

Public Document Pack

Date of meeting Thursday, 18th January, 2024
Time 7.00 pm
Venue Astley Room - Castle
Contact Geoff Durham 742222



**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 - 8)
To consider the Minutes of a previous meeting.
- 4 DRAFT REVENUE AND CAPITAL BUDGETS AND STRATEGIES 2024/25** (Pages 9 - 96)
- 5 SCHEDULE OF FEES AND CHARGES 2024/25** (Pages 97 - 148)
- 6 WORK PROGRAMME** (Pages 149 - 152)
- 7 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
- 8 URGENT BUSINESS**
To consider any business which is urgent within the meaning of Section 100B (4) of the Local Government Act 1972
- 9 DATE OF NEXT MEETING**
Thursday 14th March 2024 (7:00pm)
- 10 TRADE REFUSE SCALE OF FEES AND CHARGES - CONFIDENTIAL APPENDIX** (Pages 153 - 154)

Members: Councillors Holland (Chair), Bryan (Vice-Chair), Parker, J Tagg, P Waring,

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Bettley-Smith, Stubbs, Brockie, Allport, Lewis 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:	Grocott	D Jones
	Whieldon	Fox-Hewitt
	Panter	Wright
	Wilkes	Gorton
	Crisp	J Waring
	Adcock	

If you are unable to attend this meeting and wish to appoint a Substitute to attend on your place you need to identify a Substitute member from the list above who is able to attend on your behalf

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

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Agenda Item 3

Finance, Assets & Performance Scrutiny Committee - 13/12/23

FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE

Wednesday, 13th December, 2023

Time of Commencement: 7.00 pm

[View the agenda here](#)

[Watch the meeting here](#)

Present: Councillor Mark Holland (Chair)

Councillors: J Tagg Bettley-Smith Brockie
P Waring Stubbs

Apologies: Councillor(s) Parker, Allport, Lewis and Lawley

Substitutes: Councillor David Grocott (In place of Councillor Annabel Lawley)
Councillor Richard Gorton (In place of Councillor Rebekah Lewis)
Councillor Jill Waring

Officers: Simon McEneny Deputy Chief Executive
Georgina Evans-Stadward Service Director - Strategy,
People and Performance
Craig Turner Finance Manager

Also in attendance: Councillor Stephen Sweeney Deputy Leader of the Council
and Portfolio Holder - Finance,
Town Centres and Growth

1. **APOLOGIES**

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest stated.

3. **MINUTES OF A PREVIOUS MEETING**

The Leader and Deputy Leader's attendance appeared to be missing from the minutes of the previous meeting.

Resolved: That the minutes of the meeting held on 9th November 2023 be agreed as accurate record provided that the Leader and Deputy Leader's attendance be recorded.

4. **REVENUE AND CAPITAL BUDGET 2024/25 - FIRST DRAFT SAVINGS PLANS**

The Deputy Leader presented the First Draft Saving Plans for the Revenue and Capital Budget 2024-25.

Members commented as follows:

Finance, Assets & Performance Scrutiny Committee - 13/12/23

- Cllr Brockie expressed concerns about staff mental health and sickness absences in the context of making the Council financial situation “everyone’s responsibility” as referred to in paragraph 2.2. – Time and resources were allocated to support people’s health and wellbeing and the right training would be provided to maximize individual capability. Very positive responses had been received following the staff survey and efforts were put in to ensure everyone was happy.
- Cllr Stubbs enquired about paragraph 9.2 and the opinion of robustness. – The savings plans were still at a draft stage and would be confirmed in the Revenue and Capital Budgets as well as Council Tax 2024/25 reports to Cabinet and Council in February 2024.
- Cllr Grocott asked about the Pay Awards and Capital Receipts estimates. – The pay awards had been increased from 3% to 3.5% after benchmarking had been carried out. Capital Receipts figures were based on current assumptions for 2023-24 onwards.
- Cllr Stubbs wondered about the figures shown in Appendix A:
 - o Item I1: how many minor and major planning applications should be processed to sustain the planning costs uplift? – The figures were based on a standing still of applications.
 - o Item I6: could the finance officer elaborate on VAT relating to leisure income? – Following a change in regulation VAT no longer applied to a number of leisure fees including gym memberships.
 - o Item I8: what was the average percentage increase of property rent? – Based on what had been achieved this year this was about 7%.
 - o Item I10: what was the car parking figure based on? – This was based on a small increased usage and a small increased fee.
 - o Item O1: could a breakdown of the further efficiencies referred to be provided? – This was about ensuring that roles and responsibilities were designed to maximise their impact in the organisation.
 - o Item S5: could an explanation and a breakdown be given about the capitalization of professional fees? – Capitalisation of salaries in respect of professional fees was permitted for new builds, purchases and enhancements.
 - o Item G6: how could the increase be justified with regard to the vacancy factor? – An explanation of the calculation was provided.
- Cllr Stubbs asked if the borrowing costs in Appendix C were viable. – These had been prepared by the finance team and were realistic figures.

The Deputy Leader commended the work of the Finance team and responses provided to the challenging questions raised by members. The draft budget had been presented to members well in advance and not all authorities were currently in a position to do so.

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- Resolved:**
1. That the first draft proposals as set out in Appendix A and Appendix B to the report be noted.
 2. That 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. That the refreshed Medium Term Financial Strategy (MTFS) (Appendix D) be noted.
 4. That any areas where further information is required for consideration be identified.
 5. That any further areas of savings that should be considered be suggested.

[Watch the debate here](#)

5. FINANCIAL AND PERFORMANCE REVIEW REPORT - 2ND QUARTER 2023-24

The Deputy Leader introduced the Financial & Performance review report for the 2nd quarter of 2023-24.

Members asked questions and responses were provided as follows:

- Cllr Stubbs asked about the adverse variances observed with regard to housing benefits subsidy and temporary accommodations. – The Council had reached out to the government and working groups were meeting every two months to address the issue.
- Cllr Stubbs asked if letters to the Government could be published. – This could be included in the documents shared for the next meeting.
- Cllr Stubbs asked about the Pay Awards and benchmarking information against other authorities. – The 3.5% increase provided for future years is in line with that provided by other authorities.
- Cllr Grocott asked about Chatterley Valley West which award had all been spent. – The work had to be done through Staffordshire County Council highways an upfront payment had been requested.
- Cllr Brockie wondered about the performance indicators accuracy and at what stage a commitment from developers could be identified with regard to Priority 4. – The performance indicators were not estimates but an overview of what had actually be recorded, as for the process towards implementing redevelopment projects this implied a lot of stages and dialogue going back and forth to ensure efficiency of costs and design.
- Cllr Waring asked about Kidsgrove and whether the budget would be sufficient to bring the project to completion. – Most of the Town deal projects had been handed over to other organisations such as Network Rail and there was now only the Shared Service Hub to be delivered for which the budget was sufficient.

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- Cllr Stubbs asked if the issue of the station bridge had been sorted. – The costs were being reviewed by Network Rail.
- Cllr Waring commented that he thought the bridge had already been strengthened and outstanding issues were about different matters. – An update would be sent out to members.

The Chair suggested to go through the Performance indicators and members commented as follows:

- Cllr Stubbs asked that the plan to tackle sickness absences be implemented at the earliest opportunity. – The team was working towards it and progresses were being noticed.
- The Deputy Leader noted the trend with regards to the Digital Online Transactions. – This was following up on the installation of a new module within the systems access.

Resolved: That the contents of the report and appendices be noted and that members continue to monitor and challenge the Council's service and financial performance for this period.

[Watch the debate here](#)

6. TOWN DEAL AND FUTURE HIGH STREET FUNDS UPDATE

The Deputy Leader introduced the report on Town Deal and Future High Street Funds which had been presented to the Economy and Place Scrutiny the previous week.

Members asked questions and responses were provided as follows:

- Cllr Waring asked how far behind was the project likely to be. – There was a four months delay on the road works. As another contractor had to be called in by the developers it was expected that the project would be delayed by approximately six months.
- Cllr Brockie wondered if there was any contingency plans to build universal unit with diversity of purposes if the Chatterley Valley project didn't come up. – While the Council was investing in the infrastructure it wasn't putting money into the platform and road themselves which were funded at County level and included several plots.
- Cllr Stubbs asked for clarification about plot D funding. – A £ 2.3 Million contribution was put in by the County and would be paid back in business rates.
- Cllr Waring commented on building relationships, see what opportunities they had, and then contribute to those opportunities. – This was indeed the right strategy.

Resolved: That the report on the delivery of the Town Deal and Future High Street Funds projects be noted.

[Watch the debate here](#)

7. TECHNOLOGY STRATEGY 2023-28 REPORT

The Deputy Leader introduced the new Technology Strategy.

Cllr Stubbs commented that the Committee was not consulted during the drafting stage of the Strategy. – There would be opportunities to amend the Strategy if flaws or opportunities for improvement were to be noticed.

Resolved: That the Strategy be considered and feedback be provided to the Portfolio Holder for One Council, People and Partnerships.

[Watch the debate here](#)

8. WORK PROGRAMME

Resolved: That the work programme be noted.

9. PUBLIC QUESTION TIME

There were no questions from members of the public.

10. URGENT BUSINESS

There was no urgent business.

11. DATE OF NEXT MEETING

Resolved: That the next meeting be held on 18th January 2024

**Councillor Mark Holland
Chair**

Meeting concluded at 8.22 pm

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

CORPORATE LEADERSHIP TEAM'S
REPORT TO

Finance Assets and Performance Scrutiny Committee
18 January 2024

Report Title: Draft Revenue and Capital Budgets and Strategies 2024/25

Submitted by: Service Director for Finance (Section 151 Officer)

Portfolios: Finance, Town Centres and Growth

Ward(s) affected: All

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<p>To review progress on the completion of the revenue and capital budgets for 2024/25 and approve the 5 year Medium Term Financial Strategy for 2024/25 to 2028/29.</p> <p>To consider drafts of the Capital Strategy for 2024/34, the Treasury Management Strategy for 2024/25, the Investment Strategy for 2024/25 and the Commercial Strategy for 2024/25 prior to their submission to Full Council for final approval.</p>			

<u>Recommendations</u>
<p>That Committee:</p> <ol style="list-style-type: none"> 1. Note the progress on the completion of the Revenue (Appendix 1) and Capital Budgets (Appendix 4). 2. Note the updated Medium Term Financial Strategy 2024/25 to 2028/29 (Appendix 2). 3. Note the strategy for ensuring a balanced revenue outturn position for 2023/24. 4. Note the calculation of the Council Tax base and the Council Tax increase to be proposed for 2024/25 of 1.99% per Band D equivalent property. 5. Note the risk assessment at Appendix 3 and the Section 151 Officer's recommendation on the level of reserves and contingencies provisionally required to be maintained in 2024/25. 6. Note the draft Capital Strategy (Appendix 5) for 2024/34 be noted. 7. Note the draft Treasury Management Strategy (Appendix 6) for 2024/25. 8. Note the draft Investment Strategy (Appendix 7) for 2024/25. 9. Note the draft Commercial Strategy (Appendix 8) for 2024/25.

Reasons

To enable the Committee to scrutinise the proposals in order to inform the Cabinet in recommending a robust and affordable budget for 2024/25 to the Council meeting on 14 February 2024.

The Council needs to have an approved Capital Strategy for 2024/25, an approved Treasury Management Strategy for 2024/25 and an approved Investment Strategy for 2024/25 in place before the start of the 2024/25 financial year.

1. Background

- 1.1 The Council is committed to the delivery of high quality services. Integral to this ambition is effective targeting of financial resources in line with the vision of “good local services, a prosperous borough and safe and welcoming places for all” and the Council’s stated aims and objectives, as set out in the Council Plan 2022-2026, which was approved by Cabinet on 6 September 2022.
- 1.2 The Medium Term Financial Strategy (MTFS) sets out the Council’s financial position over the next 5 years. This is aligned to the Council Plan 2022-2026 and is the key vehicle for ensuring efficiency in service delivery and targeting resources to priority areas.
- 1.3 Despite the COVID-19 pandemic and the Cost of Living Crisis, and the challenges faced by the Council in its response, there has been good progress against Council Plan objectives in the current year, with high standards of service delivery being achieved overall. Key Council Achievements, linked to the Council Plan objectives, are reported to Cabinet on a quarterly basis. (Details of the Council Plan 2022-2026 can be seen here <https://www.newcastle-staffs.gov.uk/policies-1/council-plan-2022-2026>)
- 1.4 The draft 2024/25 budget is based on the assumptions set out in the MTFS which was approved as a basis for consultation by the Cabinet at its meeting on 5 December 2023 and scrutinised by the Finance, Assets and Performance Scrutiny Committee at its meeting on 13 December 2023.
- 1.5 The draft and provisional proposals included in this report will inform the Revenue and Capital Budgets and Council Tax 2024/25 reports to Cabinet on 6 February 2024 and to Full Council on 14 February 2024.
- 1.6 The Capital Strategy 2024/34 sets out how the Council proposes to deploy its capital resources in order to achieve its corporate and service objectives. It takes into account other relevant Council strategies, policies and plans and the views of partners and interested parties with whom the Council is involved. It also takes account of the resources which are likely to be available to the Council to fund capital investment and the effect of that investment on the Council’s revenue budget. It will serve as a useful point of reference when determining or reviewing the Council’s Capital Programme.
- 1.7 The Council has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice. This requires approval by Full Council

concerning the Treasury Management Strategy to be followed in carrying out its treasury management activities in the forthcoming financial year, 2024/25.

- 1.8 The Investment Strategy 2024/25 is compiled according to Central Government's Guidance on Local Government Investments ('the Guidance') and the 2017 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ('the CIPFA TM Code'). It sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 1.9 The Commercial Strategy 2024/25 is aligned with the Council's vision for Newcastle-under-Lyme to be a sustainable and business-oriented Council that maximises commercial opportunities in order to deliver long-term benefits for residents of the borough and support the Council's medium-term financial strategy.

2. **Issues**

Budget 2023/24 – Provisional Outturn Forecast

Revenue

- 2.1 The Council approved a General Fund Revenue Budget of £16.857m on 15 February 2023 for 2023/24. The actual and forecast position compared to this budget is continuously monitored by Budget Holders, the Corporate Leadership Team and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget.
- 2.2 At the close of period 8 a positive variance of £0.013m has been achieved. The projected outturn on the General Fund Revenue Account for the year is £16.836m. This represents a positive outturn of £0.023m for the year.
- 2.3 The adverse variances that have occurred at the close of period 8 of 2023/24 include:
 - a. Income shortfalls from sales, fees and charges which amount to £0.361m (forecast to be £0.452m for the financial year),
 - b. A shortfall of £0.266m in Housing Benefits subsidy grant regarding accommodation and payments for which full subsidy is not claimable (forecast to increase to £0.400m for the financial year),
 - c. The provision of temporary accommodation for the homeless and vulnerable amounts to £0.059m after utilising an element of grant funding (forecast to increase to £0.089m for the financial year),
 - d. Increased gas and electricity prices have resulted in an overspend of £0.056m at the close of period 8 at Jubilee 2 (forecast to increase to £0.084m for the financial year),
 - e. Holding costs for York Place (e.g. utilities and business rates) and additional backdated rent for a commercial property are expected to amount to £0.251m for the financial year. Proportionally, this amount to £0.167m at the close of period 8,

- f. A pay award that is in excess of the amount provided for in the budget (4%), including national insurance and pension the additional amount is forecast to total £0.266m at the close of period 8 (and £0.400m for the financial year).
- 2.4 These adverse variances have been offset in full by the following favourable variances:
- a. Utilisation of the Cost of Living Reserve that was established during the budget setting for 2023/24 in order to respond to any above inflationary increases in costs. This will be fully used to offset the forecast pay award (£0.266m at the close of period 8 and £0.400m for the financial year).
 - b. Interest receivable on cash 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) totals £0.948m at the close of period 8, following recent interest rate hikes (it is forecast that this will grow to £1.290m of income by the close of the financial year).
- 2.5 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.
- 2.6 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.

Capital

- 2.7 A Capital Programme totalling £30.360m was approved for 2023/24. Of this total £17.863m relates to the total cost of new schemes for 2023/24 together with £12.497m for schemes funded by external sources (Town Deals Fund, Future High Streets Fund and Disabled Facilities Grants) and £1.000m contingency. In addition £24.013m was brought forward from the 2022/23 Capital Programme (including £22.771m from the Town Deals Fund and the Future High Streets Fund), resulting in a total Capital Programme of £54.373m for 2023/24.
- 2.8 At the close of period 8 the profiled capital budget amounts to £6.498m, actual spend for this period totals £6.526m.
- 2.9 A mid-year review of the capital programme for 2023/24 has been undertaken as part of the Efficiency Board and budget setting process. The revised capital programme for 2023/24 totalling £55.433m (including a £1m contingency and agreed carry forwards from 2022/23) was approved by Cabinet on 5 December 2023.

Medium Term Financial Strategy

- 2.10 The draft MTFS was approved as a basis for consultation by Cabinet on 5 December 2023 and has since been updated to reflect the impact of the Local Government Finance Settlement.
- 2.11 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 Cabinet Portfolios involving Cabinet Members, the Corporate Leadership Team, Service Directors 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 2024/25.

Detail	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
<i>Income</i>	680	91	-	-	-
<i>One Council</i>	230	-	-	-	-
<i>Staffing Related</i>	199	-	-	-	-
<i>Good Housekeeping</i>	489	-	-	-	-
<i>Tax Base</i>	424	383	394	407	419
<i>Council Tax Increase</i>	164	166	168	170	172
<i>Government Grants</i>	506	-	-	-	-
TOTAL SAVINGS	2,692	640	562	577	591
UPDATED MTFS GAPS	2,692	1,557	997	1,092	547
REMAINING GAP	-	917	435	515	(44)

- 2.12 The table below shows the amendments to items included in the saving strategy reported to Cabinet on 5 December 2023 reflecting the impact of the Local Government Finance Settlement on them (further details are included at 2.39 to 2.45):

Detail	£'000
<i>Total Savings at 6 December 2023</i>	(2,686)
Additional New Homes Bonus Grant	(6)
<i>Total Revised Savings</i>	(2,692)

Draft Revenue Budget 2024/25

- 2.13 The MTFS has been updated to reflect the Local Government Finance Settlement received on 19 December 2023. It provides for a revised gap in 2024/25 of £2.692m and a gap over the 5 year period of the MTFS of £6.885m.
- 2.14 The table below shows the factors which give rise to the £2.692m gap for 2024/25:

Additional Income	£'000
Fees and Charges	(230)
Business Rates Retention	(306)
Total Additional Income	(536)
Loss of Income	
Government Grant (New Homes Bonus, Housing Benefits Admin, Services Grant)	463
Reduction in income from under achieved budgets	180
Total Loss of Income	643
Additional Expenditure	
Employees (pay awards, increments, national insurance, pension)	1,179
Premises (business rates and utilities)	146
Transport (fuel)	21
Contribution to Budget and Borrowing Support Fund	103
Borrowing	471
Other (inc. software licences, temporary/supported accommodation)	665
Total Additional Expenditure	2,585
Net Increase in Base Budget	2,692

2.15 The table below shows the amendments to items included in the MTFs 'gap' reported to Cabinet on 5 December 2023 reflecting the impact of the Local Government Finance Settlement on them (further details are included at 2.34 to 2.38):

Detail	£'000
Total Pressures at 6 December 2023	2,686
Business Rates baseline funding level	(48)
Services Grant	127
Minimum Funding Guarantee	(176)
Contribution to Budget and Borrowing Support Fund	103
Total Revised Pressures	2,692

2.16 The proposed savings identified for 2024/25 are summarised below, with further detail in Appendix 1. These savings and strategies enable a balanced financial position to be proposed for 2024/25.

Category	£'000	Comments
Income	680	Additional sources of income generation and an increased demand for services that the Council charges for
One Council	230	Efficiencies to be generated from the continued implementation of a new Council operating model and increased performance management
Staffing Related Efficiencies	199	No redundancies are anticipated to arise from these proposals

Good Housekeeping/More Efficient Processes	489	Various savings arising from more efficient use of budgets
Tax Base Increase	424	Increase in Council Tax and Business Rates tax base
Council Tax Increase	164	An assumed 1.99% per Band D equivalent increase in Council Tax
Government Grants	506	Grants in respect of New Homes Bonus and Minimum Funding Guarantee
Total	2,692	

2.17 As in previous years, the first draft of the savings plan set out at Appendix 1 was made available to the Finance, Assets and Performance Scrutiny Committee for scrutiny at its meeting on 13 December 2023.

Borough Growth Fund

2.18 The Borough Growth Fund was established in 2020 for the purpose of enabling investment in corporate priorities. The Borough Growth Fund is required to be used to invest in initiatives that are forecast to generate on-going revenue savings through reducing the costs of service delivery or through the generation of additional income.

2.19 Since the establishment of the Borough Growth Fund, investments have been made and committed to in the following areas:

Investment Area	£'000	Details
Council Modernisation	429	Embedding digitalisation across services and developing the skills of staff.
One Council Programme	100	Contribution to drive the digital programme which will transform public access to council services and drive efficiency savings.
Environmental Sustainability	139	Tree planting/carbon reduction
Walley's Quarry	75	Addressing community concerns regarding the quarry's unpleasant odour omissions.
Town Centre Support	113	Used to support the Town Deal bids for Newcastle and Kidsgrove and the rejuvenation of the Markets.
Car Parking Machines	30	Purchase of car parking machines with cashless payment options.
Commercial Property Review	20	Review to develop income generation ideas as part of the Commercial Strategy.

2.20 The savings and funding strategies identified in the table in paragraph 2.14 and in Appendix 1 will enable continued investment of £0.250m in the Council's priorities as per the Council Plan 2022-2026 via the Borough Growth Fund. The Borough Growth Fund will continue to be used to provide investment in initiatives, including Digital Delivery, that are forecast to generate on-going revenue savings through reducing the costs of service delivery or through the generation of additional income. The Council's Section 151 Officer will determine whether any proposed use of the fund complies with this guidance on a case by case basis.

2.21 The 2024/25 Borough Growth Fund investment will be used in the following areas:

Investment Area	£'000
Environmental Sustainability	100
Digital Delivery	100
Economic Development	50
Total	250

2.22 In order to boost environmental sustainability within the Borough, £0.100m per annum over the life of the MTFs continues to be ring-fenced from the Borough Growth Fund to enable such projects to be fully funded.

2.23 £0.100m of the 2024/25 Borough Growth Fund will continue to be allocated to the digital programme which will transform public access to Council services and drive efficiency savings.

2.24 The remaining £0.050m will be used within economic development on initiatives and events for boosting footfall within the town centre.

Council Tax and Collection Fund

2.25 The savings and funding strategy assumes a 1.99% per Band D equivalent property Council Tax increase, producing £0.164m of additional income. This increase in Council Tax would equate to the following monetary increases for residents:

Property Band	Annual Increase £ p	Weekly Increase £ p
A	2.84	0.05
B	3.32	0.06
C	3.79	0.07
D	4.27	0.08
E	5.21	0.10
F	6.16	0.12
G	7.11	0.14
H	8.53	0.16

2.26 Taking into account changes to the Council Tax base (i.e. new properties, single persons discount review), the Council Tax base has increased by 639 band D equivalent properties from 38,099 in 2023/24 to 38,738 in 2024/25.

- 2.27 The Council is required to declare its estimated surplus or deficit on the Collection Fund (for both Business Rates and Council Tax) to preceptors ahead of the financial year end for 2023/24. This surplus or deficit is then shared between the relevant preceptors in 2024/25 (a surplus if paid out to preceptors, including the Council, and a deficit is repaid to the collection fund from preceptors, including the Council).
- 2.28 The Business Rates Collection Fund is estimated to be in a deficit position at the close of 2023/24. The deficit is estimated to amount to £0.633m, of which the Council's share is £0.253m.
- 2.29 The majority of the deficit relates to reliefs funded via Section 31 grants and as such an increased amount of Section 31 grant (£0.156m) is forecast to be received by the Council, the remainder of the Council's share of the forecast deficit (£0.097m) will be transferred from the Business Rates Reserve which was established to allow for fluctuations in the Business Rates Retention scheme.
- 2.30 The Council Tax Collection Fund is estimated to be in a small surplus position as the close of 2023/24. This surplus is estimated to amount to £0.053m, of which the Council's share is £0.006m.
- 2.31 The Local Government Finance Settlement for 2024/25 was received on 18 December 2023. Overall, the MTFs provides for an increase in funding of £0.258m when compared to 2023/24. The amount receivable is provisionally an additional £0.103m than assumed in the MTFs, and it is proposed that this be paid into the Budget and Borrowing Support Fund (formally named the Budget Support Fund) in order to further safeguard against a number of recovering income budget pressures.
- 2.32 Taking account of the above, Baseline Settlement Funding (via Business Rates Retention scheme and Revenue Support Grant) and compensation for the under indexing of the business rates multiplier has increased by £0.306m when compared to 2023/24, this varies from the MTFs assumption of an increase of £0.258m by £0.048m. This compensates the Council, via Section 31 Grant, for the freeze in the business rates multiplier which would otherwise have generated additional business rates income.
- 2.33 The Services Grant was proposed for the local government finance settlement 2022 to 2023 to provide funding to all tiers of local government in recognition of the vital services delivered at every level of local government. The MTFs assumed that the Services Grant would be continued. Services Grant will be continued but at a reduced rate of £0.024m which is £0.127m less than the amount received in 2023/24.
- 2.34 The Local Government Settlement for 2024/25 announced that the New Homes Bonus (NHB) Scheme will continue for a further year, the allocation amount for the Council is £0.506m due to the increase in properties within the borough in the last year.

- 2.35 The minimum funding guarantee has continued for 2024/25. This ensures that all authorities see an increase in core spending power of at least 3%, this will result in a grant to the Council of £0.398m for 2024/25 (primarily as compensation for the reduced Services Grant), this amounts to an increase of £0.176m. The MTFS assumes that compensation will be received in full for any reduction in New Homes Bonus in years after 2024/25 via the minimum funding guarantee.

Budget Consultation

- 2.36 Public consultation has been undertaken on the budget, the consultation ran between 1 December 2023 and 1 January 2024. The results of which will be reported to Cabinet on 6 February 2024.

Capital Programme 2024/25 to 2026/27 and Capital Strategy 2024/34

- 2.37 The Capital Programme for 2024/25 to 2026/27 (Appendix 4) is based on new schemes which are vital to ensure continued service delivery and in assisting the Council to achieve its corporate and service objectives as set out in the Council Plan 2022-26. These schemes total £41.269m 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.
- 2.38 The Capital Programme for 2024/25 to 2026/27 includes an estimate for the development of York Place, this assumes spend of £16m over the period 2024/25 to 2025/26 and a subsequent capital receipt of the same value during the first 3 year period of the Capital Programme. This is subject to the business case that is currently being developed.
- 2.39 The Capital Strategy for 2024/34 (Appendix 5) meets the requirements of statutory guidance issued by the Government in January 2018. The Council's capital investment is carried out within the statutory framework laid down by the Local Government Act 2003 and regulations under that Act. Accordingly, only expenditure which fits the definition of capital expenditure contained in the Act or Regulations pursuant to it will be capitalised.
- 2.40 The Capital Programme is produced in line with the Capital Strategy for 2024/34. In addition to the Council's corporate and service objectives, as set out in the Council Plan 2022-26, the Capital Programme is also influenced by a number of external parties and factors:
- Central government and its agencies;
 - Legislation requiring capital works;
 - Partner organisations;
 - Businesses and Developers; and,
 - The needs and views of other interested parties, particularly those of Borough residents.
- 2.41 Delivering the capital programme for 2024/25 will require prudential borrowing to be undertaken. The impact of borrowing is included in the MTFS pressures for 2024/25 and future years.

- 2.42 Advice will be sought from the Council's Treasury Management advisors, Arlingclose, as to the most beneficial timing of prudential borrowing. Their current advice remains to borrow on a short term basis (up to 4 years) from other local authorities where possible.
- 2.43 In summary, investment in the capital programme for 2024/25 to 2026/27 totalling £41.269m will be funded by:
- £11.588m External Funding;
 - £27.550m Capital Receipts; and,
 - £2.131m Prudential Borrowing.

Treasury Management Strategy 2024/25 and Investment Strategy 2024/25

- 2.44 The Treasury Management Strategy for 2024/25 is attached at Appendix 6. The Minimum Revenue Provision Policy for 2024/25 is contained in Annex C to the strategy.
- 2.45 The Treasury Management Strategy for 2024/25 allows for borrowing. Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the Public Works Loans Board (PWLB). After the utilisation of capital receipts and internal borrowing, the Council will now look to borrow short term from other local authorities in the first instance and will then review any other sources of funding if required.
- 2.46 The Investment Strategy for 2024/25 is attached at Appendix 7. This investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and is based on guidance provided by Arlingclose, the Council's treasury management advisors. Quantitative investment indicators are included within the Strategy to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

Balances and Reserves

- 2.47 A review of the Council's Balances and Reserves together with a financial resilience risk assessment informing the levels of these has been undertaken by the Council's Section 151 Officer. Details of the risk factors considered and the weightings applied to each are set out at Appendix 3.
- 2.48 It is recommended that a minimum level of unallocated reserves and contingencies (i.e. the Council's Balance and Reserve Strategy for 2023/24) of £2.157m be held in 2024/25 to reflect the levels of revenue risk shown in the draft budget for 2024/25. The increase required (£0.247m) will be funded from a VAT refund that the Council has received in relation to VAT on Leisure fees, the remainder of this refund (£0.226m) will be used to contribute to the Walley's Quarry reserve (£0.100m) and the Budget and Borrowing Support fund (£0.126m) in order to boost the Council's financial resilience during the forthcoming financial year.

Timetable

Event	Committee	Date
Final budget proposals recommended for approval by Full Council	Cabinet	6 February 2024
Full Council to approve budget	Full Council	14 February 2024

3. Proposals

- 3.1 That the progress on the completion of the Revenue (Appendix 1) and Capital Budgets (Appendix 4) be noted.
- 3.2 That the updated Medium Term Financial Strategy 2024/25 to 2028/29 (Appendix 2) be noted.
- 3.3 That the strategy for ensuring a balanced revenue outturn position for 2023/24 be noted.
- 3.4 That the calculation of the Council Tax base and the Council Tax increase to be proposed for 2024/25 of 1.99% per Band D equivalent property be noted.
- 3.5 That the risk assessment at Appendix 3 and Section 151 Officer's recommendation on the level of reserves and contingencies provisionally required to be maintained in 2024/25 be noted.
- 3.6 That the draft Capital Strategy (Appendix 5) for 2024/34 be noted.
- 3.7 That the draft Treasury Management Strategy (Appendix 6) for 2024/25 be noted.
- 3.8 That the draft Investment Strategy (Appendix 7) for 2024/25 be noted.
- 3.9 That the draft Commercial Strategy (Appendix 8) for 2024/25 be noted.

4. Reasons for Proposed Solution

- 4.1 The Council has a statutory duty to set a balanced budget before 11 March in the financial year preceding the one in respect of which the budget is set, per Section 30(6) of the Local Government Finance Act 1992. Best practice is for financial planning to take place over a 5 year period in the form of a MTFs 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 Council is required to set its Council Tax for 2024/25 by 10 March 2024, per Section 30(6) of the Local Government Finance Act 1992. It is planned to approve the final budget and Council Tax rates on 14 February 2024.

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 Such risks require regular and robust monitoring and it is essential that the Council has sufficient useable reserves to call on if required. The review and risk assessment indicates that overall unallocated reserves and contingencies are required to be held at a minimum level of £2.157m to reflect the levels of revenue risk shown in the draft budget for 2024/25. In addition a contingency of £1m is required to provide flexibility to manage risks relating to delivery of the capital programme.
- 9.3 The assessment of the Section 151 Officer is that the draft proposals included in this report are robust and will ensure an adequate level of reserves. However, it should be noted that a number of assumptions and proposals are provisional or draft, and as such this opinion will be confirmed in the Revenue and Capital Budgets and Council Tax 2024/25 reports to Cabinet on 6 February 2024 and to Council on 14 February 2024.
- 9.4 Treasury management is a major area of risk for the Council in that large amounts of money are dealt with on a daily basis and there are a number of limits and indicators, which must be complied with.
- 9.5 The overriding consideration in determining where to place the Council's surplus funds is to safeguard the Council's capital. Within this constraint the aim is to

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

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 budget setting process will be a key decision.

12. Earlier Cabinet/Committee Resolutions

12.1 Medium Term Financial Strategy 2024/25 to 2028/29 (Cabinet 28 September 2023)

12.2 Revenue and Capital Budgets 2024/25 – First Draft Savings Plans (Cabinet 5 December 2023)

12.3 Revenue and Capital Budgets 2024/25 – First Draft Savings Plans (FAPSC 13 December 2023)

12.4 Draft Revenue and Capital Budgets 2024/25 and Strategies (Cabinet 16 January 2024)

13. List of Appendices

13.1 Appendix 1 – 2024/25 MTFs Funding Strategy

13.2 Appendix 2 – 2024/25 to 2027/28 MTFs 'Gaps'

13.3 Appendix 3 – Risk Assessment on Required Balances/Contingency Reserve

13.4 Appendix 4 – 2024/25 to 2026/27 Capital Programme and 2023/24 Mid-Year Estimate

13.5 Appendix 5 – Capital Strategy 2024 to 2034

13.6 Appendix 6 – Treasury Management Strategy 2024/25

13.7 Appendix 7 – Investment Strategy 2024/25

13.8 Appendix 8 – Commercial Strategy 2024/25

14. Background Papers

CIPFA Treasury Management Code of Practice (revised December 2017)

Council's Treasury Management Policy Statement

Local Government Act
Local Authorities (Capital Finance and Accounting) (England) Regulations

Appendix 1 – 2024/25 MTFS Funding Strategy

Ref	Service Area	Description	£000's	Detail
Income				
11	Planning	Planning Application fees	192	National increase of 25% for minor and 35% for major planning applications
12	Planning	Pre-Planning Application fees	10	Increase in the charge to bring in line with other Local Authorities
13	Planning	Section 106 monitoring	7	Introduction of a fee for the monitoring of Section 106 obligations
14	Sustainable Environment	Food waste	86	Rebate received for the collection of food waste, the contractor now pays for haulage costs
15	Sustainable Environment	Green waste	34	A below inflation increase to the green waste collection subscription
16	Commercial Delivery	VAT on Leisure income	120	An increase in income has occurred following a change in VAT legislation for leisure fees
17	Commercial Delivery	Depot rent	50	Rental from the sharing of depot space with partner
18	Commercial Delivery	Commercial property rent	70	Additional rental income being achieved following rent reviews
19	Commercial Delivery	Bereavement Services	10	Additional income to be generated from on line sales and charges for searches
110	Commercial Delivery	Car Parking	91	Increased demand, pricing and permits for new car park - assumed 6 months of income for 2024/25 and remaining 6 months in 2025/26
111	Neighbourhood Delivery	Fixed Penalty Notice's	10	Introduction of a charge and new processes regarding fly tipping
			680	
One Council				
O1	Corporate	One Council	230	Further efficiencies to be generated from the One Council Programme including continuous review and development of services and increased performance management in order to maximise revenue income in line with the Council's objectives.
			230	
Staffing Related Efficiencies				
S1	Planning	Planning structure	45	Savings that have been generated through the review and digitalisation of processes under the One Council initiative
S2	Regulatory Services	Reduced hours	9	Reduction in hours of Food Safety Officer
S3	Regulatory Services	Licencing structure	33	Reduction of 1 FTE following reduced demand and more efficient processes
S4	Regulatory Services	Housing and Vulnerability structure	17	Restructure of team which includes greater utilisation of ongoing funding
S5	Neighbourhood Delivery	Professional fees	95	Application of professional fees (e.g. Landscape) to capital projects
			199	
Good Housekeeping/More Efficient Processes				
G1	ICT	Procurement savings	37	Contract and procurement savings from telephony, printing and email monitoring
G2	Commercial Delivery	Energy efficiency	14	Energy savings from the installation of pool covers at Jubilee 2
G3	Commercial Delivery	Reduction in subsidy	175	A reduction in running costs at Jubilee 2 following a 'deep dive' review of the service, this includes more efficient rota's of staffing, increased income following the benchmarking of fees and charges and the generation of addition income (e.g. swimming lessons)

G4	Sustainable Environment	Green Waste route optimisation	39	Optimisation of collection routes for green waste to increase efficiency
G5	Sustainable Environment	Streetscene route optimisation	31	Efficiencies generated from greater use of data held to optimise routes and responses
G6	Corporate	Vacancy factor	193	An increase in the assumed vacancy factor of posts from 2% to 3.5%
			489	
Alternative Sources of Finance/Other				
A1	Corporate	Tax base – Council Tax	114	Increase in tax base based on market housing supply requirement and current year tax base forecasts
A2	Corporate	Tax base – Business Rates	280	Assumed increase in tax base of 4%
A3	Corporate	Single Persons Discount review	30	Assumed increase in Council Tax from a Borough wide review of claimants of discounts
A4	Corporate	New Homes Bonus	506	Government grant ensures that there is a minimum 3% increase in core spending power (i.e. replaces any lost grant such as New Homes Bonus)
A5	Corporate	Council Tax increase	164	Assumed increase of 1.99% per Band D property
			1,094	
Grand Total			2,692	

Appendix 2 – 2024/25 to 2028/29 MTFs ‘Gaps’

Detail	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Description
Employees:						
Increments	40	10	2	-	-	Employees due an increment
Pay awards	799	501	518	536	555	3.5% pay award for all years plus £1,925 per FTE re. 2023/24
Superannuation increases	185	112	114	118	122	22% of increase in salaries
Superannuation lump sum increases	39	41	43	45	45	Net increase of lump sum pension payment
National Insurance	116	70	72	74	77	National insurance on increase in salaries
Premises:						
Business Rates	30	32	33	34	35	Inflationary increase in business rates payable (per CPI)
Utilities	116	30	32	33	34	Inflationary increase in gas and electric (per CPI)
Transport:						
Fuel	12	13	14	14	15	Inflationary increase in fuel (per CPI)
Hydrotreated Vegetable Oil	9	9	9	10	10	Inflationary increase in HVO (per CPI)
Financing:						
Borrowing costs	471	561	-	86	32	Borrowing costs regarding financing of capital expenditure
Contribution to Budget and Borrowing Support Fund	103	-	-	-	-	Contribution to increase financial resilience
New Pressures:						
ICT software, hosting and maintenance	100	10	10	10	10	ICT costs re. systems maintenance and software licences
Audit fees	95	-	-	-	-	Increase in external audit fees
Temporary accommodation/vulnerable residents	425	-	-	-	-	Increase in both demand and costs
Staff Retention	40	-	-	-	-	Initiatives to encourage staff retention
Building Control	5	-	-	-	-	Increase in contract
Income:						
Fees and charges	(230)	(270)	(281)	(292)	(304)	4% increase in fees and charges
New Homes Bonus	500	-	-	-	-	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	(306)	(174)	(181)	(188)	(196)	Inflationary increase in baseline funding level (per CPI)
Business Rates Retention Reset	-	500	500	500	-	Funding reduction forecast to result from Fair Funding Review
Services Grant	127	-	-	-	-	Reduction in Services Grant per settlement
Minimum Funding Guarantee	(176)	-	-	-	-	To compensate for reduced Services Grant and to ensure Core
Income pressures	180	100	100	100	100	Spending Power increases by 3%
						General income shortfalls
TOTAL GAPS	2,692	1,557	997	1,092	547	

Appendix 3 – Risk Assessment on Required Balances (£2.157m)

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
1	Increase in fees and charges does not result in higher income levels	Shortfall in income leading to overspends	3 x 4	High	Included in calculation of minimum balances	2 x 3	Moderate	Regular monitoring of income levels	135,000
2	Reduced Income due to non-availability of service (e.g. COVID-19 related or similar)	Shortfall in income leading to overspends	3 x 3	High	Included in calculation of minimum balances	3 x 3	High	Regular monitoring of income levels	300,000
3	Income, including collection fund income, falls short of budget because of changes in market conditions, e.g. demand fluctuations COVID-19 related or failure to fully recover	Shortfall in income leading to overspends	3 x 5	High	Included in calculation of minimum balances	3 x 3	High	Regular monitoring of income levels	180,000
4	Bad debts reduce the Council's income	Shortfall in income leading to overspends and need to top up provision	3 x 4	High	A contribution to the bad debts provision is budgeted for	3 x 3	High	Increase monitoring of collection rates	65,000
5	Employee budgets – the budget is discounted on the assumption there will be vacancies	Vacancies do not occur leading to additional costs	3 x 3	High	The budget assumes a vacancy factor of 3.5%, this is realistic compared with previous years	3 x 3	High	Regular monitoring of vacancy levels	65,000
6	Employee budgets - the 2024/25 employee pay settlement results in an increase higher than included in the budget	Additional unbudgeted costs	2 x 3	Moderate	Balances sufficient to deal with any additional costs, plus reduced job security in economy	2 x 3	Moderate	None	90,000
7	Problems with staff recruitment/retention	Additional unbudgeted costs	3 x 3	High	Subject to ongoing review	3 x 3	High	None	20,000

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
	resulting in the payment of market supplements at extra cost								
8	Problems with staff sickness/suspensions resulting in the needs to use agency/interim staff at extra cost	Additional unbudgeted costs	3 x 3	High	Absence management procedures in place	3 x 3	High	Monitoring of sickness levels	75,000
9	Council becomes liable to pay compensation or legal fees or another unforeseen commitment arises	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances	3 x 3	High	None	120,000
10	Inflation relating to supplies and services exceeds the allowance in the budget	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances. Regular review of inflation levels	3 x 3	High	None	105,000
11	Existing commitment(s) missed out of budget	Additional unbudgeted costs	3 x 2	Moderate	Budgets subject to checking at several levels. Preparation of standstill budget for comparison	3 x 2	Moderate	None	75,000
12	Additional interest costs incurred resulting from loss of income and additional expenditure	Additional unbudgeted borrowing costs	3 x 3	High	Capital Budgets and receipt expectations have been realistically set. Allowance provided for in calculation of minimum balances	3 x 2	Moderate	None	115,000
13	Fuel costs increase by more than allowed for in budget	Additional unbudgeted costs	3 x 3	High	Realistic increases included in base budget	3 x 3	High	None	40,000

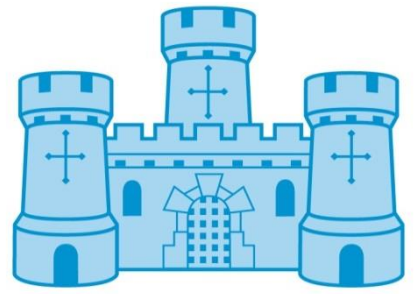
Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
14	Energy costs increase by more than allowed for in budget	Additional unbudgeted costs	3 x 3	High	Realistic increases included in base budget	3 x 3	High	None	50,000
15	Unforeseen major repairs needed to Council properties	Additional unbudgeted costs	2 x 3	Moderate	Planned maintenance programme in place and stock condition survey.	2 x 3	Moderate	None	50,000
16	Insurances – unexpected increases in premiums	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances	3 x 3	High	None	20,000
17	Insurances - high level of excesses to be met by Council or uninsured losses	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances. Insurance Provision established	3 x 3	High	Monitor level of Insurance Provision	55,000
18	Government further increase NI rates during 2024/25	Additional unbudgeted costs	2 x 3	Moderate	Included in calculation of minimum balances. Increased rate built into budget	1 x 2	Low	None	20,000
19	Savings built into Budget are not realised	Additional unbudgeted costs	3 x 3	High	Regular Budget Monitoring	3 x 3	High	None	317,000
20	New Legislation imposes extra costs but provides insufficient resources	Additional unbudgeted costs	3 x 3	High	Contingency Reserve available. Included in calculation of minimum balances	3 x 2	Moderate	None	25,000
21	Partnerships - expenses falling on Council as accountable body	Additional unbudgeted costs	2 x 3	Moderate	Monitor partnership activities and ensure carried out according to agreements	2 x 1	Low	None	5,000
22	Civil Emergency	Additional unbudgeted costs	5 x 2	High	Bellwin Scheme will meet 100% of eligible expenditure within 1 month of an emergency	4 x 2	Moderate	None	55,000

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
23	Municipal Mutual Insurance (MMI) Clawback	Additional unbudgeted costs	4 x 4	Extreme	MMI Provision	4 x 3	High	Consider increasing amount of provision if necessary	25,000
24	Data Protection breach resulting in fine	Additional unbudgeted costs	3 x 3	High	Data Protection Policy Reminders to staff. All staff complete mandatory Data Protection e-learning module	3 x 3	High	None	75,000
25	Members act against officer advice resulting in cost to the Council	Additional unbudgeted costs	3 x 3	High	Agenda pre-meetings. Liaison with members. Monitoring Officer	3 x 3	High	None	75,000

Appendix 4 – 2024/25 to 2026/27 Capital Programme and 2023/24 Mid-Year Estimate

CAPITAL PROGRAMME	2023/24 MID YEAR	2024/25	2025/26	2026/27	TOTAL (2024/25 to 2026/27)
	£	£	£	£	£
PRIORITY – One Council Delivering for Local People					
Service Area - Council Modernisation	2,172,370	394,000	434,000	336,000	1,164,000
Total	2,172,370	394,000	434,000	336,000	1,164,000
PRIORITY – A Successful and Sustainable Growing Borough					
Service Area - Housing Improvements	1,670,000	1,620,000	1,670,000	1,670,000	4,960,000
Service Area - Managing Property & Assets	9,636,154	8,197,482	9,843,846	688,895	18,730,223
Total	11,306,154	9,817,482	11,513,846	2,358,895	23,690,223
PRIORITY – Healthy, Active and Safe Communities					
Service Area - Environmental Health	-	72,000	-	-	72,000
Service Area - Streetscene and Bereavement Services	1,001,569	210,000	250,000	160,000	620,000
Service Area - Recycling and Fleet	5,828,408	710,000	1,230,000	5,943,100	7,883,100
Service Area – Leisure and Cultural	605,862	47,000	150,000	-	197,000
Service Area - Engineering	117,300	385,000	120,000	50,000	555,000
Total	7,553,139	1,424,000	1,750,000	6,153,100	9,327,100
PRIORITY – Town Centres for All					
Future High Streets Fund	5,855,826	-	-	-	-
Town Deals – Newcastle	18,937,732	2,251,000	807,000	-	3,058,000
Town Deals - Kidsgrove	8,607,615	2,794,000	1,236,000	-	4,030,000
Total	33,401,173	5,045,000	2,043,000	-	7,088,000
CONTINGENCY (will be carried forward to 2024/25)	1,000,000	-	-	-	-
TOTAL	55,432,836	16,680,482	15,740,846	8,847,995	41,269,323
FUNDING					
Capital Receipts	3,325,000	2,450,000	21,050,000	4,050,000	27,550,000
External Contributions	35,398,990	6,545,000	3,543,000	1,500,000	11,588,000
Borrowing	16,708,846	7,685,482	(8,852,154)	3,297,995	2,131,323
TOTAL	55,432,836	16,680,482	15,740,846	8,847,995	41,269,323

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**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

Capital Strategy

2024 to 2034



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Introduction

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

Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

Due to the ongoing impact of higher inflation, higher interest rates, uncertain government policy, and a deteriorating economic outlook, additional financial pressures have been placed on the Council. In consideration of these pressures, a review of the 2023/24 Capital Programme has been completed with the assistance of Budget Holders, members of the Capital, Assets and Commercial Investment Review Group and the Council's Efficiency Board. The rationale behind this review was to establish which of the capital projects approved in the programme were essential or health and safety related, could be deferred to the following year due to resources and services available or were no longer required.

The revised 2023/24 Capital Programme totals £55.433m which includes £35.413m for schemes funded by external sources (£27.545m Town Deals, £5.856m Future High Streets and £1.500m Disabled Facilities Grants) and is summarised below, showing the constituent categories by the priorities identified in the Council Plan:

Council Priorities	Planned Expenditure £m
One Council Delivering for Local People	2.173
A Successful and Sustainable Growing Borough	11.306
Healthy, Active and Safe Communities	7.553
Capital Contingency	1.000
Town Centres for all	33.401
Total	55.433

Full Council will consider a capital programme to continue investment beyond 2023/24 on 14 February 2024.

The Strategy has been prepared against a background of continuing reductions in funding provided to local authorities by central government and its agencies, arising from the need to restrain public expenditure owing to the ongoing economic conditions and to rebalance public finances. At the same time, the Council's own resources available to finance capital projects have reduced to a low level and will need replenishing before any substantial further capital investments can be made. As a result the Council is continuing with a programme of asset disposals to address this situation. In addition the Council has also produced a Commercial Strategy with the aim to generate income through commercial activities which can then be reinvested in local priorities.

Key Objectives and Priorities

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

One Council Delivering for Local People
A Successful and Sustainable Growing Borough
Healthy, Active and Safe Communities
Town Centres for All

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

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

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

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

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

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

Factors Influencing the Capital Programme

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

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

These are discussed in greater detail in sections below:

Links with Other Strategies, Policies and Plans

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

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

Other Strategies
Asset Management Strategy
Investment Strategy
Medium Term Financial Strategy
Flexible Use of Capital Receipts Strategy
Service and Financial Plans
Procurement Strategy
Green Spaces Strategy
Private Sector Housing Renewal Strategy
Housing Strategy
Customer Service and Access Strategy
Treasury Management Strategy

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

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

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

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

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

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

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

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

External Influences, Partners and Consultation with Other Interested Parties

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

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

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

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

The Council has established a Town Centre Partnership, together with relevant parties such as representatives of retailers and businesses in the town centres of Newcastle and Kidsgrove. The partnership may identify proposals for town centre improvements which could place demands upon future capital programmes where such works align with the Council's economic development objectives. It may also present an opportunity for costs to be shared between the parties likely to benefit from their implementation.

The availability of external funding (particularly in relation to the successful Town Deals and Future High Street Fund bids) will also influence the projects which the Council will include in its capital investment plans. This is referred to in the following section of the Strategy.

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

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

Resources Available to Finance Capital Investment

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

Internal	External
Capital Receipts in Hand	Government Grants
Reserves	Borrowing
New Capital Receipts from Asset Sales	Contributions from Partners
Revenue Contributions	Other Contributions

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

Capital receipts have been the major source of funding for the Capital Programme in recent years. Capital receipts, alongside borrowing and external contributions, are committed to finance the currently approved Capital Programme. Additional capital projects may be financed from capital receipts obtained by asset sales or other new capital streams.

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

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

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

The use of capital receipts and reserves to finance new capital projects has an effect upon investment income receipts and hence the General Fund Revenue Account. At an investment interest rate of around 5%, every £100,000 of such capital receipts or reserve balances used will cost £5,000 to the revenue account on an ongoing basis. The use of capital receipts and reserves to finance the Capital Programme is taken account of in the Medium Term Financial Strategy. Any receipts generated from the sale of assets will be invested until they are required to finance capital expenditure.

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

Funding will be sought towards the cost of capital projects from external parties wherever possible and appropriate. The prime examples of these being the Town Deals (£34.633m between 2023/24 and 2025/26), Future High Streets Fund (£5.856m in 2023/24) and Disabled Facilities Grants (£1.500m per year). These may include property developers, central government and government agencies, funding bodies such as the National Lottery or the Football Foundation and partner organisations that may join with the Council to bring forward particular projects of mutual benefit.

The Council is presently debt free, having no long term loans outstanding. The capital investment programme set out in Annex B will require a significant amount of borrowing if it is to be carried out in its entirety. The use of borrowing has an effect on the General Fund Revenue account in terms of interest payable and the requirement to allocate a Minimum Revenue Provision, for a typical asset with a useful life of 20 years borrowing costs currently amount to around £10,000 for every £100,000 borrowed.

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

The Service Director for Finance (S151 Officer) will prepare estimates of the resources which are presently in hand plus those likely to be available in future to finance capital investment. They will keep these estimates up to date and periodically report upon them to Cabinet and Council, particularly when the Capital Programme is being considered. The Council will decide on the appropriate form of financing for projects included in the Capital Programme based on advice from the Service Director for Finance (S151 Officer) as to availability and the consequences and costs of use of the various options.

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

Revenue Implications

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

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

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

Appraisal and Prioritisation of Investment Proposals

In accordance with the Council's Financial Regulations proposals for new capital investment estimated to cost more than £250,000 will be subject to an appraisal process, whereby a business case will be made out for the proposal, considering its contribution towards meeting corporate objectives and service priorities, its outputs and milestones, its cost and sources of and its effect, if any, upon the revenue budget in future years. Less significant projects costing below £250,000 will be subject to a simplified process. All new capital investment proposals must be considered by the Capital, Assets and Commercial Investment Review Group prior to specific Cabinet approval being requested. The project will only be included in the approved Capital Programme, after considering its priority relative to other proposed projects and the overall level of resources available to fund the Capital Programme as a whole.

Work is being undertaken to develop the project prioritisation process further during 2023/24 in order to provide a robust, transparent and impartial basis for determining the relative merits of individual projects proposed for inclusion in the capital programme. No projects should be considered in isolation. They must be required to be measured against all other competing projects to determine which should go forward. This process should also apply to any projects which are proposed

subsequent to the approval of the programme, to ensure that only those projects with a high priority are proceeded with and funds are not diverted to projects of a lesser priority.

A Risk Assessment, in the approved corporate format, will be completed for capital projects over £250,000.

Monitoring Arrangements and Project Management

Progress in relation to individual projects will be monitored through the Council's arrangements for the monitoring of capital projects, which entail quarterly monitoring reports to be received by the Cabinet. The Capital Assets and Commercial Investment Review Group will also review project progress and corrective action will be initiated where projects fall behind schedule, appear likely to overspend or otherwise give cause for concern. Individual Project Forms will be maintained in respect of each project by the Service Director for Finance (S151 Officer) which will track the progress of projects and be available to officers and members with an interest in reviewing progress of those projects.

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

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

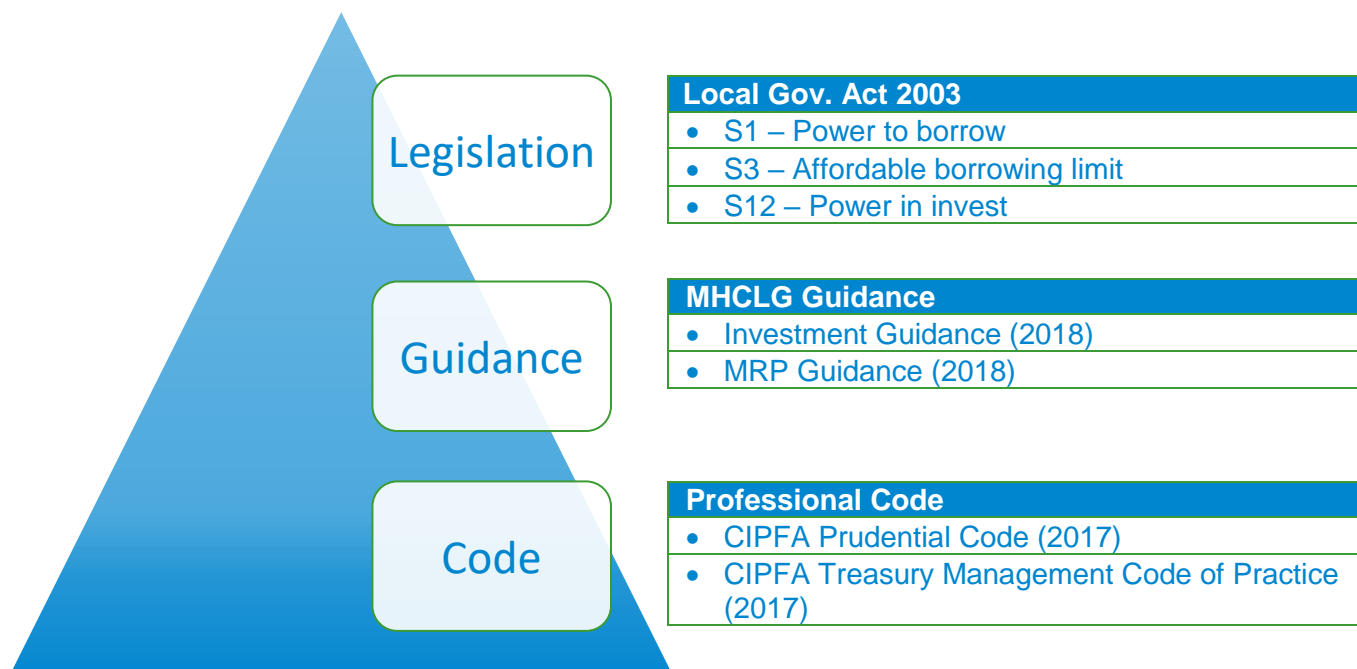
Statutory Framework

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

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

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

Legal and Regulatory Requirements



Prudential Indicators

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

- **Estimates of capital expenditure**

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

- **Actual capital expenditure**

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

- **Estimates of capital financing requirement**

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

- **Actual capital financing requirement**

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

- **Ratio of financing costs to net revenue streams**

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

- **Authorised limit on external borrowing**

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

- **Operational boundary for external debt**

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

- **Gross debt and capital financing requirement**

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

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

Procurement

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

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

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

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

Future Capital Programme

Capital investment needs have been assessed over a ten year period (2024/25 to 2033/34) and are set out in Annex B.

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

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

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

- In respect of the Town Deals and Future High Streets Fund funding successfully bid for, these projects will have a significant impact upon the regeneration and recovery of both Newcastle and Kidsgrove Town Centres
- In respect of the commercial portfolio in order to keep properties in a state of repair such as to continue to obtain a reasonable rental income
- To maintain various engineering structures such as walls, bridges, drains, and reservoirs to ensure safety to the public
- To enable agreed actions in relation to approved policies and strategies to be progressed and to meet other Council commitments.

Over the period 2024/25 to 2033/34 it is estimated that this expenditure will total £78.715m.

Funding will depend on capital receipts from asset sales. There will be insufficient capital receipts arising from these planned sales to meet all of the costs of the investment programme. Accordingly, it is estimated that around £18.227m of net expenditure will have to be funded from borrowing over the ten year period if the programme is to be delivered in its entirety.

There will be a consequent cost to the revenue budget which will have to be included in the MTFS projections. Based on the expenditure shown in Annex B and forecasts of the amount and timing of receipts and current capital financing costs, the additional costs to the revenue budget will be around £19.124m over 10 years, with the costs in each year 2024/25 to 2033/34 being as shown below:

Year	Total £m	Year	Total £m
2024/25	0.893	2029/30	1.906
2025/26	1.478	2030/31	2.309
2026/27	1.416	2031/32	2.552
2027/28	1.470	2032/33	2.777
2028/29	1.412	2033/34	2.911
		Total	19.124

A capital programme for 2024/25 to 2026/27 totalling £41.269m will be recommended to Full Council on 14 February 2024, consistent with the detail shown in Annex B. The prudential indicators that will apply for this 3 year period are set out at Annex C.

Funding for 2024/25 expenditure is likely to be available from the following sources:

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

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

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

Annex A – Definition of Capital Expenditure included in the Code of Practice on Local Authority Accounting in the United Kingdom

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

Expenditure that should be capitalised will include expenditure on the:

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

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

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

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

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

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

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

Annex B – 2024/25 to 2033/34 Capital Programme

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CAPITAL PROGRAMME	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
PRIORITY - One Council Delivering for Local People											
Service Area – Council Modernisation	394,000	434,000	336,000	80,000	351,000	456,000	126,000	36,000	36,000	36,000	2,285,000
Total	394,000	434,000	336,000	80,000	351,000	456,000	126,000	36,000	36,000	36,000	2,285,000
PRIORITY - A Successful and Sustainable Growing Borough											
Service Area – Housing Improvements	1,620,000	1,670,000	1,670,000	1,595,000	1,595,000	1,595,000	1,595,000	1,595,000	1,595,000	1,595,000	16,125,000
Service Area – Managing Property & Assets	1,197,482	843,846	688,895	495,475	466,053	310,000	702,022	172,500	172,500	150,000	5,198,773
Service Area – Regeneration	7,000,000	9,000,000	-	-	-	-	-	-	-	-	16,000,000
Total	9,817,482	11,513,846	2,358,895	2,090,475	2,061,053	1,905,000	2,297,022	1,767,500	1,767,500	1,745,000	37,323,773
PRIORITY - Healthy, Active and Safe Communities											
Service Area – Environmental Health	72,000	-	-	-	-	12,000	-	-	-	-	84,000
Service Area – Streetscene	180,000	240,000	130,000	130,000	130,000	130,000	155,000	130,000	130,000	130,000	1,485,000
Service Area – Recycling & Fleet	710,000	1,230,000	5,943,100	2,522,514	1,279,411	8,809,561	1,526,724	2,623,039	2,623,039	700,000	27,967,388
Service Area – Leisure and Cultural	47,000	150,000	-	-	-	-	-	-	-	-	197,000
Service Area – Bereavement Services	30,000	10,000	30,000	5,000	5,000	10,000	1,530,000	5,000	5,000	5,000	1,635,000
Service Area – Engineering	385,000	120,000	50,000	-	-	-	95,000	-	-	-	650,000
Total	1,424,000	1,750,000	6,153,100	2,657,514	1,414,411	8,961,561	3,306,724	2,758,039	2,758,039	835,000	32,018,388
PRIORITY - Town Centres for All											
Town Deals – Newcastle	2,251,000	807,000	-	-	-	-	-	-	-	-	3,058,000
Town Deals – Kidsgrove	2,794,000	1,236,000	-	-	-	-	-	-	-	-	4,030,000
Total	5,045,000	2,043,000	-	-	-	-	-	-	-	-	7,088,000
CONTINGENCY											
£1m to be carried forward from 2023/24	-	-	-	-	-	-	-	-	-	-	-
TOTAL	16,680,482	15,740,846	8,847,995	4,827,989	3,826,464	11,322,561	5,729,746	4,561,539	4,561,539	2,616,000	78,715,161
FUNDING											
Capital Receipts	2,450,000	21,050,000	4,050,000	4,050,000	4,050,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	38,400,000
External Contributions	6,545,000	3,543,000	1,500,000	1,500,000	1,500,000	550,000	550,000	550,000	550,000	550,000	22,088,000
Borrowing/Leasing	7,685,482	-8,852,154	3,297,995	-722,011	-1,723,536	9,272,561	3,679,746	2,511,539	2,511,539	566,000	18,227,161
TOTAL	16,680,482	15,740,846	8,847,995	4,827,989	3,826,464	11,322,561	5,729,746	4,561,539	4,561,539	2,616,000	78,715,161

Annex C – Prudential Indicators

Capital Prudential Indicators

Actual and Estimate of Capital Expenditure

31/03/23 Actual (£000's)	31/03/24 Estimate (£000's)	31/03/25 Estimate (£000's)	31/03/26 Estimate (£000's)	31/03/27 Estimate (£000's)
7,545	55,433	16,680	15,741	8,848

The Capital Financing Requirement (The Councils Borrowing Need)

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

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

The CFR projections are below:

31/03/23 Actual (£000's)	31/03/24 Estimate (£000's)	31/03/25 Estimate (£000's)	31/03/26 Estimate (£000's)	31/03/27 Estimate (£000's)
10,682	27,376	35,061	26,210	29,508

The amounts shown above from 2023/24 onwards allow the Council to borrow during those years to finance capital expenditure which cannot be funded from other revenue or capital resources. However, the likelihood of individual schemes, the timings and the amounts involved cannot be assessed with certainty at this point.

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

Affordability Prudential Indicators

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

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

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

Net Revenue Stream is defined as the 'amount to be met from government grants and local taxpayers'. This is the Council's 'budgetary requirements' figure shown in the General Fund Revenue Budget, being the net expenditure for the year before deducting government grants (Revenue Support and Business

Rates Retention) and adjusting for the Collection Fund surplus/deficit. The relevant figures for this Council are set out in the table below:

	2022/23 Actual (£000's)	2023/24 Budget (£000's)	2024/25 Estimate (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)
Net Revenue Stream	15,261	16,857	16,857	16,857	16,857
Financing Costs	44	441	905	1,467	1,407
Ratio	(0.18%)	2.62%	5.37%	8.70%	8.35%

Treasury Indicators

Limits to Borrowing Activity

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

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

The Operational Boundary

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

Operational boundary	2023/24 Estimate (£000's)	2024/25 Estimate (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)
Borrowing	95,000	95,000	95,000	95,000
Other long term liabilities	0	0	0	0

The Authorised Limit for External Borrowing

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

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

The Council is asked to approve the following authorised limit:

Authorised limit	2023/24 Estimate (£000's)	2024/25 Estimate (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)
Debt	100,000	100,000	100,000	100,000
Other Long Term Liabilities	0	0	0	0

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

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

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

	Borrowing		Investments	
	Upper	Lower	Upper	Lower
2023/24	100%	0%	100%	0%
2024/25	100%	0%	100%	0%
2025/26	100%	0%	100%	0%
2026/27	100%	0%	100%	0%

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

	Borrowing		Investments	
	Upper	Lower	Upper	Lower
2023/24	100%	0%	100%	0%
2024/25	100%	0%	100%	0%
2025/26	100%	0%	100%	0%
2026/27	100%	0%	100%	0%

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

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Treasury Management Strategy 2024/25



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Introduction

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

Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

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

Economic Situation

Highlights of the report supplied by Arlingclose Ltd.

External Context

Economic background: The impact on the UK from higher interest rates and inflation, a weakening economic outlook, an uncertain political climate due to an upcoming general election, together with war in Ukraine and the Middle East, will be major influences on the Council's treasury management strategy for 2024/25.

The Bank of England (BoE) increased Bank Rate to 5.25% in August 2023, before maintaining this level in September and then again in November. Members of the BoE's Monetary Policy Committee voted 6-3 in favour of keeping Bank Rate at 5.25%. The three dissenters wanted to increase rates by another 0.25%.

The November quarterly Monetary Policy Report (MPR) forecast a prolonged period of weak Gross Domestic Product (GDP) growth with the potential for a mild contraction due to ongoing weak economic activity. The outlook for CPI inflation was deemed to be highly uncertain, with near-term risks to CPI falling to the 2% target coming from potential energy price increases, strong domestic wage growth and persistence in price-setting.

Office for National Statistics (ONS) figures showed CPI (Consumer Price Index) inflation was 6.7% in September 2023, unchanged from the previous month but above the 6.6% expected. Core CPI inflation fell to 6.1% from 6.2%, in line with predictions. Looking ahead, using the interest rate path implied by financial markets the BoE expects CPI inflation to continue falling, declining to around 4% by the end of calendar 2023 but taking until early 2025 to reach the 2% target and then falling below target during the second half 2025 and into 2026.

ONS figures showed the UK economy grew by 0.2% between April and June 2022. The BoE forecasts GDP will likely stagnate in Q3 but increase modestly by 0.1% in Q4, a deterioration in the outlook compared to the August MPR. The BoE forecasts that higher interest rates will constrain GDP growth, which will remain weak over the entire forecast horizon.

The labour market appears to be loosening, but only very slowly. The unemployment rate rose slightly to 4.2% between June and August 2023, from 4.0% in the previous 3-month period, but the lack of consistency in the data between the two periods made comparisons difficult. Earnings growth remained strong, with regular pay (excluding bonuses) up 7.8% over the period and total pay (including bonuses) up 8.1%. Adjusted for inflation, regular pay was 1.1% and total pay 1.3%. Looking forward, the MPR showed the unemployment rate is expected to be around 4.25% in the second half of calendar 2023, but then rising steadily over the forecast horizon to around 5% in late 2025/early 2026.

Credit outlook: Credit Default Swap (CDS) prices were volatile during 2023, spiking in March on the back of banking sector contagion concerns following the major events of Silicon Valley Bank becoming insolvent and the takeover of Credit Suisse by UBS. After then falling back in Q2 of calendar 2023, in the second half of the year, higher interest rates and inflation, the ongoing war in Ukraine, and now the Middle East, have led to CDS prices increasing steadily.

On an annual basis, CDS price volatility has so far been lower in 2023 compared to 2022, but this year has seen more of a divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities once again.

Moody's revised its outlook on the UK sovereign to stable from negative to reflect its view of restored political predictability following the volatility after the 2022 mini-budget. Moody's also affirmed the Aa3 rating in recognition of the UK's economic resilience and strong institutional framework.

Following its rating action on the UK sovereign, Moody's revised the outlook on five UK banks to stable from negative and then followed this by the same action on five rated local authorities. However, within the same update the long-term ratings of those five local authorities were downgraded.

There remain competing tensions in the banking sector, on one side from higher interest rates boosting net income and profitability against another of a weakening economic outlook and likely recessions that increase the possibility of a deterioration in the quality of banks' assets.

However, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

Interest rate forecast (November 2023): Although UK inflation and wage growth remain elevated, the Council's treasury management adviser Arlingclose forecasts that Bank Rate has peaked at 5.25%. The Bank of England's Monetary Policy Committee will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. Arlingclose sees rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.

Arlingclose expects long-term gilt yields to eventually fall from current levels (amid continued volatility) reflecting the lower medium-term path for Bank Rate. However, yields will remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will undoubtedly be short-term volatility due to economic and political uncertainty and events.

Like the BoE, the Federal Reserve and other central banks see persistently high policy rates through 2023 and 2024 as key to dampening domestic inflationary pressure. Bond markets will need to absorb significant new supply, particularly from the US government.

A more detailed economic and interest rate forecast provided by Arlingclose is in Appendix A.

Local Context

On 19th December 2023, the Council held no borrowing and £30.15 million of treasury investments, largely due to grant monies temporarily held. This is set out in further detail at Annex B. Forecast changes in these sums are shown in the balance sheet analysis in table below:

Balance Sheet Summary and Forecast	31/03/2023 Actual £m	31/03/2024 Forecast £m	31/03/2025 Forecast £m	31/03/2026 Forecast £m	31/03/2027 Forecast £m
General Fund CFR	10.7	27.4	35.1	26.2	29.5
Less: Existing external borrowing	0.0	0.0	(16.7)	(24.4)	(15.4)
Less: Usable reserves	(5.2)	(4.3)	(4.3)	(4.3)	(4.3)
Less: Working capital	(22.1)	(20.0)	(5.9)	(5.9)	(5.9)
(New Investments or Cash)/ New external borrowing	(16.6)	3.1	8.2	(8.4)	3.9

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing. Where borrowing is required, this will be in line with Arlingclose's current advice of doing so from other local authorities on a short-term basis. This will be undertaken until it becomes advantageous to switch to long term debt, with the lowest cost option being considered, including such options as municipal bonds.

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

CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The table above shows that the Council expects to comply with this recommendation during 2024/25.

Liability benchmark: To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as above, but that cash and investment balances are kept to a minimum level of £1m at each year-end to maintain sufficient liquidity but minimise credit risk.

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Liability Benchmark	31/03/2023 Actual £m	31/03/2024 Forecast £m	31/03/2025 Forecast £m	31/03/2026 Forecast £m	31/03/2027 Forecast £m
General Fund CFR	10.7	27.4	35.1	26.2	29.5
Less: Balance sheet resources	(27.3)	(24.3)	(26.9)	(34.6)	(25.6)
Net loans requirement	(16.6)	3.1	8.2	(8.4)	3.9
Plus: Liquidity Allowance	-	1.0	1.0	1.0	1.0
Liquidity benchmark	(16.6)	4.1	9.2	(7.4)	4.9

Borrowing Strategy

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

The balance sheet forecast, in the table above, shows that the Council expects to borrow by the end of 2024/25. The Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing.

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

Given the significant cuts to public expenditure, and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal or short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2024/25 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the Public Works Loans Board (PWLB). However, consideration will now be given to long-term loans from other sources including banks, pensions and local authorities, and the Council will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Council intends to avoid this activity in order to retain its access to PWLB loans.

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

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

Sources of borrowing

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

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

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

- leasing;
- hire purchase;
- Private Finance Initiative;
- sale and leaseback; and
- Similar asset-based finance.

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

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

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

this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

Treasury Investment Strategy

The Council can hold significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's treasury investment balance has ranged between £16.64 million and £38.7 million. The highest figure of £38.7 million was invested in November, when the Council received monies in relation to Town Deal Funding.

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

The Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.

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

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

Approved investment counterparties and limits

Sector	Time limit	Counterparty limit	Sector limit
The UK Government	3 years	Unlimited	n/a
Local authorities & other government entities	3 years	£7m	unlimited
Secured investments*	3 years	£7m	unlimited
Banks (unsecured)*	13 months	£7m	unlimited
Building societies (unsecured)*	13 months	£7m	£7m
Registered providers (unsecured)*	3 years	£10m	£10m
Money market funds*	n/a	£7m	unlimited
Real estate investment trusts	n/a	£2m	£2m
Other investments	3 years	£7m	£7m

* Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

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

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

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the

counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

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

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

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

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

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

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

Operational bank accounts: The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £7m per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

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

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

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

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

Reputational aspects: The Council is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

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

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

Additional Investment limits

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

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

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

Treasury Management Prudential Indicators

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

Security

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

Credit risk indicator	Target
Portfolio average credit rating	A

Liquidity

The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 3 months	£1m

Interest rate exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate indicator	Limit
Upper limit on one-year revenue impact of a 1% rise in interest rates	(£107,000)
Upper limit on one-year revenue impact of a 1% fall in interest rates	£107,000

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.

Maturity structure of borrowing

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

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

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

Principal sums invested for periods longer than a year

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

Price risk indicator	2024/25	2025/26	2026/27	No Fixed Date
Limit on principal invested beyond year end	£25m	£25m	£25m	£25m

Long-term investments with no fixed maturity date include strategic pooled funds and real estate investment trusts but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

The Council's Operational Boundary and Authorised Limit for External Borrowing are detailed in the Council's Capital Strategy.

Related Matters

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

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

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

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

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

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

Financial Implications

The budget for investment income in 2024/25 is nil. The budget for debt interest paid in 2024/25 is £536,000. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

Other Options Considered

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

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

Annex A – Arlingclose Economic & Interest Rate Forecast November 2023

Underlying assumptions:

- UK inflation and wage growth remain elevated but, following a no-change MPC decision in November, Bank Rate appears to have peaked in this rate cycle. Near-term rate cuts are unlikely, although downside risks will increase as the UK economy likely slides into recession and inflation falls more quickly.
- The much-repeated message from the MPC is that monetary policy will remain tight as inflation is expected to moderate to target slowly. In the Bank's forecast, wage and services inflation, in particular, will keep CPI above the 2% target until 2026.
- The UK economy has so far been relatively resilient, but recent data indicates a further deceleration in business and household activity growth as higher interest rates start to bite. Global demand will remain soft, offering little assistance in offsetting weakening domestic demand. A recession remains a likely outcome.
- Employment demand is easing, although the tight labour market has resulted in higher nominal wage growth. Anecdotal evidence suggests slowing recruitment and pay growth, and we expect unemployment to rise further. As unemployment rises and interest rates remain high, consumer sentiment will deteriorate. Household spending will therefore be weak. Higher interest rates will also weigh on business investment and spending.
- Inflation will fall over the next 12 months. The path to the target will not be smooth, with higher energy prices and base effects interrupting the downtrend at times. The MPC's attention will remain on underlying inflation measures and wage data. We believe policy rates will remain at the peak for another 10 months, or until the MPC is comfortable the risk of further 'second-round' effects has diminished.
- Maintaining monetary policy in restrictive territory for so long, when the economy is already struggling, will require significant policy loosening in the future to boost activity.
- Global bond yields will remain volatile, particularly with the focus on US economic data and its monetary and fiscal policy. Like the BoE, the Federal Reserve and other central banks see persistently high policy rates through 2023 and 2024 as key to dampening domestic inflationary pressure. Bond markets will need to absorb significant new supply, particularly from the US government.
- There is a heightened risk of geo-political events causing substantial volatility in yields.

Forecast:

- The MPC held Bank Rate at 5.25% in November. Arlingclose believe this is the peak for Bank Rate.
- The MPC will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. We see rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.

- The immediate risks around Bank Rate remain on the upside, but these diminish over the next few quarters and shift to the downside before balancing out, due to the weakening UK economy and dampening effects on inflation.
- Arlingclose expects long-term gilt yields to eventually fall from current levels (amid continued volatility) reflecting the lower medium-term path for Bank Rate. However, yields will remain relatively higher than in the past, due to quantitative tightening and significant bond supply.

	Current	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26
Official Bank Rate													
<i>Upside risk</i>	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00
Arlingclose Central Case	5.25	5.25	5.25	5.25	5.00	4.75	4.25	4.00	3.75	3.50	3.25	3.00	3.00
<i>Downside risk</i>	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
3-mth money market rate													
<i>Upside risk</i>	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00
Arlingclose Central Case	5.40	5.40	5.40	5.30	5.15	4.80	4.30	4.10	3.80	3.50	3.25	3.05	3.05
<i>Downside risk</i>	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
5-yr gilt yield													
<i>Upside risk</i>	0.00	0.50	0.70	0.70	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	4.28	4.35	4.30	4.25	4.10	4.00	3.75	3.50	3.40	3.30	3.30	3.30	3.35
<i>Downside risk</i>	0.00	-0.55	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
10-yr gilt yield													
<i>Upside risk</i>	0.00	0.50	0.70	0.70	0.80	0.90	1.00	1.10	1.20	1.20	1.20	1.20	1.20
Arlingclose Central Case	4.32	4.40	4.35	4.30	4.25	4.15	4.00	3.80	3.75	3.65	3.60	3.65	3.70
<i>Downside risk</i>	0.00	-0.55	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
20-yr gilt yield													
<i>Upside risk</i>	0.00	0.50	0.70	0.70	0.80	0.90	1.00	1.10	1.20	1.20	1.20	1.20	1.20
Arlingclose Central Case	4.78	4.70	4.65	4.55	4.45	4.35	4.25	4.25	4.25	4.25	4.25	4.25	4.25
<i>Downside risk</i>	0.00	-0.55	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
50-yr gilt yield													
<i>Upside risk</i>	0.00	0.50	0.70	0.70	0.80	0.90	1.00	1.10	1.20	1.20	1.20	1.20	1.20
Arlingclose Central Case	4.38	4.30	4.25	4.20	4.15	4.15	4.10	4.10	4.10	4.10	4.10	4.10	4.10
<i>Downside risk</i>	0.00	-0.55	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00

PWLB Standard Rate = Gilt yield + 1.00%

PWLB Certainty Rate = Gilt yield + 0.80%

PWLB HRA Rate = Gilt yield + 0.40%

UK Infrastructure Bank Rate = Gilt yield + 0.40%

Annex B – Existing Investment & Debt Portfolio Position

	22/11/2023 Actual Portfolio £m	22/11/2023 Average Rate %
<i>Treasury investments:</i>		
Banks & building societies (unsecured)	2.90	3.10
Government (incl. local authorities)	25.25	5.20
Money Market Funds	2.0	5.29
Total treasury investments	30.15	
Total external borrowing	0.0	
Net investments	30.15	

Annex C – Minimum Revenue Provision Policy

Background

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

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

Option 1 – Regulatory Method

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

Option 2 – Capital Financing Requirement Method

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

Option 3 – Asset Life Method

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

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

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

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

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

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

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

Option 4 – Depreciation Method

Alternatively, for new borrowing under the Prudential system for which no Government support is being given, Option 4 may be used. This means making the MRP in accordance with the standard rules for depreciation accounting. A step in this direction was made in the last set of amendments to the MRP rules [SI 2007/573].

However, the move to reliance on guidance rather than regulations will make this approach more viable in future.

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

- The MRP continues until the total provision made is equal to the original amount of the debt and may then cease.
- If only part of the expenditure on the asset was financed by debt, the depreciation provision is proportionately reduced.

MRP Policy in respect of Finance Leases

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

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

MRP Policy – Other Capital Expenditure

Capital Financing Requirement (CFR)

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

Option for making MRP

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

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

Annex D – Treasury Management Glossary of Terms

- *Credit Default Swap* – an additional assessment of credit worthiness by providing a risk analysis of changes in credit quality as perceived by the market.
- *CFR* – the Capital Financing Requirement is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources.
- *CIPFA* – the Chartered Institute of Public Finance and Accountancy, is the professional body for accountants working in Local Government and other public sector organisations.
- *Counterparty* – an institution with whom a borrowing or investment transaction is made.
- *CPI* – a measure that examines the weighted average of prices of a basket of consumer goods and services. The Consumer Price Index is calculated by taking price changes for each item in the predetermined basket of goods/services and averaging them; the goods are weighted according to their importance. Changes in CPI are used to assess price changes associated with the cost of living.
- *Credit Rating* – is an opinion on the credit-worthiness of an institution, based on judgements about the future status of that institution. The main rating agencies are Fitch, Standard and Poor's and Moody's.
- *Depreciation* – the measure of the cost or revalued amount of the benefits of the fixed asset that have been consumed during the period. Consumption includes wearing out, using up or other reduction in the useful life of a fixed asset whether arising from use, time or obsolescence through either changes in technology or demand for the goods and services produced by the asset.
- *GDP* – Gross Domestic Product is the market value of all officially recognised final goods and services produced within a country in a given period of time.
- *IFRS (International Financial Reporting Standards)* – International accounting standards that govern the treatment and reporting of income and expenditure in an organisation's accounts, which came fully into effect from 1 April 2010.
- *Leasing* - a lease is a contractual arrangement calling for the lessee (user) to pay the lessor (owner) for use of an asset.
- *Liquidity* – relates to the amount of readily available or short term investment money which can be used for either day to day or unforeseen expenses. For example, Call Accounts allow instant daily access to invested funds.
- *MHCLG* – Ministry of Housing, Communities, and Local Government (formerly the Department for Communities and Local Government).
- *Money Market Funds (MMF)* – Money Market Funds are investment funds that are invested by a Fund Manager in a wide range of money market instruments. MMF's are monitored by the official ratings agencies and due to many requirements that need to be fulfilled; the funds usually receive the highest quality rating (AAA) so provide minimal risk. They are very flexible and can be withdrawn in the same way as any other call deposit.

- *MPC* – interest rates are set by the Bank of England's Monetary Policy Committee. The MPC sets an interest rate it judges will enable the inflation target to be met
- *MRP* – the Minimum Revenue Provision represents the revenue charge for the repayment of debt.
- *PWLB* – the Public Works Loan Board is a statutory board that is run within the UK Debt Management Office (DMO), its function is to lend money to Local Authorities and other prescribed bodies.

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Investment Strategy

2024/25



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Introduction

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

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

The Council invests its money for three broad purposes:

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

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

Possible Revisions to the Strategy

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

Treasury Management Investments

The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £0m and £30m during the 2024/25 financial year.

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

Further details: Full details of the Council's policies and its plan for 2024/25 for treasury management investments are covered in a separate document, the treasury management strategy.

Service Investments: Loans

Contribution: During 2022/23 and 2023/24 to date the Council has not lent money to local charities, housing associations or any other bodies. However the Council would consider applications from such bodies individually, in order to support local public services and stimulate local economic growth.

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

Loans for service purposes in £ thousands

Category of borrower	31/03/2023 Actual			2024/25
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Local charities	0	0	0	500
Housing associations	0	0	0	10,000
Other bodies	0	0	0	500
Total	0	0	0	11,000

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

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

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

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

The Council will consider the following points:

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

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

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

Service Investments: Shares

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

Shares held for service purposes in £ thousands

Category of company	31/03/2023 actual			2024/25
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Suppliers	0	0	0	250
Local businesses	0	0	0	250
Total	0	0	0	500

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

If the Council were to consider placing funds in any other type of investment which would be categorised as Non-Specified, the security of the capital sum would be the paramount concern. The same requirements as to credit ratings relating to Specified Investments will apply, and in appropriate cases the advice of the Council’s treasury management advisors will be sought.

Commercial Investments: Property

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

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

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

The majority of the investment property portfolio was acquired some time ago and there is no debt associated with any of the properties and the initial investment costs have been recouped many years ago. Investment properties are valued at fair value. The values of the properties will fluctuate according to market conditions prevailing from time to time, however these fluctuations do not constitute losses of capital invested. The value of investment properties included in the Council's balance sheet at 31 March 2023 is £12.759m.

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

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

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

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

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

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

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

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

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

Loan Commitments and Financial Guarantees

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

Proportionality

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

Net investment property income is subject to fluctuation according to market conditions and other factors such as bad debts and unforeseen expenditure. Accordingly the possibility of shortfalls in contribution towards the revenue budget from this source is one of the factors specifically taken into consideration in calculating the level of General Fund balance to be held as a contingency against adverse budget variances. A total of £1.910m (£2.157m for 2024/25) is currently held in balances to cover this and other risks and can be drawn upon in the event of risks materialising.

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

Borrowing in Advance of Need

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

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

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

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

Capacity, Skills and Culture

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

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

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

Investment Indicators

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

Gross and Net Income - Historic and Current Year

	2020/21 Actual (£000's)	2021/22 Actual (£000's)	2022/23 Actual (£000's)	2023/24 Estimate* (£000's)
Commercial Properties				
Gross Income	925	864	1,053	987
Gross Expenditure - Excluding Capital Charges	(964)	(837)	(1,027)	(949)
Net Income / (Expenditure)	(40)	27	26	38
Net Service Expenditure (Whole Council)	(7,515)	(7,641)	(7,911)	(8,169)
Ratio of Net Income to Net Service Expenditure	-0.53%	0.35%	0.35%	0.47%

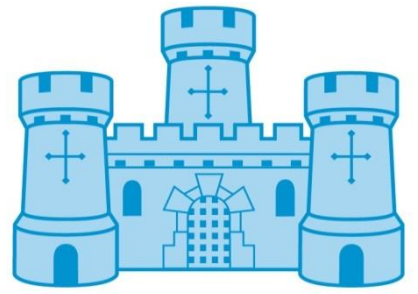
Gross and Net Income - Over Period of Approved Medium Term Financial Strategy 2024/25 to 2028/29 – Based on 2% increase on 2023/24

	2024/25 Estimate (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)	2028/29 Estimate (£000's)
Gross Income	1,007	1,027	1,047	1,068	1,090
Gross Expenditure	(967)	(987)	(1,007)	(1,027)	(1,048)
Net Income	40	40	40	41	42

Vacancy Levels

2020/21 Actual (%)	2021/22 Actual (%)	2022/23 Actual (%)	2023/24 Actual at Q2 (%)
5.7	10.2	9.4	6.9

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**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

Commercial Strategy

2024 to 2025



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Introduction

Our Corporate Plan sets out an ambitious agenda for Newcastle-under-Lyme. We want to help our communities to become stronger and more vibrant and we want to continue to deliver excellent services to our residents. We are focussing on our place-shaping role to create high quality neighbourhoods, facilities, town centres and jobs. We aspire to create new and better homes for our residents and we need to respond to the climate and ecological emergency. At the same time, our funding remains under pressure. Funding from Central Government continues to fall and, as a result, both our Corporate Plan and Medium Term Financial Strategy recognise the need for the Council to be a more commercial organisation.

This means that we need to improve service delivery and organisational efficiency and find ways to generate more income as a critical component of our financial strategy. Successful delivery of the Commercial Strategy should enable members and officers to make positive choices about what they want to invest in, and where, rather than being forced to make decisions about how, and where, to reduce expenditure.

Therefore, in order to deliver the priorities of the Corporate Plan, the Council needs a new, more agile, innovative, and commercially aware operating model to ensure that, in an environment of continued reductions in central funding, our limited resources are used to leverage maximum value and create a financially sustainable organisation that meets the changing needs and expectations of residents.

Key objectives and priorities

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

One Council Delivering for Local People
A Successful and Sustainable Growing Borough
Healthy, Active and Safe Communities
Town Centres for All

Vision

Our vision is for Newcastle-under-Lyme to be a sustainable and business-oriented Council that maximises commercial opportunities in order to deliver long-term benefits for residents of the borough and support the Council's Medium Term Financial Strategy. As a Council which adopts a commercial mind-set across the organisation. We expect staff to think innovatively and deliver services differently. We will use commercial principles to maximise the impact of our assets (whether physical or intangible) to benefit our communities and deliver financial sustainability.

This will be achieved through:

- Generation of service efficiencies and new income streams

- We will continually identify and develop opportunities to commercialise existing and new services
- When we need to charge for our services, we will price commercially, ensuring that this covers the full cost of the service unless we have made a conscious and evidenced decision to subsidise
- We will be commercially astute – we will understand the market for our services, and know how to make it work for us
- Effective procurement and contract management
- Prudent investment in income generating assets
- We will all understand and recognise where we have a role to play in maximising the impact of the Council's assets for the benefit of residents and communities.
- Strategic asset development

Strategy outcomes

1. To generate income through commercial activity that can be reinvested in local priorities, services and improvements for our residents.
2. To build strong working relationships with public, private and third sector partners in order to maximise collaboration and generate efficiencies.
3. To embed a commercial culture within the council and ensure that our staff are equipped with the skills they need to operate in a more commercial environment.
4. To support the council in delivering the council plan and growth agenda as a key pillar of the Medium Term Financial Strategy and our goal of financial self-sufficiency.
5. To optimise the council's use of technology and support our digital agenda in order to enable new, more efficient and flexible ways of working and interacting with customers and residents.

What 'commercial' means to us

Commercial approaches are being adopted by many local authorities. However, the focus and definition of what that means is different from one council to the next.

It is important therefore, to define what we, at Newcastle-under-Lyme, mean by being commercial.

Working commercially is about using our assets and capabilities in the most efficient and effective way to create a net benefit to the Council's finances. It is about identifying and implementing opportunities, which expand the ways the Council, can secure income.

Being commercial is also about being creative and exploring new ideas and activities, which will increase income to the Council. It means that we will need to work in different ways and Council employees will need to develop new skills and behaviours to help make the delivery of the Strategy a success.

Every commercial opportunity will be robustly assessed before it is put forward for formal approval and the Council will develop a range of commercial projects within the programme to balance risks. There

will always be a clear link between any commercial endeavour and the Council delivering better services for residents.

Commercialisation is NOT just about making money. It is as much about avoiding costs, through early intervention and prevention, as it is about developing new projects.

This strategy impacts on all services across the Council. 'Being commercial' is a mindset that must underpin the way we all do our jobs.

This means 'commercialisation' at Newcastle-under-Lyme Borough Council and includes all of the following:

- Preventing costs arising in the first place
- Creating social value to enable delivery of excellence in services to our communities
- Early intervention to prevent a cost escalating
- Redesigning our staff structures and internal processes to be most efficient and effective
- Reviewing service delivery models (e.g. outsourced, shared service, company) to be most efficient and effective
- Effectively procuring and managing our contracts
- Identifying new sources of income
- Commissioning the right outputs/outcomes
- Enhanced financial ownership by service managers
- Maximising existing sources of income
- Eliminating unnecessary demand and work
- Insight and Intelligence to make good choices

Benefits

The successful delivery of the strategy will achieve multiple benefits including:

- Ensuring our resources are stewarded wisely to deliver outcomes for our residents and businesses.
- Enhancing our ability to provide social, economic and environmental outcomes that can help to deliver against all four of our priorities: One Council Delivering for Local People; A Successful and Sustainable Growing Borough; Healthy, Active and Safe Communities; Town Centres for All.
- Developing new income streams to support services and the Council's budget.
- Creating a culture where staff think and act differently to deliver new ways of service delivery to serve our residents and businesses.
- Inspiring staff by embedding a forward thinking, opportunity focused mind-set that can drive wider culture shift.

- Increasing the robustness of the organisation through the creation of a diverse commercial portfolio to ensure long term organisational sustainability.

Objectives

Primary Objective

The primary objective is to use the Council's resources as effectively and efficiently as possible when delivering the Council Plan.

Secondary Objectives

Achievement of the primary objective will come in part through the following secondary objectives:

- Developing a **commercial culture**
- Putting **sound governance** in place – being clear about responsibilities, authorities, processes, templates and funding
- Ensuring there is appropriate **performance management** in place for commercial initiatives

The overarching aim of this strategy is to deliver a financial return, which contributes to the Council's efficiencies and additional income targets. This will help to safeguard, and develop, frontline services that the Council currently provides and enhance the Council's ability to invest in its place shaping agenda.

Funding and investment will be required for the successful implementation of this strategy. It is important to note that the benefits of pursuing the Commercial Strategy are not purely financial. Becoming a commercially focused organisation means putting the customer at the heart of everything we do. We will actively encourage creative thinking to develop more effective and customer-centric ways to deliver our services.

Culture

Developing a commercial culture is an important part of this strategy. To achieve the ambitious objectives outlined in this strategy, all participants need to fulfil their roles. Whilst large commercial projects will be important, we are looking to develop a commercial culture across all service areas where, thinking in a business-like way and making business-like decisions, along with being creative and innovative is the normal way of working at the Council.

An embedded commercial culture will enable all our services to reach their potential and it will unlock new and innovative ways of delivering services to residents and businesses in Newcastle-under-Lyme. A commercial culture will encourage us to be creative and entrepreneurial, finding ways to add value to the way we serve residents. This will include behaviours such as challenging current approaches to look for improvements, seeking ways to maximise value for customers and the Council from contracts and looking for growth opportunities.

A culture can be defined as 'the way we do things round here' and the way we operate across our service areas will be ambitious and bold, working in new ways to steward the resources we have in the most effective way to deliver the priorities highlighted in the Council Plan.

Developing the programme and our priorities

A portfolio of opportunities has then been selected for further development. This approach should ensure that the Council pursues a diverse range of opportunities - different in their potential scale, complexity and nature – to balance the risks of the overall programme.

In selecting the opportunities, consideration has been given to:

- The need to generate a net financial return to support the pressures identified in the MTF5.
- The creation of large-scale commercial projects that have the potential to create long-term income for the Council.
- Development of a commercial culture across service areas, so that thinking and acting in a commercial manner becomes central to the Council's thinking and decision-making.

The following table shows the highest commercial priorities to investigate within the commercial programme.

Priority Area	Description	Impact
Commercial Waste	Developing the Commercial Waste income streams, building on the existing assumptions that form part of the Waste Transformation Programme	Increase the number of businesses using the council service and improve the level of income generated
Light Industrial	Develop and regenerate sites into light industrial units	Increased revenue generation, servicing demand in the local area and supporting economic development
Smart Parking	Utilising ANPR to increase car parking revenue from major council assets	Increase revenue substantially, provide a better parking experience and support retail in the borough
Fees and Charges	Increasing fees and charges that benchmarking has shown to be currently charged at low rates in Staffordshire	Increase in income generated
Investment Opportunities for commercial return	Continue to investigate investment opportunities that will deliver a commercial return and build up our commercial portfolio	Increased revenue generation, servicing demand in the local area and supporting economic development

How will we realise our strategic outcomes?

- Act with intelligence and agility
- Embrace transformation and innovation

- Understand that resources are required for growth and change
- Act with integrity and high ethical standards
- Embrace commercialism and maximise income
- Create and nurture commercial and development opportunities
- Act strategically for the long-term benefit of the borough and its residents
- Greater focus on procurement and contract management
- Create a sustainable commercial programme
- Know the market place and act competitively
- Establish a strong commercial culture and invest in staff and member skills
- Drive our digital agenda forward
- Demand more from service providers and contracts
- Ensure we get value for money for residents
- Listen to our staff and customers
- Actively seek and work with partners commercially
- Engage with specialist commercial advisers and professional partners
- Pursue opportunities to generate efficiencies and financial savings
- Dispose of assets when the market is no longer viable
- Extract maximum value from our property and land assets and income streams
- Stop activities that add no value or benefit to customers
- Challenge where services can be commissioned

How will we make this happen?

- Endorsement from members of the council
- Sponsorship from the Corporate Leadership Team
- Facilitated by a highly skilled commercial team
- Collaboration across all council services and teams
- External specialist advice and support
- Initiatives owned by services

How does the strategy support our organisational goals?

- Robust financial and commercial service programmes aligned to the council plan.

- Supports the MTFS and closure of funding gap.
- Uses commercial activities to leverage funding opportunities to support the regeneration of the borough.

What is the governance structure?

- Investment decisions will be taken by full Cabinet.
- Some changes may be required to the Council's Constitution to enable timely decision making as commercial opportunities present themselves.

How will risks be managed?

- Partner with industry experts and specialists
- Ensure transparency and effective communication
- Rigorous approval processes and project scrutiny
- Following corporate risk management and mitigation procedures
- Effective contract management
- Meticulous due diligence

What are the tools and structures we will use?

- Exercise statutory powers
- Shared service agreements
- Crown Commercial Service, g-cloud and local framework agreements
- Joint venture partnerships
- Arms-length management organisations and/or council owned companies

How will we fund and resource the journey?

- Generate a return on investment to fund services
- Make every penny count
- Explore opportunities to share services with other councils
- Maximise existing revenue streams
- Effective and proportionate risk management
- Robust strategic and operational planning
- Access to government grants and other funding
- Invest to save

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
REPORT TO
FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE

18 January 2024

Report Title: Scale of Fees and Charges 2024/25

Submitted by: Service Director for Finance (S151 Officer)

Portfolios: Finance, Town Centres and Growth

Ward(s) affected: All

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
To enable the Committee to scrutinise the proposed scale of fees and charges to apply from 1 April 2024.			
<u>Recommendation</u>			
That Committee:			
<ol style="list-style-type: none"> 1. Note the proposed fees and charges, to apply from 1 April 2024, as set out in Appendix 1 2. Note the Charging Policy, as set out in Appendix 2 			
<u>Reasons</u>			
It is necessary to scrutinise the fees and charges which the Council makes in order to keep them in line with the cost of service provision, ensure compliance with the Charging Policy and to establish the amounts to be included in the 2024/25 budget.			

1. Background

- 1.1 The Cabinet is asked annually to consider proposals for the fees and charges to be applied during the following financial year. It is proposed that the new fees and charges set out at Appendix 1 should take effect from 1 April 2024 and remain in force until 31 March 2025.
- 1.2 The Council has an approved Charging Policy, which is followed when fees and charges are proposed and agreed. This sets out the criteria that should be taken into consideration when establishing the amounts to be charged

2. Issues

- 2.1** The Medium Term Financial Strategy, reviewed by Cabinet on 5 December 2023, assumed an overall 4% increase in the amount of income raised from fees and charges in 2024/25.
- 2.2** The proposals made vary between minimal decreases, increase, and freezes to the fees and charges for the year. When these proposals are applied to the appropriate income budgets, they fall broadly in line with the assumed overall 4% increase.
- 2.3** Most of the fees and charges are inclusive of VAT but in some cases no VAT is chargeable, or VAT is added to the fee or charge. The VAT status of individual fees and charges is shown in Appendix 1.
- 2.4** When considering the level of fees and charges the principles contained in the Charging Policy should be followed.
- 2.5** In drawing up the proposed fees and charges for 2024/25 these have been considered by Service Directors who were provided with a copy of the Charging Policy and were requested to ensure that their charges were set in accordance with the Policy, considering:
- The cost of providing the service.
 - How much income it is desired to generate and why.
 - Comparison of charges made by other Councils or providers of similar services.
 - Whose use of services it is desired to subsidise and by how much.
 - Whose behaviour it is desired to influence and in what ways.
 - How will charges help to improve value for money, equity and access to services.
 - Will the cost of collecting the income outweigh the income likely to be collected.
 - Any other relevant factors.
- 2.6** It is acceptable for charges to be set at a level where costs are not fully recovered. There may be reasons for doing so, such as a desire to encourage take up of a service by specified groups, for example the unemployed, benefits recipients, the elderly, disabled persons or children, or to influence particular forms or patterns of behaviour.
- 2.7** The decision to charge less than cost ought to be a conscious one, taken by members and justified by reference to the reasons for setting charges at less than cost as set out in the charging principles contained in section 5 of the Charging Policy, shown in Appendix 2.
- 2.8** For 2024/25 a number of fees compared to previous years have remained frozen due to the ongoing impact of Covid-19 and current cost of living situation. This is due to the negative impact it may have had on service uptake. This has been factored into the Medium Term Financial Strategy assumptions.

2.9 Alongside the review of the Council's fees and charges, work has been undertaken to benchmark fees alongside those of other Authorities nationwide. This work has then been used as a basis to challenge officers' first fee proposals. In addition, there were no missed opportunities with regards the fees and charges that the Council is currently charging.

2.10 The Scale of Fees and Charges (Appendix 1) shows the current and proposed fees and charges for 2024/25 and indicates those which have been frozen at current levels. There are several new charges proposed for 2024/25. The table below shows these:

New Charges - Description of Charge	Fee / Charge 2024/25 (£)
CEMETERIES	
Interment Fees – Resident Fees	
Interment of body part	480.00
Double interment (two interments taking place at the same time)	Interment Fee + 50%
Interment Fees – Non Resident Fees	
Interment of body part	730.00
Double interment (two interments taking place at the same time)	Interment Fee + 50%
Sundry items	
Admin fee	85.00
Late removal of memorial resulting in a delay of grave excavation	150.00
Incorrect coffin size	50.00
COVENANT CONSENTS	
Initial purchase enquiry form for land smaller than 0.1ha (deducted from land transaction fee if completed otherwise non-refundable)	100.00
CREMATORIUM	
Cremation Fees	
Storage of ashes where burial is to be arranged (per week after 12 weeks)	20.00
Plaques	
Wall plaque purchase at end of lease (12" x 4")	100.00
Wall plaque purchase at end of lease (12" x 8")	200.00
Additional Memorials	
Individual memorial bench - 5-year renewal	500.00
Remembrance bench (up to 12 plaques) - initial lease of plaque 5 years	295.00
Remembrance bench (up to 12 plaques) - renewal for 5 years	175.00
Memorial leaf on tree initial 5-year lease	300.00
Memorial leaf on tree renewal for 5 years	250.00
Garden / Memorial Plaque - 5-year renewal	205.00
Admin Fee	85.00

New Charges - Description of Charge	Fee / Charge 2024/25 (£)
<p>ENVIRONMENTAL HEALTH</p> <p>Environmental Offences - Fixed Penalty Notices Domestic Waste Section 46 (Environmental Protection Act 1990)</p> <p>Environmental Health Licences Hiring out Horses - new licence Vet Fee Hiring out Horses - renew licence Vet Fee Breeding Dogs - New licence Vet Fee</p>	<p>60.00</p> <p>Price on Application Price on Application Price on Application</p>
<p>MARKETS</p> <p>Stalls - Secondary offer (16 weeks only / per day) Electricity Charge for pitches on AFG licensed markets Record Fair</p>	<p>50% stall rent 7.50 10.00</p>
<p>MUSEUM & ART GALLERY</p> <p>Complex collections/archive research per hour Object loans to Accredited Museums (outside the county) includes condition report 1:1 session with collections adviser (after 15 minutes) Archive/Object scans (paper or digital) A4 colour - First Scan Archive/Object scans (paper or digital) A4 colour - Subsequent Scan Archive/Object scans (paper or digital) A3 colour - First Scan Archive/Object scans (paper or digital) A3 colour - Subsequent Scan</p>	<p>25.00 200.00 12.50 10.00 5.00 15.00 5.00</p>
<p>PLANNING Section 106 Section 106 Monitoring for each obligation forming part of an agreement, excluding those elements the responsibility of Staffordshire County Council Additional time spent in monitoring over and above the expected 1 working day, per hour</p>	<p>300.00 40.25</p>

- 2.11** Regarding Bereavement Service charges, Officers have identified the need to include a fee in relation to the interment of bodies, or body parts. This is not something that is undertaken regularly and is included as a fee for those rare instances that it is required. A review of the memorialisation items available to residents from Bereavement Services also identified that several small amendments were required with regards to the period over which a memorial is leased.
- 2.12** Along with changes to the maximum chargeable Fixed Penalty Notice fees for waste offences that were increased following the Government's Anti-Social Behaviour Action Plan that was introduced in July 2023, a fee in relation to Domestic Waste Section 46 (Environmental Protection Act 1990).

- 2.13** A benchmarking exercise has been undertaken of the Museum fees and several archive related charges have been introduced following this.
- 2.14** It is recognised in national guidance that the formulation and then subsequent monitoring of the implementation of S106 planning obligations creates work for local planning authorities. From 1st April 2024, the Council will charge a fee for the monitoring, reporting and delivery of planning obligations.
- 2.15** Several fees and charges approved for 2023/24 have been deleted from the proposed fees and charges for 2024/25 The table below shows these:

Deleted Charges - Description of Charge	Fee / Charge 2023/24 (£)
CEMETERIES	
Purchase of Graves - Non-Resident Fees Memorial permit	950.00
Erection of Memorials (no prior right given) Replacement memorial	55.00
Sundry Items Memorial benches - maintenance by request (cleaning & staining)	184.00
CREMATORIUM	
Cremation Fees Genealogy enquiry per deceased	30.00
Obitus Fees Single Photo	13.00
Plaques Regilding existing letters	50.00
Additional Memorials Memorial benches maintenance by request (cleaning & staining)	184.00
Vases various – small	Various
Shrubs (inclusive of aluminium vase)	399.00
Each succeeding 5-year hire	171.00
ENVIRONMENTAL HEALTH	
Environmental Offences - Fixed Penalty Notices Household waste duty of care fixed penalty notices. Environmental protection Act 1990 Section 34(2)A) (paid within 10 days)	120.00
Fly tipping (The Unauthorised Deposit of Waste (Fixed Penalties) Regulations 2016 which amends Environmental Protection Act 1990 “33ZA Fixed penalty notices for contravention of section 33(1)(a): England (paid in 10 days)	350.00

Deleted Charges - Description of Charge	Fee / Charge 2023/24 (£)
LEISURE	
Jubilee 2	
Plus Membership - annual fee	10.00
Plus Membership (Concession scheme) - yearly membership, entitles holder to concession prices, includes first session	6.00
<i>Swim / Climbing Casual Fee</i>	
Adult - Plus membership	5.00
Children u4 (swim only)	1.00
<i>Gym / Classes Casual Fee</i>	
Adult - Plus membership	6.00
Tennis Class A (Westlands, Wolstanton)	
LTA Tennis Development Initiatives	Free
Coaching / Competitions	Negotiable
LICENCES	
VEHICLES	
HCV test 10yrs+	79.00
PHV test 10yrs+	79.00
MUSEUM & ART GALLERY	
Event Fees	
Visit to Father Christmas	10.00
Talks & Classes	30.00
PRIVATE SECTOR HOUSING	
Houses in multiple occupation licence fee for a member of the North Staffs Landlord Accreditation Scheme	568.00
Each additional bedroom	9.00
Renewal of houses in multiple occupation licence or a member of the North Staffs Landlord	395.00

- 2.16** The fees and charges have been reviewed to identify where they do not align with the services being provided by the Bereavement Services team. This has led to a number of fees being removed, as alternative options are what is provided, or in the instance of services provided by Obitus are no longer provided.
- 2.17** Fixed Penalty Notices in relation to Environmental Offences have been subject to change due to the Government's Anti-Social Behaviour Action Plan that was introduced in July 2023. This has included the removal of a reduced fee for payment within ten days.

- 2.18** The decision has been made at Jubilee 2 to no longer provide the Plus Membership which provided casual users with a £1 discount off the fee. In turn this has meant the removal of the reduced fees as well.
- 2.19** Hackney Carriage and Private Hire Vehicle test fees have been removed specifically for those vehicles older than ten years. The fee is now set for Hackney Carriage and Private Hire Vehicles no matter the age of the vehicle.
- 2.20** The remaining fees listed above are no longer provided and therefore have been removed.
- 2.21** Due to the commercial sensitivity of the proposed charges for the trade waste service, these are not included on part 1 of the agenda and are exempt from publication by reasons of paragraph 3 of part 1 of schedule 12a of the Local Government Act 1972. The proposed charges can be found in part 2 of the agenda.

3. Recommendation

- 3.1** Note the proposed fees and charges to apply from 1 April 2024, as set out in Appendix 1 be approved.
- 3.2** Note the Charging Policy as set out in Appendix 2 be approved.

4. Reasons

- 4.1** Applying selective increases to fees and charges will enable economic activity to be promoted within the Borough. It will also contribute to the delivery of a sustainable budget for 2024/25 and later years and will help to keep fees and charges in line with the cost of service provision.

5. Options Considered

- 5.1** None.

6. Legal and Statutory Implications

- 6.1** Statutory charges are included in the scale of fees and charges and are noted as such. These are set by the government rather than by the Council. Land Charges and Licensing fees are set in accordance with a statutory requirement to balance income with expenditure. All other charges may be set by the Council in accordance with its Charging Policy.

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.

8. Financial and Resource Implications

8.1 The approved levels of fees and charges will be incorporated in the General Fund Budget for 2024/25. The Medium Term Financial Strategy (MTFS) assumes increased income of £230,000 from an average increase of 4% across the existing range of fees and charges.

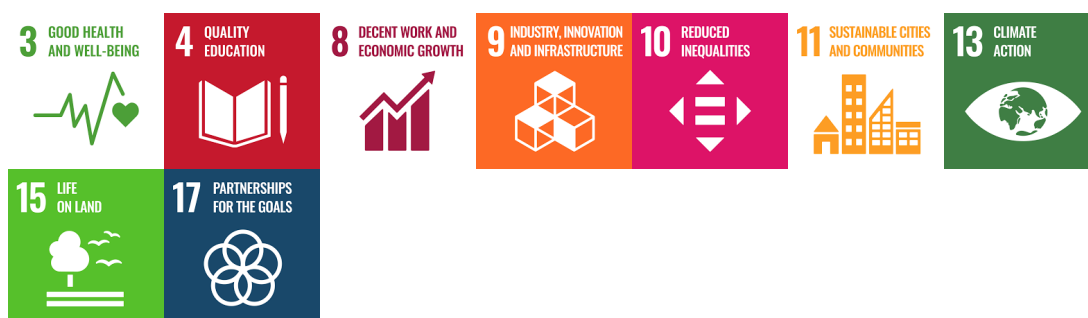
8.2 The proposals made vary between minimal decreases to increases. When these proposals are applied to the appropriate income budgets, they fall broadly in line with the assumed overall 4% increase.

9. Major Risks & Mitigation

9.1 A major risk is that the current depressed economic situation leads to less demand from users of Council services, resulting in significant loss of income. The level of charges will in some cases influence this demand.

10. UN Sustainable Development Goals (UNSDG)

10.1 In shaping fees and charges proposals consideration will be given to the need for investment in order to deliver the Council's Sustainable Environment Action Plan and the regeneration projects detailed in the Council Plan.



11. Key Decision Information

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

12. Earlier Cabinet/Committee Resolutions

12.1 None.

13. List of Appendices

13.1 Appendix 1 – Scale of Fees and Charges 2024/25 (Proposed)

13.2 Appendix 2 – Charging Policy

14. Background Papers

14.1 None.

SCALE OF FEES AND CHARGES 2024/25

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	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
ALLOTMENTS				No VAT	Cabinet
Rent (per annum) per square metre Note: 20% concession for Junior/60+/Unemployed	0.52	0.54	0.02		
BULKY RECYCLING				No VAT	Cabinet
1-3 Items non reusable/waste items	42.50	50.00	7.50		
4-6 Items non reusable/waste items	67.50	80.00	12.50		
7-9 Items non reusable/waste items	84.00	100.00	16.00		
Reusable items	Free	Free	Freeze		
BUS DEPARTURE CHARGES				Plus VAT	Cabinet
Fee per departure	0.30	0.35	0.05		
CAR PARKS					
Charges for Infringements				No VAT	
Civil parking enforcement - higher charge	70.00	70.00	Freeze		
Civil parking enforcement - lower charge	50.00	50.00	Freeze		
Discount for block purchase of permits					
Discount for purchase of 20 or more permits	20.00	20.00	Freeze		
Construction permit (max of 1 week permit)				VAT Incl.	
Initial day rate	15.00	16.00	1.00		
Additional days	6.00	7.00	1.00		
Bankside				VAT Incl.	Cabinet
Season ticket - per quarter	156.00	165.00	9.00		
Each additional permit for the same numbered bay - per quarter	25.00	26.00	1.00		
Overnight quarterly permit - 6pm to 7am	60.00	62.00	2.00		

	Fee/ Charge 2023/24	Proposed Fee/ Charge 2024/25	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
Blackfriars (Zone C)				VAT Incl.	Cabinet
Up to 1 hour	1.00	1.10	0.10		
Up to 2 hours	1.50	1.60	0.10		
Up to 3 hours	2.00	2.10	0.10		
Up to 4 hours	2.50	2.60	0.10		
Up to 6 hours	3.00	3.20	0.20		
6 hours to 24 hours	3.50	3.70	0.20		
Season ticket - per quarter	156.00	165.00	9.00		
Evening charge - 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Cherry Orchard (Zone B)				VAT Incl.	Cabinet
Up to 1 hour	1.00	1.10	0.10		
Up to 2 hours	1.90	2.00	0.10		
Up to 3 hours	2.80	3.00	0.20		
Up to 4 hours	4.00	4.20	0.20		
4 hours to 24 hours	5.20	5.50	0.30		
Season ticket - per quarter	156.00	165.00	9.00		
Evening charge - 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Corporation Street (Zone A)				VAT Incl.	Cabinet
Up to 1/2 hour	0.80	0.90	0.10		
Up to 1 hour	1.50	1.60	0.10		
Evening charge - 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.50	1.50	Freeze		
Event Parking	1.50	1.50	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Fogg Street East (Zone A)					
Season ticket - per quarter	156.00	165.00	9.00	VAT Incl.	Cabinet
Each additional permit for the same numbered bay - per quarter	25.00	26.00	1.00		
Overnight quarterly permit - 6pm to 7am	60.00	65.00	5.00		
Goose Street (Zone B)				VAT Incl.	Cabinet
Up to 1 hour	1.00	1.10	0.10		
Up to 2 hours	1.90	2.00	0.10		
Up to 3 hours	2.80	3.00	0.20		
Up to 4 hours	4.00	4.20	0.20		
4 hours to 24 hours	5.20	5.50	0.30		
Season ticket - per quarter	156.00	165.00	9.00		
Evening charge - 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Hassell Street (Zone B) (Bandings Subject to Review)				VAT Incl.	Cabinet
Up to 1 hour	1.00	1.10	0.10		
Up to 2 hours	1.90	2.00	0.10		
Up to 3 hours	2.80	3.00	0.20		
Up to 4 hours	4.00	4.20	0.20		
4 hours to 24 hours	5.20	5.50	0.30		
Season ticket - per quarter	156.00	165.00	9.00		
Resident permit - per quarter	60.00	65.00	5.00		
Evening charge - 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
High Street (Rear of)				VAT Incl.	Cabinet
Season ticket - per quarter	156.00	165.00	9.00		
Each additional permit for the same numbered bay - per quarter	25.00	26.00	1.00		
Overnight quarterly permit - 6pm to 7am	60.00	65.00	5.00		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
King Street (Zone C)				VAT Incl.	Cabinet
Up to 1 hour	1.00	1.10	0.10		
Up to 2 hours	1.50	1.60	0.10		
Up to 3 hours	2.00	2.10	0.10		
Up to 4 hours	2.50	2.60	0.10		
Up to 6 hours	3.00	3.20	0.20		
6 hours to 24 hours	3.50	3.70	0.20		
Season Ticket - per quarter	156.00	165.00	9.00		
Evening charge - 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Lyme Valley / Buckmaster Ave					
Up to 3 hours	Free	Free	Freeze		
Up to 4 hours	4.25	4.50	0.25	VAT Incl.	Cabinet
4 - 24 hours	6.00	6.30	0.30		
Season Ticket - per quarter	156.00	165.00	9.00		
Lyme Valley / Lyme Valley Rd					
Up to 2 hours	Free	Free	Freeze		
Up to 3 hours	3.20	3.40	0.20		
Up to 4 hours	4.25	4.50	0.25		
4 - 24 hours	6.00	6.30	0.30		
Season Ticket - per quarter	156.00	165.00	9.00	VAT Incl.	Cabinet
Midway (Zone A)					
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	2.10	2.20	0.10		
Up to 3 hours	3.20	3.40	0.20		
Up to 4 hours	4.25	4.50	0.25		
Up to 24 hours	6.00	6.30	0.30		
Season ticket - per quarter	156.00	165.00	9.00		
Evening charge - 1pm to 8am (closed at 9pm Mon-Sat and 5.30pm on Sunday)	1.00	1.00	Freeze	VAT Incl.	Cabinet
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.10	1.10	Freeze		

	Fee/ Charge 2023/24	Proposed Fee/ Charge 2024/25	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
Event Parking	1.10	1.10	Freeze		
Ryecroft (Zone B)					
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	2.10	2.20	0.10		
Up to 3 hours	3.20	3.40	0.20		
Up to 4 hours	4.25	4.50	0.25	VAT Incl.	Cabinet
Up to 24 hours	6.00	6.30	0.30		
Overnight 1pm to 8am	1.10	1.00	-0.10		
Bank Holiday	1.10	1.10	Freeze		
Event Parking	1.10	1.10	Freeze		
School Street/ Barracks Road (Zone B)					
Up to 1 hour	1.00	1.10	0.10		
Up to 2 hours	1.90	2.00	0.10		
Up to 3 hours	2.80	3.00	0.20		
Season ticket - per quarter	156.00	165.00	9.00		
Evening charge - 1pm to 8am	1.00	1.00	Freeze	VAT Incl.	Cabinet
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
Silverdale Road (Zone C)					
Up to 1 hour	1.00	1.10	0.10		
Up to 2 hours	1.50	1.60	0.10		
Up to 3 hours	2.00	2.10	0.10		
Up to 6 hours	3.00	3.20	0.20		
6 hours to 24 hours	3.50	3.70	0.20		
Season ticket - per quarter	156.00	165.00	9.00		
Resident permit - per quarter	60.00	65.00	5.00		
Evening charge - 1pm to 8am	1.00	1.00	Freeze	VAT Incl.	Cabinet
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Windsor Street (Zone B)					
Up to 1 hour	1.00	1.10	0.10		
Up to 2 hours	2.00	2.10	0.10		
Season ticket - after school (30 minutes)	30.00	31.00	1.00		
Evening charge - 1pm to 8am	1.00	1.00	Freeze		
Overnight quarterly permit - 8pm to 8am	60.00	65.00	5.00		
Bank Holiday	1.00	1.00	Freeze		
Event Parking	1.00	1.00	Freeze		
CEMETERIES					
Interment Fees - Resident Fees				No VAT	Cabinet
17 years and under	1,030.00	1,085.00	55.00		
18 years & over 7ft	1,230.00	1,300.00	70.00		
18 years & over 4ft 6	1,030.00	1,085.00	55.00		
Woodland burial - Keele Cemetery (1 full interment only in each grave)	1,030.00	1,085.00	55.00		
Cremated remains at 2 feet	450.00	480.00	30.00		
Woodland burial cremated remains at 2 feet - Keele Cemetery (4 interments only in each grave)	450.00	480.00	30.00		
Additional depth for cremated remains over 2 feet	240.00	250.00	10.00		
Additional depth over 6 feet per foot	260.00	270.00	10.00		
Interment of body part	N/A	480.00	New		
Double interment (two interments taking place at the same time)	N/A	Interment fee + 50%	New		
Exhumation fee - cremated remains	Cost	1,500.00	-		
Exhumation fee	Cost	3,500.00	-		
Purchase of Graves - Resident Fees				No VAT	Cabinet
(Includes right to erect memorial for single grave)					
Exclusive Right of Burial & Memorialisation for a Single Grave	1,390.00	1,465.00	75.00		
Lawn Graves Reservation	1,990.00	2,084.00	94.00		
Exclusive Right of Burial in a Woodland Grave at Keele Cemetery (1 full interment only in each grave plus memorial tree)	1,450.00	1,465.00	15.00		
Reservation of Woodland Grave	2,050.00	2,085.00	35.00		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Exclusive Right of Burial and Memorialisation in a Cremated Remains Grave at 2ft	685.00	730.00	45.00		
Reservation of a Cremated Remains Grave	985.00	1,035.00	50.00		
Exclusive Right of Burial in a Woodland Cremated Remains Grave, Keele Cemetery at 2ft Inclusive of a Shrub	685.00	730.00	45.00		
Reservation of Woodland Cremated Remains Grave	1,045.00	1,095.00	50.00		
Renewal of exclusive right of burial & memorialisation (full grave)	400.00	450.00	50.00		
Renewal of exclusive right of burial & memorialisation (cremated remains grave)	200.00	250.00	50.00		
Transfer of ownership of exclusive rights of burial & memorialisation	105.00	115.00	10.00		
Duplicate deed of exclusive rights of burial & memorialisation	55.00	60.00	5.00		
Memorial fee permit	55.00	60.00	5.00		
Interment Fees - Non-Resident Fees				No VAT	Cabinet
17 years and under	1,560.00	1,645.00	85.00		
18 years & over 7ft	1,760.00	1,865.00	105.00		
18 years & over 4ft 6	1,560.00	1,645.00	85.00		
Woodland burial - Keele Cemetery (1 full interment only in each grave)	1,560.00	1,645.00	85.00		
Cremated remains at 2 feet	675.00	730.00	55.00		
Woodland burial cremated remains at 2 feet - Keele Cemetery (4 interments only in each grave)	675.00	730.00	55.00		
Interment of body part	N/A	730.00	New		
Additional depth for cremated remains over 2 feet	240.00	260.00	20.00		
Additional depth over 6 feet per foot	260.00	280.00	20.00		
Double interment (two interments taking place at the same time)	N/A	Interment fee + 50%	New		
Exhumation fee - cremated remains	Cost	1,500.00	-		
Exhumation fee	Cost	3,500.00	-		
Purchase of Graves - Non-Resident Fees				No VAT	Cabinet
(Includes right to erect memorial for single grave)					
Exclusive Right of Burial & Memorialisation for a Single Grave	2,780.00	2,930.00	150.00		
Lawn Graves Reservation	3,380.00	3,530.00	150.00		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Exclusive Right of Burial in a Woodland Grave at Keele Cemetery (1 full interment only in each grave plus memorial tree)	2,780.00	2,930.00	150.00		
Reservation of Woodland Grave	3,380.00	3,530.00	150.00		
Exclusive Right of Burial and Memorialisation in a Cremated Remains Grave at 2ft	1,370.00	1,450.00	80.00		
Reservation of a Cremated Remains Grave	1,970.00	2,050.00	80.00		
Exclusive Right of Burial in a Woodland Cremated Remains Grave, Keele Cemetery at 2ft Inclusive of a Shrub	1,370.00	1,450.00	80.00		
Reservation of Woodland Cremated Remains Grave	1,970.00	2,050.00	80.00		
Renewal of exclusive right of burial & memorialisation (cremated remains grave)	500.00	540.00	40.00		
Transfer of ownership of exclusive rights of burial & memorialisation	160.00	170.00	10.00		
Duplicate deed of exclusive rights of burial & memorialisation	85.00	95.00	10.00		
Erection of Memorials (no prior right given)				No VAT	Cabinet
Memorial not exceeding 3 feet in height	170.00	180.00	10.00		
Columbarium					
10-year lease including 1st interment	613.00	650.00	37.00	No VAT	Cabinet
2nd interment	86.00	100.00	14.00		
Renewal of 10-year lease	307.00	315.00	8.00		
Additional 5-year lease	307.00	315.00	8.00		
Use of Chapel & Community Room					
Newcastle cemetery chapel	200.00	200.00	Freeze	No VAT	Cabinet
Keele community room - service	200.00	200.00	Freeze		
Keele community room - full day hire	150.00	150.00	Freeze		
Keele community room - half day hire	75.00	75.00	Freeze		
Keele community room - per hour hire	25.00	25.00	Freeze		
Sundry Items				VAT Incl.	Cabinet
Single abstract information from registrar	80.00	30.00	-50.00		
Family history research	25.00	25.00	Freeze		
Casket - Single	93.00	95.00	2.00		
Casket - Double	118.00	120.00	2.00		
Casket Plaque for Crematorium Boxes	15.00	15.00	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Wooden cross	51.00	55.00	4.00		
Memorial bench	1,100.00	1,500.00	400.00		
Memorial trees	405.00	420.00	15.00		
Barrier fob replacements	12.00	15.00	3.00		
Late arrival at cemeteries by more than 15 mins, Funeral Director charge	200.00	200.00	Freeze		
Late Paperwork	50.00	50.00	Freeze		
Incorrect coffin size	50.00	50.00	Freeze		
Admin fee	N/A	85.00	New		
Late removal of memorial resulting in a delay of grave excavation	N/A	150.00	New		
CIRCUSES & FAIRS				No VAT	Cabinet
Hire rate per day of site presence (based on an 8-hour day - 1 day to set up & 1 day to dismantle free of charge)	700.00	730.00	30.00		
Returnable deposit - cleaning	1,000.00	1,040.00	40.00		
Returnable deposit - damage	1,000.00	1,040.00	40.00		
COVENANT CONSENTS				No VAT	Cabinet
Covenant consents and any written responses to enquiries relating to land and property previously owned by the Council	160.00	165.00	5.00		
Initial purchase enquiry form for land smaller than 0.1ha (deducted from land transaction fee if completed otherwise non-refundable)	N/A	100.00	New		
CREMATORIUM					
Cremation Fees				No VAT	Cabinet
17 years of age and under	845.00	895.00	50.00		
Direct cremation no service or family before 9.00am, Tues, Thursday, Friday	350.00	350.00	Freeze		
18 years & over 9.20am service time only	600.00	650.00	50.00		
18 years & over from 10am	845.00	895.00	50.00		
Cremation environmental charge	80.00	85.00	5.00		
Burial of remains cremated elsewhere	250.00	260.00	10.00		
Chapel hire - additional use to cremation service	200.00	220.00	20.00		

	Fee/ Charge 2023/24	Proposed Fee/ Charge 2024/25	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
Chapel service 40 mins	470.00	490.00	20.00		
Temporary deposit of ashes (per week after the first 4 weeks)	15.00	20.00	5.00		
Storage of ashes where burial is to be arranged (per week after 12 weeks)	N/A	20.00	New		
Obitus Fees				VAT Incl.	
Webcast Live	35.00	40.00	5.00		
Webcast Live + 28 day + downloadable	55.00	60.00	5.00		
Keepsake DVD, USB, Blu-Ray, or Audio CD	60.00	65.00	5.00		
Basic Slideshow	45.00	50.00	5.00		
Music Slideshow (Pro-Tribute)	80.00	85.00	5.00		
Family-supplied tribute checking	25.00	30.00	5.00		
Bespoke tribute	400.00	400.00	Freeze		
Themed tribute	100.00	105.00	5.00		
Extra single photo	15.00	20.00	5.00		
Extra photo charge (each extra 25 photos on a visual tribute)	30.00	35.00	5.00		
Extra work charge	25.00	30.00	5.00		
Tribute download	15.00	20.00	5.00		
Video book	95.00	100.00	5.00		
Memory box	130.00	135.00	5.00		
Obitus bundle	175.00	180.00	5.00		
Urns & Containers				VAT Incl.	Cabinet
Casket - Single	93.00	95.00	2.00		
Casket - Double	118.00	120.00	2.00		
Casket plaque for Crematorium Boxes	15.00	15.00	Freeze		
Postage & packaging	Cost + £40	Cost + £40	Freeze		
Memorialisation				VAT Incl.	Cabinet
Book of remembrance up to 2 lines	80.00	85.00	5.00		
Book of remembrance for 5 lines	170.00	180.00	10.00		
Book of remembrance for 8 lines	260.00	270.00	10.00		
Simple flower or emblem with five lines or more	100.00	120.00	20.00		
Badges or coat of arms with five lines or more	150.00	160.00	10.00		
Memorial card to match inscription	34.00	50.00	16.00		

	Fee/ Charge 2023/24	Proposed Fee/ Charge 2024/25	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
Plaques				No VAT	Cabinet
12" x 4" new plaque & 10-year hire	500.00	520.00	20.00		
Each succeeding 5-year hire	200.00	210.00	10.00		
12" x 8" new plaque & 10-year hire	750.00	780.00	30.00		
Each succeeding 5-year hire	300.00	380.00	80.00		
Adding to existing plaque per letter or figure	12.00	12.00	Freeze		
Regilding of existing letters (per letter)	7.00	8.00	1.00		
Wall plaque purchase at end of lease (12"x4")	N/A	100.00	New		
Wall plaque purchase at end of lease (12"x8")	N/A	200.00	New		
Additional Memorials				No VAT	Cabinet
Memorial benches	1,100.00	1,500.00	400.00		
Individual memorial bench - 5-year renewal	N/A	500.00	New		
Remembrance bench (up to 12 plaques) - initial lease of plaque 5-years	N/A	295.00	New		
Remembrance bench (up to 12 plaques) - renewal for 5-years	N/A	175.00	New		
Memorial leaf on tree initial 5-year lease	N/A	300.00	New		
Memorial leaf on tree renewal for 5-years	N/A	250.00	New		
Memorial vases	500.00	520.00	20.00		
Additional characters for Kerb side vase	3.00	5.00	2.00		
Each succeeding 5-year hire	300.00	320.00	20.00		
Planters	839.00	870.00	31.00		
Each succeeding 5-year hire	342.00	355.00	13.00		
Trees	718.00	745.00	27.00		
Each succeeding 10-year hire	375.00	390.00	15.00		
Garden / Memorial Plaque	400.00	415.00	15.00		
Additional plaques in same location as family member in gardens	100.00	105.00	5.00		
Garden / Memorial Plaque - 5-year renewal	N/A	205.00	New		
Donations Memorial Fish/Bulbs	200.00	200.00	Freeze		
Service overrun at Bradwell Crem charge to be made to the Funeral Director	200.00	200.00	Freeze		
Late Paperwork	50.00	50.00	Freeze		
Incorrect coffin size	50.00	50.00	Freeze		
Early/late arrival at cemeteries by more than 15 minutes, charge to be made to the funeral directors	200.00	200.00	Freeze		
Admin Fee	N/A	85.00	New		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
DOG WARDEN SERVICE					
Recovery of Stray Dogs				No VAT	Cabinet
During normal working hours - reclaim fee	75.00	80.00	5.00		
Daily kennelling fees	Cost	Cost	Freeze		
ELECTIONS					
Rule 9 (1) Parliamentary Election Regulations & Rule/Reg 9 (1) Police Fire and Crime Commissioner Election Regulations - Candidates' Deposits				No VAT	Statutory
Parliamentary election candidate	500.00	500.00	Freeze		
Police Fire and Crime Commissioner candidate	5,000.00	5,000.00	Freeze		
Regulations 48 & 49 Representation of the People Regulations 2001				No VAT	Statutory
Supply of Full Register					
Sale of full register (printed)	10.00	10.00	Freeze		
Plus, per 1,000 names or part 1,000 (printed)	5.00	5.00	Freeze		
Sale of full register (data)	20.00	20.00	Freeze		
Plus, per 1,000 names or part 1,000 (data)	1.50	1.50	Freeze		
List of overseas electors (printed)	10.00	10.00	Freeze		
Plus, per 100 names or part 100 (printed)	5.00	5.00	Freeze		
List of overseas electors (data)	20.00	20.00	Freeze		
Plus, per 100 names or part 100 (data)	1.50	1.50	Freeze		
Supply of Edited Register				No VAT	Statutory
Sale of edited register (printed)	10.00	10.00	Freeze		
Plus, per 1,000 names or part 1,000 (printed)	5.00	5.00	Freeze		
Sale of register (data)	20.00	20.00	Freeze		
Plus, per 1,000 names or part 1,000 (data)	1.50	1.50	Freeze		
Regulations 120 Representation of the People Regulations 2001					
Supply of Marked Register				No VAT	Statutory
Supply of marked registers (printed)	10.00	10.00	Freeze		
Plus, per 1,000 entries or part 1,000	2.00	2.00	Freeze		
Supply of marked registers (data)	10.00	10.00	Freeze		
Plus, per 1,000 entries or part 1,000	1.00	1.00	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Inspection & Copies of Documents				No VAT	Statutory
Regulation 10 representation of the people regulations 2001 - inspection of candidates' expenses	5.00	5.00	Freeze		
A4 - copies (black & white)	0.20	0.20	Freeze		
Town & Parish Elections				No VAT	
<i>Borough Council Election taking place on the same day:</i>					
Town or Parish specific printing / postage costs	Market rate + 5% admin costs	Market rate + 5% admin costs	Freeze		
- Room hire	50% of cost	50% of cost	Freeze		
- Staffing costs (polling & count)	50% of staffing rate on the same day, or full costs if the count is taking place on a different day	50% of staffing rate on the same day, or full costs if the count is taking place on a different day	Freeze		
<i>Town or Parish Election on different day i.e., by-election</i>					
- printing, postage, stationery, room hire costs and other associated costs	Full costs for each election per ward or parish	Full costs for each election per ward or parish	Freeze		
- polling station / count staff cost	Standard NULBC staffing rates	Standard NULBC staffing rates	Freeze		
Uncontested Town or Parish Election Administration Fee	100.00 per election (if warded the cost is 100.00 for each ward or parish as they are classed as separate elections).	100.00 per election (if warded the cost is 100.00 for each ward or parish as they are classed as separate elections).	Freeze		
Room hires	Full Costs	Full Costs	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
ENVIRONMENTAL HEALTH					
Works in default of statutory notice					
Calculated in accordance with the following formula -	Per Formula	Per Formula	Freeze	No VAT	Cabinet
a) Contractor costs					
b) Officer costs (per hour at actual rate)					
c) Car mileage & subsistence					
d) On costs (b+c) + 25%					
e) Disbursements (e.g., warrant application, postage, printing, cost of invoice etc.)					
Total = a+d+e+ interest on outstanding balance as determined by council at start of financial year					
Environmental Offences - Fixed Penalty Notices					
Waste receptacles - Section 47ZA(2) (paid in 10 days)	60.00	60.00	Freeze	No VAT	Statutory
Waste receptacles - Section 47ZA(2) (paid in 14 days)	80.00	80.00	Freeze		
Failure to Produce Waste Carrier Registration Documents – Control of Pollution (Amendment) Act 1989 – section 5B	300.00	300.00	Freeze		
Failure to furnish documentation (waste carrier authority - Section 34(2))	300.00	300.00	Freeze		
Litter - Section 88(1) (paid in 10 days)	75.00	75.00	Freeze		
Litter - Section 88(1) (paid in 14 days)	100.00	100.00	Freeze		
Unauthorised distribution of literature on designated land - Schedule 3A (7)2 (paid in 10 days)	75.00	75.00	Freeze		
Unauthorised distribution of literature on designated land - Schedule 3A (7)2 (paid in 14 days)	100.00	100.00	Freeze		
Failure to comply with a Community Protection Notice or Public Spaces Protection Order (paid in 10 days)	75.00	75.00	Freeze		Cabinet
Failure to comply with a Community Protection Notice or Public Spaces Protection Order (paid in 14 days)	100.00	100.00	Freeze		Cabinet
Littering from vehicles outside of London (Keepers: Civil Penalties) Regulations 2018, Regulation 6 (Paid in 14 days)	75.00	75.00	Freeze		Public Protection Committee

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Littering from vehicles outside of London (Keepers: Civil Penalties) Regulations 2018, Regulation 6 (Paid in 28 days)	100.00	100.00	Freeze		
Graffiti and Fly Posting (Anti-Social Behaviour Act 2003 - Section 43) (Domestic person)	100.00	200.00	100.00		
Graffiti and Fly Posting (Anti-Social Behaviour Act 2003 - Section 43) (Commercial business)	100.00	500.00	400.00		
Domestic Waste Section 46 (Environmental Protection Act 1990)	N/A	60.00	New		
Household waste duty of care fixed penalty notices. Environmental protection Act 1990 Section 34(2A)	400.00	600.00	200.00		
Fly tipping (The Unauthorised Deposit of Waste (Fixed Penalties) Regulations 2016 which amends Environmental Protection Act 1990 "33ZA Fixed penalty notices for contravention of section 33(1)(a): England (from domestic property)	400.00	500.00	100.00		
Fly tipping (The Unauthorised Deposit of Waste (Fixed Penalties) Regulations 2016 which amends Environmental Protection Act 1990 "33ZA Fixed penalty notices for contravention of section 33(1)(a): England (from motor vehicle)	400.00	1,000.00	600.00		
Fly tipping (The Unauthorised Deposit of Waste (Fixed Penalties) Regulations 2016 which amends Environmental Protection Act 1990 "33ZA Fixed penalty notices for contravention of section 33(1)(a): England (from commercial business)	400.00	1,000.00	600.00		
Vehicle repair & sale offences (Clean Neighbourhoods and Environment Act 2005, Sections 3 & 4	100.00	100.00	Freeze		
FPN for abandoned vehicles	200.00	200.00	Freeze		
Environmental Protection Act 1990 - Part 1 Pollution Prevention & Control Act 1999 Register of Permits				No VAT	Cabinet
Copy of tape/CD recorded interviews	18.00	20.00	2.00		
Environmental Information Regulations 1992 (requests for information), Charge per Hour (ICO guidance)	26.00	26.00	Freeze		ICO Guidance
Noise monitoring service for Registered Social Landlords & Private Landlords for 1 period of up to 7 days & subsequent report & copy of recording	310.00	360.00	50.00		

	Fee/ Charge 2023/24	Proposed Fee/ Charge 2024/25	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
Environmental Health Licences				No VAT	Cabinet
Dangerous wild animals - first licence	650.00	676.00	26.00		
Dangerous wild animals - renewal	323.00	336.00	13.00		
Zoo - first licence	Price on Application	Price on Application	Freeze		
Zoo - renewal	Price on Application	Price on Application	Freeze		
Selling animals as Pets – Grant new licence	364.00	379.00	15.00		
Selling animals as Pets – Renew licence	323.00	336.00	13.00		
Selling animals as Pets – Grading review (no visit)	83.00	87.00	4.00		
Selling animals as Pets – Variation	104.00	109.00	5.00		
Animal Boarding – Grant new licence	364.00	379.00	15.00		
Animal Boarding – Renew licence	323.00	336.00	13.00		
Animal Boarding – Grading review (no visit)	83.00	87.00	4.00		
Animal Boarding – Variation	104.00	109.00	5.00		
Hiring out horses – Grant new licence Exc Vet Fee	583.00	607.00	24.00		
Hiring out Horses - new licence Vet Fee	N/A	Price on Application	New		
Hiring out horses – Renew licence exc. Vet Fee	531.00	553.00	22.00		
Hiring out Horses - renew licence Vet Fee	N/A	Price on Application	New		
Hiring out horses – Grading review (no visit)	83.00	87.00	4.00		
Hiring out horses – Variation	104.00	109.00	5.00		
Hiring out horses – Annual horse check	364.00	379.00	15.00		
Breeding Dogs – Grant new licence	603.00	628.00	25.00		
Breeding Dogs - New licence Vet Fee	N/A	Price on Application	New		
Breeding Dogs – Renew licence	323.00	336.00	13.00		
Breeding Dogs – Grading review (no visit)	83.00	87.00	4.00		
Breeding Dogs – Variation	104.00	109.00	5.00		
Keeping or training animals for exhibition - Grant new licence (3yrs)	250.00	260.00	10.00		
Keeping or training animals for exhibition - Renew licence (3yrs)	250.00	260.00	10.00		
Keeping or training animals for exhibition - Variation	104.00	109.00	5.00		
Re-inspection	104.00	109.00	5.00		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Registration of premises for acupuncture, tattooing, cosmetic piercing, electrolysis & semi-permanent skin colouring	160.00	168.00	8.00		
Registration of each operative	100.00	105.00	5.00		
Additional treatment registration	83.00	87.15	4.15		
Export health certificates	172.00	180.60	8.60		
Charges for Authorised Process - Local Authority Pollution Prevention Control Act					Statutory
The scale of charges is set by DEFRA annually after consultation with Local Authorities, representatives of industry and other stakeholders. The scale of charges is designed to cover the regulatory and administrative costs (including visits, administration, advice, and time) to the regulator arising from each process. The 2018/19 charges are to be advised by DEFRA in February 2018.	As per DEFRA Guidance	As per DEFRA Guidance	Freeze		To be advised by DEFRA
Factual Statements (Food Safety Act, Health & Safety at Work Act, Environmental Protection Act)					Cabinet
Charge for factual statements - additional time	156.00	165.00	9.00		
Charge for factual statements - disclosure of documents	84.00	90.00	6.00		
Private Water Supplies				No VAT	Statutory
Risk assessment (per hour, plus mileage)	Hourly charge out rate for officer plus mileage or cost incurred if contractor (each LA sample visit to also include an additional £40 to cover UKAS accreditation)	Hourly charge out rate for officer plus mileage or cost incurred if contractor (each LA sample visit to also include an additional £40 to cover UKAS accreditation)	Freeze		
Sampling					
Investigation					
Authorisation					
Analysis - during Regulation 10	Laboratory cost	Laboratory cost	Freeze		
Analysis - during check monitoring					
Analysis - during audit monitoring					

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Swimming Pools				No VAT	Cabinet
Sampling of pool water - per annum	720.00	756.00	36.00		
Sampling of pool water - one sample	75.00	78.75	3.75		
Food Hygiene Rating Scheme				No VAT	Public Protection
Food Hygiene Rating Scheme inspection	220.00	231.00	11.00		
FACILITIES MANAGEMENT				Plus VAT	Cabinet
NULBC delivery of Facilities Management services to Community Centres on full repairing leases and Kidsgrove Town Council. Calculated in accordance with the following formula - a) Contractor costs + b) Officer costs for administration and management + c) Car mileage & subsistence + d) On costs + 5% For any exceptional requests/project related works to Bus Station on-cost 3%	As per formula	As per formula	Freeze		
GARDEN WASTE RECYCLING				No VAT	Cabinet
Garden waste service - one bin	38.50	39.95	1.45		
Every additional garden waste bin	38.50	39.95	1.45		
Delivery of each additional garden waste bin	28.50	30.00	1.50		
LAND CHARGES				Plus VAT	
Residential – Con 29 only (conveyancer search)	144.00	138.00	-6.00		
Residential – additional parcel of land - each	90.00	90.00	Freeze		
Residential - Con290 optional enquiries - each	38.00	36.50	-1.50		
Commercial – Con 29 only (conveyancer search)	360.00	344.00	-16.00		
Commercial – additional parcel of land - each	216.00	210.00	-6.00		
Commercial – Con290 optional enquiries - each	38.00	36.50	-1.50		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
LEISURE CHARGES					
Sport Development				No VAT	Cabinet
Sports Development Activities up to 2 hours	Quote based on staffing costs	Quote based on staffing costs	Freeze		
Jubilee 2					
<i>Equipment Resale</i>					
Saleable items	Market Value	Market Value	Freeze	VAT Incl.	Portfolio Holder
Equipment Hire	Market Value	Market Value	Freeze	No VAT	
<i>Junior Memberships</i>					
Active2 12-16 years: Swimming, gym*, and appropriate classes (14 years and above with a paying Adult)	16.50	18.00	1.50	No VAT	
*Access between the hours Monday – Friday 6.00 pm to 9.00pm with an appropriate adult. All other times individuals can attend unsupervised					
DJD Junior Dance - Daniel Jones Dance Junior Membership	23.00	20.00	-3.00	No VAT	
<i>Premium Membership Charges Adults</i> <i>(Including gym, classes, swim, climbing, discount on retail)</i>				No VAT	Cabinet
Joining fee (includes inductions) (16 years +) (one off fee - includes key)	20.00	20.00	Freeze		
Single Membership - 12-month minimum contract - payment monthly by direct debit.	30.00	32.00	2.00		
Single Membership - no contract - per month	39.50	41.50	2.00		
Single Membership - 12-month membership for price of 11 months - payable in advance	330.00	352.00	22.00		
Corporate membership – peak (includes Students) monthly contract	31.99	34.00	2.01		
Corporate membership - peak (includes Students) 12-month contract	25.50	27.50	2.00		
Swim and aquatic membership 12-month contract	25.00	27.00	2.00		
Swim and aquatic membership monthly contract	34.00	36.00	2.00		
Gym and group exercise classes 12-month contract	25.00	27.00	2.00		

	Fee/ Charge 2023/24	Proposed Fee/ Charge 2024/25	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
Gym and group exercise classes monthly contract	34.00	36.00	2.00		
Climbing only membership 12-month contract	17.00	19.00	2.00		
Blue light membership NHS, Armed Forces, Police, Fire Brigade) 12-month contract	19.99	23.00	3.01		
DJ Dance membership DJ classes and live steam only, 12-month contract	22.50	24.50	2.00	No VAT	
DJ Dance Membership existing customers only	26.00	28.00	2.00		
Student membership month to month NUS card, college card letter form school 16+ month to month	20.00	23.00	3.00		
Legacy Off Peak Memberships annual % increase (rounded to nearest 10p)	4%	8%	0.04		
<i>Studio Hire</i>				VAT Incl.	Cabinet
Studio 1	42.00	42.00	Freeze		
Studio 2	42.00	42.00	Freeze		
<i>Swim / Climbing Casual Fee</i>				No VAT	
Adult - Lite membership	6.00	6.30	0.30		
Adult - Concession	4.00	4.30	0.30		
Juniors	4.00	4.30	0.30		
<i>Gym / Classes Casual Fee</i>				No VAT	
Adult - Lite membership	6.00	6.30	0.30		
Adult - Concession	4.00	4.30	0.30		
Junior 12 and over - Activities accessed in accordance with Industry guidance	4.00	4.30	0.30		
<i>Swimming Instruction</i>					
<i>Swimming Lessons</i>				No VAT	Cabinet
Adult swimming lesson (30 minutes)	9.50	9.90	0.40		
Junior swimming lesson (30 minutes) price per lesson - block of 12	6.00	6.40	0.40		
<i>Private Lessons</i>				No VAT	Cabinet
1:1 swim lesson (per 30 minutes)	21.00	22.00	1.00		
1:1 Lessons 5 consecutive sessions in payable in advance	90.00	94.00	4.00		
1:1 dance lesson with DJD Dance - 30 minutes	22.50	24.00	1.50		

	Fee/ Charge 2023/24	Proposed Fee/ Charge 2024/25	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
1:1 swim / dance lesson with DJD Dance - 30 minutes, block of four lessons	80.00	84.00	4.00		
DJ Wedding Package	200.00	210.00	10.00		
<i>Pool Courses</i>				No VAT	Cabinet
Rookie lifeguards (per 2-hour session) - Lyme Card	10.00	12.00	2.00		
<i>Swimming Pool Hire</i>				VAT Incl.	Cabinet
Teaching Pool Hire	70.00	75.00	5.00		
Main Pool Hire - (8 lane) (per lane per hour)	19.00	20.00	1.00		
Additional staff for pool hire (per staff member)	30.00	35.00	5.00		
Setup fee - galas	35.00	45.00	10.00		
Time equipment hire - galas	35.00	45.00	10.00		
<i>Parties</i>				VAT Incl.	
Pool Party inclusive of 1 hour studio use	95.00	100.00	5.00		
Climbing Party (six people) inclusive of studio use	95.00	100.00	5.00		
Additional instructor per six children	35.00	40.00	5.00		
Bowls				No VAT	Cabinet
Adult	4.73	5.00	0.27		
Junior/60+	2.36	3.00	0.64		
Summer season ticket - adult	66.98	70.00	3.02		
Summer season ticket - junior/60+/unemployed	44.18	46.00	1.82		
Winter season ticket	16.54	18.00	1.46		
Summer/winter season ticket - adult	79.34	83.00	3.66		
Summer/winter season ticket - junior/60+/unemployed	55.72	58.00	2.28		
Merit competition per player - per hour	9.00	10.00	1.00		
Greenage fees for pre-booking (plus playing fee per person)	10.98	12.00	1.02		
Tennis Class A (Westlands, Wolstanton)				No VAT	Cabinet
Adult (per hour per court)	Free	Free	Freeze		
Junior / Concession (per hour per court)	Free	Free	Freeze		
Education / Not for Profit Organisations	Free	Free	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Tennis Class B (Chesterton, Silverdale, Birchenwood, Bradwell, Clough Hall)	Free	Free	Freeze		
Football (alternate weekly use per season)				No VAT	Cabinet
Wolstanton Marsh Pavilion	619.00	645.00	26.00		
All other pitches	430.00	450.00	20.00		
Junior pitch	60% of Fee	60% of Fee	Freeze		
Mini soccer pitch (unmarked)	251.00	262.00	11.00		
Mini soccer pitch (marked)	352.00	368.00	16.00		
Rugby (alternate weekly use per season)				No VAT	Cabinet
Bathpool	873.00	908.00	35.00		
Lyme Valley	873.00	908.00	35.00		
Clough Hall	873.00	908.00	35.00		
Junior Pitch	60% of fee	60% of fee	Freeze		
Rugby (casual use per match)	101.00	106.00	5.00	No VAT	Cabinet
Concessionary Licences				No VAT	Cabinet
Brampton Park ice cream sales	845.00	879.00	34.00		
Brampton Park use of bouncy castle	845.00	879.00	34.00		
4 Large Parks Northern part of Borough – ice cream	725.00	754.00	29.00		
4 Large Parks Southern part of Borough – ice cream	725.00	754.00	29.00		
Community Events				Plus VAT	Cabinet
Wedding Photos within a park setting	47.00	49.00	2.00		
Advertising within parks	10.00 to 5125.00	11.00 to 5,330.00	1.00 to 205.00	Plus VAT	
Booking large events - more than 6 months planning	188.00	196.00	8.00	No VAT	
Booking medium events - more than 6 months planning (firework displays, carnivals etc.)	95.00	99.00	4.00	No VAT	
Booking small events - more than 6 months planning (competitions, fun days, picnics etc.)	35.00	37.00	2.00	No VAT	

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
LICENCES					
General					
Sex establishments - application fee	3,524.00	3,665.00	141.00	No VAT	Licensing Committee
Sex establishments - Renewal	3,524.00	3,665.00	141.00		
Sex establishments - variation	1,193.00	1,241.00	48.00		
Sex establishments - transfer	1,193.00	1,241.00	48.00		
Scrap metal dealer site licence	301.00	313.00	12.00		
Scrap metal dealer collectors' licence	238.00	248.00	10.00		
Gambling Act 2005					
Lotteries - application fee	40.00	40.00	Freeze	No VAT	Statutory fees - Licensing Committee
Lotteries - annual fee	20.00	20.00	Freeze		
Bingo - application fee	3,500.00	3,500.00	Freeze		
Bingo - annual fee	1,000.00	1,000.00	Freeze		
Bingo - application to vary	1,750.00	1,750.00	Freeze		
Bingo – application for transfer	1,200.00	1,200.00	Freeze		
Bingo – application to reinstate	1,200.00	1,200.00	Freeze		
Track betting - application fee	2,500.00	2,500.00	Freeze		
Track betting - annual fee	1,000.00	1,000.00	Freeze		
Track betting - application to vary	1,250.00	1,250.00	Freeze		
Track betting - application to transfer	950.00	950.00	Freeze		
Track betting – application to reinstate	950.00	950.00	Freeze		
Betting premises - application fee	3,000.00	3,000.00	Freeze		
Betting premises - annual fee	600.00	600.00	Freeze		
Betting premises - application to vary	1,500.00	1,500.00	Freeze		
Betting premises - application to transfer	1,200.00	1,200.00	Freeze		
Betting premises – application to reinstate	1,200.00	1,200.00	Freeze		
Family entertainment centre - application fee	2,000.00	2,000.00	Freeze		
Family entertainment centre - annual fee	750.00	750.00	Freeze		
Family entertainment centre - application to vary	1,000.00	1,000.00	Freeze		
Family entertainment centre - application to transfer	950.00	950.00	Freeze		
Family entertainment centre – application to reinstate	950.00	950.00	Freeze		
Adult gaming centre - application fee	2,000.00	2,000.00	Freeze		
Adult gaming centre - annual fee	1,000.00	1,000.00	Freeze		
Adult gaming centre - application to vary	1,000.00	1,000.00	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Adult gaming centre - application to transfer	1,200.00	1,200.00	Freeze		
Adult gaming centre – application to reinstate	1,200.00	1,200.00	Freeze		
Copy of any of the above licences (lost, stolen, damaged)	25.00	25.00	Freeze		
Notice of Intention – 2 or less gaming machines	50.00	50.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines	150.00	150.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines – Variation	100.00	100.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines – Transfer	25.00	25.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines – Annual Fee	50.00	50.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines – Change of Name	25.00	25.00	Freeze		
Licensed Premises Gaming Machine Permits – more than 2 machines – Copy (lost, stolen, damaged)	15.00	15.00	Freeze		
Club Gaming/Club Machine Permits – New/Renew	200.00	200.00	Freeze		
Club Gaming/Club Machine Permits for holders of Club Premises Certificates (under LA03) – New/Renew	100.00	100.00	Freeze		
Club Gaming/Club Machine Permit – Annual Fee	50.00	50.00	Freeze		
Club Gaming/Club Machine Permit – Variation	100.00	100.00	Freeze		
Club Gaming/Club Machine Permit – Copy (lost, stolen, damaged)	15.00	15.00	Freeze		
UFEC (Unlicensed family entertainment Centre – 10-year licence)	300.00	300.00	Freeze		
Prize Gaming Permit – New/Renewal	300.00	300.00	Freeze		
Prize Gaming Permit – Change of Name	25.00	25.00	Freeze		
Prize Gaming Permit – Copy (lost, stolen, damaged)	15.00	15.00	Freeze		
Temporary Use Notice (TUN)	200.00	200.00	Freeze		
Casino Small – New application	7,646.00	7,952.00	306.00		
Casino Small – Annual Fee	3,823.00	3,976.00	153.00		
Casino Small - Variation	2,548.00	2,650.00	102.00		
Casino Small – Application for Transfer	1,639.00	1,705.00	66.00		
Casino Small – application to reinstate	1,639.00	1,705.00	66.00		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Private Hire/Hackney Carriage				No VAT	Public Protection
OPERATORS					
PHO Application fee	289.00	329.00	40.00		
Add/Remove Director	44.00	45.00	1.00		
Copy/Replacement Licence	8.00	8.00	Freeze		
Basic DBS	18.00	18.00	Freeze		
DRIVERS				No VAT	
Dual Driver Badge - 3 years	275.00	250.00	-25.00		
Change of address	18.00	18.00	Freeze		
Replacement badge	15.00	15.00	Freeze		
Replacement vehicle badge	15.00	15.00	Freeze		
Reissue/replacement badge (with amended details)	31.00	31.00	Freeze		
DBS (CRB check)	38.00	38.00	Freeze		
DBS (CRB check) online	64.34	64.34	Freeze		
Exemption certificates	15.00	15.00	Freeze		
Knowledge test	20.00	20.00	Freeze		
Fail to attend Knowledge Test	20.00	20.00	Freeze		
Change of Name	21.00	21.00	Freeze		
Replacement vehicle badge holder	6.00	6.00	Freeze		
DE Training replacement cert	Free	Free	Freeze		
Copy of Paper Licence	8.00	8.00	Freeze		
NEW Joint Disability and Safeguarding Training	48.00	48.00	Freeze		
VEHICLES				No VAT	
Transfer of vehicle	44.00	45.00	1.00		
Change of vehicle registration	50.00	52.00	2.00		
Failure to attend for vehicle test	74.00	73.00	-1.00		
Retest	33.00	31.00	-2.00		
Replacement plate carrier – front	10.00	11.00	1.00		
Replacement plate carrier – rear	12.00	13.00	1.00		
Replacement vehicle plate - front	9.00	9.00	Freeze		
Replacement vehicle plate - rear	11.00	12.00	1.00		
Replacement vehicle sticker signage	6.00	6.00	Freeze		
Copy of paper part of licence	8.00	8.00	Freeze		
Change of Vehicle Colour	50.00	52.00	2.00		
HCV test	79.00	79.00	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
PHV test	79.00	79.00	Freeze		
HCV application fee	242.00	186.00	-56.00		
PHV application fee	238.00	173.00	-65.00		
Basic DBS	18.00	18.00	Freeze		
Change of Name/Address	44.00	45.00	1.00		
Spot check	22.00	23.00	1.00		
Replacement Internal Plate	8.00	8.00	Freeze		
Licensing Act 2003 - New Application				No VAT	Statutory
Premise licence, band A (rateable value of up to £4,300)	100.00	100.00	Freeze		
Premise licence, band B (rateable value of £4,301 to £33,000)	190.00	190.00	Freeze		
Premise licence, band C (rateable value of £33,001 to £87,000)	315.00	315.00	Freeze		
Premise licence, band D (rateable value of £87,001 to £125,000)	450.00	450.00	Freeze		
Premise licence, band E (rateable value of >£125,001)	635.00	635.00	Freeze		
Additional fee (5,000 to 9,999 patrons)	1,000.00	1,000.00	Freeze		
Additional fee (10,000 to 14,999 patrons)	2,000.00	2,000.00	Freeze		
Additional fee (15,000 to 19,999 patrons)	4,000.00	4,000.00	Freeze		
Additional fee (20,000 to 29,999 patrons)	8,000.00	8,000.00	Freeze		
Additional fee (30,000 to 39,999 patrons)	16,000.00	16,000.00	Freeze		
Additional fee (40,000 to 49,999 patrons)	24,000.00	24,000.00	Freeze		
Additional fee (50,000 to 59,999 patrons)	32,000.00	32,000.00	Freeze		
Additional fee (60,000 to 69,999 patrons)	40,000.00	40,000.00	Freeze		
Additional fee (70,000 to 79,999 patrons)	48,000.00	48,000.00	Freeze		
Additional fee (80,000 to 89,999 patrons)	56,000.00	56,000.00	Freeze		
Additional fee (90,000 patrons & above)	64,000.00	64,000.00	Freeze		
Licensing Act 2003 - Annual Fee				No VAT	Statutory
Premise licence, band A (rateable value of up to £4,300)	70.00	70.00	Freeze		
Premise licence, band B (rateable value of £4,301 to £33,000)	180.00	180.00	Freeze		
Premise licence, band C (rateable value of £33,001 to £87,000)	295.00	295.00	Freeze		
Premise licence, band D (rateable value of £87,001 to £125,000)	320.00	320.00	Freeze		

	Fee/ Charge 2023/24	Proposed Fee/ Charge 2024/25	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
Premise licence, band E (rateable value of £125,001 & above)	350.00	350.00	Freeze		
Additional fee (5,000 to 9,999 patrons)	500.00	500.00	Freeze		
Additional fee (10,000 to 14,999 patrons)	1,000.00	1,000.00	Freeze		
Additional fee (15,000 to 19,999 patrons)	2,000.00	2,000.00	Freeze		
Additional fee (20,000 to 29,999 patrons)	4,000.00	4,000.00	Freeze		
Additional fee (30,000 to 39,999 patrons)	8,000.00	8,000.00	Freeze		
Additional fee (40,000 to 49,999 patrons)	12,000.00	12,000.00	Freeze		
Additional fee (50,000 to 59,999 patrons)	16,000.00	16,000.00	Freeze		
Additional fee (60,000 to 69,999 patrons)	20,000.00	20,000.00	Freeze		
Additional fee (70,000 to 79,999 patrons)	24,000.00	24,000.00	Freeze		
Additional fee (80,000 to 89,999 patrons)	28,000.00	28,000.00	Freeze		
Additional fee (90,000 patrons & above)	32,000.00	32,000.00	Freeze		
Licensing Act 2003 - Miscellaneous Fees (Application or Notice)				No VAT	Statutory
Section 25 (theft, loss, etc. of premises licence or summary)	10.50	10.50	Freeze		
Section 29 (application for a provisional statement)	315.00	315.00	Freeze		
Section 33 (notification of change of name or address)	10.50	10.50	Freeze		
Section 37 (application to vary licence to specify individual as premises supervisor)	23.00	23.00	Freeze		
Section 42 (application for transfer of premises licence)	23.00	23.00	Freeze		
Section 47 (interim authority notice following death of licence holder)	23.00	23.00	Freeze		
Section 79 (theft, loss etc. of certificate or summary)	10.50	10.50	Freeze		
Section 82 (notification of change of name or alteration of rules of club)	10.50	10.50	Freeze		
Licensing Act 2003 - Miscellaneous Fees (Application or Notice)				No VAT	Statutory
Section 83 (1) or (2) (change of relevant registered address of club)	10.50	10.50	Freeze		
Section 100 (temporary event notice)	21.00	21.00	Freeze		
Section 110 (theft, loss of temporary event notice)	10.50	10.50	Freeze		
Section 117 (application for, or renewal of personal licence)	37.00	37.00	Freeze		
Section 126 (theft, loss of personal licence)	10.50	10.50	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Section 127 (duty to notify change of name/address)	10.50	10.50	Freeze		
Section 110 (theft or loss of temporary event notice)	10.50	10.50	Freeze		
Section 126 (theft or loss of personal licence)	10.50	10.50	Freeze		
Section 127 (duty to notify change of name/address)	10.50	10.50	Freeze		
Section 178 (right of freeholder etc.)	21.00	21.00	Freeze		
Minor Variation	89.00	89.00	Freeze		
Removal of DPS at community premises	23.00	23.00	Freeze		
MARKETS				No VAT	Cabinet
Open market - stall (per day) Monday	21.00	22.00	1.00		
Open market - second stall (per day) Monday	11.00	11.50	0.50		
Open market - stall (per day) Wednesday	12.00	12.50	0.50		
Open market - second stall (per day) Wednesday	11.00	11.50	0.50		
Open market - stall (per day) Fri/Sat	22.00	23.00	1.00		
Open market - additional space (per day) Fri/Sat	11.00	11.50	0.50		
Farmers market - stall (per day)	21.00	22.00	1.00		
Other Pitches - minimum charge (per day)	27.00	28.00	1.00		
Catering Pitches - minimum charge (per day) Fri / Sat	26.00	27.00	1.00		
Catering Pitches - minimum charge (per day) Mon / Weds	13.00	13.50	0.50		
Small Stalls (adjacent to Guildhall)	10.00	10.50	0.50		
All stalls / pitches above are charged at 50% during winter period (1st Oct - 31st March)					
New Trader - Introductory Price (16 weeks only / per day)	5.00	5.25	0.25		
Stalls - Secondary offer (16 weeks only / per day)	N/A	50% stall rent	New		
Catering Pitches - Secondary offer (16 weeks / weekly charge - up to 4 days trading)	25.00	26.00	1.00		
Antique market - stall (per day)	8.00	8.00	Freeze		
Antique Market - second stall (per day)	4.00	4.00	Freeze		
Craft fair (bric-a-brac) - stall (per day)	5.50	5.50	Freeze		
Craft fair (bric-a-brac) - second stall (per day)	2.50	2.50	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Service Charge (for licensed markets)	29.00	29.00	Freeze		
Events Markets - per stall / pitch (e.g., CAM / Vegan)	5.00	5.25	0.25		
Electricity Charge for pitches on AFG licensed markets	N/A	7.50	New		
Record Fair	N/A	10.00	New		
MOT				No VAT	Cabinet
MOT - car	46.70	48.60	1.90		
MOT - car (for discounted partner incl. Lyme Card)	41.10	42.74	1.64		
MOT - class 7 (up to 3.5 tonnes)	58.65	61.00	2.35		
Retest	16.10	16.80	0.70		
MUSEUM & ART GALLERY					Cabinet
<i>Reproduction prints of items in collection</i>				VAT Incl.	
Photocopies	1.10	1.20	0.10	VAT Incl.	
Commission of picture sales from exhibitions	30%	30%	Freeze	Plus VAT	
Education session per pupil - half day	5.50	5.75	0.25	No VAT	
Education session per pupil - full day	7.50	7.80	0.30	No VAT	
Education sessions - minimum charge half day (20 pupils or fewer)	80.00	84.00	4.00	No VAT	
Education sessions - minimum charge full day (20 pupils or fewer)	125.00	130.00	5.00	No VAT	
Holiday activities per child	12.00	12.50	0.50	No VAT	
Adult object handling/reminiscence sessions per hour	34.00	34.00	Freeze		
Outreach fee	60.00	62.50	2.50	No VAT	
Outreach education – schools per session	85.00	89.00	4.00	No VAT	
Hire of Drawing Room per hour (Function/Corporate)	15.00	16.00	1.00		
Hire of Drawing Room per hour (Not for profit/Charity)	10.00	10.50	0.50		
Hire of Alder Room per hour (Function/Corporate)	25.00	27.00	2.00		
Hire of Alder Room per hour (Not for profit/Charity)	20.00	21.00	1.00		
Hire of Willow Room per hour (Function/Corporate)	35.00	36.50	1.50		

	Fee/ Charge 2023/24	Proposed Fee/ Charge 2024/25	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
Hire of Willow Room per hour (Not for profit/Charity)	27.00	29.00	2.00		
Hire of Event Space per hour (function/corporate/park business)	50.00	55.00	5.00		
Hire of Event Space per hour (Not for Profit/charity/park)	36.00	38.00	2.00		
Early entry or late stay - per hour	25.00	25.00	Freeze		
Room set up	25.00	25.00	Freeze		
Education item loan	25.00	26.00	1.00	No VAT	
Saleable items	RRP	RRP	Freeze		
Open art registration - up to 2 items	5.00	5.00	Freeze	VAT Incl.	
Research/archive fees				VAT Incl.	
Complex collections/archive research per hour	N/A	25.00	New		
Object loans to Accredited Museums (outside the county) includes condition report	N/A	200.00	New		
1:1 session with collections adviser (after 15 minutes)	N/A	12.50	New		
Archive/Object scans (paper or digital) A4 colour - First Scan	N/A	10.00	New		
Archive/Object scans (paper or digital) A4 colour - Subsequent Scan	N/A	5.00	New		
Archive/Object scans (paper or digital) A3 colour - First Scan	N/A	15.00	New		
Archive/Object scans (paper or digital) A3 colour - Subsequent Scan	N/A	5.00	New		
NAMING/ NUMBERING OF STREETS/ PROPERTIES					
New or Redevelopment				No VAT	Cabinet
Charge for naming of a street	215.00	225.00	10.00		
Charge for naming of a commercial building	108.00	115.00	7.00		
Single residential property on existing street	140.00	150.00	10.00		
Number/name 2-9 properties (includes first)	215.00	225.00	10.00		
Plus - per plot	75.00	80.00	5.00		
Number/name 10 plus properties (includes first property)	215.00	225.00	10.00		
Plus - per plot	75.00	80.00	5.00		
Change to layout after notification	270.00	285.00	15.00		
Plus - per plot	43.00	45.00	2.00		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Existing Properties/Streets				No VAT	Cabinet
Adding or alteration of a house/building name	75.00	80.00	5.00		
Renaming of a street	On request	On request	Freeze		
House or building renumbering (including subdivision to flats)	270.00	285.00	15.00		
Confirmation of postal address	43.00	45.00	2.00		
Requests not included in above fees per hour	54.00	60.00	6.00		
Road closure	33.00	35.00	2.00		
PEST CONTROL				VAT Incl.	Cabinet
Treatment of rats (domestic) - prepayment (up to 4 visits)	60.00	62.40	2.40		
Treatment of rats (domestic) - payment by invoice (up to 4 visits)	80.00	83.20	3.20		
Treatment of mice (domestic) – prepayment (up to 3 visits)	60.00	62.40	2.40		
Treatment of mice (domestic) – payment by invoice (up to 3 visits)	80.00	83.20	3.20		
Fleas / Bedbugs / Cockroaches (domestic) - prepayment	120.00	124.80	4.80		
Fleas / Bedbugs / Cockroaches (domestic) - payment by invoice	140.00	145.60	5.60		
Insect control treatments (domestic) including wasps, & ants - prepayment	80.00	83.20	3.20		
Insect control treatments (domestic) including wasps & ants - payment by invoice	100.00	104.00	4.00		
Pest control commercial (other) - first hour	120.00	124.80	4.80		
Pest control commercial (other) - per 1/4 extra hour	30.00	31.20	1.20		
Mole & Rabbit control (per treatment course, max 3 visits) - prepayment	195.00	202.80	7.80		
Mole & Rabbit control (per treatment course, max 3 visits) - payment by invoice	215.00	223.60	8.60		
Squirrel control - prepayment (up to 4 visits)	145.00	150.80	5.80		
Squirrel control - payment by invoice (up to 4 visits)	165.00	171.60	6.60		
Telephone Advice (prepayment only)	15.00	15.60	0.60		
Advice Visit (no treatment) - prepayment	60.00	62.40	2.40		
Advice Visit (no treatment) - payment by invoice	80.00	83.20	3.20		
Fixed term pest control treatment agreements (commercial premises)	On request	On request	Freeze		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Works in default (Prevention of Damage by Pests Act 1949) first hour (invoiced) Works in default (Prevention of Damage by Pests Act 1949) per additional 1/4 hour (invoiced)	As per formulae for works in default	As per formulae for works in default	Freeze		
PLANNING SERVICES					
Postage & packaging Copies up to £1 are free of charge	1.40	1.47	0.07	No VAT	
Paper copies of planning/building control decisions & documents - per sheet (A4 black & white)	0.30	0.32	0.02	No VAT	
Paper copies of planning/building control decisions & documents - per sheet (A3 black & white)	0.50	0.52	0.02	No VAT	
Paper copies of plans - planning files - per sheet (A4 black & white)	0.30	0.32	0.02	No VAT	
Paper copies of plans - planning files - per sheet (A3 black & white)	0.60	0.63	0.03	No VAT	
Paper colour copies of an A4 sheet of planning/building control decision, planning documents or plan	0.60	0.63	0.03	No VAT	
Paper colour copies of an A3 sheet of decision, planning documents or plan	0.90	0.95	0.05	No VAT	
Scanned copies of documents - charge per hour of scanning (where legal to charge)	42.00	44.10	2.10	No VAT	
Paper copies of plans - planning files - each plan (A2)	2.80	2.94	0.14	No VAT	
Paper copies of plans - planning files - each plan (A1)	4.10	4.30	0.20	No VAT	
Paper copies of plans - planning files - each plan (A0)	5.30	5.56	0.26	No VAT	
Weekly lists - statutory consultees	Free	Free	Freeze		
Requests for site information – commercial per hour	90.00	94.50	4.50	No VAT	
Requests for site information - individuals	Cost	Cost	Freeze	No VAT	
Pre Planning Application Advice				VAT Incl.	Cabinet
Large Scale Major Developments (residential developments over 200 dwellings or where number not known, a site area of 4 ha or more. Non-residential developments over 10,000m ² of floor space or where floor space not known, a site area of 2ha or more)	810.00	972.00	162.00		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Small Scale Major Developments (residential developments of between 10 & 200 dwellings or where number not known, a site area of between 0.5ha & 4ha. Non-residential developments of between 1000m2 & 10,000m2 of floor space or where floor space not known, a site area of between 1ha & 2ha)	410.00	492.00	82.00		
1 dwelling	125.00	150.00	25.00		
Minor Developments (residential developments of between 2 & 9 dwellings or where number not known, a site area of less than 0.5ha. Non-residential developments of under 1,000m2 of floor space or where floor space not known, a site area of less than 1ha)	185.00	222.00	37.00		
Householder Development.					
Half hour appointment	28.00	30.00	2.00		
Appointment in excess of 30 minutes	40.00	44.00	4.00		
Other Development (excluding householder development but including changes of use, advertisements, prior approval proposals & listed building proposals)	66.00	73.00	7.00		
Planning Application Fees				No VAT	Statutory
Owing to the complexity of the fee structure, it is not shown here. Details of fees payable may be obtained from the Council's Planning Section. Alternatively, the fee calculator available at the Planning Portal website can be used to determine the fees payable in respect of individual applications.	Per Planning Portal	Per Planning Portal	Freeze		
Building Control fees (North Staffs Building Control Partnership)	Per Board	Per Board	Freeze		Partnership Board
Planning & development briefs (as & when prepared)	Free	Free	Freeze		
Core spatial strategy	42.00	44.10	2.10		
Local development framework proposals map - north or south	10.00	10.50	0.50		
Local development framework proposals map - north & south	16.00	16.80	0.80		
Strategic housing land availability assessment (SHLAA)	45.00	47.25	2.25		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
Section 106					
Section 106 Monitoring for each obligation forming part of an agreement, excluding those elements the responsibility of Staffordshire County Council	N/A	300.00	New		
Additional time spent in monitoring over and above the expected 1 working day, per hour	N/A	40.25	New		
PRIVATE SECTOR HOUSING				No VAT	Cabinet
Houses in multiple occupation licence fee	668.00	695.00	27.00		
Each additional bedroom	9.00	9.50	0.50		
Renewal of houses in multiple occupation licence	495.00	515.00	20.00		
Each additional bedroom	9.00	9.50	0.50		
Immigration Inspections	140.00	146.00	6.00		
Provision of accommodation for homeless households	Cost	Cost	Freeze		
Annual interest to be applied to unpaid debts for enforcement action	8%	8%	Freeze		
Charges for work in default notices to remedy Housing Health & Safety issues				No VAT	Cabinet
Officer time (per hour)	Cost	Cost	Freeze		
Travelling costs (per mile)	Cost	Cost	Freeze		
Management costs (per hour)	Cost	Cost	Freeze		
Land registry fee	Cost	Cost	Freeze		
Inspection by qualified electrician or gas engineers	Cost	Cost	Freeze		
Recorded delivery	Cost	Cost	Freeze		
Other costs (stated as per individual case)	Cost	Cost	Freeze		
Administration fee (to cover service recharges)	12% Cost	12% Cost	Freeze		
Annual interest to be applied to unpaid debts for enforcement action	8%	8%	Freeze		
REMOVAL OF DOMESTIC ANIMAL CARCASSES				VAT Incl.	Cabinet
Removal of domestic animal carcasses	41.60	43.26	1.66		

	Fee/ Charge 2023/24 £.p	Proposed Fee/ Charge 2024/25 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
SALE OF SANDBAGS				VAT Incl.	Cabinet
5 sandbags	42.64	44.50	1.86		
10 sandbags	59.28	61.75	2.47		
15 sandbags	74.88	78.00	3.12		
20 sandbags	91.52	95.00	3.48		
STREET TRADING				No VAT	Cabinet
Eastbound layby A500 (per annum)	10,100.00	10,500.00	400.00		
Northbound layby A500 (per annum)	10,100.00	10,500.00	400.00		
TOWN CENTRE DISPLAYS				No VAT	Cabinet
Local promotions (minimum charge)	30.00	32.00	2.00		
Charity & local community groups	6.50	7.00	0.50		
National promotions (minimum charge)	85.00	89.00	4.00		
TREE PRESERVATION ORDERS				No VAT	Cabinet
Single copy of a tree preservation order	35.00	35.00	Freeze		
WASTE & RECYCLING BINS/ RECEPTACLES				No VAT	Cabinet
Bins/receptacles per property on new developments (to be paid by the developer)	74.00	80.00	6.00		
Replacement bin due to loss / theft	28.50	30.00	1.50		
<i>Maximum Delivery Charge:</i>					
New property - resident	28.50	30.00	1.50		
Replacement / additional recycling bag.	28.50	30.00	1.50		



CHARGING POLICY

(January 2024)

1. INTRODUCTION

- 1.1 The annual income, which the Council receives in the form of fees and charges for the services provided to its customers, amounts, in total, to a considerable sum and makes a significant contribution towards reducing the Revenue Budget.
- 1.2 Due to this and the impact that its charges may have on service users, it is important that there is a clear policy with regard to charging.
- 1.3 Not all services provided to customers are charged for. Many are provided free of charge or in some cases a charge is made but this does not recover the full cost of providing the service or facility.
- 1.4 There are various reasons for deciding to make a charge and for determining what that charge will be. The charge to be made will not always be determined purely by cost recovery considerations. In many cases charges can be used to assist in the achievement of the Council's corporate priorities, for example by encouraging people to take part in a socially beneficial activity by charging fees that they can afford, which may not necessarily fully recover costs.
- 1.5 This policy sets out what the Council intends to achieve through the charges it makes and the criteria which it will use to determine the level of charge for individual services.

2. SCOPE OF THE POLICY

- 2.1 This policy applies to all services that can, legally, be provided for a charge, where those services are provided by the Council or by other parties acting on its behalf. It does not apply to services provided via partnership arrangements, for example in respect of building control fees, although this policy will be borne in mind in any discussions the Council may have with partners in relation to setting charges in respect of partnership activities. It does not apply to those services where, by law, it is not permitted to make a charge or where an external party, such as central government, wholly determines the charge that is to be made.
- 2.2 Services as referred to in this policy also includes the supply of goods.
- 2.3 Charges are normally determined by members but may sometimes be determined by officers under delegated powers. This policy applies in both cases.

3. CORPORATE OBJECTIVES

- 3.1 The charging policy will be driven by the Council's priorities. These are:
 - One Council delivering for local people.
 - A successful and sustainable growing borough.
 - Town centres for all.

- 3.2 These are high-level objectives, which set the overall policy direction. More detailed criteria will be applied, operating within these parameters, in determining whether to make a charge and in setting that charge. These are set out in Section 5 of this policy.

4. LINKS WITH OTHER POLICIES, STRATEGIES AND PLANS

- 4.1 Other Council policies, strategies or plans, or those of partnerships which the Council is a party to, may make reference to charging policies or to the levels or amounts of particular charges or types of charge. Where relevant, regard will be had to any such instances.

5. CHARGING PRINCIPLES

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

The cost of providing the service

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

How much income is it desired to generate and why?

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

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

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

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

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

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

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

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

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

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

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

Any other relevant factors

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

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

6. TARGETS

- 6.1 Wherever possible targets will be set in relation to major areas of charging. These will relate to:
 - The amount of income expected to be generated and which has been included in the Medium Term Financial Strategy and detailed budgets.
 - Numbers of users expected to use the service.
 - Types of users expected to use the service.
 - Outcomes to be achieved through the application of the charges.
- 6.2 The achievement of the targets set will be regularly monitored through the collection of data for performance indicators and the budget monitoring process.

7. PAYMENT METHODS AND FACILITIES

- 7.1 Charges may be collected either by requiring users to make payment at the time of service delivery (cash income) or at a later date following receipt of an invoice or notice to pay, or equivalent (credit income). In some circumstances potential users may be required to make payment in advance of receiving the service. Options employed in relation to particular charges will depend upon the circumstances applicable to the service and its users and will have regard to the convenience to users of the method chosen and the safeguarding of the Council's position in relation to the potential for non-payment.
- 7.2 Payment may be made by the following means:
 - Cash.
 - Cheque.
 - Bank transfer.
 - Giro Account Transfer.

- Credit or Debit Card in person.
 - Credit or Debit Card over the telephone.
 - Via the Council's internet site using credit or debit cards.
 - Direct Debit.
 - Via the PayPoint system.
- 7.3 Options permitted in relation to particular charges will depend upon the circumstances applicable to the service and its users.
- 7.4 Facilities for the payment of charges will, wherever possible, be accessible and convenient.
- 7.5 Service users will be strongly encouraged to make payment electronically or using automated means in order to streamline the process, thereby reducing costs and providing added security and effectiveness.
- 7.6 There will be a presumption that all income due to be paid will be collected. Full use will be made of all remedies available to collect income in cases where users do not pay, including court action where necessary. In exceptional cases, if individuals or organisations have difficulty in paying the full amount due immediately, consideration may be given to agreeing arrangements for them to pay over an extended period of time.
- 7.7 Where individuals or organisations consistently fail to pay for services provided, such services will cease to be provided to them until all outstanding charges have been paid and they may, in future, be required to pay in advance of service provision or may be refused service provision where this can be applied.
- 7.8 Refunds of overpaid or wrongly paid charges will be made promptly once it has been established that a refund is appropriate.

8. REVIEW OF CHARGES

- 8.1 The Council's charges will be reviewed regularly to ensure that they are fit for purpose, continue to contribute to the furtherance of its objectives and, where set to recover costs, continue to do so.
- 8.2 Reviews will consider the following factors, plus any others relevant to particular charges:
- The income which is being collected at current charging levels and whether this is in line with budget forecasts.
 - The cost of service provision compared to the charges being made.
 - Whether a service being provided on the basis of charges being set to recover costs should continue to be provided in cases where costs appear likely to exceed the income which it can reasonably be expected to generate. This will especially apply where there is at least one alternative service provider, particularly from within the private sector.
 - The use being made of the service, both in absolute terms and by reference to classes of users and whether this shows all classes are using the service to the extent intended or if any are being deterred from using the service.
 - Are concessions being taken up by the people at whom they are targeted?
 - What is the impact, intended or unintended, of charges on local people?
 - In cases where charges are set to either encourage or deter activity, whether this is happening and the extent to which it is happening.
 - Whether any related benefits from the charging policy being deployed are being realised and the extent of realisation.

- Comparisons with charges being made by neighbouring or similar councils or by other organisations providing similar services both as to the level of charges and the impact which charges have on changing behaviour.
- 8.3 The scale of fees and charges will be considered and approved by Cabinet on an annual basis. This does not preclude reviews of particular charges taking place at any time where it is felt that this is necessary.

9. CONSULTATION AND COMMUNICATION

- 9.1 The council recognises that the charges it makes to users of its services will have an impact on those users.
- 9.2 Information will be obtained in relation to the following areas in order to properly understand how charges affect users of services and their views with regard to charges made or proposed to be made:
- Opinions as to the appropriateness of levying a charge.
 - Opinions as to the correct level of charges to be made.
 - Whether any particular classes of users will have difficulty affording the charges or feel that it is unfair to make a charge to them.
 - How particular levels of charge will affect demand for services, i.e. either encourage the use of services or discourage particular activities.
 - Whether users feel that the service and the charges made for it represent value for money.
 - Whether users would be prepared to pay a higher charge for an improved service.
- 9.3 This information may be obtained as part of general surveys, by using the e-Panel, specific surveys or by any other means which will be likely to provide a representative indication of user views or of the impact of charges upon them.
- 9.4 The Council's scale of fees and charges will be publicised via the relevant Cabinet agenda when it is reviewed annually and made available on its internet site and will be subject to scrutiny by the relevant scrutiny committees. Charges relating to specific services will be displayed or made available at service delivery points and from time to time in promotional material. Some commercially sensitive charges will, however, not be subject to such widespread publicity. At this time this only applies to trade waste charges.
- 9.5 Appropriate measures will be employed to ensure that the Council's charging objectives are clearly communicated to the public.
- 9.6 Where there is a legal requirement to consult service users or to give them a prescribed period of notice before applying a change in charges this will be done in accordance with any statutory provisions and in line with the Council's own procedures and consultation.

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FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE



Work Programme 2023/24

Chair

Cllr M. Holland

Vice-Chair

Cllr A. Bryan

Members

Cllrs D. Allport, R. Bettley-Smith, W. Brockie, R. Lewis, A. Lawley, A. Parker, M. Stubbs, J. Tagg and P. Waring

Scrutiny Champion

Sarah Wilkes

Portfolio Holders within the Committee's remit

Cllr S. Tagg, Leader – One Council, People and Partnerships

Cllr S. 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 scrutinises 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.

This Work Programme is set and reviewed at quarterly meetings of the Scrutiny Management Group. The Chair and Vice Chair also meet regularly with the Portfolio Holders to discuss this Work Programme. There is an opportunity for committee Members to discuss the Work Programme at each committee meeting. Part D of the Council's [Constitution](#) governs the scrutiny process.

For more information on the Committee or its work Programme please contact the Democratic Services:

✚ Geoff Durham at geoff.durham@newcastle-staffs.gov.uk or on (01782) 742222

✚ Alexandra Bond at alexandra.bond@newcastle-staffs.gov.uk or on (01782) 742211

Planned Items

DATE OF MEETING	ITEM	NOTES
18 January 2024	<ul style="list-style-type: none"> - Revenue and Capital Budgets and Strategies 24/25 - Draft Schedule of Fees and Charges 24/25 	
14 March 2024	<ul style="list-style-type: none"> - Q3 Finance and Performance Report - Commercial Strategy Update - Staff Health and Wellbeing Survey 	

Previous Items

DATE OF MEETING	ITEM	NOTES
30 June 2022	<ul style="list-style-type: none"> - Q4 Finance and Performance Review - Asset Management Strategy 	
8 September 2022 CANCELLED	<ul style="list-style-type: none"> - MTFS - Q1 Finance and Performance Review - Procurement Strategy - Commercial Strategy 	
8 December 2022	<ul style="list-style-type: none"> - Q1 Finance & Performance Report 2022/23 - Q2 Finance & Performance Report 2022/23 - Commercial Strategy Update - 2023/24 Draft Savings Proposals 	

DATE OF MEETING	ITEM	NOTES
19 January 2023	<ul style="list-style-type: none"> - Revenue and Capital Budget and Strategies 2023/24 - Schedule of Fees and Charges 2023/24 	
30 March 2023	<ul style="list-style-type: none"> - Q3 Finance & Performance Report 2022/23 - One Council update 	
26 June 2023	<ul style="list-style-type: none"> - Q4 Finance & Performance Report 2022/23 - Commercial Strategy Update 	
25 September 2023	<ul style="list-style-type: none"> - Asset Management Strategy - Medium Term Financial Strategy 24/25 - Q1 Finance and Performance Report - Commercial Strategy Update - Sickness Absence Reporting 	
9 November 2023	-Ryecroft Call-in Report	
13 December 2023	<ul style="list-style-type: none"> - Q2 Finance and Performance Report - Draft Savings Proposals 24/25 - Town Deal and Future High Streets Fund Update - Technology Strategy 2023-2028 	

Last updated on 10th January 2024

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

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