financial context. The report provides broad financial information (Appendix A) and also details service performance (Appendix B) for the first quarter 2022/22
- 1.2 This report includes, as a comparison, the period when a number of customer facing services were required to close, or where the customer base simply stopped using the service due to the Covid 19 situation. Despite these unprecedented circumstances, as the summary of the overall performance picture is presented in section 4 of this report reflects, performance has generally seen a lot of positive movement in recovery from Covid-19 pandemic.

2021-22 Revenue and Capital Budget Position

- 1.3 The Council approved a General Fund Revenue Budget of £15,268,760 million on 23 February 2022. Further financial information is provided in Appendix A.

Performance

- 1.4 The performance section –Appendix B was reviewed and the indicators continue to reflect the priorities in the Council Plan. In addition to reporting on key performance indicators, the report includes a progress summary for each priority, detailing the progress with the delivery of planned activities.
- 1.5 Additional performance information is provided, not only to ensure the monitoring of the corporate activities of the council, but also to inform Members, businesses and residents of performance in their local economy.
- 1.6 Any indicators failing to meet the set targets include a comment explaining why the indicator has not performed well, and what steps are being taken to ensure improvement in the future.
- 1.7 In Quarter 2 of 2021-22, a new symbol was introduced, a boxed tick used in Appendix B and detailed in the key at the end. This is used for indicators where a target is not set but performance is monitored quarterly.
- 1.8 The latest performance information for quarter one has been analysed and all indicators monitored for this period are listed in the table found in Appendix B.
- 1.9 For this report a total of 20 indicators were monitored, and the proportion of indicators which have met their target (where set) or are within tolerance levels during this period stands at 80%.

2. Issues

- 2.1 There are 4 indicators off target this quarter, and officers consider that the performance against these indicators does not give rise to serious cause for concern at present (see commentaries provided in Appendix B). The management of each of the service areas concerned continue to monitor and take steps to deal with under achievement of targets where possible and/or appropriate, taking into account the limitations presented by the Covid19 situation.
- 2.2 Progress on delivery of planned activities is summarised for each priority and no concerns are highlighted.

3. Proposal

- 3.1 That Members note the contents of the attached report and Appendices A and B and continue to monitor and challenge the Council's performance alongside its financial performance for the same period.

4. Reasons for Proposed Solution

- 4.1 To welcome scrutiny and encourage improvement within council delivery.

5. Options Considered

5.1 At this time it is felt there is no other option necessary for consideration, however the presentation of information is continually reviewed.

6. **Legal and Statutory Implications**

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

7. **Equality Impact Assessment**

7.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably due to protected characteristics. There are no differential equality issues arising directly from this report.

8. **Financial and Resource Implications**

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

9. **Major Risks**

9.1 The ongoing changing market conditions represents the greatest risk to the revenue budget, particularly with regard to the impact it may have upon income receivable in relation to services where customers may choose whether or not to use Council facilities or in the case of the waste/recycling service where the volume of recycled materials is liable to fluctuate. The impact of Covid 19 is still apparent in the reporting of this quarter, despite seeing improvements, impacting on many areas and the situation will continue to be monitored through the normal budget monitoring procedure.

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

10. **UN Sustainable Development Goals and Climate Change Implications**



11. **Key Decision Information**

11.1 Included on the Forward Plan

12. **Earlier Cabinet/Committee Resolutions**

12.1 N/A

13. **List of Appendices**

13.1 Financial information (Appendix A), and Performance (Appendix B).

14. **Background Papers**

14.1 Working papers held by officers responsible for calculating indicators.

1. General Fund Revenue Budget

- 1.1 The Council approved a General Fund Revenue Budget of £15.269m on 23 February 2022. The actual and forecast position compared to this budget is continuously monitored by managers, EMT and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget.
- 1.2 The Coronavirus pandemic continues to have an impact on the Council's financial position, primarily through lost income, although this is showing a marked improvement compared to the losses incurred during 2020/21 and 2021/22. No Government funding for 2022/23 in respect of financial pressures relating to the Coronavirus pandemic (including income compensation) is likely to be received.
- 1.3 The Council's revenue budget relies on service income from fees and charges income of around £725k per month across a wide range of services, with a significant proportion coming from Jubilee 2 and car parking. Taking account of the current restrictions it is forecast that income losses from fees and charges for the financial year will amount to £0.517m.
- 1.4 Expenditure continues to be reduced wherever possible throughout the Council to ensure that only absolutely necessary spending is being incurred, this helps to reduce the adverse variance on a service by service basis. It has been forecast that this situation continues throughout the remainder of the financial year.
- 1.5 Further consequences of the Coronavirus on the Council's financial position will depend significantly on any future lockdown or restrictions being imposed, the recovery of income from fees and changes and on any further Government financial support that may be received.
- 1.6 Careful monitoring of the financial position will be required over coming weeks and months leading to prompt corrective action where necessary to ensure the Council remains in a position of being able to deliver a balanced budget position in the current financial year and beyond.

2. Revenue Budget Position

- 2.1 As at the end of the first quarter, the general fund budget showed an adverse variance of £0.129m. It is forecast that a balanced position will be achieved as at the close of the financial year.
- 2.2 A number of variances from the budget are forecast, these include:
 - a. Income shortfalls from sales, fees and other charges (£0.313m at quarter one), it is forecast that these losses will amount to £0.517m by the close of the financial year.
 - b. Income shortfalls from commercial rents (£0.019m at quarter one), it is forecast that these losses will amount to £0.075m by the close of the financial year.
 - c. A proposed pay award of £1,925 per full time employee, which is in excess of the amount provided for in the budget (2.5%), including national insurance and pension the additional amount is estimated to total £0.591m for the financial year.

- d. Increased fuel (£44k at quarter one), electricity (£16k at quarter one) and gas (£8k at quarter one) prices when compared to the amounts provided for in the budget, it is forecast that these variances will amount to £0.272m by the close of the financial year.

2.3 These adverse variances are forecast to be offset in full by the following favourable variances:

- a. Utilisation of the Cost of Living Reserve that was established during the budget setting for 2022/23 in order to respond to any above inflationary increases in costs. It is anticipated that the £0.400m paid into this reserve will be fully used.
- b. Use of £0.240m New Homes Bonus funding paid into the Budget Support Fund that was established during the budget setting for 2022/23 in order to boost the Council's financial resilience during 2022/23 as a result of the continued impact of the Coronavirus pandemic.
- c. Application of £0.167m Administration grant paid to the Council and set aside during 2021/22 in relation to Coronavirus grants.
- d. Expenditure continues to be reduced wherever possible throughout the Council to ensure that only absolutely necessary spending is being incurred, including staffing costs (£0.171m underspend at quarter one, forecast to amount to £0.684m for the financial year), this helps to reduce the adverse variance on a service by service basis. It has been forecast that this situation continues throughout the remainder of the financial year.

2.4 Cabinet and the Executive Management Team will continue to be updated on the Council's financial position and actions taken in the forthcoming weeks and months. This will include a revised recommended level of reserves and the financial implications of this.

3. **Collection Fund**

3.1 Local tax income is collected by billing authorities and paid into local 'collection funds' (the Council is a billing authority). Where there is a shortfall in tax receipts (compared to expected levels), this leads to a deficit on the collection fund. Billing and major precepting authorities are usually required to meet their share of any deficit during the following financial year.

3.2 In response to the continued impact of the Coronavirus pandemic on retail business, the government has continued its retail discount business rates relief scheme, for 2022/23. For 2022/23 eligible businesses were awarded a 50% reduction in the business rates liability, up to a cash cap limit of £0.110m per business.

3.3 This has the impact of a reduction in income that was expected to be received by the Council from business rates payers during 2022/23 which, all things being equal, would generate a deficit on the collection fund. However, the government will award Section 31 grant to the Council to offset the losses incurred by this, this will be paid into the general fund and will be set aside to offset the reduced income that will be incurred on the collection fund.

3.4 A surplus is currently being forecast in respect of the Council Tax collection fund as a result of residents becoming ineligible for Council Tax Support due to a return to work or an increase in working hours.

3.5 The current forecast of tax receipts and Section 31 grant are shown below:

Tax	Total Forecast (Surplus)/Deficit	Council's Share
Council Tax	(£0.352m)	(£0.041m) (10.9%)
Business Rates	(£0.300m)	(£0.120m) (40%)
Business Rates Section 31 Grant	£0.406m	£0.162m 40%
Total	(£0.246m)	£0.002m

- 3.6 In addition, the Council is due a reimbursement of £0.972m relating to the difference between the declared and actual business rates collection fund outturns for 2021/22, this will be repaid to the Council, and into the Business Rates Reserve, in 2023/24.

4. Capital Programme

- 4.1 A Capital Programme totalling £32.309m was approved for 2022/23. Of this total £30.309m relates to the total cost of new schemes for 2022/23 together with £1.000m for schemes funded by external sources (Disabled Facilities Grants) and £1.000m contingency. In addition £5.548m has been brought forward from the 2021/22 Capital Programme (including £4.017m from the Town Deals Fund and the Future High Streets Fund), resulting in a total Capital Programme of £37.841m for 2022/23.
- 4.2 At the close of quarter one the profiled capital budget amounts to £3.401m, actual spend for this period totals £3.433m. There are no significant variances in expected spend at this point.
- 4.3 A review of the capital programme is in the process of being undertaken as part of the Efficiency Board and budget setting process for 2023/24 in order to identify any projects that may need to be re-profiled from 2022-23 into future years. The results of this exercise will be reported to Cabinet in due course.

5. Capital Programme Funding Position

- 5.1 The expected total capital receipts due to be received this year following the sale of assets amount to £0.500m, £0.100m of this will be set aside for the flexible use of capital receipts during 2022/23. A summary of the expected income is shown in the table below.

Funding	Amount
Proceeds from Right to Buy sales	£0.500m
Flexible use of capital receipts	(£0.100m)
Total	£0.400m

6. Treasury Management

- 6.1 It is expected that borrowing will be required during 2022/23 to fund the capital programme however no borrowing arrangements have been required to date.
- 6.2 Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the PWLB. After the utilisation of capital receipts and internal borrowing, 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.

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Corporate Performance Quarter 1 2022-23

Priority 1: Local Services that Work for Local People

Progress Summary

Overall, our performance with a combination of monitoring and target driven indicators for this priority is positive in this quarter but work is underway to impact on the result.

A summary of progress with planned activities for Priority One from the Council Plan 2018-2022 are as follows:-

- **Increase Access to Information;**

The Council continues to maintain services by encouraging customer self-service via the website, and through effective call centre support to answer questions, provide information and support residents of the Borough. The telephone system is due an upgrade to encourage customers to go online to self service. The website continues to encourage customers to contact through online forms which integrate directly into our Document Management system, cutting out a lot of manual handling.

Castle House reception is open to the public and enquiries are being managed through bookable appointments, self-service or telephone support.

Kidsgrove Customer Services is open on Thursday mornings as a surgery with Citizens Advice Bureau and Kidsgrove Town Council.

- **Customer Services Activity**

An extremely busy quarter, with The Council Tax Energy Rebate, Elections and Council Tax, Rates and BIDS recovery action.

- **Deliver new Recycling and Waste Service**

The new recycling service has been fully operational for two years, to households across the borough, and continues to prove very popular with residents. Participation and tonnage of material collected has settled at a consistent level which is around 22% higher than that of the previous service. The quality of the material collected remains excellent, with very little contamination. We started our new contract for re-processing in April this year with Veolia, and the Council has received excellent feedback from them on the high quality of material we are providing. Food waste tonnages have stabilised, and are around 10% higher than those of the previous service. During this quarter we have seen the quantity of residual waste fall further, corresponding with the increase in recycling and food waste, which is really encouraging. The value of materials and separately collected paper and card has increased in value again this quarter, meaning the Council is receiving income for all the recycling materials it collects.

- **Establish Workforce Strategy:**

- **Develop robust, innovative and efficient work force plans**








Work is ongoing as part of the One Council transformation, the People Team continue to support people processes in partnership with the Trade Unions. The “One Front Door” model for the Customer Hub is complete and a reorganisation of portfolios for Heads of Service was effective from 1st April 2022. Scrum work is ongoing with a number of teams who will take place in the next stages of transformation. We continue to constantly review vacancies and consider new ways of working, only recruiting externally as a last resort for essential roles. We are developing an apprenticeship strategy to help grow our workforce in conjunction with local providers as well as focusing on our appraisal and learning and development opportunities to encourage staff to feel they have opportunities to upskill and develop within the council.

- **Develop organisational culture**








Work to develop the organisational culture is ongoing, working with cross sections of the organisation and with Trade Union colleagues, in line with the principles of One Council. Work to embed the values across all stages of the employee life cycle is underway with a full review of policies and procedures and a number of communication campaigns. Two culture surveys were completed in August 2021 and February 2022 with minimal changes, work is ongoing to consider employee recognition. The new Values based appraisal has been launched in July 2022 with the new intranet.




- **Ensure staff wellbeing**

There is a continued focus on well-being, the mental health working group was extended to encompass physical health, diversity and inclusion and has been recently rebranded as “Thrive”. Accreditation with the West Midlands Combined Authority Well-Being group is also being explored. Ten places have been funded for training for mental health first aiders and these will be allocated to a spread of individuals from different services. The new intranet has been launched and the well-being resources are being built upon. A new scheme for AVC’s has been launched to support staff wanting to make additional pension contributions.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 1 2021-22	Result Qtr. 4 2021-22	Result Qtr. 1 2022-23	Target Qtr. 1 2022-23	How have we performed?	Status
1.1	Environmental Health	Cllr. Trevor Johnson	Percentage of food premises that have a zero or one national food hygiene rating	Low	0.08%	0.2%	1%	5%	Figure is on target, well below 5%	
1.2 New	Environmental Health	Cllr. Trevor Johnson	Percentage of category A and B food business inspections completed on time	High	62%	100%	100%	-	All A & B category food business inspections completed on time within this quarter	
1.3 New	Environmental Health	Cllr. Stephen Sweeney	No. Accidents/Incidents reported (RIDDOR)	Low	0	2	1	-	An incident led to an over seven day absence. Processes and equipment is in the process of full review following the recent staff re-organisation.	
1.4a	Recycling & Fleet	Cllr. Trevor Johnson	Household collections from the kerbside (%):- • Dry Recycling	High	23.01%	26.2%	21.09%	25%	Quarter 1 has seen collected tonnage of food waste, and dry recycling increase stabilise. Residual waste has returned to more normal levels following the impact of Covid.	
1.4b			• Food	High	5.21%	7.54%	6.24%	6%		
1.4c			• Amount of residual Waste per household	Low	109.19kgs	101.58kgs	102.31kgs	110kgs (per household) cumulative		
1.4d	Operations	Cllr. Trevor Johnson	Number of missed kerbside collections:- Total (per 100,000 collections)	Low	61.87	51.72	46.46	80 (per 100,000 collections)	In this quarter there were a total of 1,629,480 collections of residual, garden waste, recycling and food. Missed collections of Residual- 139, Garden Waste – 184, Recycling- 266, and food waste - 168.	

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 1 2021-22	Result Qtr. 4 2021-22	Result Qtr. 1 2022-23	Target Qtr. 1 2022-23	How have we performed?	Status
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1.5	Operations	Cllr. Trevor Johnson	Levels of street and environment cleanliness (LEQ survey) free / predominantly free of litter, detritus, graffiti and fly-posting)	High	N/A	95.66% 93.13% 98.67% 99.93%	N/A% N/A% N/A% N/A%	91% 91% 97% 99%	This indicator is only measured three times a year (3 tranche's), and not in quarter 1. This year we will be swapping from LEQ surveys to LAMB's as this will provide better management data for cleansing operations. First results will be published in September.	N/A
1.6	Customer & ICT	Cllr. Simon Tagg	Percentage of requests resolved at first point of contact	High	99.64%	100%	99.99%	97%	Despite the pressures on Services to deliver, a good standard of resolution is maintained at first point of contact.	
1.7	Customer & ICT	Cllr. Simon Tagg	% Unmet demand (number of calls not answered as a % of total call handling volume)	Low	16.46%	14.81%	12.59%	20%	The increased activity of Council Tax rebate and Elections has affected every domestic property in the Borough. Despite this increased traffic, The Customer Hub has delivered an exceptional Service with little abandonment.	
1.8	Digital Delivery	Cllr. Simon Tagg	Total number of digital online transactions	High	10,859	15,817	19,512	-	The number of transactions (Jadu) is 19512 this quarter.	
1.9	Communication	Cllr. Simon Tagg	Total number of unique users to the website	High	123,430	85,538	134,907	79,500	There was a total of 134,907 unique users in this quarter	
1.10	Revenues & Benefits	Cllr. Stephen Sweeney	Time taken to process Housing Benefit new claims/change events	Low	6.56	3.41days	5.66 Days	10 days	Targeted focus on New claims and change of circumstances has enabled good performance	
1.11	Revenues & Benefits	Cllr. Stephen Sweeney	Percentage of Council Tax collected	High	52.40%	97.4%	31.4%	32.3%	Just missed the target compared to Q1 last year but a proactive reminder run on 23/6/2022 may improve the level of collection	
1.12	Revenues & Benefits	Cllr. Stephen Sweeney	Percentage of National non-domestic rates collected	High	58.00%	95.6%*	34.7%	30.3%	The rate for Business Rates collection is higher than last year following proactive recovery action	
Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 1 2021-22	Result Qtr. 4 2021-22	Result Qtr. 1 2022-23	Target Qtr. 1 2022-23	How have we performed?	Status

1.13	Human Resources	Cllr. Simon Tagg	Average number of days per employee lost to sickness	Low	2.02 days Qtr. 1 (cumulative)	2.89 days per employee LTS – 2.11 days and short term – 0.78 days 10.47 days per employee (cumulative)	3days per employee LTS – 1.92 days and short term – 1.08 days	2.2 days (quarterly) 8.8days (cumulative) Annual	<p>We have changed the method of reporting days lost due to sickness to reflect FTE rather than head count in order to improve accuracy. Sickness absence for Q1 has actually decreased slightly in comparison to Q4 last year but remains higher than average. The figure of 3 days per employee is equivalent to 2.68 days in the way the figures were previously measured. The biggest change has been a reduction in LTS days per employee.</p> <p>Absence is significantly higher than Q1 last year, however we believe Covid related absences masked the true level of sickness when they were excluded.</p>	
1.14 New	Human Resources	Cllr. Simon Tagg	Staff turnover	Low	0.62%	4.91%	5.53%	10%	<p>Turnover remains low and significantly below the 10% target, a slight increase in turnover this quarter may have been driven by the national upward trend in resignations, however turnover is of little concern in most areas.</p>	
1.15 New	Human Resources	Cllr. Simon Tagg	Staff vacancy rates	Low	7.91%	7.48%	7.47%	-	<p>The vacancy rate has remained static this quarter and below Q1 21-22. increased in this quarter. The number of applications for advertised roles has improved and the roles where there tends to be a low number of applicants generally reflects the national picture of skills shortages in areas such as planning and environmental health as well as very niche roles.</p>	

*The result is within tolerance

Priority 2: Growing our People and Places

Progress Summary

A summary of progress with planned activities for Priority 2 from the Council Plan 2018-2022 are as follows:-

- **Deliver Borough Local Plan**

The consultation on the Issue and Strategic Options document was delivered through a series of planned in-person and online events between November 2021 and January 2022. A Cabinet report to provide feedback on the Issues and Options Consultation was taken through Cabinet in June 2022, which summarised matters raised during the Issues and Options Consultation as well as responses to in excess of 3600 comments submitted. The next round of consultation on the Call For Sites element of the Plan will be undertaken in Autumn 2022 prior to Christmas 2022.

- **Delivery of the Economic Development Strategy and action plan**

Delivery of the Economic development Strategy and action plan covers a number of areas reported in Priority 4 below – One Public Estate, Prepare a Town Centre Strategy, market, and business support. Additionally, work continues to bring forward development at Chatterley Valley, with Kidsgrove Town Deal funding supporting development of an access road into this significant development site for the Borough which sits within the Ceramics Valley Enterprise Zone. Newcastle Accelerated Town Deal funding has been used to support creation of The Workshop skills hub in Lancaster Building which has attracted partner funding to provide services for local people. Additionally, it funded a redesign of the ground floor of the Guildhall to make the space more flexible and useable for local groups. The Council additionally works with a number of countywide groups to coordinate provision of business growth and skills development support.

- **Progress University Growth Corridor**

The Council is continuing to look at the viability of this land through desktop studies, in order to further assess its development potential, should the site be taken forward.

- **Deliver appropriate housing to those in need:**

- **Newcastle Housing Advice**

The Newcastle Housing Advice (NHA) team provide the Councils Statutory Housing Advice and Homelessness duties for the borough. The team continue to receive an increase in customer presentations to the service and are seeing more with complex and challenging needs, due to the customer complexities and vulnerabilities there continues to be the defined crossover between the NHA caseload and the work of housing standards, vulnerability hub, customer service and Marac teams. The team work very closely with all partner agencies to help discharge any duties owed.

We have worked with Aspire to develop procedures to utilise and manage the new temporary accommodation projects and have been able to house some of the more complex customers accessing temporary accommodation to move into the new units of accommodation.

QR 1 has seen an increase in emergency presentations, out of hours calls and customers accessing temporary accommodation, this is a high volume service however demand tends to increase in the winter period due to additional cold weather provisions that may come into force

- **Rough Sleepers and temporary accommodation**

The outcome of the Rough Sleeper Initiative 2022-2025 has been announced and the Council have been successful in acquiring the proposed funds in the bid. Below is a breakdown of the roles/initiatives that the fund will be used for. The roles we are looking to have are:

Continuation from last RSI bid;

Progress Summary continued

Rough Sleeper Navigator:

This role will assist rough sleepers to access and engage in services; offering advice and support on all options; advocating and negotiating on behalf of customers; and working closely with other agencies externally & internally in order to provide options, prevent and relieve homelessness and rough sleeping. The role will come with a personalisation fund of £5K. We have appointed Lisa Harrison who currently works for mental health services, who will commence in the post on 8th August 2022.

Rough Sleeper Coordinator:

Jointly commissioned with Stoke on Trent – this role will look at innovative solutions and interventions where barriers and blockages occur in the system. Through the use of problem solving with a range of partner agencies, voluntary sector, community groups businesses and residents.

We currently have Saeeda Badri in this role and will be continuing this service for the next 3 years. The role will come with a personalisation fund of £2K

Homeless Healthcare worker:

This role is jointly commissioned with Stoke on Trent via the CCG. The role will provide frontline healthcare to rough sleepers, a cohort who don't usually engage with preventative health or attend appointments. Developing relationships to encourage further health engagement including with mental health and addiction services. Rachael started on 1st April 2022 and we are hoping to continue the role for a further 3 years. We have commissioned 20 hours of the role on a flexible basis, so we use her when she is needed, rather than on set times/days. We are in the process of procuring the service for a further 3 years.

Flexible Innovative fund / Cold Weather fund:

This fund will be for solutions for a target group who have previously failed to engage by offering bespoke and sustainable solutions. e.g. getting people into services quickly where delays may cause them to disengage - security for emergency providers so certain individuals can be accepted - enticing private landlords to work with us when they have previously refused by providing reassurances, buying essential equipment / furniture etc. Winter fund: part will include costs of Sever Weather Emergency Protocol (SWEP) staff provision, which we currently commission through Concrete and Walk Ministries at St George's, and the other to secure emergency rooms at B&B.

New Roles:

Tenancy Sustainment Officer:

The role is to help rough sleepers attain and maintain accommodation. This will include; actions to prevent evictions from temporary and supported accommodation (one of the key reasons for repeat rough sleeping); actions to support moving on from temporary and supported accommodation; building individual relationships to identify what type of accommodation in what location is suitable; ensuring practical aspects of moving are completed; negotiating with landlords to prevent any landlord tenant concerns / rent arrears. The officer will work with individuals for as long as needed, there is no timescale on cases. The role will come with a personalisation fund of £5K. We have appointed Jessica Bowker who currently works for Brighter Futures, she will commence in the role 25th July 2022.

Progress Summary continued

Part time (3days) Rough Sleeper Support Officer:

Working with rough sleepers in temporary accommodation / newly into a tenancy looking for support to develop and maintain their new life. Including diversionary activities, education, sport, practical activities, volunteering, peer support programmes and developing work opportunities. The role would be suitable for someone with lived experience. The role would have a personalised budget to help smooth the way into activities or essentials to compliment activities i.e. work clothes, bus pass, memberships, interview expenses, uniform.

personalisation fund of £3K We have appointed Stephanie Moss who currently works for Brighter Futures, she will commence in the role 15th August 2022.

Homeless Hub: We have not secured any funding for this financial year and will be using this time to plan what this looks like moving forward.

I am currently looking at possible buildings we can utilise for this service and in talks with varying partners looking at other funding streams and how we can progress this model to include accommodation.

Rough Sleeper Accommodation Programme with Aspire •The RSAP project is up and running 3/6 properties are now ready to let. Two have been occupied by some of our entrenched rough sleepers and are being supported by mental health and the allocated RSAP worker. •Two other individuals are currently being assessed for the other properties. •We are currently looking at setting up a working group of Newcastle services that can support these individuals once they are housed and provide that wrap around support to ensure success once housed.

Silver units: We currently have 8 single units with low level support that NHA can discharge duty to and we can use as a stepping stone for the RSAP accommodation. We meet weekly with Aspire to discuss referrals for these properties and move on's. These are funded via Intensive Housing Management.

Bronze units: We have four family units with key safes that NHA can place families that present at any time of the day or night. We meet weekly with Aspire to discuss referrals for these and move on options.

▪ **Joint allocation policy and procurement of a Choice Based Lettings system**

NHA continue to manage the Joint housing Allocations policy and choice based lettings system. The Choice based system and Joint housing policy was implemented in April 2021 and work is ongoing to make improvements to the system. NHA continue to work very closely with Aspire and the other Housing partners, raising any issues and concerns. This quarter Aspire housing have reported extensive delays in the turnaround for the majority of their void properties which has a wider impact on moving on customers on the housing register, we have also seen an increase in MP and customer queries.

NHA continue to work very closely with the 2 staff transferred over to the customer services team to ensure any issues, improvements and concerns are dealt with quickly and efficiently. The Joint housing allocations policy is due for review in January 2023 so this will need to be a priority over the next few months.

Progress Summary continued






- **One Public Estate**

The Council received a grant from 'One Public Estate' to support 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 was considered by Cabinet in June 2021. The project team continues to plan for delivery of the revised proposals and to report progress to One Public Estate. Elements of the Knutton masterplan are included in Newcastle Town Deal Town Investment Plan which required a business case to be submitted to DLUHC by the end of June 2022. This has now been submitted and the outcome is awaited.

In October 2021 the Council worked with Aspire Housing to bid to the One Public Estate Regeneration Programme for the Aspire estate regeneration scheme at Cross Street Chesterton. The bid was successful and funding was made available to support this.

- **Consideration of a property investment model and Property Diversification**

Consideration is being given to the Borough Council taking a more active role in developing its sites (i.e. by way of forming a property development company or similar) either on its own or in a partnership arrangement. The Commercial Strategy 2019-24 was approved by Cabinet and commercial investment advisors appointed to review and advise in respect of the Council's commercial portfolio. Work on this is currently ongoing.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 1 2021-22	Result Qtr. 4 2021-22	Result Qtr. 1 2022-23	Target Qtr. 1 2022-23	How have we performed?	Status
2.1	Property	Cllr Stephen Sweeney	Percentage of investment portfolio vacant (NBC owned)	Low	5.1%	10.2%	11.5%	12%	This indicator remains within target.	
2.2	Planning & Development	Cllr. Andrew Fear	Speed of major development applications (P151a)	High	94.7% (Jul 19 – Jun 21)	100% (Apr 20 – Mar 22)	100% (Jul 20 – Jun 22)	60%	These indicators remain well within target and are improving or being maintained at an acceptable level.	
2.3			Quality of major development applications (P152a)	Low	5.1% (Jan 18 – Dec 19)	5.5% (Oct 18 – Sept 20)	5.5% (Apr 19 – Dec 20)	10%		
2.4			Speed of non-major development applications (P153)	High	98.4% (Jul 19 – Jun 21)	98.7% (Apr 20 – Mar 22)	98.3% (Jul 20 – Jun 22)	70%		
2.5			Quality of non-major development applications (P154)	Low	0.9% (Jan 18 – Dec 19)	0.5% (Oct 18 – Sept 20)	0.5% (Jan 19 - Dec 20)	10%		

Priority 3: A Healthy, Active & Safe Borough

Progress Summary

Overall the performance for this priority advises the progress where possible, however the impact of Covid 19 is considerable to service provision or where facilities have had to close or reduce delivery since March 2020. A summary of progress with planned activities for Priority 3 from the Council Plan 2018-2022 are as follows:-

- **Jubilee2 moving forward**

Jubilee2 continues to monitor its impact on the borough's residents. One way of doing this is monitoring the social value of the service through Data Hub. The social value for the Jubilee2 was £592,720 for the past twelve months.

- **Secure J2 commercialisation**

In the first quarter of this year the drowning detection system along with the gym refurbishment projects were successfully completed. It is envisaged that both these projects will support with the reduction of operational costs and increased revenue by attracting a new audience into the wellness hub (created as part of the gym refurbishment). Officers continue to work with TA6 to work on a sustainable marketing campaign to address risks to the business namely, new operators entering into the market place, the cost of living crisis, with a view to attract and retain customers. The focus for the first two quarters of this year has been the development of new health pathways into the service through the NHS (health and wellbeing referrals), along with a root and branches review of the aquatics programme at Jubilee2 supported by Swim England, to drive increased revenue as well as meeting the needs of residents.

- **Kidsgrove Sports Centre**

The contract works have now been completed and the Sports Centre has been handed over to the Community Group for their opening in late July 2022. The lease has been signed and all operational manuals for the successful operation of the facility have been provided to the group.

- **Museum Redevelopment Project**

All capital elements of the redevelopment project are now complete and all public areas are now open. The new café is proving extremely popular with visitors and now delivers food and cakes within the café area, on the newly installed decking and in the activity spaces for pre booked groups. This will be expanded to include 'afternoon tea events' in our Victorian Drawing Room.

Activities and events have included talks, art workshops, reminiscence sessions, events for people living with dementia, dance, craft fairs, film showings, volunteer recruitment and working with external partners on funding bids for small projects. The Celebrate Castle event on Brampton Park in May attracted over 1600 people. The schools programme is being redesigned and schools are attending sessions in the new activity spaces.

- **Streetscene Fleet procurement**

Procurement of fleet and equipment for Streetscene is progressing to renew the tractor fleet and road sweepers.

- **Deliver Capital Programme projects**

Work is in progress on a number of sites to repair railing/fencing and footpaths, and replace play equipment or repair safer surfacing.

- **Open Space Strategy**

The Heart of England in Bloom campaign and all local Newcastle in Bloom competitions and activities will take place live in 2022, with Newcastle being judged on 13th July and results announced in September. The Newcastle in Bloom Local Awards event will place at the New Vic theatre on 1st October to announce the winners of the local competition. Sponsorship from local businesses is continuing at near-normal levels and is aiming to achieve around £60,000 in 2022/23. A total of 7 of the Borough's strategic parks and cemeteries have entered the Green Flag awards this year, and the results will be announced in the autumn. The Open Space Strategy has been updated as part of ongoing work on the Local Plan and work has commenced on preparing a Nature Recovery Action Plan in partnership with Staffordshire Wildlife Trust.

Progress Summary continued

- **Bereavement Services**

The Bereavement Services team are seeking to identify new opportunities to support an enhanced service/memorial offer to residents, giving them greater choice/flexibility at their greatest time of need.

- **Protect our communities by delivering priority community safety, food safety & licensing projects:**

- **Taxi Licensing Policy**

In the first quarter of 2022-23 there have been no substantial amendments to the policy. Statutory guidance was published in July 2020, this resulted in amendments to the taxi policy being approved by Licensing and Public Protection committee for implementation from April 2021. The policy and amends were implemented.

- **Environmental Health & Licensing**

The pavement licensing regime has been implemented by the service, this is a temporary licence which allows premises to apply for a licence for tables & chairs and other furniture on the pavement outside of their premises, and such arrangements have been extended for a further year. As part of the Levelling Up Bill it is proposed that the pavement licence regime is made permanent. It will remain on a temporary basis until 30th September 2023 when the Bill will likely have been enacted. 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 non-compliance with Covid controls. At the end of Q4 many of the Covid restrictions have been lifted, however there is an ongoing responsibility for business and the service to manage Covid.

- **Town Centre ASB enforcement**

Partnership activity around the town centre continues to be a priority with a range of enforcement activities being explored. We continue to utilise the CCTV system in order to collate evidence to support partnership enforcement. In addition to this the Town Centre Security Marshalls continue to patrol key ASB locations around the town centre and respond to incidents of ASB that are reported via the store net radio system. They also continue to provide valuable information for the purposes of enforcement.

Activity is co-ordinated by working closely with partners such as the Police and others within the Newcastle Strategic Partnership to identify individuals in need of support and utilising the Council's civil enforcement powers such as Community Protection Warnings (CPNWs), Community Protection Notices and Injunctions, continued enforcement of PSPOs for the Town Centre and Queen Elizabeth Park, as appropriate. We also continue to monitor progress around individuals in the town centre via the weekly enforcement meeting.

- **Commission new CCTV Service**




We are now in the final stages of this project with the last few remaining CCTV units for the subways awaiting final connection


- **Vulnerability Hub and MARAC**

The Council continues to actively co-ordinate and contribute to the Vulnerability / Harm Reduction Hub and MARAC multi-agency forums, which are designed to collaboratively de-escalate risk to our most vulnerable households, to prevent death and serious harm and to encourage appropriate support and assistance from the most relevant partners. There has been a noticeable increase in referrals to the Hub over the last 12 -18 months and it is clear that more complex and challenging cases are being presented for assistance which is taking longer to respond to. Discussions with County Commissioners and local service providers have been ongoing to encourage best use of available and collaborative resources and an understanding of the issues / challenges raised at the forum requiring a multi-agency response. MARAC continues to see an increase in referrals and complex cases. A Domestic homicide review is about to commence in the Borough. We have just successfully re-commissioned Glow to deliver the Children and young people's domestic abuse service and have brought the Safe Recovery Worker in house until 31.03.23 while the future of this service is assessed.

- **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 business case has been presented to Economy, Environment and Place Scrutiny Committee and approved at Cabinet. Work upon preparation of the Full Business Case is being progressed. Work on the retrofitting of busses has been completed.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 1 2021-22	Result Qtr. 4 2021-22	Result Qtr. 1 2022-23	Target Qtr. 1 2022-23	How have we performed?	Status
3.1a	Community Safety	Cllr. Gill Heesom	Anti-Social Behaviour (ASB) cases:- -New cases received during the quarter	Low	123	235	312	-	There are currently 17 cases discussed at the ASB Early Intervention Case Conference. 14 cases discussed at Weekly enforcement meetings specifically for Newcastle Town Centre. There has been a significant rise in demand for ASB cases in the Borough over the last quarter.	
3.1b			-Current open cases at the end of the quarter	Low	45	30	22	-		
3.1c			-Cases closed in the quarter	High	112	242	320	-		
3.2	Community Safety	Cllr. Gill Heesom	Number of referrals made regarding vulnerability by participating organisations at the Daily Hub	High	64	57	47	-	A total number of 47 referrals made to Vulnerability Hub meetings that have taken place over the last quarter.	
3.3 New	Culture & Arts	Cllr. Jill Waring	Number of People Accessing the Museum's collections online and in Person	High	30,565	161,995	18,689 in person visits 59,997 social media engagements Total 78,686	33,000 Qtr 4 target 126,000(cumulative)	Figures include both in person visits and online engagements through our social media platforms. In person visits are reaching our QTR 2019-20 pre-covid levels with only selected areas of the museum open to the public during April and May.	

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 1 2021-22	Result Qtr. 4 2021-22	Result Qtr. 1 2022-23	Target Qtr. 1 2022-23	How have we performed?	Status
3.4 New	Leisure	Cllr. Jill Waring	Membership growth	High	1961 members	2,392 members	2487 members	Target Qtr 1 2,392 Qtr 2 2,500 Qtr 3 2,700 Qtr 4 2,900	Memberships are roughly in line with projections following a month's closure to allow for the refurbishment of the gym. Working with Alliance leisure the service will continue to develop a strong marketing campaign to attract and retain customers in light of new gyms opening in the borough. Membership Attrition is slightly higher than expected and this may be attributed to the cost of living crisis families are facing.	

Priority 4: A Town Centre for All

Progress Summary

For this quarter, the results demonstrate a varying level of activity and further comments are detailed in this report.

A summary of progress with planned activities for this priority from the Council Plan 2018-2022 are as follows:-

- **Prepare a Town Centre Strategy**

Future High Street Funding has funded demolition of the former Civic Offices building to enable redevelopment of this key town centre site. Demolition is now complete. Contractors have now been appointed to work alongside the Council on development of a new multi storey car park on the Ryecroft site and also to work with the Council on the future of York Place Shopping Centre. Cabinet has also approved the start of negotiations with Aspire to sell approximately 2 acres of the Ryecroft site for a new headquarters building and over-55s housing. A number of projects are under development through Newcastle Town Deal, business cases for these were submitted to DLUHC at the end of June 2022 and these are currently being assessed.

- **Market**

The focus for increasing footfall and visitor satisfaction remains and the Market team continues to host specialist visiting markets creating diversity to supplement our weaker regular markets offer. The specialist visiting markets have created diversity to supplement our regular markets offer. They've continued to be very popular with high take up of stalls and excellent visitor numbers. Castle Artisan Market (CAM) used additional pop-up stalls and pitches to accommodate traders on our waiting list (45 stalls and up to 70 traders in total). Due to the popularity this market continues to grow with an additional road closure now in place outside WH Smith to December 2022.

CAM continues to be held on the third Sunday of each month and celebrated its first birthday in October 2021. Due to this market's popularity, a few town centre businesses and our regular general market traders now take stalls at these markets each month. There are 13 dates booked-in for 2022.

Greyhound Gap Takeover Market is a dog-themed event where owners and pets visit in considerable numbers and all 45 stalls are used. This event is organised by Castle Artisan Market (CAM) team in conjunction with the Market team and ensures a successful day with good social media promotions. It is due to be held again on Sunday 7 August 2022. As the frequency of this market increases, it has now appeared in the last two performance indicators for 2022.

The last Vegan Festival of 2022 was held on Sunday, 3 July with the same high footfall as previous events. Town centre businesses open to take advantage of the increased visitor numbers. All 45 stalls were used with additional traders in gazebos and trailers on our market pitches. The next Vegan Festival being planned. As the frequency of this market increases, it now appears in the performance indicators for 2022.

The Friday Farmers Market has now been hibernated as previously explained, the traders now attend our newer event markets such as CAM and weekly general markets. This market can be resurrected should the need arise.

Working with Newcastle-under-Lyme BID and partners has resulted in a varied and full events programme for 2022

- **Business Support**

Delivery of the 'Staffordshire Means Back to Business' package of support, which as funded from Additional Restriction Grant monies was completed at the end of March.. To date. 56 Newcastle apprenticeship places have been created, 37 businesses have taken advantage of the 'Nil Cost Training to Businesses' and 12 businesses have taken advantage of the 'to Thrive' grants to assist businesses to recover and grow. In addition, funding was also used to provide 27 free memberships to the Federation of Small Businesses, all of which have been taken up by a wide variety of Borough businesses.

Work has continued in signposting businesses to appropriate support, including updating the information available on the new website. Over 130 queries have been dealt with so far this financial year and requests continue to come in. Seven e-newsletters have been sent out to over 120 businesses who have requested these regular updates of support on offer from the council and partners. Planning will soon be underway for Business Boost 2022. Welcome Back fund has also supported local businesses in Kidsgrove to come together to run a Totally Locally scheme to encourage footfall back into the high street, post pandemic.

Progress Summary continued

- **Parking Policy**




The Council adopted a new Car Parking Strategy in 2019/20, which has led to a number of service improvements over the past 3 years. These have included new car parking machines which accept card payments and an improved service for pay for parking has been implemented with PayByPhone. As part of the Car Parking Strategy Review, a new initiative was established to support town centre users in the important Christmas retail period the Midway car park, where customers parked for free between 9am and 1pm, then for the existing offer of £1 after 1pm continues. Installation of electric vehicle charging points is underway with Goose Street, Newcastle and Heathcote Street, Kidsgrove being operational. Works are in progress with the electric service provider for the upgrade of apparatus on The Parade, Silverdale and King street, Newcastle. Consultation has also commenced at Lyme Valley for a Traffic Regulation Order to improve car parking access for leisure users of the Lyme Valley.

- **Establish Town Centre Communications Group**

The Town Centre Communications Group, “Talking Up The Town” emphasis, has moved from in-person meetings to online sharing of content and happenings. Whilst a refresh the format of the in-person group meetings is considered, Newcastle-under-Lyme BID and the Town Centre Officer are looking at a more appropriate way to keep the Communications Group engaged.

- **Develop a Kidsgrove Town Centre Investment Plan**

Kidsgrove Town Deal Board (KTDB) submitted the Kidsgrove town Investment Plan to MHCLG at the end of October 2020 and in March 2021 confirmation of a £16.9 million award was received. The Kidsgrove Sports Centre business case was fast tracked and Town Deal money was used alongside Council investment to refurbish the centre. The Chatterley Valley project has now started on site. Approval of the Canal business case was received in June 2022. Kidsgrove Railway Station business case is with DLUHC for approval. A Shared Service Hub business case was submitted for approval at the end of June 2022.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 1 2021-22	Result Qtr. 4 2021-22	Result Qtr. 1 2022-23	Target Qtr. 1 2022-23	How have we performed?	Status
4.1	Regeneration & Economic Development	Cllr. Stephen Sweeney	Car parking usage:- Number of tickets purchased	High	30,077	71,834	95,817	-	The number of tickets purchased have increased by 218.57% in Qtr. 1 compared to the same period in 2021.	
4.2	Regeneration & Economic Development	Cllr. Simon Tagg	Footfall	High	209,441	553,527	638,008	-	There is an increase in the figures in this quarter compared to Qtr 4 2021-22. There is also a significant increase against Qtr 1 2021 showing an increase of 204.62% which was due impact of Covid-19.	
4.3	Regeneration & Economic Development	Cllr. Stephen Sweeney	Average stall occupancy rate for markets	High	<p>Monday GM 22%</p> <p>Tuesday AFG 91*</p> <p>Wednesday GM 16%</p> <p>Thursday AFG 79%</p> <p>Friday GM 44%</p> <p>Saturday GM 45%</p> <p>Friday Farmers Mkt – 100%</p> <p>Castle Artisan Market 100%</p>	<p>Stall Occupancy Overall average 53%</p> <p>Monday General Market 23%</p> <p>Tuesday AFG Antiques Market 71%</p> <p>Wednesday General Market 13%</p> <p>Thursday AFG Bric-a-Brac Market 40%</p> <p>Friday General Market 35%</p> <p>Saturday General Market 34%</p> <p>Castle Artisan Market 100%*</p> <p>Vegan Festival 100%**</p> <p>Greyhound Gap Market 100%***</p>	<p>Stall Occupancy Overall average 60%</p> <p>Monday General Market 21%</p> <p>Tuesday AFG Antiques Market 76%</p> <p>Wednesday General Market 13%</p> <p>Thursday AFG Bric-a-Brac Market 58%</p> <p>Friday General Market 32%</p> <p>Saturday General Market 36%</p> <p>Castle Artisan Market 100%*</p> <p>Vegan Festival 100%**</p> <p>Greyhound Gap Market 100%***</p>	-	<p><i>*Monthly market still expanding (Hiring additional stalls to accommodate traders on our waiting list).</i></p> <p><i>**Three times-a-year market with over 100% occupancy on trader provided gazebos.</i></p> <p><i>***Occasional pop-up market</i></p> <p>The increase in stall occupancy for some of the markets can be attributed to seasonal variations.</p> <p>Quarter 1 2022/23 Stall Arrears = £141.00 Value of income = £17318.00</p>	

*The result is within tolerance

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



Performance is not on target but direction of travel is positive



Performance is not on target where targets have been set



Performance is on or above target



Positive performance noted (no target set)



Performance noted for monitoring(no target set)

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Finance Assets and Performance Scrutiny Committee 08 December 2022

Report Title: Financial and Performance Review report – Second quarter (July-September) 2022-23.

Submitted by: Executive Management Team

Portfolios: One Council, People & Partnerships, Finance, Town Centres & Growth

Ward(s) affected: All

Purpose of the Report

To provide the Finance Assets and Performance Scrutiny Committee with the Financial and Performance Review report for the Second quarter of 2022-23.

Recommendation

That Members note

1. The contents of the attached report and Appendices A and B and continue to monitor and challenge the Council's performance alongside its financial performance for the same period.

Reasons

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

1. Background

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the Second quarter 2022/23 by presenting performance data and progress summary set within a financial context. The report provides broad financial information (Appendix A) and also details service performance (Appendix B) for the second quarter 2022/22.
- 1.2 This report includes, as a comparison, the period when a number of customer facing services were required to close, or where the customer base simply stopped using the service due to the Covid 19 situation. Despite these unprecedented circumstances, as the summary of the overall performance picture is presented in section 4 of this report reflects, performance has generally seen a lot of positive movement in recovery from Covid-19 pandemic.

2022-23 Revenue and Capital Budget Position

- 1.3 The Council approved a General Fund Revenue Budget of £15,268,760 million on 23 February 2022. Further financial information is provided in Appendix A.

Performance

- 1.4 The performance section –Appendix B was reviewed and the indicators continue to reflect the priorities in the Council Plan. In addition to reporting on key performance indicators, the

report includes a progress summary for each priority, detailing the progress with the delivery of planned activities.

- 1.5 Additional performance information is provided, not only to ensure the monitoring of the corporate activities of the council, but also to inform Members, businesses and residents of performance in their local economy.
- 1.6 Any indicators failing to meet the set targets include a comment explaining why the indicator has not performed well, and what steps are being taken to ensure improvement in the future.
- 1.7 The latest performance information for quarter one has been analysed and all indicators monitored for this period are listed in the table found in Appendix B.
- 1.8 For this report a total of 34 indicators were monitored, and the proportion of indicators which have met their target (where set) or are within tolerance levels during this period stands at 85%.
- 1.9 The detail that has been reported for Quarter 2 in Appendix B is against the old Council Plan priorities 2018 – 2022. The new Council Plan Priorities 2022 – 2026 will be used from Quarter 3 onwards.

2. **Issues**

- 2.1 There are 5 indicators off target this quarter, and officers consider that the performance against these indicators does not give rise to serious cause for concern at present (see commentaries provided in Appendix B). The management of each of the service areas concerned continue to monitor and take steps to deal with under achievement of targets where possible and/or appropriate, taking into account the limitations presented by the Covid19 situation.
- 2.2 Progress on delivery of planned activities is summarised for each priority and no concerns are highlighted.

3. **Proposal**

- 3.1 That Members note the contents of the attached report and Appendices A and B and continue to monitor and challenge the Council's performance alongside its financial performance for the same period.

4. **Reasons for Proposed Solution**

- 4.1 To enable financial and performance information to be presented for continued scrutiny and encourage improvement within council delivery.

5. **Options Considered**

- 5.1 At this time it is felt there is no other option necessary for consideration, however the presentation of information is continually reviewed.

6. **Legal and Statutory Implications**

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

7. **Equality Impact Assessment**

7.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably due to protected characteristics. There are no differential equality issues arising directly from this report.

8. **Financial and Resource Implications**

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

9. **Major Risks**

9.1 The ongoing changing market conditions represents the greatest risk to the revenue budget, particularly with regard to the impact it may have upon income receivable in relation to services where customers may choose whether or not to use Council facilities or in the case of the waste/recycling service where the volume of recycled materials is liable to fluctuate. The impact of Covid 19 is still apparent in the reporting of this quarter, despite seeing improvements, impacting on many areas and the situation will continue to be monitored through the normal budget monitoring procedure.

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

10. **UN Sustainable Development Goals and Climate Change Implications**



11. **Key Decision Information**

11.1 Included on the Forward Plan

12. **Earlier Cabinet/Committee Resolutions**

12.1 N/A

13. **List of Appendices**

13.1 Financial information (Appendix A), and Performance (Appendix B).

14. **Background Papers**

14.1 Working papers held by officers responsible for calculating indicators.

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1. General Fund Revenue Budget

- 1.1 The Council approved a General Fund Revenue Budget of £15.269m on 23 February 2022. The actual and forecast position compared to this budget is continuously monitored by managers, EMT and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget.
- 1.2 The Coronavirus pandemic continues to have an impact on the Council's financial position, primarily through lost income, although this is showing a marked improvement compared to the losses incurred during 2020/21 and 2021/22. No Government funding for 2022/23 in respect of financial pressures relating to the Coronavirus pandemic (including income compensation) is likely to be received.
- 1.3 The Council's revenue budget relies on service income from fees and charges income of around £725k per month across a wide range of services, with a significant proportion coming from Jubilee 2 and car parking. Taking account of the current restrictions it is forecast that income losses from fees and charges for the financial year will amount to £0.321m.
- 1.4 Expenditure continues to be reduced wherever possible throughout the Council to ensure that only absolutely necessary spending is being incurred, this helps to reduce the adverse variance on a service by service basis. It has been forecast that this situation continues throughout the remainder of the financial year.
- 1.5 Further consequences of the Coronavirus on the Council's financial position will depend significantly on any future lockdown or restrictions being imposed, the recovery of income from fees and charges and on any further Government financial support that may be received.
- 1.6 Careful monitoring of the financial position will be required over coming weeks and months leading to prompt corrective action where necessary to ensure the Council remains in a position of being able to deliver a balanced budget position in the current financial year and beyond.

2. Revenue Budget Position

- 2.1 As at the end of the second quarter, the general fund budget showed an adverse variance of £0.105m. It is forecast that a balanced position will be achieved as at the close of the financial year.
- 2.2 A number of variances from the budget are forecast, these include:
 - a. Income shortfalls from sales, fees and other charges (£0.370m at quarter two), it is forecast that these losses will reduce to £0.321m by the close of the financial year.
 - b. Income shortfalls from commercial rents (£0.052m at quarter two) and the recovery of housing benefit overpayments (£0.100m), it is forecast that these losses will amount to £0.205m by the close of the financial year.
 - c. A proposed pay award of £1,925 per full time employee, which is in excess of the amount provided for in the budget (2.5%), including national insurance and pension the additional amount is estimated to total £0.591m for the financial year.

- d. Increased fuel (£93k at quarter one), electricity (£29k at quarter one) and gas (£51k at quarter one) prices when compared to the amounts provided for in the budget, it is forecast that these variances will amount to £0.346m by the close of the financial year.

2.3 These adverse variances are forecast to be offset in full by the following favourable variances:

- a. Utilisation of the Cost of Living Reserve that was established during the budget setting for 2022/23 in order to respond to any above inflationary increases in costs. It is anticipated that the £0.400m paid into this reserve will be fully used.
- b. Use of £0.240m New Homes Bonus funding paid into the Budget Support Fund that was established during the budget setting for 2022/23 in order to boost the Council's financial resilience during 2022/23 as a result of the continued impact of the Coronavirus pandemic.
- c. Application of £0.167m Administration grant paid to the Council and set aside during 2021/22 in relation to Coronavirus grants.
- d. Interest receivable on temporary cash receipts that the Council holds in terms of Town Deal and Future High Street funding, together with Section 31 grant and remaining Coronavirus grant funding (that are repayable to Central Government) is forecast to increase significantly following recent interest rate hikes by the Bank of England to £0.387m for the financial year.
- d. Expenditure continues to be reduced wherever possible throughout the Council to ensure that only absolutely necessary spending is being incurred, including staffing costs (£0.343m underspend at quarter one, forecast to amount to £0.686m for the financial year), this helps to reduce the adverse variance on a service by service basis. It has been forecast that this situation continues throughout the remainder of the financial year.

2.4 Cabinet and the Executive Management Team will continue to be updated on the Council's financial position and actions taken in the forthcoming weeks and months. This will include a revised recommended level of reserves and the financial implications of this.

3. **Collection Fund**

- 3.1 Local tax income is collected by billing authorities and paid into local 'collection funds' (the Council is a billing authority). Where there is a shortfall in tax receipts (compared to expected levels), this leads to a deficit on the collection fund. Billing and major precepting authorities are usually required to meet their share of any deficit during the following financial year.
- 3.2 In response to the continued impact of the Coronavirus pandemic on retail business, the government has continued its retail discount business rates relief scheme, for 2022/23. For 2022/23 eligible businesses were awarded a 50% reduction in the business rates liability, up to a cash cap limit of £0.110m per business.
- 3.3 This has the impact of a reduction in income that was expected to be received by the Council from business rates payers during 2022/23 which, all things being equal, would generate a deficit on the collection fund. However, the government will award Section 31 grant to the Council to offset the losses incurred by this, this will be paid into the general fund and will be set aside to offset the reduced income that will be incurred on the collection fund.

- 3.4 A deficit is currently being forecast in respect of the Business Rates collection fund as a result of a significant change in rateable value for a large business rates payer which has been backdated by the Valuation Office to 2010.
- 3.5 A surplus is currently being forecast in respect of the Council Tax collection fund as a result of residents becoming ineligible for Council Tax Support due to a return to work or an increase in working hours.
- 3.5 The current forecast of tax receipts and Section 31 grant are shown below:

Tax	Forecast (Surplus)/Deficit at 30.6.22	Forecast (Surplus)/Deficit at 30.9.22	Council's Share
Council Tax	(£0.352m)	(£0.424m)	(£0.049m) (11.6%)
Business Rates	(£0.300m)	£0.988m	£0.395m 40%
Business Rates Section 31 Grant	£0.406m	£0.502m	£0.201m 40%
Total	(£0.246m)	£1.066m	£0.547m

- 3.6 In addition, the Council is due a reimbursement of £0.972m relating to the difference between the declared and actual business rates collection fund outturns for 2021/22, this will be repaid to the Council, and into the Business Rates Reserve, in 2023/24.

4. Capital Programme

- 4.1 A Capital Programme totalling £32.309m was approved for 2022/23. Of this total £30.309m relates to the total cost of new schemes for 2022/23 together with £1.000m for schemes funded by external sources (Disabled Facilities Grants) and £1.000m contingency. In addition £5.548m has been brought forward from the 2021/22 Capital Programme (including £4.017m from the Town Deals Fund and the Future High Streets Fund), resulting in a total Capital Programme of £37.841m for 2022/23.
- 4.2 At the close of quarter two the profiled capital budget amounts to £4.345m, actual spend for this period totals £4.475m.
- 4.3 The variance shown above relates to additional costs (£0.129m) incurred in the refurbishment and redevelopment of Kidsgrove Sports Centre and Swimming Pool as discussed at Cabinet on 18 October 2022.
- 4.4 A review of the capital programme is in the process of being undertaken as part of the Efficiency Board and budget setting process for 2023/24 in order to identify any projects that may need to be re-profiled from 2022-23 into future years. The results of this exercise will be reported to Cabinet in due course.

5. Capital Programme Funding Position

- 5.1 The expected total capital receipts due to be received this year following the sale of assets amount to £3.713m, £0.100m of this will be set aside for the flexible use of capital receipts during 2022/23. A summary of the expected income is shown in the table below.

Funding	Amount
Proceeds from Right to Buy sales	£0.500m
Land sales	£3.213m
Flexible use of capital receipts	(£0.100m)
Total	£3.613m

6. Treasury Management

- 6.1 It is expected that borrowing will be required during 2022/23 to fund the capital programme however no borrowing arrangements have been required to date.
- 6.2 Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the PWLB. After the utilisation of capital receipts and internal borrowing, 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.
- 6.3 Advice from the Council's Treasury Management Advisors, Arlingclose, is to continue to utilise internal funding whilst it is available as opposed to borrowing whilst the interest rates are high. This approach also reduces the need to place funding in long term deposits, whilst minimising any potential investment risks.
- 6.4 Interest receivable on temporary cash receipts that the Council holds in terms of Town Deal and Future High Street funding, together with Section 31 grant and remaining Coronavirus grant funding (that are repayable to Central Government) is forecast to increase significantly following recent interest rate hikes by the Bank of England from £0.117m at 30 September 2022 to £0.387m by the close of the financial year. For information purposes short term deposits made with the Debt Management Office attracted an interest rate of 0.55% at the start of the financial year and attracted an interest rate of 1.90% as at 18 October 2022.

Corporate Performance Quarter 2 2022-23

Priority 1: Local Services that Work for Local People

Progress Summary

Overall, our performance with a combination of monitoring and target driven indicators for this priority is positive in this quarter but work is underway to impact on the result.

A summary of progress with planned activities for Priority One from the Council Plan 2018-2022 are as follows:-

- **Increase Access to Information;**

The Council continues to encourage customer self-service via the website, and through effective call centre support to answer questions, provide information and support residents of the Borough. The telephone system has undergone a transformation enabling customers to get to the place they want more efficiently, whilst continuing to encourage customers to go online to self-service. The website continues to encourage customers to contact through online forms which integrate directly into our Document Management system, cutting out a lot of manual handling.

Castle House reception is open to the public and enquiries are being managed through bookable appointments, self-service or telephone support.

Kidsgrove Customer Services is open on Thursday mornings as a surgery with Citizens Advice Bureau and Kidsgrove Town Council.

- **Customer Services Activity**

An extremely busy quarter, all eligible residents received their Council Tax Energy Rebate by 30/9/2022. We worked with our partners at Staffordshire County Council to assist with the distribution of the Household Support Fund. Additional activity included Elections canvas, Council Tax, Rates and BIDS recovery action.

- **Deliver new Recycling and Waste Service**

The new recycling service has been fully operational for over two years, to households across the borough, and continues to prove very popular with residents. Participation and tonnage of material collected has settled at a consistent level which is around 22% higher than that of the previous service. The quality of the material collected remains excellent, with very little contamination. We started our new contract for re-processing in April this year with Veolia, and the Council has received excellent feedback from them on the high quality of material we are providing. Food waste tonnages have stabilised, and are around 10% higher than those of the previous service. During this quarter we have seen the quantity of residual waste fall further, corresponding with the increase in recycling and food waste, which is really encouraging. The value of materials and separately collected paper and card has increased in value again this quarter, meaning the Council is receiving income for all the recycling materials it collects.

- **Establish Workforce Strategy:**

- **Develop robust, innovative and efficient work force plans**








Work is ongoing as part of the One Council transformation, the People Team continue to support people processes in partnership with the Trade Unions. Scrum work is ongoing with a number of teams who will take place in the next stages of transformation. We continue to constantly review vacancies and consider new ways of working, only recruiting externally as a last resort for essential roles. We are developing an apprenticeship strategy to help grow our workforce in conjunction with local providers as well as focusing on our appraisal and learning and development opportunities to encourage staff to feel they have opportunities to upskill and develop within the council.




- **Develop organisational culture**






Work to develop the organisational culture is ongoing, working with cross sections of the organisation and with Trade Union colleagues, in line with the principles of One Council. Work to embed the values across all stages of the employee life cycle is underway with a full review of policies and procedures and a number of communication campaigns. The new Values based appraisal has been launched in July 2022 with the new intranet and is just one part of improving our People process via technology.



- **Ensure staff wellbeing**

There is a continued focus on well-being, we are seeking accreditation with the West Midlands Combined Authority Well-Being group (Thrive). Ten places have been funded for training for mental health first aiders and this has been delivered w/c 02/10/22 and a campaign to raise awareness of their existence will take place. Connexus is being used successfully to promote a range of employee benefits and we have seen a significant increase in people requesting eye tests and submitting return to work interviews, which suggests that the new intranet is more accessible. We are currently promoting free flu jabs for staff and have a number of well-being initiatives planned over the next few months.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 2 2021-22	Result Qtr. 1 2022-23	Result Qtr. 2 2022-23	Target Qtr. 2 2022-23	How have we performed?	Status
1.1	Environmental Health	Cllr. Trevor Johnson	Percentage of food premises that have a zero or one national food hygiene rating	Low	0.00%	1%	1%	5%	Figure is on target, well below 5%	
1.2	Environmental Health	Cllr. Trevor Johnson	Percentage of category A and B food business inspections completed on time	High	0%	100%	100%	90%	All A & B category food business inspections completed on time within this quarter	
1.3	Health and Safety	Cllr. Stephen Sweeney	No. Accidents/Incidents reported (RIDDOR)	Low	0	1	2	1*	Two incidents, one due to a recurring back problem, the other was reported late and cannot be confirmed as work –related but was reported as a cautionary measure. All safe working procedures, risk assessments and relevant training were in place. A reminder has been issued to re-inforce the importance for timely reporting of all accidents.	
1.4a	Recycling & Fleet	Cllr. Trevor Johnson	Household collections from the kerbside (%):- • Dry Recycling	High	24.07%	21.09%	23.02%	25%	Quarter 2 has seen collected tonnage of residual waste reduce further, while food waste and dry recycling remain stable. First participation surveys completed for food waste collection are above target.	
1.4b			• Food	High	6.33%	6.24%	34.48%	30%		
1.4c			• Amount of residual Waste per household	Low	105.35kgs	102.31kgs	97.65kgs	110kgs (per household) cumulative		
1.4d	Operations	Cllr. Trevor Johnson	Number of missed kerbside collections:- Total (per 100,000 collections)	Low	62.25	46.46	54.85	60 (per 100,000 collections)	In this quarter there were a total of 1,635,480 collections of recycling, residual, garden waste, and food. Missed collections of all waste streams totalled 897.	

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 2 2021-22	Result Qtr. 1 2022-23	Result Qtr. 2 2022-23	Target Qtr. 2 2022-23	How have we performed?	Status
1.5	Operations	Cllr. Trevor Johnson	Levels of street and environment cleanliness (LEQ survey) free / predominantly free of litter, detritus, graffiti and fly-posting)	High	97.52% 94.5% 98.42% 100%	N/A N/A N/A N/A	N/A N/A N/A N/A	91% 91% 97% 99%	This indicator is only measured three times a year (3 tranche's). This year we will be swapping from LEQ surveys to LAMB's as this will provide better management data for cleansing operations. Data is not yet available and will be published in November.	N/A
1.6	Customer & ICT	Cllr. Simon Tagg	Percentage of requests resolved at first point of contact	High	94%	99.99%	87%	97%	The Customer Hub is undergoing the One Front Door Training programme with the whole of the Hub Team, whilst continuing to provide the day to day Service. The staff continue to practice new processes following their training, which is impacting on this target. As confidence grows, I anticipate this target to improve.	
1.7	Customer & ICT	Cllr. Simon Tagg	% Unmet demand (number of calls not answered as a % of total call handling volume)	Low	11.97%	12.59%	14.20%	20%	This target is incredible, considering the programme of training described above is being delivered and we continue to keep on top of the daily activities	
1.8	Digital Delivery	Cllr. Simon Tagg	Total percentage of digital online transactions compared to percentage of Customer contacts	High	9395	19,512	82% (10,023)	80%	The number of transactions (Jadu) is 10,023 this quarter, although this figure is lower than expected the % of online transactions compared to the % of Customer Contact transactions is increasing, so going forward this indicator would be better displayed as a percentage of web transactions compared to Customer contacts which is 82%	

1.9	Communicatio n	Cllr. Simon Tagg	Total number of unique users to the website	High	103905	134,907	113,684	95000	There was a total of 113,684 unique users in this quarter	
1.10	Revenues & Benefits	Cllr. Stephen Sweeney	Time taken to process Housing Benefit new claims/change events	Low	6.69	5.66 Days	7.03 Days	10 days	We continue to focus on New claims and change of circumstances enabling good performance.	
1.11	Revenues & Benefits	Cllr. Stephen Sweeney	Percentage of Council Tax collected	High	52.5%	31.4%	53.6%	50.11% (Cumula tive)	Workloads are up to date within Council Tax and proactive recovery ensuring we are above target. The crediting of the Council Tax rebate to non-applicants will have boosted this percentage	
1.12	Revenues & Benefits	Cllr. Stephen Sweeney	Percentage of National non-domestic rates collected	High	48.7%	34.7%	60.6%	52.44% (Cumula tive)	Workloads are also up to date in this area and alongside proactive recovery is ensuring we are ahead of target.	
Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 2 2021-22	Result Qtr. 1 2022-23	Result Qtr. 2 2022-23	Target Qtr. 2 2022-23	How have we performed?	Status
1.13	Human Resources	Cllr. Simon Tagg	Average number of days per employee lost to sickness	Low	3.13 days (cumulative)	3days per employee LTS – 1.92 days and short term – 1.08 days	3.62 days per employee LTS – 2.30 days and short term – 1.32 days (6.62 cumulative)	2.2 days (quarter ly) 8.8days (cumulativ e) Annual	There has been a slight increase in absence from Q1 as well as Q2 21-22. We have seen an increased number of short term absences in September with some covid and other viral sickness, and we do also have a number of serious long term cases which we are supporting managers with via our policy. The comparison with the same period in 21/22 may be skewed due to absence being masked by those working from home in previous years. Mental health and stress absences continue to be our highest absence reasons and we are working to support those who are struggling and prevent further absence.	

1.14	Human Resources	Cllr. Simon Tagg	Staff turnover	Low	2.22%	5.53%	1.57%	10%	Turnover remains low and significantly below the 10% target, there has been a significant decrease in turnover compared with Q1 and it is lower than Q2 last year indicating some stabilisation.	
1.15	Human Resources	Cllr. Simon Tagg	Staff vacancy rates	Low	5.72%	7.47%	4.14%	6.6%	<p>The vacancy rate has reduced this month and is below Q2 21-22. The number of applications for advertised roles has improved and the roles where there tends to be a low number of applicants generally reflects the national picture of skills shortages in areas such as planning and environmental health as well as very niche roles.</p> <p>As the MTFS is reviewed, some vacancies may be removed from budgets.</p>	

*The result is within tolerance

Priority 2: Growing our People and Places

Progress Summary

A summary of progress with planned activities for Priority 2 from the Council Plan 2018-2022 are as follows:-

- **Deliver Borough Local Plan**

At a special meeting of Cabinet on the 5th October 2022 Cabinet made the following resolution:

1. The housing growth requirements for the Borough based on the nationally set Government's standard methodology which is 7000 homes over the 20 year plan period (350 dwellings per annum) be noted.
2. The progress made with the Local Plan be noted.
3. Delegated authority be granted to the Executive Director - Development & Growth, in consultation with the Cabinet Member for Strategic Planning, to –
 - (i) publish an updated Local Development Scheme (LDS) to show the anticipated key milestones in the production of the Local Plan and,
 - (ii) to finalise the public consultation arrangements and all documentation for the Draft Local Plan publication.
4. A public consultation period of eight weeks be approved, commencing no later than Spring 2023, on the Draft Local Plan and the publication of the accompanying Sustainability Appraisal Scoping Report.
5. A report be submitted to a future meeting summarising the findings of the consultation process

- **Delivery of the Economic Development Strategy and action plan**

Delivery of the Economic development Strategy and action plan covers a number of areas reported in Priority 4 below – One Public Estate, Prepare a Town Centre Strategy, market, and business support. Additionally, work continues to bring forward development at Chatterley Valley, with Kidsgrove Town Deal funding supporting development of an access road into this significant development site for the Borough which sits within the Ceramics Valley Enterprise Zone. Newcastle Accelerated Town Deal funding has been used to support creation of The Workshop skills hub in Lancaster Building which has attracted partner funding to provide services for local people. Additionally, it funded a redesign of the ground floor of the Guildhall to make the space more flexible and useable for local groups. The Council additionally works with a number of countywide groups to coordinate provision of business growth and skills development support.

- **Progress University Growth Corridor**

The Council is continuing to look at the viability of this land through desktop studies, in order to further assess its development potential, should the site be taken forward.

- **Deliver appropriate housing to those in need:**

- **Newcastle Housing Advice**

The Newcastle Housing Advice (NHA) team provide the Councils Statutory Housing Advice and Homelessness duties for the borough Q2 has been challenging for the team, the service has seen the number of emergencies presentations to the service double, seeing more vulnerable customers with complex and challenging needs. The team continues to work alongside the housing standards, vulnerability hub, customer service Police and all partner agencies to help discharge any duties owed and manage customers expectations.

Progress Summary continued

Work has commenced with Aspire and the housing provider Locata to review the joint housing allocation policy. Regular meetings are held to identify any improvements and changes that are required to the system

QR 2 has seen increases to the out of hours call out service provided by the team and customers accessing temporary accommodation. The service is also experiencing additional pressures with the realignment of staff under the one front door project. It is a high volume service, demand continues to increase during the winter period when any cold weather provisions that may come into force.

- **Rough Sleepers and temporary accommodation -**

Since the announcement of our Rough Sleeper Initiative Funding, we have successfully recruited to all the roles, which have been up and running since 1st August 2022.

In this short time the team has had a huge positive impact on our rough sleeper figures. See table below:

Monthly Rough Sleeper figures 2022

Jan	Feb	March	April	May	June	July	August	September	October	November	December
16	18	19	13	14	22	21	23	19			

Average single night Rough Sleeper figures 2022

Jan	Feb	March	April	May	June	July	August	September	October	November	December
4	13	8	13	12	14	12	4	5			

We hope to continue this success as the roles become more imbedded.

Current rough sleeper services available in Newcastle are:

Rough Sleeper Navigator

Tenancy Sustainment Officer

Part-time Support Officer

Progress Summary continued

Services jointly commissioned with Stoke-on-Trent City Council:

Healthcare Worker

Rough Sleeper Coordinator

Rough Sleeper Outreach Service

Multi Agency Homelessness Hub

Newcastle under Lyme have developed a Multi-Agency Homelessness Hub where all manner of issues can be addressed under one roof. We all know working with these individuals that an appointment system for the most part does not work and can at times be a waste of resource. This has led to developing this approach to strengthen our prevention and recovery offers.

The Hub runs every Thursday between 9am-12pm at the Salvation Army, Bridge Street, NuL.

Hub Structure:

9am-10am – agencies meet to discuss Newcastle individuals and issues.

10am-12pm – doors are open for customers to access the hub for food, information, advice and encouragement, signposting and engaging with services.

The Hub provision began on 1st September 2022 with 22 agencies attending and 10 service users.

A month into the service, we have 19 agencies attending and 20 service users.

▪ **Joint allocation policy and procurement of a Choice Based Lettings system**

NHA continue to manage the Joint housing Allocations policy and choice based lettings system. The Choice based system and Joint housing policy was implemented in April 2021 and work is ongoing to make improvements to the system. NHA continue to work very closely with Aspire and the other Housing partners, raising any issues and concerns. This quarter Aspire housing continue to report extensive delays in the turnaround for the majority of their void properties which is continuing to have a wider impact on moving on from temporary accommodation and rehousing customers on the housing register, we have also seen an increase in MP and customer applications and queries.

NHA continue to work very closely with the 2 staff transferred over to the customer services team

▪ **One Public Estate**

The Council received a grant from 'One Public Estate' to support 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 was considered by Cabinet in June 2021. The project team continues to plan for delivery of the






Progress Summary continued

revised proposals and to report progress to One Public Estate. Elements of the Knutton masterplan are included in Newcastle Town Deal Town Investment Plan which has now been approved for delivery.

In October 2021 the Council worked with Aspire Housing to bid to the One Public Estate Regeneration Programme for the Aspire estate regeneration scheme at Cross Street Chesterton. The bid was successful and funding was made available to support this. In August 2022 the Council worked with Aspire Housing to bid for One Public Estate monies to assist with the abnormal costs of development at a site in Knutton. The outcome of this application is awaited.

- **Consideration of a property investment model and Property Diversification**

Consideration is being given to the Borough Council taking a more active role in developing its sites (i.e. by way of forming a property development company or similar) either on its own or in a partnership arrangement. The Commercial Strategy 2019-24 was approved by Cabinet and commercial investment advisors appointed to review and advise in respect of the Council's commercial portfolio. Work on this is currently ongoing.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 2 2021-22	Result Qtr. 1 2022-23	Result Qtr. 2 2022-23	Target Qtr. 2 2022-23	How have we performed?	Status
2.1	Property	Cllr Stephen Sweeney	Percentage of investment portfolio vacant (NBC owned)	Low	6.4%	11.5%	11.5%	12%	This indicator remains within target.	
2.2	Planning & Development	Cllr. Andrew Fear	Speed of major development applications (P151a)	High	100% (Oct 19– Sept 21)	100% (Jul 20 – Jun 22)	98.1% (Oct 20 – Sept 22)	66%	These indicators remain well within target and are improving or being maintained at an acceptable level.	
2.3			Quality of major development applications (P152a)	Low	5.8% (Apr 18 – Mar 20)	5.5% (Apr 19 – Dec 20)	3.7% (Apr 19 – Mar 21)	10%		
2.4			Speed of non-major development applications (P153)	High	99.1% (Oct 19 – Sept 21)	98.3% (Jul 20 – Jun 22)	97.9% (Oct 20 – Sept 22)	70%		
2.5			Quality of non-major development applications (P154)	Low	0.7% (Apr 18 – Mar 19)	0.5% (Jan 19 - Dec 20)	0.5% (Apr 19 - Mar 20)	10%		
2.6			Percentage of complainants informed within the required timescales of any action to be taken about alleged breaches of planning control.	High	N/A	N/A	N/A	75%	This is a new indicator and therefore not all data for the quarter is available. The indicator will therefore be reported on in the next reporting period.	N/A

Priority 3: A Healthy, Active & Safe Borough

Progress Summary

Overall the performance for this priority advises the progress where possible, however the impact of Covid 19 is considerable to service provision or where facilities have had to close or reduce delivery since March 2020. A summary of progress with planned activities for Priority 3 from the Council Plan 2018-2022 are as follows:-

- **Jubilee2 moving forward**

Jubilee2 continues to monitor its impact on the borough's residents. One way of doing this is monitoring the social value of the service through Data Hub. The social value for the Jubilee2 was £592,720 for the past twelve months.

- **Secure J2 commercialisation**

Officers continue to work with TA6 to work on a sustainable marketing campaign taking into account new operators entering into the market place, the cost of living crisis, in order to attract and retain customers. Memberships have grown to 2,637 at the end of September 2022, 90% of pre-covid memberships which is in line with the National average (target by March 2023 is 2900). Working with Swim England a root and branches review of the pool programme is being undertaken. This will assist in identifying further commercial opportunities and allow the Council to develop a robust aquatics strategy to support the commercial operation of the service.

- **Kidsgrove Sports Centre**

The contract works have now been completed and the Sports Centre has been handed over to the Community Group for their opening in late July 2022. The lease has been signed and all operational manuals for the successful operation of the facility have been provided to the group.

- **Museum Redevelopment Project**

All public spaces are now fully open. The museum had a very successful summer with activities for families and the Reincarnated Rubbish – Endangered and Extinct which focussed on the environment and wildlife. Exhibition. The new café is proving extremely popular with visitors and now delivers food and cakes within the café area, on the newly installed decking and in the activity spaces for pre-booked groups.

Activities and events have included talks, art workshops, reminiscence sessions, events for people living with dementia, dance, craft fairs, film showings, volunteer recruitment and working with external partners on funding bids for small projects. The schools programme is being redesigned and schools are gradually returning post COVID and attending sessions in the new activity spaces. The museum has been successful in fundraising for the acquisition of a medieval ring found in Audley and for wildlife/conservation work around the museum pond.

- **Streetscene Fleet procurement**

Procurement of fleet and equipment for Streetscene is progressing to renew the tractor fleet and road sweepers.

- **Deliver Capital Programme projects**

Work is in progress on a number of sites to repair railing/fencing and footpaths, and replace play equipment or repair safer surfacing.

- **Open Space Strategy**

The Heart of England in Bloom campaign and all local Newcastle in Bloom competitions and activities will take place live in 2022, with judging of Newcastle taking place on 13th July and results announced in September, in Birmingham, where we had secured Gold Award and Category Winner, 20th consecutive Gold award for the borough. The Newcastle in Bloom Local Awards event took place at the New Vic theatre on 1st October to announce the winners of the local competition. Sponsorship from local businesses is continuing at near-normal levels and is aiming to achieve around £60,000 in 2022/23. A total of 7 of the Borough's strategic parks and cemeteries have entered the Green Flag awards this year and have retained the green flags. The Open Space Strategy has been updated as part of ongoing work on the Local Plan and work has commenced on preparing a Nature Recovery Action Plan in partnership with Staffordshire Wildlife Trust.

Progress Summary continued

- **Bereavement Services**

The Bereavement Services team are seeking to identify new opportunities to support an enhanced service/memorial offer to residents, giving them greater choice/flexibility at their greatest time of need.

- **Protect our communities by delivering priority community safety, food safety & licensing projects:**

- **Taxi Licensing Policy**

In the first and second quarter of 2022-23 there have been no substantial amendments to the policy. Statutory guidance was published in July 2020, this resulted in amendments to the taxi policy being approved by Licensing and Public Protection committee for implementation from April 2021. The policy and amends were implemented. There is a report going to Licensing & Public Protection Committee on 18th October to review training matters required by applicants/licence holders, and clarifications on several other points. It is likely that these changes will be agreed and implemented prior to Quarter 4.

- **Environmental Health & Licensing**

Covid 19 enforcement responsibilities are likely to remain with local authority environmental health departments should there be any new outbreaks. The role of the Borough Council is likely to be directed by Central Government and partners. Also the pavement licensing regime has been implemented by the service, this is a temporary licence which allows premises to apply for a licence for tables & chairs and other furniture on the pavement outside of their premises, and such arrangements have been extended for a further year. As part of the Levelling Up Bill it is proposed that the pavement licence regime is made permanent. It will remain on a temporary basis until 30th September 2023 when the Bill will likely have been enacted.

- **Town Centre ASB enforcement**

Partnership activity around the town centre continues to be a priority with a range of enforcement activities being explored. We continue to utilise the CCTV system in order to collate evidence to support partnership enforcement. In addition to this the Town Centre Security Marshalls continue to patrol key ASB locations around the town centre and respond to incidents of ASB that are reported via the store net radio system. They also continue to provide valuable information for the purposes of enforcement.

Activity is co-ordinated by working closely with partners such as the Police and others within the Newcastle Strategic Partnership to identify individuals in need of support and utilising the Council's civil enforcement powers such as Community Protection Warnings (CPNWs), Community Protection Notices and Injunctions, continued enforcement of PSPOs for the Town Centre and Queen Elizabeth Park, as appropriate. We also continue to monitor progress around individuals in the town centre via the weekly enforcement meeting.

- **Commission new CCTV Service**

We are still awaiting final confirmation from Stoke in regards to the cameras being connected into the network.

- **Vulnerability Hub and MARAC**

The Council continues to actively co-ordinate and contribute to the Vulnerability / Harm Reduction Hub and MARAC multi-agency forums, which are designed to collaboratively de-escalate risk to our most vulnerable households, to prevent death and serious harm and to encourage appropriate support and assistance from the most relevant partners. There has been a noticeable increase in referrals to the Hub over the last 12 -18 months and it is clear that more complex and challenging cases are being presented for assistance which is taking longer to respond to. Discussions with County Commissioners and local service providers have been ongoing to encourage best use of available and collaborative resources and an understanding of the issues / challenges raised at the forum requiring a multi-agency response. MARAC continues to see an increase in referrals and complex cases. A Domestic homicide review is about to commence in the Borough. We have just successfully re-commissioned Glow to deliver the Children and young people's domestic abuse service and have brought the Safe Recovery Worker in house until 31.03.23 while the future of this service is assessed. We are starting to see an increase in cases being referred into the Vulnerability hub where debt is a factor, which is having a detrimental effect on mental health amongst other things. We are considering whether a case meets the threshold for a Safeguarding Adult review. We have recently been involved in the Slow Cooker project which is being led by the




Progress Summary continued



County, it has been extremely successful and when collecting the slow cookers people were able to get advice from the likes of Beat the Cold, DWP and Early Help.

Progress Summary continued

- **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 business case has been presented to Economy, Environment and Place Scrutiny Committee and approved at Cabinet. Retrofitted buses continue to be used on the A53 at Basford in full compliance with the relevant Ministerial Directive. Officers continue to work with Staffordshire County Council and JAQU to develop plans for a bus gate at peak times. Officers are also in discussion regarding NO₂ monitoring along the relevant section of road which is showing a year on year improvement and the implications of this for future work.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 2 2021-22	Result Qtr. 1 2022-23	Result Qtr. 2 2022-23	Target Qtr. 2 2022-23	How have we performed?	Status
3.1a	Community Safety	Cllr. Gill Heesom	Anti-Social Behaviour (ASB) cases:- -New cases received during the quarter	Low	103	103	144	147*	There has been a drop in cases from Q1 from 312 to 143 which also meets the target for new cases. Open cases have increased but also remain under target. Closed cases is below target however this appears to be minimal and is close to overall target.	
3.1b			-Current open cases at the end of the quarter	Low	30	30	26	36*		
3.1c			-Cases closed in the quarter	High	11	117	140	120*		
3.2	Community Safety	Cllr. Gill Heesom	Number of referrals made regarding vulnerability by participating organisations at the Daily Hub	High	69	47	63	65*	A total number of 63 referrals made to Vulnerability Hub meetings that have taken place over the last quarter.	
3.3	Culture & Arts	Cllr. Jill Waring	Number of People Accessing the Museum's collections online and in Person	High	25459	18,689 in person visits 59,997 social media engagements Total 78,686	29043 in person visits social media engagements 129630 (47732) cumulative (208316 cumulative)	45,000 Qtr Target 180,000 (Annual cumulative)	Figures include both in person visits and online engagements through our social media platforms. The Museum is now fully open to the public after the redevelopment and visitor numbers exceed the figures for 2019/20 (pre Covid).	

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 2 2021-22	Result Qtr. 1 2022-23	Result Qtr. 2 2022-23	Target Qtr. 2 2022-23	How have we performed?	Status
3.4	Leisure	Cllr. Jill Waring	Membership growth	High	2149	2487 members	2637 members	2650 Qtr Target (2900 annual Target)	Memberships are roughly in line with projections following a month's closure to allow for the refurbishment of the gym. Working with Alliance leisure the service will continue to develop a strong marketing campaign to attract and retain customers in light of new gyms opening in the borough. Membership Attrition is slightly higher than expected and this may be attributed to the cost of living crisis families are facing, as well as new competitors opening in the market place.	
3.5	Leisure	Cllr. Jill Waring	Jubilee 2 Customer Satisfaction – Net Promotor Score	High	N/A	N/A	47.3%	40%	First time this metric is being used but is above target for this quarter	
3.6	Housing	Cllr. Gill Heesom	Live application on the housing register	Low	N/A	1245	1539	1245* (Outurn for 2021/22)	There has been a large increase on the numbers of applicants making a new waiting list application in Q2. Delays with turnaround of void problems may be affecting the number of applications	
3.7	Housing	Cllr. Gill Heesom	Number of lets to registered providers from the housing waiting list	High	N/A	88	131	513* (Outurn for 2021/22)	Aspire the main housing partner added a larger number of properties to advertise in Q2. They have a backlog of void properties	
3.8	Housing	Cllr. Gill Heesom	Emergency homeless presentations	Low	N/A	78	155	419* (Outurn for 2021/22)	The number of emergency presentations to the service has doubled in the last QR this is impacting on the normal day to day running of the service due to the vulnerable customers that are presenting	

Priority 4: A Town Centre for All

Progress Summary

For this quarter, the results demonstrate a varying level of activity and further comments are detailed in this report.

A summary of progress with planned activities for this priority from the Council Plan 2018-2022 are as follows:-

- **Prepare a Town Centre Strategy**

Future High Street Funding has funded demolition of the former Civic Offices building to enable redevelopment of this key town centre site. Demolition is now complete. Contractors have now been appointed to work alongside the Council on development of a new multi storey car park on the Ryecroft site and also to work with the Council on the future of York Place Shopping Centre. Cabinet has also approved the start of negotiations with Aspire to sell approximately 2 acres of the Ryecroft site for a new headquarters building and over-55s housing. A number of projects are under development through Newcastle Town Deal, business cases for these were submitted to DLUHC at the end of June 2022 and these have now been approved for funding.

- **Market**

The focus for increasing footfall and visitor satisfaction remains and the Market team continues to host specialist visiting markets creating diversity to supplement our weaker regular markets offer. The specialist visiting markets have created diversity to supplement our regular markets offer. They've continued to be very popular with high take up of stalls and excellent visitor numbers.

Castle Artisan Market (CAM) used additional pop-up stalls and pitches to accommodate traders on our waiting list (45 stalls and up to 70 traders in total). A road closure to aid expansion is now in place outside WH Smith. It accommodates additional gazebos. It continues to be held on the third Sunday of each month and celebrated its first birthday in October 2021. Due to this market's popularity, some town centre businesses and our regular general market traders now take stalls at these markets each month. There are 13 dates booked-in for 2022 with additional Bank Holiday pop-up events and collaboration with Newcastle BID events such as lights-switch on and Queens Jubilee celebrations.

Greyhound Gap Takeover Market is a dog-themed event where owners and pets visit in considerable numbers and all 45 stalls are used. This event is organised by Castle Artisan Market (CAM) team in conjunction with the Market team and ensures a successful day with good social media promotions. It is due to be held again on Sunday 6 November 2022. As the frequency of this market increases, it now appears in performance indicators for 2022.

The last Vegan Festival of 2022 was held on Sunday, 3 July with the same high footfall as previous events. Town centre businesses open to take advantage of the increased visitor numbers. All 45 stalls were used with additional traders in gazebos and trailers on our market pitches. The next Vegan Festival is organised for Sunday, 23 October. As the frequency of this market increases, it now appears in performance indicators for 2022.

Collaborating with Newcastle-under-Lyme BID and partners has resulted in a varied and full events programme in 2022.

- **Business Support**

Delivery of the 'Staffordshire Means Back to Business' package of support, which was funded from Additional Restriction Grant monies was completed at the end of March. To date 65 Newcastle apprenticeship places have been created, 37 businesses have taken advantage of the 'Nil Cost Training to Businesses' and 22 businesses have taken advantage of the 'to Thrive' grants to assist businesses to recover and grow. It should be noted that Newcastle businesses were amongst the highest take-up of these grants across all participating districts.

Progress Summary continued

Work has continued in signposting businesses to appropriate support, including updating the information available on the new website. Over 150 queries have been dealt with so far this financial year and requests continue to come in. Eight e-newsletters have been sent out to over 120 businesses who have requested these regular updates of support on offer from the council and partners. Planning will soon be underway for Business Boost 2023 to coincide with the 850 celebrations. Welcome Back fund has also supported local businesses in Kidsgrove to come together to run a Totally Locally scheme to encourage footfall back into the high street, post pandemic.

- **Parking Policy**




The Council adopted a Car Parking Strategy in 2019/20, which was reviewed in 2021/22. These set out a number of service improvements to ensure our services meet the needs of our drivers. These have included new car parking machines which accept card payments and an improved service for pay for parking has been implemented with PayByPhone. The Council continues to support town centre users in the important Christmas retail period, customers can park for free between 9am and 1pm on the Midway car park, then for the existing offer of £1 after 1pm continues. Installation of electric vehicle charging points is underway with Goose Street, Newcastle and Heathcote Street, Kidsgrove being operational. Works are in progress with the electric service provider for the upgrade of apparatus on The Parade, Silverdale and King Street, Newcastle. Consultation has been undertaken at Lyme Valley for a Traffic Regulation Order to improve car parking access for leisure users of the Lyme Valley, the Order is due to be implemented in quarter 3.

- **Establish Town Centre Communications Group**

The Town Centre Communications Group, “Talking Up The Town” emphasis, has moved from in-person meetings to online sharing of content and happenings. Whilst a refresh the format of the in-person group meetings is considered, Newcastle-under-Lyme BID and the Town Centre Officer are looking at a more appropriate way to keep the Communications Group engaged.

- **Develop a Kidsgrove Town Centre Investment Plan**

Kidsgrove Town Deal Board (KTDB) submitted the Kidsgrove town Investment Plan to MHCLG at the end of October 2020 and in March 2021 confirmation of a £16.9 million award was received. The Kidsgrove Sports Centre business case was fast tracked and Town Deal money was used alongside Council investment to refurbish the centre. The Chatterley Valley project has now started on site. Approval of the Canal business case was received in June 2022. Kidsgrove Railway Station business case and Kidsgrove Shared Service Hub have now been approved for delivery and the projects are progressing to delivery stage

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 2 2021-22	Result Qtr. 1 2022-23	Result Qtr. 2 2022-23	Target Qtr. 2 2022-23	How have we performed?	Status
4.1	Regeneration & Economic Development	Cllr. Stephen Sweeney	Car parking usage:- Number of tickets purchased	High	30,077	87,807	101,922	85,000 Qtr target 340,000 annual Cumulative	The number of tickets purchased have increased by 238.87% in Qtr. 2 compared to the same period in 2021. –	
4.2	Regeneration & Economic Development	Cllr. Simon Tagg	Footfall	High	N/A	638,008	614,119	553,000*	There is decrease against Qtr 1 2022 showing at -3.74%. However this figure is well within target range.	
4.3	Regeneration & Economic Development	Cllr. Stephen Sweeney	Average stall occupancy rate for markets	High	Overall 54%	Stall Occupancy Overall average 60% Monday General Market 21% Tuesday AFG Antiques Market 76% Wednesday General Market 13% Thursday AFG Bric-a-Brac Market 58% Friday General Market 32% Saturday General Market 36% Castle Artisan Market 100%*	Stall Occupancy Overall average 60% Monday General Market 22% Tuesday AFG Antiques Market 76% Wednesday General Market 17% Thursday AFG Bric-a-Brac Market 61% Friday General Market 32% Saturday General Market 35% Castle Artisan Market 100%* Vegan Festival 100%** Greyhound Gap Market 100%***	Overall Target 60%	<i>*Monthly market still expanding (Hiring additional stalls to accommodate traders on our waiting list).</i> <i>**Three times-a-year market with over 100% occupancy on trader provided gazebos.</i> <i>***Occasional pop-up market</i> Fluctuation in stall occupancy for some markets can be attributed to seasonal variations. Quarter 2 2022/23 Value of income = £12,289.25 Arrears = £213.40	

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Page 96						Vegan Festival 100%* * Greyhound Gap Market 100%***				
4.4	Community Safety	Cllr. Gill Heesom	Total rough sleepers verified in the quarter; - New rough sleepers - Returning rough sleepers - Entrenched rough sleepers	Low	Overall - 40	Overall - 49	Overall - 63 New - TBC Returning - TBC Entrenched - TBC	Overall - 69* New - 18* Returning - 32* Entrenched - 19*	Overall Rough Sleeper count has increased by 14 from Q1 but is within overall outturn target from 2021/22. They have also increased in comparison to Q2 2021/22. , However since the new Rough Sleeper Initiative Roles have started (August 2022) we have seen a considerable reduction in monthly and nightly figures. Unable to split data for New, Returning & Entrenched for Q2 due to timeframes.	

*The result is within tolerance

Performance reporting will be enhanced during 2022-23 to provide more trend data where this is available. For some indicators, where performance is largely beyond the Council's direct control, targets are not set. Instead, the 2021-22 out-turn data is used to provide a baseline against which future performance can be assessed. In the tables below such indicators are marked *.

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



Performance is not on target but direction of travel is positive



Performance is not on target where targets have been set



Performance is on or above target



Positive performance noted (no target set)



Performance noted for monitoring(no target set)

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FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE

Work Programme 2022/26

Chair: Councillor Mark Holland

Vice-Chair: Councillor Amy Bryan

Members: David Allport, Robert Bettley-Smith, Wendy Brockie, Annabel Lawley, Andrew Parker, Mike Stubbs, John Tagg, Stephanie Talbot and Paul Waring

Portfolio Holders covering the Committee's remit:

Councillor Simon Tagg, Leader – One Council, People and Partnerships

Councillor Stephen Sweeney - Deputy Leader – Finance, Town Centres and Growth



This committee scrutinises how the council, as a whole, performs. It scrutinises how the council develops and implements its various plans and strategies. It scrutinise how the council plans for and uses its finances (including income generation) and other assets including plant and machinery, equipment, vehicles, land and buildings and staff. In scrutinising the council's performance, it will also consider how the council performs alongside the organisations it works in partnership with.

The core Work Programme is determined at the beginning of the municipal year. Issues can be added throughout the year with the Chair's approval or where a new priority area comes to the Committee's attention.

For more information on the Committee or its Work Programme please contact Denise French on 01782 742211 or at denise.french@newcastle-staffs.gov.uk

DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES
30 June 2022	Q4 Finance and Performance Review Asset Management Strategy	Regular item

Classification: NULBC **UNCLASSIFIED**

DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES
8 September 2022 CANCELLED	MTFS Q1 Finance and Performance Review Procurement Strategy Commercial Strategy	Regular item Regular item
8 December 2022	Q1 Finance & Performance Report 2022/23 Q2 Finance & Performance Report 2022/23 Commercial Strategy Update 2023/24 Draft Savings Proposals	Regular items
19 January 2023	Revenue and Capital Budget and Strategies 2023/24 Schedule of Fees and Charges 2023/24	Pre-decision scrutiny
30 March 2023	Q3 Finance & Performance Report 2022/23 Asset Management Strategy Commercial Strategy Update	Regular items
26 June 2023	Q4 Finance & Performance Report 2022/23	Regular items
25 September 2023		
13 December 2023		
18 January 2024		
14 March 2024		

Classification: NULBC **UNCLASSIFIED**

DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES
27 June 2024		
5 September 2024		
5 December 2024		
16 January 2025		
27 March 2025		
26 June 2025		
4 September 2025		
4 December 2025		
12 January 2026		
26 March 2026		

DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES
11 June 2026		

November 2022