

Public Document Pack

Date of meeting Thursday, 16th January, 2025
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 - 10)
To consider the Minutes of a previous meeting.
- 4 DRAFT REVENUE AND CAPITAL BUDGETS AND STRATEGIES 2025/26** (Pages 11 - 118)
- 5 SCALE OF FEES AND CHARGES 2025/26** (Pages 119 - 164)
- 6 TOWN DEAL AND FUTURE HIGH STREET FUNDS UPDATE** (Pages 165 - 176)
- 7 ONE COUNCIL REVIEW AND NEXT STEPS** (Pages 177 - 214)
- 8 WORK PROGRAMME** (Pages 215 - 218)
- 9 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
- 10 URGENT BUSINESS**
To consider any business which is urgent within the meaning of Section 100B (4) of the Local Government Act 1972
- 11 DATE OF NEXT MEETING**
Thursday 27 March 2025 (7:00pm)
- 12 DISCLOSURE OF EXEMPT INFORMATION**

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

13 TRADE REFUSE FEES AND CHARGES 2025/26

(Pages 219 - 220)

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

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
	Adcock	J Waring

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.

NOTE: IF THE FIRE ALARM SOUNDS, PLEASE LEAVE THE BUILDING IMMEDIATELY THROUGH THE FIRE EXIT DOORS.

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Agenda Item 3

Finance, Assets & Performance Scrutiny Committee - 05/12/24

FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE

Thursday, 5th December, 2024
Time of Commencement: 7.00 pm

[View the agenda here](#)

[Watch the meeting here](#)

Present:	Councillor Mark Holland (Chair)		
Councillors:	Bryan Parker J Tagg	P Waring Bettley-Smith Stubbs	Allport Lewis Crisp
Apologies:	Councillor(s) Lawley		
Substitutes:	Councillor David Grocott (In place of Councillor Annabel Lawley)		
Officers:	Sarah Wilkes Elaine Burgess	Service Director - Finance / S151 Officer Markets and Regeneration Officer	

1. APOLOGIES

Apologies were received as listed above.

2. DECLARATIONS OF INTEREST

There were no declarations of interest stated.

3. MINUTES OF A PREVIOUS MEETING

Cllr Stubbs asked if any action had been taken with regard to the report on the turnover of staff referred to in Item 9 of the minutes and expressed concerns that the latter may not reflect the full extent of the debate.

The Chair said that the matter had not been taken to Cabinet yet and advised that the recordings of a number of meetings were not entirely audible which may have caused difficulties in transcription.

The Service Director for Finance (S151 Officer) recalled that it had been agreed to postpone the report on One Council until the staff survey results were received so that this could be incorporated into the report.

Since then the survey had been completed and the team was currently extracting the information which would be fed into the report to be submitted at the next meeting.

Cllr Stubbs reiterated his concern over the fact that what had been agreed had not been taken to the report that went to Cabinet as opposed to the one that was scheduled to go back to this Committee.

Finance, Assets & Performance Scrutiny Committee - 05/12/24

The Chair confirmed that it was his understanding that the results were to be incorporated into the report to be submitted to this Committee and that he did not think that the latter had the authority to decide what was to be discussed at Cabinet meetings although suggestions could be made by members.

Cllr Stubbs said that the Scrutiny Committee needed to have the confidence that they were listened to and were not there to tick boxes.

Resolved: That the minutes of the previous meeting held on 18th September 2024 be agreed as a true and accurate record subject to the resolution of item 9 being amended as follows:

that the work programme be adjusted and include both an update on the One Council program and the thoughts of the executive team and officers on the staff survey process, to be taken together at next meeting of the Committee scheduled in January 2025.

[Watch the debate here](#)

4. FIRST DRAFT SAVINGS PROPOSALS 2025/26

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth presented the report on the First Draft Saving Proposals for 2025/26.

The Chair invited members to make suggestions of additional savings if they had any for officers look into.

Cllr Grocott enquired about the Funding Strategy in relation to the Annual Leave Purchase Scheme and the replacement of Council Tax Support Grant with demand led contributions for Parish Councils.

The Deputy Leader expressed his support for the possibility for staff to purchase additional leave as required. About the introduction of demand led contributions, these would allow local councils to request fundings for specific projects to supplement their own budgets.

The Chair asked if there was data supporting the fact that it was mainly small parish councils making use of the Council Tax Support Grant.

The Service Director for Finance (S151 Officer) advised that £30,000 had been issued to Parish Councils, the majority of the parishes received £200-£300 and three parishes received a larger amount and therefore £10,000 had been retained so that, if any more funding was required, bids could be submitted.

Councillor Grocott stated that some Parish Council's had more staff than others and would like to see something added in that would supplement all parish and town councils.

Councillor Waring asked for more clarity on what the funding could be used for and stated that Kidsgrove Town Council would lose £13,000 as a result of the change.

The Service Director for Finance (S151 Officer) advised that all parish/town Councils would be provided with a list of what bids could be submitted for before the end of the current financial year.

Finance, Assets & Performance Scrutiny Committee - 05/12/24

Councillor Stubbs asked when the Town Council was written to, to advise that this would be done – as budget setting had commenced.

The Service Director for Finance (S151 Officer) advised that parishes were emailed approximately one month ago to inform them that this would be withdrawn from 1 April, 2025 and that there would be £10,000 left out of the £30,000 whilst parishes were considering their precepts.

Councillor Stubbs stated that the Council were top-slicing £20,000 from the parish councils and, referring to Kidsgrove Town Council, stated that there were more people, more services and more demands. Councillor Stubbs stated that £13,000 was a lot to take away in one go and it would be a big hit to their budgets and asked why no consultation had been carried out.

The Service Director for Finance (S151 Officer) advised that there was a budget consultation which was currently live where any comments could be fed back. Kidsgrove Town Council would be entitled to place a bid for the entire £10,000 or part thereof.

The Deputy Leader asked Councillor Stubbs what Kidsgrove Town Council was responsible for. Councillor Stubbs stated that the main expenditure was for the Kidsgrove Ranger and there was also the running of the Community Hall.

The Chair stated that there were a number of Committee members who were also Parish Councillors' or lived in a parish area and suggested that this Committee could scrutinise the Policy and the way in which funding was applied. Once the £10,000 had been applied for and disbursed this Committee may wish to scrutinise how this Council was applying the money.

Councillor Bettley-Smith asked if he should declare an interest as Chair of Betley, Balterley and Wrinehill Parish Council but was advised by the Chair that this was not necessary.

Councillor Stubbs asked what the 'Extended Producer Responsibility Funding' was.

The Service Director for Finance (S151 Officer) advised that it was a change in legislation where the manufacturers of plastic would now have to pay for the removal and clearing up of plastic. A sum of money had been allocated by Central Government to local authorities to collect and manage it but it would be the manufacturer who was paying for it. A letter had been received from DEFRA advising on the amount that this Authority would receive.

Councillor Stubbs asked if the money was ringfenced or would it be a general fund. The Service Director for Finance (S151 Officer) confirmed that it was not ringfenced.

Referring to the £103,000 saving that the merging of the facilities and property functions, coming under 'staffing'. How were the staffing numbers reducing.

The Service Director for Finance (S151 Officer) advised that there had been a retirement in the Service, someone had left and another person wanted to go part-time so an opportunity arose to look at the Property Team and Facilities Management Team roles. The Capital Programme had been reducing over the last two to three years in respect of capital projects being delivered as large regeneration projects were being carried out with the help of funding.

Finance, Assets & Performance Scrutiny Committee - 05/12/24

Councillor Stubbs asked about the £50,000 reduction in the Kidsgrove Subsidy and if it was part of the Business Plan to remove it at this point.

The Service Director for Finance (S151 Officer) advised that there was agreement between Kidsgrove Sports centre and the Council to provide any subsidy within the first five years – should it be required. However, they were doing really well and had not called on the subsidy.

The Chair proposed that a seventh recommendation be added to ask Cabinet to consider recommendations made by members.

- Resolved:**
1. That the first draft savings proposals as set out in Appendix A and Appendix B to the report be noted.
 2. That the revised Medium Term Financial Strategy (MTFS) funding gap (Appendix C) be noted.
 3. That any surplus funds identified when setting the budget to be transferred to Reserves in order to achieve future financial resilience, be noted.
 4. That the commencement date of the Budget Consultation period as mid-November to mid-December 2024, be noted.
 5. That the Mid-Year Capital Estimates for 2024/25 be noted.
 6. That the proposed setting of Council Tax at 1.99 per cent for 2025/2026 be noted.
 7. That Cabinet be asked to consider recommendations made by members.

[Watch the debate here](#)

5. FINANCE AND PERFORMANCE REPORT QUARTER TWO - 2024/25

The Deputy Leader of the Council and Portfolio Holder for Finance, Town Centres and Growth introduced the Finance and Performance report for Quarter 2.

Councillor Lewis asked why there was no prudent figure shown within the income to reflect any interest gathered on any unspent capital funds within the report.

The Service Director for Finance (S151 Officer) referred to paragraph 2.6 (a), which showed how much interest had actually been received as at the end of quarter two, which was £507,000 on money that had been held in the bank account in respect of the Future High Street and Town Deal Funds. A question had been raised previously as to why the Council did not recognise interest that would be earned, as part of the budget. On setting the budget, there was a plan of what the Capital Expenditure would look like and it was expected that the Majority of the Town Deal and Future High Street Funds would have been spent and ordinarily it would not have earned any interest. There were two elements to this: interest on money held in the bank and also interest that the Council does not spend on the borrowing if none had been undertaken.

It was anticipated that some borrowing would be required by the end of the current financial year.

The Chair stated that it was correct to say that, whilst the Council did not plan to have large amounts of Government funding sitting in the accounts, it had been able to save money on borrowing interest costs and had also generated interest.

Councillor Waring referred to interest that would be paid in future years. Was it correct that a significant amount of that would be refunded by the developer and would that be put into a reserve somewhere as a deficit or would it be shown in the accounts as a windfall.

The Service Director for Finance (S151 Officer) advised that there were two parts of the interest that would be borrowed; borrowings for the Capital Programme and the Capital and Centric projects, if borrowing was required, the interest payments could be capitalised so that when Capital and Centric purchase the asset back from the Council, they cover the interest costs.

The Chair moved onto the Performance Indicators.

Councillor Stubbs referred to performance indicator ID1.8a – Digital Transactions; only 80% of the target was being reached for digital transactions and asked if this needed to be nearer to 90% for One Council to be successful.

The Deputy Leader stated that the indicator was a bit of a mixture . Certain information was available on the website for residents but, ordering a brown bin, for example, became a transaction.

The Policy and Strategy Business Manager advised that there were three aspects to this indicator: the target; the quarterly results did not come in as equal flows and there was also big billing runs in the new year. There was a steady increase in people being able to self serve around council tax and benefit claims.

Councillor Lewis asked why the target had not been met for Food Hygiene Inspections during the month when there had only been ten to do.

The Deputy Leader stated that the period was over three months and not one month and asked the Policy and Strategy Business Manager to respond.

The Policy and Strategy Business Manager stated that, of the two inspections the report was to the 30 September and on 17 October, the first one was caught up with followed by the second one on 22 October and had been down to resources and staffing issues.

Councillor Lewis stated that ten inspections not being hit over three months was worse than over a one month period. Was there a way that they could be re-prioritised or facilitating staff usage better.

The Service Director for Finance (S151 Officer) stated that staffing issues had been discussed regarding Environmental Health in the past. This Authority was not unique in the lack of staff in its Environmental Health Team and was not through to trying to recruit – it was a national issue. There were now a couple of agency workers in the team. The Service Director was looking at the structure of the team and how it could be evolved going forward.

Councillor Stubbs asked what the opportunity cost of not doing things on time was; what if an inspection was missed that stopped many people being ill.

The Service Director for Finance (S151 Officer) stated that that risk was being constantly monitored as the Council was aware of the consequences of inspections not taking place.

The Chair stated that the resources of the Service were being reviewed as part of the performance indicators but the service itself fell under a different Scrutiny Committee. However if this Committee wanted a more detailed look into how the Service was being offered, it could be raised at the appropriate meeting.

The Chair referred to number 2.6 – The percentage of complainants informed within the required timescales of any action to be taken about alleged breaches of planning control.

The Deputy Leader stated that some of the matters were very complex and took time to resolve.

Councillor Grocott referred to the turnover of planning staff and asked if that impacted on the ongoing investigations and if so, could something be implemented to improve staff retention.

The Deputy Leader stated that the core staff in planning had been here for a while. The reason for the target not being met was down to there being several complicated cases.

Councillor Stubbs referred to 1.14 – staff turnover. The indicator showed a figure of 8.46 against a target of ten. What was the forecast for the remainder of the year.

The Chair stated that, as it was a green indicator he was content to watch it turn red in the next quarter if it was going to happen.

The Deputy Leader stated that the One Council process for this Authority had been brilliant. For a £1.2m investment, the Council would save £1.18m each and every year going forward.

Councillor Parker asked if the officers involved with the three red indicators could see if anything could be done.

The Deputy Leader stated that the next figures would be out at the end of this month.

Councillor Stubbs stated that this Committee was set up to cover the budgets and the indicators cycle did not fit in with the budget cycle.

Resolved: That the contents of the report and appendices be noted and that the Committee 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 FUND UPDATE

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth introduced the report on the projects funded by the Town Deal and Future High Street Fund which money had almost all be spent.

Cllr Stubbs referred to the wordcount for the Kidsgrove section equating to 8% of the total of the report of roughly 2,000 words and enquired about tangible economic benefits in relation to the funds. He asked why the budget for the train station did not take into account the coal and shafts found under the area.

The Deputy Leader responded that the money was used for the road infrastructure and that the circa 1700 jobs that would be created would be open to Kidsgrove residents.

The Regeneration Manager advised that a remediation proposal called a geogrid was initially thought to be suitable with a car park in addition upgrading the station being originally planned. A review by the network rail mining specialist led to the decision of a more extensive intervention including investigation works. Changes in the Coal Authority Permit also included a longer process.

Cllr Stubbs asked about HS2 fundings and if the Government paper relating to it could be made available as requested by one of the local MPs.

The Regeneration Manager responded that the initial reference document for the promise of additional funding from the cancellation of HS2 was called the Network North document and was publicly available and featured Kidsgrove train station although there was no mention of figures.

The Chair read paragraph 62 of the Network North document stating that an unprecedented uplift in funding would be provided for 13 local authorities in the Midlands. The total investment would be of £2.2 billion and would be funding schemes such as refurbishment of stations in Longport and Kidsgrove. While it was frustrating that things were not moving faster this was down to national bodies like the UK Coal Authority and Network Rail which were not accountable to the Council.

Cllr Stubbs asked why the Canal project which started 18 months ago had not been signed off and allowed to move forward as well as why, on a separate note, had members not been made aware of the changes to the Shared Service Hub.

The Regeneration Manager said there had been a change in personnel in the Canal and River Trust which were responsible for the delivery on the Canal footpaths and that works were now scheduled to start in January. On the funding issue a performance return was to be sent to the government. The Council had indicated that they wish to take the option of fundings to be renewed for Newcastle and Kidsgrove from March 2025 onwards to ensure sufficient well-planned consideration for those projects.

Cllr Stubbs wondered if there was any plan B in the event of the HS2 funding failing to materialize.

The Regeneration Manager responded that contingency plans were in process with lobbying of the local MP and the County Council to benefit from the Local Transport Funding scheme, Kidsgrove being a top priority.

The Chair recommended liaising with the local MP and quoting paragraph 62 and 63 of the Network North document.

Cllr Waring commented that ideally the funding required would come from the government but once the ground investigation works would be done it would be possible to see where the costs should be allocated. In relation to the Canal and

Finance, Assets & Performance Scrutiny Committee - 05/12/24

River Trust this was a relatively short programme which would impact on the March 26th deadline. The Shared Service Hub's works could be done by then and therefore any notifications to the government would be a safety precaution however the best way to spend the money for residents was constantly being monitored and the projects other than the Railway should be completed within the timescale.

Cllr Stubbs wished to hear from officers about the Shared Service Hub.

The Regeneration Manager said this was currently being reviewed by a subgroup of the Town Deal board which would be meeting in January for which the proposals would need to be consistent with the Town Investment Perspective and meet government requirements.

Cllr Grocott asked the whole town development and if any expressions of interest had been received regarding the hotel as well as if money had been secured for the Chesterton projects in terms of section 106.

The Deputy Leader responded that it was likely there would be money coming from section 106 to be spent on the local area and exact amounts would need to be checked out against previous planning papers.

The Chair concluded on Cllr Stubbs initial comment by saying that Kidsgrove was mentioned seven times in the report compared to Newcastle which only appeared six times when taking of the heading and Knutton four times.

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

[Watch the debate here](#)

7. WORK PROGRAMME

Resolved: That the work programme be noted.

8. PUBLIC QUESTION TIME

There were no questions received from members of the public.

9. URGENT BUSINESS

There was no urgent business.

10. DATE OF NEXT MEETING

Resolved: That the next meeting be scheduled on 16th January 2025.

**Councillor Mark Holland
Chair**

Meeting concluded at 8.28 pm

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**CORPORATE LEADERSHIP TEAM'S
REPORT TO
FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE**

16 January 2025

Report Title: Draft Revenue and Capital Budgets and Strategies 2025/26

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 2025/26 and approve the 5 year Medium Term Financial Strategy for 2025/26 to 2029/30.</p> <p>To consider drafts of the Capital Strategy for 2025/35, the Treasury Management Strategy for 2025/26, the Investment Strategy for 2025/26 and the Commercial Strategy for 2025/26 prior to their submission to Full Council for final approval.</p>			
<u>Recommendation</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 2025/26 to 2029/30 (Appendix 2). 3. Note the strategy for ensuring a balanced revenue outturn position for 2024/25. 4. Note the calculation of the Council Tax base and the Council Tax increase to be proposed for 2025/26 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 2025/26. 6. Note the draft Capital Strategy (Appendix 5) for 2025/35 be noted. 7. Note the draft Treasury Management Strategy (Appendix 6) for 2025/26. 8. Note the draft Investment Strategy (Appendix 7) for 2025/26. 			

9. Note the draft Commercial Strategy (Appendix 8) for 2025/26.

10. Note the Asset Management Strategy (Appendix 9) for 2023/28.

Reasons

To enable the Committee to scrutinise the proposals in order to inform the Cabinet in recommending a robust and affordable budget for 2025/26 to the Council meeting on 12 February 2025.

The Council needs to have an approved Capital Strategy for 2025/26, an approved Treasury Management Strategy for 2025/26 and an approved Investment Strategy for 2025/26 in place before the start of the 2025/26 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** 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 2025/26 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 3 December 2024 and scrutinised by the Finance, Assets and Performance Scrutiny Committee at its meeting on 5 December 2024.
- 1.5** The draft and provisional proposals included in this report will inform the Revenue and Capital Budgets and Council Tax 2025/26 reports to Cabinet on 4 February 2025 and to Full Council on 12 February 2025.
- 1.6** The Capital Strategy 2025/35 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, 2025/26.

- 1.8 The Investment Strategy 2025/26 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 2025/26 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 2024/25 – Provisional Outturn Forecast

Revenue

- 2.1 The Council approved a General Fund Revenue Budget of £17.046m on 14 February 2024 for 2024/25. 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 £0.005m has been achieved. The projected outturn on the General Fund Revenue Account for the year is £17.040m. This represents a positive outturn of £0.006m for the year.
- 2.3 The adverse variances that have occurred at the close of period 8 of 2024/25 include:
 - a. Income shortfalls from sales, fees and charges which amount to £0.115m (forecast to be £0.240m for the financial year).
 - b. Holding costs for York Place (e.g. utilities and business rates) are expected to amount to £0.109m for the financial year, £0.095m had been incurred at the close of period 8.
 - c. A pay award of £1,290 per employee has been awarded that is in excess of the amount provided for in the budget (3.5%), it amounts to a pressure of £0.120m (£0.080m at the close of period 8).
 - d. Expenditure on repairs and renewals is expected to amount to £0.109m greater than the amount budgeted for the financial year (£0.083m at the close of period 8).
 - e. Temporary accommodation for the homeless is expected to amount to £0.112m greater than the amount budgeted for the financial year after the application of grant monies (£0.075m at the close of period 8).

- f. Contribution to reserves of £0.425m have been assumed as a result of the favourable variance shown below in respect of interest receivable of cash that the Council holds in terms of Town Deal and Future High Street funding. £0.200m of this will be set aside to fund the inspection stage of the Local Plan. The remainder will be contributed to the Walley's Quarry Reserve and the Budget Support Fund.

2.4 These adverse variances have been offset in full by the following favourable variances:

- a. Interest receivable on cash that the Council holds in terms of Town Deal and Future High Street funding totals £0.630m at the close of period 8 (it is forecast that this will grow to £0.700m of income by the close of the financial year).
- b. Interest payable on borrowing has yet to be incurred due to the cash that the Council holds in terms of Town Deal and Future High Street funding. It is forecast that borrowing may be required in the final quarter of the financial year dependent upon cash flow and that interest payable will be £0.438m lower than budgeted for (£0.351m at the close of period 8).

2.4 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

2.5 A mid-year review of the Capital Programme for 2024/25 has been undertaken as part of the Efficiency Board and budget setting process in order to identify any projects that may need to be re-profiled from 2024/25 into future years. The revised Capital Programme for 2024/25 totalling £51.295m was approved by Cabinet on 3 December 2024.

2.6 The table below shows a high level (service) summary of the Capital Programme position at the close of period 8:

Priority	Budget at Period 8 £'000	Actual at Period 8 £'000	Variance at Period 8 £'000
One Council Delivering for Local People	621	620	(1)
A Successful and Sustainable Growing Borough	9,808	9,806	(2)
Healthy, Active and Safe Communities	4,309	4,323	14
Town Centres for All	5,289	5,289	-
Total	20,027	20,038	11

Medium Term Financial Strategy

2.7 The draft MTFS was approved as a basis for consultation by Cabinet on 3 December 2024 and has since been updated to reflect the impact of the Local Government Finance Settlement.

2.8 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 2025/26.

Detail	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Income	235	-	-	-	-
Staffing Related	156	-	-	-	-
Good Housekeeping	179	-	-	-	-
Tax Base	425	306	345	430	401
Council Tax Increase	175	177	180	184	188
Government Grants	732	-	-	-	-
TOTAL SAVINGS	1,902	483	525	614	589
UPDATED MTFS GAPS	1,902	1,588	764	271	529
REMAINING GAP	-	1,105	239	(343)	(60)

2.9 The table below shows the amendments to items included in the saving strategy reported to Cabinet on 3 December 2024 reflecting the impact of the Local Government Finance Settlement on them:

Detail	£'000
Total Savings as at 3 December 2024	(1,503)
Additional Extended Produced Responsibility levy (net of estimated reduction in recycling credits)	(432)
Facilities/Property restructure	33
Total Revised Savings	(1,902)

Draft Revenue Budget 2025/26

2.10 The MTFS has been updated to reflect the Local Government Finance Settlement received on 18 December 2024. It provides for a revised gap in 2025/26 of £1.902m and a gap over the 5 year period of the MTFS of £5.054m.

2.11 The table below shows the factors which give rise to the £1.902m gap for 2025/26:

	£'000
Additional Income	
Fees and Charges	(408)
Business Rates Retention	(109)
National Insurance Reimbursement	(403)
Total Additional Income	(920)
Loss of Income	
Settlement Funding Assessment – impact of Minimum Funding Guarantee reduction	380
Business Rates Retention Reset	500
Reduction in income from under achieved budgets	100
Total Loss of Income	980
Additional Expenditure	
Employees (pay awards, increments, national insurance, pension)	1,340
Premises (business rates and utilities)	153
Transport (fuel)	19
Borrowing	45
Other (inc. software licences, commercialisation, restructuring)	285
Total Additional Expenditure	1,842
Net Increase in Base Budget	1,902

2.12 The table below shows the amendments to items included in the MTFs 'gap' reported to Cabinet on 3 December 2024 reflecting the impact of the Local Government Finance Settlement on them (further details are included at 2.29 to 2.35):

Detail	£'000
Total Pressures at 3 December 2024	1,453
Restructuring (Legal, Environmental Health)	105
Inflation on NNDR compensation for under indexation	(36)
Settlement Funding Assessment – impact of Minimum Funding Guarantee reduction	380
Total Revised Pressures	1,902

2.13 The proposed savings identified for 2025/26 are summarised at 2.8, with further detail in Appendix 1.

2.14 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 5 December 2024. The Committee will also scrutinise this Cabinet report at its meeting on 16 January 2025.

Civic Growth Fund

2.15 The Civic Growth Fund (formally the Borough Growth Fund) was established in 2020 for the purpose of enabling investment in corporate priorities. The Civic 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.

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

Investment Area	£'000	Details
Council Modernisation	605	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	175	Addressing community concerns regarding the quarry's unpleasant odour omissions.
Town Centre Support	177	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.

2.17 The savings and funding strategies identified in the table in paragraph 2.8 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 Civic Growth Fund. The Civic 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.

2.18 The 2025/26 Civic Growth Fund investment will be used in the following areas:

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

2.19 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 Civic Growth Fund to enable such projects to be fully funded.

2.20 £0.100m of the 2025/26 Civic Growth Fund will continue to be allocated to the digital programme which will transform public access to Council services and drive efficiency savings.

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

Council Tax and Collection Fund

2.22 The savings and funding strategy assumes a 1.99% per Band D equivalent property Council Tax increase, producing £0.175m 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	2.90	0.06
B	3.39	0.07
C	3.86	0.07
D	4.35	0.08
E	5.31	0.10
F	6.29	0.12
G	7.25	0.14
H	8.70	0.17

2.23 Taking into account changes to the Council Tax base (i.e. new properties, empty homes premium, second home premium, single persons discount review), the Council Tax base has increased by 1,069 band D equivalent properties from 38,738 in 2024/25 to 39,807 in 2025/26.

2.24 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 2024/25. This surplus or deficit is then shared between the relevant preceptors in 2025/26 (a surplus if paid out to preceptors, including the Council, and a deficit is repaid to the collection fund from preceptors, including the Council).

2.25 The Business Rates Collection Fund is estimated to be in a surplus position at the close of 2024/25. The surplus is estimated to amount to £4.114m, of which the Council's share is £1.645m.

2.26 The surplus primarily relates to the appeals provision which had a balance of £4.920m at 31 March 2024. As the final year of the 2023 business rates revaluation cycle, it is anticipated that a much lesser balance (£1.678m) will be required to be held during 2025/26.

2.27 The Council's share of the surplus will be contributed to the Business Rates Reserve to increase the Council's resilience against Business Rates volatility in future periods.

2.28 The Council Tax Collection Fund is estimated to be in a small surplus position as the close of 2024/25. This surplus is estimated to amount to £0.004m, of which the Council's share is £0.001m.

Local Government Finance Settlement

2.29 The Local Government Finance Settlement for 2025/26 was received on 18 December 2024. Overall, the MTFs provides for an increase in funding of

£0.073m when compared to 2024/25. The amount receivable is provisionally £0.344m less than assumed in the MTFS (detail provided in 2.30 to 2.35).

- 2.30** 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 £0.109m when compared to 2024/25, this varies from the MTFS assumption of an increase of £0.073m by £0.036m. The compensation for under indexation reflects the freezes in the business rates multiplier which would otherwise have generated additional business rates income.
- 2.31** 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 at the same level as 2024/25. Services Grant will not be continued resulting in a £0.024m shortfall.
- 2.32** The Local Government Settlement for 2025/26 announced that the New Homes Bonus (NHB) Scheme will continue for a further year, the allocation amount for the Council is £0.165m due to the increase in properties within the borough in the last year. This varies from the MTFS assumption of £0.144m by £0.021m.
- 2.33** A recovery grant has been introduced with the aim of targeting money towards areas with greater need and demand for services, using deprivation as a proxy. This has resulted in a grant of £0.398m which was not expected in the MTFS, it is likely that this is a one off grant.
- 2.34** A domestic abuse grant has been rolled into the Council's core spending power, this amounts to £0.035m and was not expected in the MTFS.
- 2.35** The minimum funding guarantee has continued for 2025/26. This previously ensured that all authorities received an increase in core spending power of at least 3%. This guaranteed increase has reduced to 0%. This will result in a grant to the Council of £0.086m for 2025/26. This varies from the MTFS assumption of £0.896m (from the continuation of a 3% guarantee) by £0.810m, the reduction reflects the receipt of the newly introduced recovery grant, the reduction in the guaranteed increase (from 3% to 0%) and the Government's assumption regarding increases to Council Tax.

Budget Consultation

- 2.36** Public consultation has been undertaken on the budget, the consultation ran between 18 November 2024 and 16 December 2024. The results of which will be reported to Cabinet on 6 February 2024.

Capital Programme 2025/26 to 2027/28 and Capital Strategy 2025/35

- 2.37** The Capital Programme for 2025/26 to 2027/28 (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 £94.604m 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 will require to be financed by borrowing, primarily for cash flow purposes, whilst assets are procured and constructed, after which time significant capital receipts are expected. The associated borrowing costs have been factored into the MTFs. The Capital Financing Requirement is set to increase to £23.585m by 2027/28 based on the 3 year Capital Programme for 2025/26 to 2027/28, the Capital Financing Requirement at 31 March 2024 (£10.262m) and the Capital Financing Requirement for capital expenditure during the current financial year and the financial years 2025/26 to 2027/28 (£13.323m).
- 2.39** The Capital Programme for 2025/26 to 2027/28 includes an estimate for the development of York Place, this assumes spend of £16.8m over the period 2025/26 to 2026/27 and a subsequent capital receipt of the same value during 2026/27. This is subject to the business case that is currently being developed.
- 2.40** The Capital Programme for this period also includes an estimate for the redevelopment of the Midway Carpark and assumes spend of £28.6m over the period 2025/26 to 2026/27 and a subsequent capital receipt of the same value during 2027/28. This is subject to the business case that is currently being developed.
- 2.41** In addition, the Capital Programme also includes an estimate for the Aparthotel on the Ryecroft site of £30.0m over the period 2026/27 to 2027/28 together with a subsequent capital receipt of the same value in 2027/28. Again, this is subject to the business case that is currently being developed.
- 2.42** The Capital Strategy for 2025/35 (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.
- 2.43** The Capital Programme is produced in line with the Capital Strategy for 2025/35. 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.
- 2.44** Delivering the capital programme for 2025/26 will require prudential borrowing to be undertaken. The impact of borrowing is included in the MTFs pressures for 2025/26 and future years.
- 2.45** Advice will be sought from the Council's Treasury Management advisors, Arlingclose, as to the most beneficial timing of prudential borrowing. Their current advice to reduce interest rate risk is to borrow on a short term basis (up to 4 years) from other local authorities where possible alongside longer term Public Works Loan Board borrowing where suitable.

Treasury Management Strategy 2025/26, Investment Strategy 2025/26 and Commercial Strategy 2025/26

- 2.46** The Treasury Management Strategy for 2025/26 is attached at Appendix 6. The Minimum Revenue Provision Policy for 2025/26 is contained in Annex C to the strategy.

2.47 The Treasury Management Strategy for 2025/26 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 also look to borrow short term from other local authorities and will also review any other sources of funding if required.

2.48 The Investment Strategy for 2025/26 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.

2.49 The Commercial Strategy for 2025/26 is attached at Appendix 8. This strategy 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.

Balances and Reserves

2.50 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.

2.51 It is recommended that a minimum level of unallocated reserves and contingencies (i.e. the Council's Balance and Reserve Strategy for 2025/26) of £2.010m be held in 2025/26 to reflect the levels of revenue risk shown in the draft budget for 2025/26. The remainder of the current balance is to be allocated to the Walley's Quarry Reserve during 2024/25.

Timetable

Event	Committee	Date
Final budget proposals recommended for approval by Full Council	Cabinet	4 February 2025
Full Council to approve budget	Full Council	12 February 2025

3. Recommendation

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 2025/26 to 2029/30 (Appendix 2) be noted.

3.3 That the strategy for ensuring a balanced revenue outturn position for 2024/25 be noted.

3.4 That the calculation of the Council Tax base and the Council Tax increase to be proposed for 2025/26 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 2025/26 be noted.
- 3.6 That the draft Capital Strategy (Appendix 5) for 2025/35 be noted.
- 3.7 That the draft Treasury Management Strategy (Appendix 6) for 2025/26 be noted.
- 3.8 That the draft Investment Strategy (Appendix 7) for 2025/26 be noted.
- 3.9 That the draft Commercial Strategy (Appendix 8) for 2025/26 be noted.
- 3.10 That the Asset Management Strategy (Appendix 9) for 2023/28 be noted.

4. **Reasons**

- 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 MTF5 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 2025/26 by 11 March 2025, per Section 30(6) of the Local Government Finance Act 1992. It is planned to approve the final budget and Council Tax rates on 12 February 2025.

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 & Mitigation**

- 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 £2.010m to reflect the levels of revenue risk shown in the draft budget for 2025/26. 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 2025/26 reports to Cabinet on 4 February 2025 and to Council on 12 February 2025.
- 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. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

We will make investment to diversify our income and think entrepreneurially.

One Digital Council

We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.

One Green Council

We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle.

12. Key Decision Information

12.1 Final approval of the budget setting process will be a key decision.

13. Earlier Cabinet/Committee Resolutions

13.1 Medium Term Financial Strategy 2025/26 to 2029/30 (Cabinet 10 September 2024).

13.2 Revenue and Capital Budgets 2025/26 – First Draft Savings Plans (Cabinet 3 December 2024).

14. List of Appendices

14.1 Appendix 1 – 2025/26 MTFS Funding Strategy

14.2 Appendix 2 – 2025/26 to 2028/29 MTFS ‘Gaps’

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

14.4 Appendix 4 – 2025/26 to 2027/28 Capital Programme and 2024/25 Mid-Year Estimate

14.5 Appendix 5 – Capital Strategy 2025 to 2035

14.6 Appendix 6 – Treasury Management Strategy 2025/26

14.7 Appendix 7 – Investment Strategy 2025/26

14.8 Appendix 8 – Commercial Strategy 2025/26

14.9 Appendix 9 – Asset Management Strategy 2023/2028

15. 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 – 2025/26 MTFS Funding Strategy

Ref	Service Area	Description	£000's	Detail
Income				
I1	Sustainable Environment	Trade waste	70	Introduction of recycling in respect of Trade Waste
I2	Commercial Delivery	Car Parking	91	Increased demand, pricing and permits for new car park
I3	Commercial Delivery	Leisure Memberships	28	Promotion of memberships and Skillscourt offer at Jubilee 2
I4	Commercial Delivery	Museum Donations	3	Split of donations between improvements and contribution to running costs
I5	Commercial Delivery	Direct Cremations	30	Net income following the introduction of a new fee for direct cremations
I6	Neighbourhood Delivery	Fixed Penalty Notices	5	Additional income generated from fixed penalty notices (fly tipping)
I7	Finance	Purchase Card Rebates	8	Rebates generated on credit card purchases from existing suppliers
			235	
Staffing Related Efficiencies				
S1	Commercial Delivery	Facilities/Property restructure	70	An amalgamation of the Facilities and Property functions
S2	Corporate	Vacancy factor	71	An increase in the assumed vacancy factor of posts from 3.5% to 4%
S3	Corporate	Annual leave purchase scheme	15	Scheme to enable staff to purchase additional leave
			156	
Good Housekeeping/More Efficient Processes				
G1	Commercial Delivery	Reduction in subsidy	50	An ongoing allowance in respect of subsidy to Kidsgrove Sports Centre is no longer required, suitable provision is held in reserves
G2	Commercial Delivery	Solar Panels	20	Reduction in electricity costs following installation of solar panels on Council property
G3	Information & Technology	Internet Fibre Connections	60	Installation of internet fibre connections and associated rental
G4	Information & Technology	Printing	10	Reduction in member and staff printing volumes
G5	Corporate	Parish Councils	20	Replacement of Council Tax Support Grant with demand led contributions
			160	
Alternative Sources of Finance/Other				
A1	Corporate	Tax base – Council Tax	100	Increase in tax base based on market housing supply requirement and current year tax base forecasts
A2	Corporate	Tax base – Business Rates	190	Assumed increase in tax base of 2.5%
A3	Corporate	Single Persons Discount review	30	Assumed increase in Council Tax from a Borough wide review of claimants of discounts
A4	Corporate	Empty Homes Premium	94	The impact of the change in eligibility of a premium Council Tax charge for empty homes, this was effective from 1 April 2024 (approved in February 2024)



P85	Corporate	Second Homes Premium	11	The impact of the change in eligibility of a premium Council Tax charge for second homes, this was effective from 1 April 2025 (approved in February 2024)
P86	Corporate	Council Tax increase	175	Assumed increase of 1.99% per Band D property
29	Corporate	Equipment Replacement Fund	9	Contributions will not be made until fund requires replenishment
A8	Corporate	Heritage Grants Fund	10	Contributions will not be made until fund requires replenishment
A9	Sustainable Environment	Extended Producer Responsibility funding	732	Levy paid by producers of materials collected and disposed of by Local Authorities (£932k), net of loss in recycling credits (£200k)
			1351	
Grand Total			1,902	

Appendix 2 – 2025/26 to 2029/30 MTFS ‘Gaps’



Detail	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Description
Employees:						
Increments	60	60	60	60	60	Employees due an increment
Pay awards	594	446	461	477	493	3.5% pay award assumed for 2025/26 plus £1,290 per FTE re. 2024/25, 3% thereafter
Members pay awards	8	7	8	8	8	3.5% pay award assumed for 2025/26, 3% thereafter
Superannuation increases	144	111	115	118	122	22% of increase in salaries
Superannuation lump sum	41	43	45	45	45	Net increase of lump sum pension payment
National insurance rate	120	-	-	-	-	Increase of employer rate from 13.8% to 15%
National insurance threshold	283	-	-	-	-	Change in employer threshold from £9,100 to £5,000
National Insurance	90	76	78	80	83	National insurance on increase in salaries
Premises:						
Business Rates	26	27	28	29	30	Inflationary increase in business rates (per CPI)
Utilities	127	31	33	34	35	Inflationary increase in gas and electric (per CPI), additional pressure in 2025/26 to reflect current costs
Transport:						
Fuel	11	12	12	12	13	Inflationary increase in fuel (per CPI)
Hydrotreated Vegetable Oil	8	8	8	9	9	Inflationary increase in HVO (per CPI)
Financing:						
Borrowing costs	45	136	(48)	(47)	206	Borrowing costs regarding the financing of capital
New Pressures:						
ICT software	16	10	10	10	10	ICT costs re. systems maintenance and licences
Restructuring	205	-	-	-	-	Potential additional resource requirements
Commercialisation	64	-	-	-	-	Introduction of Commercialisation post
Income:						
Fees and charges	(408)	(399)	(415)	(431)	(449)	4% increase to enable continued cost recovery
National insurance	(403)	-	-	-	-	Re. National Insurance contribution changes
Local Government Finance Settlement	380	649	-	-	-	Impact of minimum funding guarantee reduction (3% to 0%) and one off grants
Business Rates Retention reset	500	500	500	-	-	To allow for a reset of the scheme in 2027/28
Business Rates baseline funding	(109)	(129)	(131)	(133)	(136)	Inflationary increase in baseline funding level (per CPI)
Income Pressures	100	-	-	-	-	To correct income shortfalls from budget
TOTAL GAPS	1,902	1,588	764	271	529	

Appendix 3 – Risk Assessment on Required Balances/Contingency Reserve (£2.010m)

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	205,000
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	Moderate	Regular monitoring of income levels	140,000
3	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	275,000
4	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	70,000
5	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	95,000
6	Problems with staff recruitment/retention resulting in the payment of market supplements at extra cost	Additional unbudgeted costs	3 x 3	High	Subject to ongoing review	3 x 3	High	None	75,000
7	Problems with staff sickness/suspensions resulting in the needs to	Additional unbudgeted costs	3 x 3	High	Absence management procedures in place	3 x 3	High	Monitoring of sickness levels	150,000



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 £
	use agency/interim staff at extra cost								
8	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 2	Moderate	None	125,000
9	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	70,000
10	Existing commitment(s) missed out of budget	Additional unbudgeted costs	3 x 3	High	Budgets subject to checking at several levels. Preparation of standstill budget for comparison	3 x 3	High	None	75,000
11	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 3	High	None	160,000
12	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	45,000
13	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	70,000
14	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
	Insurances – unexpected increases in premiums	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances	2 x 3	Moderate	None	15,000



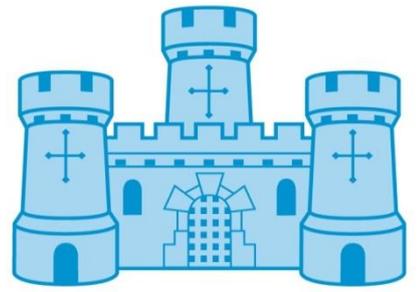
Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
	Insurances - high level of excesses to be met by Council or uninsured losses	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances. Insurance Provision established	2 x 3	Moderate	Monitor level of Insurance Provision	40,000
17	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	25,000
18	Savings built into Budget are not realised	Additional unbudgeted costs	3 x 3	High	Regular Budget Monitoring	3 x 2	Moderate	None	65,000
19	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
20	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
21	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
22	Municipal Mutual Insurance (MMI) Clawback	Additional unbudgeted costs	4 x 4	Extreme	MMI Provision	3 x 2	Moderate	Consider increasing amount of provision if necessary	25,000
23	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



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 £
24	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 2025/26 to 2027/28 Capital Programme and 2024/25 Mid-Year Estimate

CAPITAL PROGRAMME	2024/25 MID YEAR	2025/26	2026/27	2027/28	TOTAL 2025/26 to 2027/28
	£	£	£	£	£
PRIORITY – One Council Delivering for Local People					
Service Area - Council Modernisation	1,967,318	434,000	336,000	80,000	850,000
Total	1,967,318	434,000	336,000	80,000	850,000
PRIORITY – A Successful and Sustainable Growing Borough					
Service Area - Housing Improvements	1,984,832	1,670,000	1,670,000	1,595,000	4,935,000
Service Area - Managing Property & Assets	12,168,633	15,843,846	39,125,982	20,495,475	75,465,303
Total	14,153,465	17,513,846	40,795,982	22,090,475	80,400,303
PRIORITY – Healthy, Active and Safe Communities					
Service Area - Environmental Health	72,000	-	-	-	-
Service Area - Streetscene and Bereavement Services	844,705	250,000	160,000	135,000	545,000
Service Area - Recycling and Fleet	2,046,150	3,169,500	6,003,100	1,222,514	10,395,114
Service Area – Leisure and Cultural	192,000	150,000	-	-	150,000
Service Area - Engineering	385,000	120,000	50,000	-	170,000
Total	3,539,855	3,689,500	6,213,100	1,357,514	11,260,114
PRIORITY – Town Centres for All					
Future High Streets Fund	2,441,925	-	-	-	-
Town Deals – Newcastle	19,828,498	807,000	-	-	807,000
Town Deals - Kidsgrove	8,415,328	1,236,000	-	-	1,236,000
Total	30,685,751	2,043,000	-	-	2,043,000
CONTINGENCY (will be carried forward to 2025/26)	948,980	51,020	-	-	51,020
TOTAL	51,295,369	23,731,366	47,345,082	23,527,989	94,604,437
FUNDING					
Capital Receipts	3,786,000	4,150,000	50,787,087	34,350,000	89,287,087
External Contributions	32,960,583	3,543,000	1,500,000	1,500,000	6,543,000
Borrowing	14,548,786	16,038,366	(4,942,005)	(12,322,011)	(1,225,650)
TOTAL	51,295,369	15,641,888	8,907,995	8,907,995	94,604,437



**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

Capital Strategy

2025 to 2035



Contents

Introduction	3
Key Objectives and Priorities	4
Factors Influencing the Capital Programme	5
Links with Other Strategies, Policies and Plans	5
External Influences, Partners and Consultation with Other Interested Parties	6
Resources Available to Finance Capital Investment	7
Revenue Implications	8
Appraisal and Prioritisation of Investment Proposals	9
Monitoring Arrangements and Project Management	9
Statutory Framework	10
Legal and Regulatory Requirements	10
Prudential Indicators	11
Procurement	12
Future Capital Programme	12
Annex A – Definition of Capital Expenditure included in the Code of Practice on Local Authority Accounting in the United Kingdom	14
Annex B – 2025/26 to 2034/35 Capital Programme	15
Annex C – Prudential Indicators	16

Introduction

The purpose of the Capital Strategy is to set out how the Council proposes to deploy its capital resources to assist it to achieve its corporate and service objectives. It considers 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.

A mid-year review of the Capital Programme for 2024/25 has been undertaken as part of the Efficiency Board and budget setting process to identify any projects that may need to be re-profiled from 2024/25 into future years. This was approved by Cabinet on 3 December 2024.

The revised 2024/25 Capital Programme totals £51.295m which includes £32.551m for schemes funded by external sources (£28.244m Town Deals, £2.442m Future High Streets and £1.865m 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	1.967
A Successful and Sustainable Growing Borough	14.153
Healthy, Active and Safe Communities	3.540
Capital Contingency	0.949
Town Centres for all	30.686
Total	51.295

Full Council will consider a capital programme to continue investment beyond 2024/25 on 12 February 2025.

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. 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	
Asset Management Strategy	Service and Financial Plans
Economic Development Strategy	Procurement Strategy
Investment Strategy	Housing Strategy
Medium Term Financial Strategy	Customer Service and Access Strategy
Flexible Use of Capital Receipts Strategy	Treasury Management Strategy

An important link is to the Asset Management Strategy 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 Asset Management Strategy 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.

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 several 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 table 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 several 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. 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 influences investment income receipts and hence the General Fund Revenue Account. At an investment interest rate of around 4.7%, every £100,000 of such capital receipts or reserve balances used will cost £4,700 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, Future High Streets Fund and Disabled Facilities Grants. These may include property developers, central government and government agencies, funding bodies such as the National Lottery, the Football Foundation, the Lawn Tennis Association and partner organisations that may join with the Council to bring forward projects of mutual benefit.

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 influences 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/year for every £100,000 borrowed.

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

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

The 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.

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 after 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

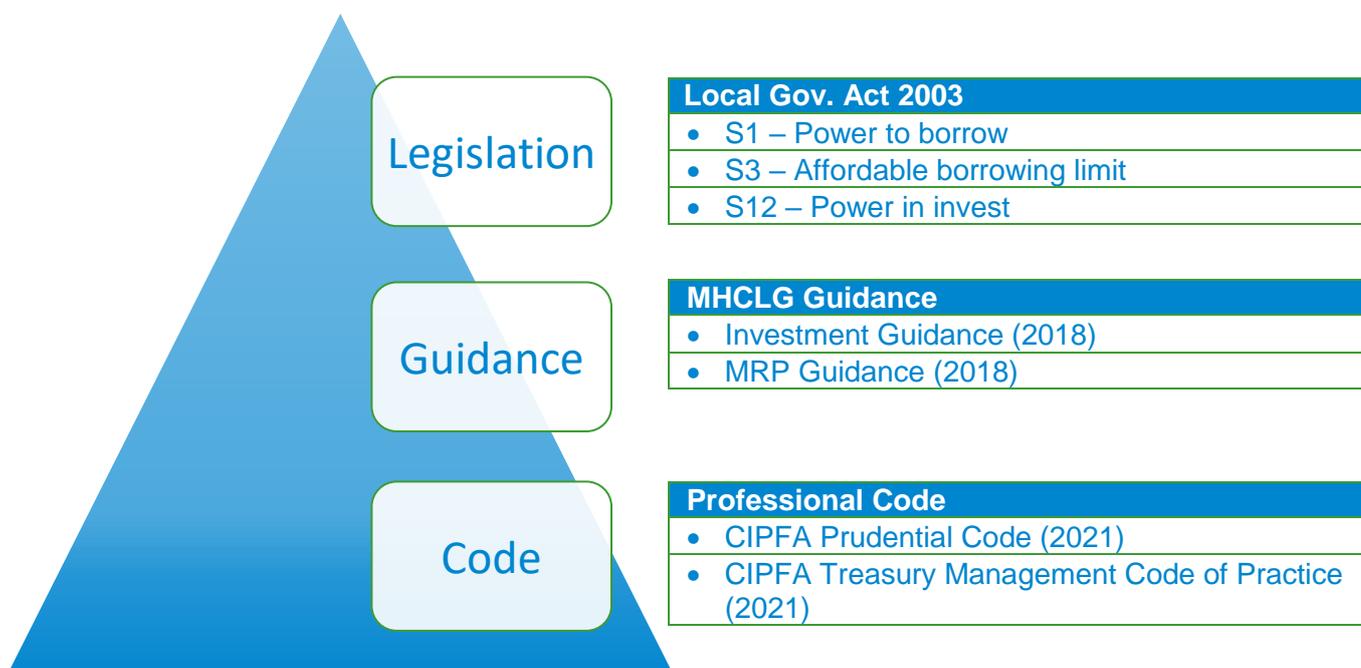
The Council's capital investment is carried out within the statutory framework laid down by the Local Government Act 2003 and regulations under that Act. Accordingly, only expenditure which fits the definition of capital expenditure contained in the Act or Regulations pursuant to it will be capitalised.

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.

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

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. 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 (2025/26 to 2034/35) and are set out in Annex B.

During this period, there will be a need for some items of capital investment to be made 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, and 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; and
- To enable agreed actions in relation to approved policies and strategies to be progressed and to meet other Council commitments.

Over the period 2025/26 to 2034/35 it is estimated that this expenditure will total £131.343m. There will be insufficient capital receipts arising from planned sales to meet all the costs of the investment programme.

The Capital Programme will require to be financed by borrowing, primarily for cash flow purposes, whilst assets are procured and constructed, after which time significant capital receipts are expected. The associated borrowing costs have been factored into the Medium Term Financial Strategy (MTFS). The Capital Financing Requirement is set to increase to £23.585m by 2027/28 based on the 3-year Capital Programme for 2025/26 to 2027/28, the Capital Financing Requirement at 31 March 2024 (£10.262m) and the Capital Financing Requirement for capital expenditure during the current financial year and the financial years 2025/26 to 2027/28 (£13.323m).

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 £10.110M over 10 years, with the costs in each year 2025/26 to 2034/35 being as shown below:

Year	Total £m	Year	Total £m
2025/26	0.616	2030/31	1.190
2026/27	0.735	2031/32	1.303
2027/28	0.631	2032/33	1.417
2028/29	0.563	2033/34	1.442
2029/30	0.747	2034/35	1.467
		Total	10.111

A capital programme for 2025/26 to 2027/28 totalling £94.604M will be recommended to Full Council on 12 February 2025, 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 the above funding sources are likely to be limited so the programme only includes affordable projects.

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 – 2025/26 to 2034/35 Capital Programme

CAPITAL PROGRAMME	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
PRIORITY - One Council Delivering for Local People											
Neighbourhood Delivery	30,000	5,000	5,000	5,000	25,000	5,000	5,000	5,000	5,000	5,000	95,000
ICT	404,000	331,000	75,000	346,000	431,000	121,000	31,000	31,000	31,000	31,000	1,832,000
Total	434,000	336,000	80,000	351,000	456,000	126,000	36,000	36,000	36,000	36,000	1,927,000
PRIORITY - A Successful and Sustainable Growing Borough											
Housing	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	1,595,000	16,100,000
Property	149,532	272,791	-	277,510	-	7,280	-	-	-	-	707,113
Facilities Management	694,314	416,104	495,475	188,543	310,000	694,742	172,500	172,500	150,000	150,000	3,444,178
Commercial Strategy	15,000,000	38,437,087	20,000,000	-	-	-	-	-	-	-	73,437,087
Total	17,513,846	40,795,982	22,090,475	2,061,053	1,905,000	2,297,022	1,767,500	1,767,500	1,745,000	1,745,000	93,688,378
PRIORITY - Healthy, Active and Safe Communities											
Environmental Health	-	-	-	-	12,000	-	-	-	-	-	12,000
Streetscene	240,000	130,000	130,000	130,000	130,000	155,000	130,000	130,000	130,000	130,000	1,435,000
Bereavement Services	10,000	30,000	5,000	5,000	10,000	1,530,000	5,000	5,000	5,000	5,000	1,610,000
Recycling and Fleet Services	3,169,500	6,003,100	1,222,514	1,798,411	3,630,561	7,691,724	2,623,039	2,623,039	700,000	700,000	30,161,888
Leisure	150,000	-	-	-	-	-	-	-	-	-	150,000
Engineering Works	120,000	50,000	-	-	-	95,000	-	-	-	-	265,000
Total	3,689,500	6,213,100	1,357,514	1,933,411	3,782,561	9,471,724	2,758,039	2,758,039	835,000	835,000	33,633,888
PRIORITY - Town Centres for All											
Town Deal - Newcastle	807,000	-	-	-	-	-	-	-	-	-	807,000
Town Deal - Kidsgrove	1,236,000	-	-	-	-	-	-	-	-	-	1,236,000
Total	2,043,000	-	-	-	-	-	-	-	-	-	2,043,000
CONTINGENCY											
£1m to be carried forward from 2024/25	51,020	-	-	-	-	-	-	-	-	-	-
TOTAL	23,731,366	47,345,082	23,527,989	4,345,464	6,143,561	11,894,746	4,561,539	4,561,539	2,616,000	2,616,000	131,343,286
FUNDING											
Capital Receipts	4,150,000	50,787,087	34,350,000	4,350,000	550,000	550,000	550,000	550,000	550,000	550,000	96,937,087
External Contributions	3,543,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	17,043,000
Borrowing/Leasing	16,038,366	-4,942,005	-12,322,011	-1,504,536	4,093,561	9,844,746	2,511,539	2,511,539	566,000	566,000	17,363,199
TOTAL	23,731,366	47,345,082	23,527,989	4,345,464	6,143,561	11,894,746	4,561,539	4,561,539	2,616,000	2,616,000	131,343,286

Annex C – Prudential Indicators

Capital Prudential Indicators

Actual and Estimate of Capital Expenditure

31/03/24 Actual (£000's)	31/03/25 Estimate (£000's)	31/03/26 Estimate (£000's)	31/03/27 Estimate (£000's)	31/03/28 Estimate (£000's)
11,630	36,747	7,693	52,287	35,850

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:

31/03/24 Actual (£000's)	31/03/25 Estimate (£000's)	31/03/26 Estimate (£000's)	31/03/27 Estimate (£000's)	31/03/28 Estimate (£000's)
10,262	22,810	23,849	25,907	23,585

The amounts shown above from 2024/25 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.

Gross Debt and the Capital Financing Requirement

The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheaper short-term loans and long-term fixed rate loans where the future cost is known but higher.

The Council does not borrow to invest for the primary purpose of financial return and therefore retains full access to the Public Works Loans Board.

Projected levels of the Council's total outstanding debt, are shown below, compared with the capital financing requirement (see above):

	2023/24 Actual (£000's)	2024/25 Budget (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)
Debt (incl. PFI & leases)	695	13,243	14,282	16,340	14,018
Capital Financing Requirement	10,262	22,810	23,849	25,907	23,585

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from the table above, the Council expects to comply with this in the medium term.

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, and 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:

	2023/24 Actual (£000's)	2024/25 Budget (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)
Net Revenue Stream	16,684	17,046	17,046	17,046	17,046
Financing Costs	(1,103)	680	884	1,021	972
Ratio	(6.54%)	3.99%	5.19%	5.99%	5.70%

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	2024/25 Estimate (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)
Borrowing	55,000	80,000	125,000	150,000
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	2024/25 Estimate (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)
Debt	75,000	100,000	145,000	170,000
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
2024/25	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

2025/26



Contents

Introduction	3
Economic Situation	3
Borrowing Strategy	5
Treasury Investment Strategy	6
Treasury Management Prudential Indicators	10
Related Matters	11
Financial Implications	12
Other Options Considered	12
Annex A – Arlingclose Economic & Interest Rate Forecast November 2024	13
Annex B – Existing Investment & Debt Portfolio Position	15
Annex C – Minimum Revenue Provision Policy	16
Annex D – Treasury Management Glossary of Terms	18

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 UK's economy will be influenced by several factors in the coming years, including the government's Autumn Budget, slower cuts to interest rates, weaker growth, and uncertainties related to President-elect Trump's policies. In November 2024, the Bank of England (BoE) reduced interest rates to 4.75%, with expectations that they may lower rates further. However, UK growth is expected to slow after a small improvement in 2025. Inflation decreased in 2024 but is expected to rise again to around 2.75% in mid-2025 before stabilizing at the BoE's target of 2%.

The labour market is improving slowly, with unemployment at 4% in August 2024, but it may rise slightly in the future. Pay growth is positive, with regular earnings growing by 4.9%. In the US, the Federal Reserve is also cutting interest rates, but inflation remains high, so further cuts may happen more slowly. The Eurozone has seen inflation drop, allowing for further interest rate cuts there as well.

Credit outlook: Regarding credit risk, the financial market has been more stable in 2024, with fewer loan defaults than expected despite higher interest rates. UK banks remain strong, and any changes to US financial regulations under Trump are unlikely to affect UK banks' creditworthiness.

Interest rate forecast (November 2024): Looking ahead, the Bank of England is expected to continue lowering interest rates, reaching around 3.75% by the end of 2025/26. Long-term bond yields are expected to stay stable but slightly lower, with some short-term volatility due to global uncertainties.

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

Local Context

On 13th December 2024, the Council held no borrowing and £19.61 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	31/03/2024 Actual £m	31/03/2025 Forecast £m	31/03/2026 Forecast £m	31/03/2027 Forecast £m	31/03/2028 Forecast £m
General Fund CFR	10.3	22.8	23.8	25.9	23.6
Less: Existing external borrowing	0.0	0.0	(12.5)	(13.5)	(15.6)
Less: Usable reserves	(5.2)	(5.8)	(5.8)	(5.8)	(5.8)
Less: Working capital	(24.9)	(4.5)	(4.5)	(4.5)	(4.5)
(New Investments or Cash)/ New external borrowing	(19.8)	12.5	1.0	2.1	(2.3)

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.

The Council has an increasing CFR due to the capital programme 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 2025/26.

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	31/03/2024 Actual £m	31/03/2025 Forecast £m	31/03/2026 Forecast £m	31/03/2027 Forecast £m	31/03/2028 Forecast £m
General Fund CFR	10.3	22.8	23.8	25.9	23.6
Less: Balance sheet resources	(30.1)	(10.3)	(22.8)	(23.8)	(25.9)
Net loans requirement	(19.8)	12.5	1.0	2.1	(2.3)
Plus: Liquidity Allowance	-	1.0	1.0	1.0	1.0
Liquidity benchmark	(19.8)	13.5	2.0	3.1	(1.3)

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 in 2025/26, having undertaken borrowing towards the backend of the current year. 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. Short-term interest rates are currently higher than in the recent past but are expected to fall in the coming year and it is therefore likely to be more cost effective over the medium-term to either use internal resources, or to borrow short-term loans instead. The risks of this approach will be managed by keeping the Council's interest rate exposure within the limit set in the treasury management prudential indicators.

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 2025/26 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);
- National Wealth Fund (Formerly 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;
- retail investors via a regulated peer-to-peer platform 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 £9.3 million and £36.9 million. The highest figure of £36.9 million was invested in December 2023, 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.

UK Government: Sterling-denominated investments with or explicitly guaranteed by the UK Government, including the Debt Management Account Deposit Facility, treasury bills and gilts. These are deemed to be zero credit risk due to the government's ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Local authorities and other government agencies: Loans to, and bonds and bills issued or guaranteed by, other 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.

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, secured deposits 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, including exchange traded 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 can either be withdrawn after a notice period or sold on an exchange, 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 unsecured loans to companies and universities. 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 £7,000,000 per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

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

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

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

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

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
Investments 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	(£137,000)
Upper limit on one-year revenue impact of a 1% fall in interest rates	£137,000

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 opted up to professional client status with its providers of financial services, including advisers and banks, allowing it access to a greater range of services but without 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.

Financial Implications

The budget for investment income in 2025/26 is nil. The revenue budget for debt interest paid in 2025/26 is £615,700. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

Interest in respect of capital expenditure on major projects which the Council is funding ahead of a sale to the developer undertaking the project will be capitalised and recouped as part of the sale price. This interest will not impact upon the revenue account and will be separately identified for each of these projects.

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 2024

Underlying assumptions:

- As expected, the Bank of England Monetary Policy Committee (MPC) cut the Bank Rate to 4.75% in November in an 8-1 vote. However, the outlook for monetary policy has changed following the new government's fiscal plans, as delivered in the recent Budget.
- The Budget contained measures that will boost demand, in a constrained supply environment, while pushing up direct costs for employers. The short to medium-term inflationary effects of the Budget require a change to our Interest Rate Forecast.
- UK GDP recovered well in the first half of 2024 from technical recession, but underlying growth appears relatively subdued. However, the Budget will significantly boost government spending over the short-term, with few offsetting measures to subdue household demand, so GDP growth is likely to rise relatively steeply.
- Private sector wage growth has eased to 4.8% yet remains high, while services inflation continues to hold above pre-pandemic levels. The increase in employers' National Insurance Contribution's, minimum and public sector wage levels could have wide ranging impacts on private sector employment demand and costs, but the near-term impact will likely be inflationary as these additional costs get passed to consumers.
- CPI inflation was below the 2% target in September but will rise a little by year-end as energy price declines from the previous year fall out of the annual comparison. The Bank of England (BoE) estimates the Budget impact will see the CPI rate at 2.7% by year end 2025 and remain over target in 2026, as opposed to the prior projection of inflation easing back to and then below target by this point.
- The MPC re-emphasised the gradual move to easing monetary policy, and we now believe the Budget measures have both reduced the pace of Bank Rate cuts and increased the level to which the interest rate will fall (although downside risks remain in the medium term).
- The increase in borrowing, rise in inflation and shallower path for the Bank Rate projected by the Office for Budget Responsibility (OBR) raised gilt yields. The material change in rate expectations means that yields will be generally higher in the post-Budget world.
- US government yields have risen following Donald Trump's and Republican victories in the US elections. Trump has run on a platform of policies that appear inflationary, calling into question the extent of policy loosening required from the Federal Reserve. Higher US yields could also support higher UK yields.

Forecast:

- In line with our forecast, the Bank Rate was cut to 4.75% in November 2024.
- The MPC will continue to lower the Bank Rate to reduce the restrictiveness of monetary policy, but more slowly and to a higher level. We see another rate cut in February 2025, followed by one cut per quarter, in line with Monetary Policy Report publication, to a low of 3.75%.
- Long-term gilt yields have risen to reflect both UK and US economic, monetary and fiscal policy expectations, and increases in bond supply. Volatility is likely to remain elevated as the market digests incoming data for clues around the impact of policy changes.
- This uncertainty may also necessitate more frequent changes to our forecast than has been the case recently.
- Upside risks to inflation over the next 12 months could limit the extent of monetary easing, but we see the risks as broadly balanced over the medium term.

	Current	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27
Official Bank Rate													
<i>Upside risk</i>	0.00	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Arlingclose Central Case	4.75	4.75	4.50	4.25	4.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
<i>Downside risk</i>	0.00	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
3-mth money market rate													
<i>Upside risk</i>	0.00	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Arlingclose Central Case	4.95	4.80	4.60	4.35	4.10	3.90	3.85	3.85	3.85	3.85	3.85	3.85	3.85
<i>Downside risk</i>	0.00	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
5-yr gilt yield													
<i>Upside risk</i>	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	4.30	4.20	4.10	4.05	3.95	3.90	3.90	3.90	3.95	4.00	4.05	4.05	4.05
<i>Downside risk</i>	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65
10-yr gilt yield													
<i>Upside risk</i>	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	4.41	4.40	4.35	4.35	4.35	4.30	4.30	4.30	4.35	4.35	4.35	4.35	4.35
<i>Downside risk</i>	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65
20-yr gilt yield													
<i>Upside risk</i>	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	4.84	4.80	4.75	4.70	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65
<i>Downside risk</i>	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65
50-yr gilt yield													
<i>Upside risk</i>	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	4.35	4.50	4.45	4.40	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35
<i>Downside risk</i>	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65

PWLB Standard Rate = Gilt yield + 1.00%
PWLB Certainty Rate = Gilt yield + 0.80%
PWLB HRA Rate = Gilt yield + 0.40%
National Wealth Fund (NWF) Rate = Gilt yield + 0.40%

Annex B – Existing Investment & Debt Portfolio Position

	13/12/2024 Actual Portfolio £m	13/12/2024 Average Rate %
<i>Treasury investments:</i>		
Banks & building societies (unsecured)	0.86	3.00
Government (incl. local authorities)	16.75	4.70
Money Market Funds	2.0	4.74
Total treasury investments	19.61	
Total external borrowing	0.0	
Net investments	19.61	

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.

Investment Strategy

2025/26



Contents

Introduction	3
Treasury Management Investments	3
Service Investments: Loans	4
Service Investments: Shares	5
Commercial Investments: Property	6
Loan Commitments and Financial Guarantees	7
Proportionality	7
Borrowing in Advance of Need	8
Capacity, Skills and Culture	8
Investment Indicators	9

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 2021 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 £10m during the 2025/26 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 2025/26 for treasury management investments are covered in a separate document, the Treasury Management Strategy.

Service Investments: Loans

Contribution: During 2023/24 and 2024/25 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	31/03/2024 Actual			2025/26
	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	31/03/2024 actual			2025/26
	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 2024 is £13.505m.

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 £2.007m 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 (2021) 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

	2021/22 Actual (£000's)	2022/23 Actual (£000's)	2023/24 Actual (£000's)	2024/25 Estimate (£000's)
Commercial Properties				
Gross Income	864	1,053	1,040	982
Gross Expenditure - Excluding Capital Charges	(837)	(1,027)	(1,119)	(1,028)
Net Income / (Expenditure)	27	26	(79)	(46)
Net Service Expenditure (Whole Council)	(7,641)	(7,911)	(8,162)	(8,465)
Ratio of Net Income to Net Service Expenditure	0.35%	0.33%	(0.97%)	(0.54%)

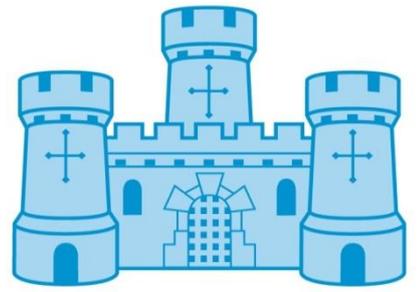
Gross and Net Income - Over Period of Approved Medium Term Financial Strategy 2025/26 to 2029/30 (Based on 2% increase on 2024/25 less agency costs)

	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)	2028/29 Estimate (£000's)	2029/30 Estimate (£000's)
Gross Income	1,002	1,022	1,042	1,063	1,084
Gross Expenditure	(963)	(982)	(1,002)	(1,022)	(1,042)
Net Income	39	40	40	41	42

Vacancy Levels

2021/22 Actual (%)	2022/23 Actual (%)	2023/24 Actual (%)	2024/25 Actual at Q2 (%)
10.2	9.4	8.8	7.5

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**NEWCASTLE
UNDER LYME**
BOROUGH COUNCIL

Commercial Strategy

2025 to 2026



Contents

Introduction	3
Key objectives and priorities	3
Vision	3
Strategy outcomes	4
What 'commercial' means to us?	4
Benefits	5
Objectives	6
Culture	6
Developing the programme and our priorities	6
How will we realise our strategic outcomes?	7
How will we make this happen?	8
How does the strategy support our organisational goals?	8
What is the governance structure?	9
How will risks be measured?	9
What are the tools and structures we will use?	9
How will we fund and resource the journey?	9

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
- Commercial One Council co-ordinates the delivery of services to maximise income generation and achieve best value.

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 MTFS.
- 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
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
One Commercial Council	Delivery of digital screen including a small proportion of time dedicated to advertising	Advertising to pay for the running costs of the screen and therefore supporting cultural events and community messaging in Newcastle town centre

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, including advertising

- Effective and proportionate risk management
- Robust strategic and operational planning
- Access to government grants and other funding
- Invest to save

ASSET MANAGEMENT STRATEGY

2023 - 2028



NEWCASTLE
UNDER LYME
BOROUGH COUNCIL

Contents

1	Foreword and Mission Statement
2	Background and Context
3	Core Strategic Objectives
4	Approach
5	Governance
6	The Current Estate
7	Key Objectives and Priorities
8	Consultation and Engagement
9	Operational and Non-Operational Portfolio Strategy Vision
10	Arrears / Tenant Debt Policy
11	Acquisition and Disposal Policy
12	Planned Capital Works and Projects
13	Asset Disposals
14	Other Projects
15	Government Funding
16	Completed Projects
17	Completed Significant Land Disposals
18	The Market
19	Community Centres
20	Further Reading and Associated Publications

1. Foreword

The Council's Capital Strategy and Asset Management Strategy are key strategies that establish the Council's approach to its use of resources. The Asset Management Strategy provides a clear framework for understanding the value and condition of property owned by the Council so that, in turn, investment decisions can be taken to optimise the Council's asset portfolio to meet the needs of the Borough's residents, businesses and visitors. As we move into the future with a new set of challenges and priorities, we have had to tailor the Asset Strategy in such a way as to meet those challenges head on, whilst taking other Council-wide strategies into consideration. This Strategy builds on the previous Asset Management Strategy.

By having an Asset Management Plan as part of this Asset Management Strategy for 2023 to 2028 the Council is well placed to ensure we are able to adapt to the changing market and deliver our corporate priorities.

Cllr Stephen Sweeney

Deputy Leader of the Council and Portfolio Holder - Finance, Town Centres and Growth

MISSION STATEMENT

“Our mission is to establish an Asset Management Strategy that reduces ongoing expenditure, increases investment income and renews and grows the Council’s asset portfolio so that we can provide the highest attainable standard of buildings and facilities for the people of Newcastle-under-Lyme.”

2. Background

- 2.1 The Borough of Newcastle-under-Lyme is part of the conurbation of North Staffordshire. It is the most populated district in Staffordshire with a population of around 125,000 and has an area of 81 square miles. The two main towns within the Borough are Newcastle-under-Lyme and Kidsgrove, and there is an extensive rural area to the west/south-west of the urban area.
- 2.2 The industrial base of the Borough has changed significantly in the last century, with the closure of local coal mines and the development of the distribution sector. Service industries are the largest employers in the area, with the number of people employed in water, energy and construction industries being higher than average. The presence of Keele University with the growing number of hi-tech, research and medical technology businesses in its Science and Innovation Park, along with the medical school demonstrates the potential for added value growth of the area.
- 2.3 Newcastle town centre is recognised as being one of two strategically important centres in the North Staffordshire conurbation, with further growth predicated upon its good connections to major transport routes.
- 2.4 There continues to be ongoing reductions in funding provided to local authorities, government, and its agencies, arising from the need to restrain public expenditure to rebalance public finances following the global economic recession that began with the banking crisis in 2008 and more recent increase in inflation. Services remain under pressure to reduce costs and to keep fixed outgoings such as property related costs under review. Some specific funds have however been made available recently including the 'Town Deal', 'Future High Street Fund and the Shared Prosperity Fund and it is key that those funding sources are spent on the right projects.

2.5 At the same time, the Council's own resources available to finance capital projects are limited and income is key to further delivery of the capital programme. The Council continues to require receipts from land and property disposals to fund future capital programmes.

2.6 In 2020, Cushman and Wakefield Surveyors were commissioned to carry out an independent Investment Property Portfolio Review. A detailed statement of the Council's current property portfolio is detailed within this and some of the key findings and recommendations from that review has assisted in developing the Asset Vision and will drive much of the Asset Management Strategy between 2023 and 2028. The Cushman and Wakefield Report as referred to at Section 18 below is available upon request.

3. Core Strategic Objectives

3.1 The core strategic objectives for asset management are designed to support the Council's vision and priorities. They are:

- To ensure that the Council's asset portfolio supports the delivery of its services and objectives.
- To maximise income through the asset portfolio in line with the One Council Commercial Strategy.
- To maximise the Council's assets to deliver corporate objectives such as major regeneration programmes.
- To ensure that all assets are demonstrably managed in the most economic, efficient, and effective manner.

3.2 In achieving these objectives the principles to be followed are that all operational assets must be:

- In the right location to allow customers to access the service and any other related services of partners, in suitable condition to enable staff to deliver services in a comfortable environment for both staff and customers without interruption.
- Suitable and sufficient for the purpose for which they are being used in terms of size, type, and layout of accommodation – including accessible to people with disabilities.
- Flexible to the extent that they can be adapted economically to adjust to changing services' needs, including sharing with partners in service delivery.

- Able to demonstrate 'Best Value' in terms of a balance between efficiency in operational running costs and long-term sustainability.
- Able to convey a positive image of the Council and the service being provided and able to contribute positively to the immediate environment, particularly where there is a need for physical regeneration of the locality.
- Good examples of sustainable development if new or extensively refurbished.
- Maintained in such a way so as to minimise reactive maintenance by improving planned maintenance arrangements; and managed to mitigate their impact on and the effect of climate change.

3.3 All non-operational assets must be:

- Able to make the maximum contribution to service revenue budgets in terms of rental income; or
- Able to make a positive contribution to the social wellbeing of the community either through its presence as a heritage asset or through use by others such as voluntary groups, charity organisations or small businesses; or
- Retained for reasons of strategic importance, such as to influence the physical economic regeneration of the Borough.
- Please note that some non-operational assets are subsidised to assist new start-ups.

3.4 In order to deliver a sound, well planned asset management strategy, the Council must first analyse the current position against our vision, then set key priorities for the overall assets portfolio and for individual assets. Where there are key priorities for specific assets the Council needs to evaluate funding opportunities and timescales. When proceeding with asset purchases, sales or long term leases there needs to be clear policies, procedures and processes that will ensure the successful delivery of the overall Strategy.

3.5 The Council has ambitious plans over the forthcoming years and this strategy seeks to support these. Whenever possible the Council will seek to maximise outcomes with external funding stream and working with the best partners. Timescales for individual asset management decisions will be made taking a whole range of issues into account. This Asset Strategy has been drafted in accordance with and supportive of the one Council Commercial Strategy.

4. Approach

4.1 As the wider landscape within the Council's asset portfolio is constantly changing and evolving and as many factors are outside of the Council's control, the general approach that has been adopted, is to:

- Establish the asset portfolio in two groups [operational and non-operational estates]
- Carry out an updated assessment of the two groups /estates (following the Cushman and Wakefield Report's headings [see Annex A])
- Establish what funding streams and capital reserves are available / allocable
- Review already planned capital works and other projects
- Establish what can and should be done to the assets in each asset class (operational and non-operational) to find savings and improve efficiency.

4.2 It is important to note that the Asset Management Strategy will be ever evolving as new challenges and objectives are revealed and as new funding sources become available.

4.3 It is paramount that any strategic objectives are fulfilled and delivered within governance rules and guidelines set out by central government, the constitution, property law and are reflective of the various other strategies across the Council.

This Strategy along with the Council's Capital Strategy seeks to demonstrate alignment with, and delivery of, the Council's ambitions as set out in the Council Plan 2022-26 and is also aligned with:

- The Financial Strategy
- The Digital Agenda
- The Carbon Management Plan
- The Council's Constitution
- Local Plan including Open Space and Green Infrastructure Strategy
- Playing Pitch Strategy

The Carbon Net Zero Roadmap

4.3b The Council is leading Newcastle-Under-Lyme to a sustainable and carbon net zero future. The Council is working with partners in the private, public and educational sectors to create an energy efficient environment in Newcastle-under-Lyme. This should ensure that the Borough remains a preferred place in which to live, work and invest.

The Council's Carbon Net Zero Roadmap represents a further step in the journey to become a carbon net zero council. The Council has made a good start in their contribution to the Council's reduction in energy use over the past year.

The Council are working with the Carbon Net Zero Roadmap to reduce its carbon footprint as well as the carbon footprint of the Borough (by 2050) as whole, which includes our homes, businesses and public spaces. The Council are introducing energy saving measures in properties, for example the council now collect food waste to be converted into energy through anaerobic digestion. The Carbon Net Zero Roadmap is still being finalised however we are beginning to take action now to reduce and cut the emissions we produce directly and indirectly. The Roadmap alongside other strategies and information about sustainability and climate can be found on our Sustainability and the Environment webpages which will be published soon on our website.

4.3c Our approach to more efficient and carbon net zero buildings:

Newcastle-under-Lyme Borough Council is currently consulting and reviewing the energy use and consumption of its built estate. The buildings the Council owns contribute to a vast amount of emissions that we release into the atmosphere, contributing to climate change. In our soon to be released Carbon Net Zero Roadmap we will be initiating multiple projects to decarbonise our owned facilities such as J2, Knutton Lane Depot and Kidsgrove Town Hall. Our goal is to become fully carbon net zero by 2030 within the Council's built estate by developing renewable energy projects for electricity and heating, upgrading the fabric specifications (insulation) of our buildings, embedding biodiversity net gain in all our developments, facilitating sustainable behaviour campaigns and upgrading our buildings ventilation, lighting and the controls that regulate it sustainably. Our goal for 2030 within the built estate is also accompanied by our wider goal to become a net zero Borough by 2050, aligning ourselves with the UK Governments initiatives.

5. Governance

5.1 Legal and Constitutional Context

- a. The Council has a duty, both fiduciary and operationally, to utilise its Assets for the benefit of the community.
- b. The Local Government Act 1972 (as amended) – Section 123 - the Council has a duty to achieve best consideration when disposing of its assets.

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

5.2 The National Context – Government Policy

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

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

Statutory Responsibilities

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

- The legislative framework in respect of buildings
- A range of health and safety legislation, EEC requirements. HSE best practice and guidance notes, Industry standards and Insurance requirements.
- Carbon reduction and energy efficiency legislation and requirements.
- Equality Act 2010. This does not simply encompass accessibility considerations and should be taken into account in virtually all development and maintenance work which is carried out to ensure that every possible aspect of disability has been considered when implementing work.
- Management of the risks associated with property assets including regular maintenance and servicing to address matters such as:
 - i) Legionella – A managed programme of water testing and preventative measures are carried out including weekly flushing

regimes, monthly temperature tests, bi-annual bacteria testing and, as required, physical system cleansing. A robust legionella policy is in place for the council as required by law.

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

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

6. The Current Estate

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

Operational assets

6.2 In broad terms this is property that is held, occupied, used, or contracted to be used on behalf of the authority in the direct delivery of services for which it has a responsibility, whether statutory or discretionary or for the service of strategic objectives of the authority. This includes 'Community Assets' which are delivering wider benefits of the community and the wider Council objectives.

6.3 This category includes (not exhaustive list):

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

Non-Operational Assets

6.4 These property assets are those held by the Council but not directly occupied, used, or concerned in the delivery of services, although they are likely to align with the authority's strategic objectives. Examples in this category (list not exhaustive) mainly related to

commercial land and property, leased/rented to other parties, and generating income which include:

- Town Centre Retail Premises
- Industrial Units
- Offices
- Ground Leases
- Market
- Town Centre Car Parks (fee paying)

7. Key Objectives and Priorities

a. Asset Management Priorities

- Lease Renewals / Rent Reviews Backlog. As with most local authorities across the country, there is a percentage of the non-operational portfolio where leases are holding over and need to be reviewed and renewed and there are also a number of lease renewals outstanding. Many lease renewals will have been purposely left alone, to avoid tenants requesting re-gears where the rent is inevitably reduced. It is in a landlord's best interest therefore to get the timing right on when to press the tenant on rent reviews (subject to lease terms).
- There is an aspiration (subject to funding) to introduce regular building condition surveys on operational buildings on a rolling basis. The condition, sufficiency and suitability of the estate, and the associated performance measures are essential in enabling strategic decision making. This is a continual assessment process, and will inform budget setting facilitating improved service delivery, energy efficiency, and compliance with statutory requirements.
- Greater emphasis will be placed on rationalisation, refurbishment and re-use of the portfolio to deliver efficiency savings.

b. Regular Performance Analysis and Management

- The Council should re-assess processes to maximise revenue opportunities, particularly in relation to asset management.
- There is a requirement to review all non-operational assets and the processes involved in managing investment assets and maintaining operational assets.

- Disposal of none or low income generating properties could deliver capital receipts for reinvestment in the Capital programme.
- Consideration must be given to under-utilised and unsuitable operational assets to determine opportunities for re-use, investment, regeneration or disposal. For example, the Council currently owns a number of small and outdated unused buildings such as public conveniences across the borough and consideration needs to be given on what should happen to these assets.

8. Consultation & Engagement

8.1 The Council constantly consults residents and key stakeholders on a wide range of issues. The aim being to become more accountable to our customers and to make our decision making processes more transparent. Communication on the challenges both in terms of policy and service delivery and finance is something that the Council is striving to deliver.

Consultation Arrangements on Future Disposals

8.3 The primary purpose of the consultation on potential freehold land disposals is to identify any physical, technical or other constraints that might affect the scope/opportunity for alternative use or development being pursued. The outcome of such consultation exercises, taken together with desktop technical assessments, allows the Council as a landowner to consider the latter approach. Importantly it is considered that the Town Planning processes (Local Plan and Planning Applications) should consider the appropriateness of land or property being developed or used for alternative purposes rather than the Council as landowner making potentially subjective judgements.

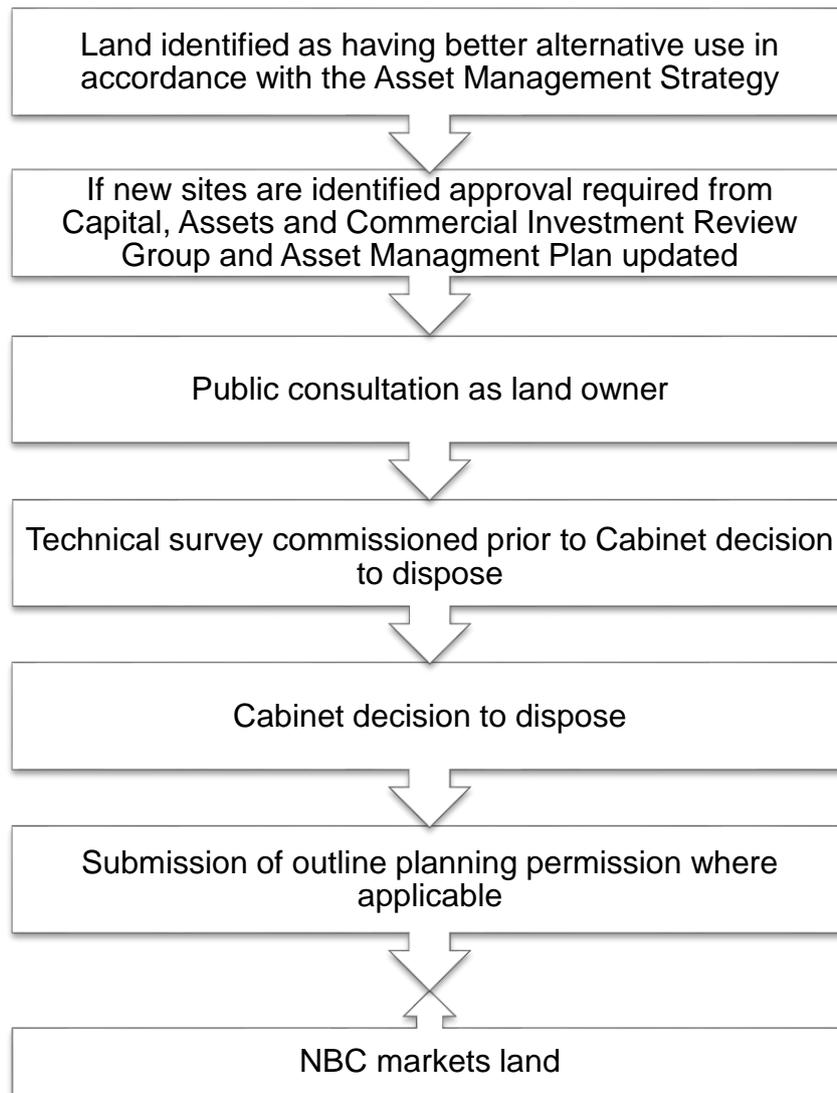
8.4 The consultation process approach involves Ward councillors being notified prior to the start of the process; notices being placed on site and; the adjacent property owners being notified, along with the Parish/Town Council, where relevant. The consultation timetable is set out below. This arrangement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

8.5 Property Description Consultation Approach

Property Description	Local members (prior to general public)	General public
Publicly accessible open space >0.5 ha.	3 weeks	6 weeks
Publicly accessible open space <0.5 ha.	3 weeks	3 weeks
Grazing / agricultural land >1 ha.	3 weeks	3 weeks
Grazing / agricultural land <1 ha.	2 weeks	2 weeks
Operational estate with active community use	2 weeks	4 weeks
Commercial, retail and industrial premises and land designated for a particular purpose i.e industrial	No consultation required	No consultation required
Incidental areas <0.1 ha of land adjacent to neighbouring property	No consultation required	No consultation required

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

Typical freehold land disposal process in respect of sites that require consultation above in 8.5



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

9. Operational and Non-Operational Portfolio Strategy Vision

- 9.1 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.
- 9.2 This will be achieved through:
- Generation of service efficiencies [Operational Estate (O)]
 - Generation of new income streams [Non-Operational Estate (N/O)]
 - Maximising existing revenue streams [N/O]
 - Effective procurement and contract management [O&N/O]
 - Prudent investment in income generating assets [N/O]
 - Strategic asset development [O&N/O]
- 9.3 Generating income through commercial activity that can be re-invested in local priorities, services, and improvements for our residents.
- 9.4 Building strong working relationships with public, private and third sector partners to maximise collaboration and generate efficiencies.
- 9.5 Embedding 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.
- 9.6 Supporting 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.
- 9.7 Optimising the council's use of technology and support our digital agenda to enable new, more efficient and flexible ways of working and interacting with customers and residents.

10. Arrears / Tenant Debt Policy

- 10.1 As the Covid pandemic has hit small to medium sized businesses hard, this has had a knock-on effect to the Council's tenant debt / arrears levels. Adding the cost-of-living crisis and heightened inflation to this has increased current tenant debt levels above average.
- 10.2 That said, if the Council was to take an aggressive stance on arrears at this stage, that could lead to increased business closures and that will not benefit the Council in the medium to long term.

- 10.3 Therefore the approach to this increased level of debt must be well balanced, so as to provide an appropriate level of support, whilst remaining reasonably assertive and finding positive solutions for all stakeholders.
- 10.4 In July 2023, Cabinet approved a new Debt Recovery Policy.

11 Acquisition and Disposal Policy

- 11.1 The objectives to be achieved from any asset acquisition are that it should provide one or more of the following benefits and that the benefits are more valued than the cost of acquisition:
- a demonstrable contribution towards the delivery of the Council's priorities and the provision of its services;
 - a strategic acquisition for redevelopment or tactical purposes;
 - to facilitate economic development; or
 - to generate revenue income.
- 11.2 Where surplus capacity in property or land is identified, its future use or disposal will be considered in accordance with the Council's priorities and within the planning framework. The opportunity to share with partner organisations will also be explored as part of the options appraisal process.
- 11.3 Where property is proposed for disposal, consideration will also be given to the consequences of the piece of land or property not being subject to the Council's control in terms of standard of care, maintenance etc., by the inclusion, where appropriate, of covenants in the contract to maintain the required standards of care.
- 11.4 Options appraisals for capital investment or disposal will include whole life costings. These are the systematic consideration of all relevant costs, revenues and performance associated with the acquisition and ownership of an asset over its physical, economic, functional, service or design life.
- 11.5 The strategic approach to asset management planning will assist in the development of a more comprehensive and co-ordinated medium to long term capital budget strategy and is an important aspect in the planning of the Council's resources in delivering its ambitions and priorities.

12. Planned Capital Works and Projects

(The current position in respect of following planned capital works and projects, asset disposals and other projects, which build on the previous Strategy, are set out in the Asset Plan Table at Appendix A)

12.1 Land Adjacent to Keele Cemetery

There are plans to install a solar energy installation on Council owned land that is adjacent to Keele Cemetery, this project is currently in the planning stage.

12.2 Ryecroft

Ryecroft is the site of former Civic Offices and the former Sainsburys supermarket and car park. The Council is to redevelop this site and the proposals are set out below:

12.3.1 A new multi-storey car park (Castle car park) on the western third of the site will be open in early January 2025 as the first element of the wider Ryecroft redevelopment plans. This is being partially funded by the Future High Street's fund

12.3.2 A planning application has been submitted for the development of new residential. Aparthotel and commercial units for the middle section of the wider site, through our development partner Capital&Centric, who will own and operate the development upon completion. The land / structure will be sold to the developer.

12.3.3 McCarthy Stone have purchased the last remaining section of the wider site (at its easter corner) for an over 55 yr old residential development and a planning application has been submitted for this.

12.3 York Place Shopping Centre (Astley Place)

The Council acquired the York Place shopping centre in early 2022 to facilitate the delivery of the Future High Street fund regeneration proposals and improvements to the town centre. The centre was emptied of tenants by March 2024 and a partial demolition leaving the main structural elements (columns and floors) exposed for developing upon – saving costs, programme and reducing the carbon footprint of the new development. Our development partner, Capital&Centric, have submitted a planning application for a residential development with a commercial square on the ground floor, and will own and operate the development. The land / structure will be sold to the developer.

12.4 Midway Car Park

Upon completion of the Castle car park on the Ryecroft site in early January 2025, our development partners, Capital&Centric, will develop the existing structure into residential

units, again by retaining the structural frame (as with York Place above). A planning application has been submitted for this and the developer will own and operate this development upon completion. The land / structure will be sold to the developer.

12.5 Carbon Capture Areas

As part of the Council's Sustainable Environmental Strategy, approved by the Council in December 2020, there is a desire to create Carbon Capture Areas within the Borough. These will consist of 60 Council owned green spaces saved for tree planting which is taking place as part of the wider Urban Tree Planting Strategy. To date four phases have been completed and a further phase is planned for Winter 2023.

13. Asset Disposals

13.1 Knutton

One of the major Newcastle Town Deal projects is to master plan parts of Knutton, The former clinic was acquired and subsequently demolished along with the adjacent community Centre. It is proposed that this along with the site of the former Knutton Recreation Centre be redeveloped for both residential and industrial purposes. This involves disposing of land to Staffordshire County Council to extend its enterprise centre, the building of a new village hall which will remain in the Borough Council's ownership and the disposal of the remainder of the land for residential development. These land transactions will be completed early January 2025.

As part of this masterplan a new football changing facility is being built at the Wammy. The Council will retain ownership of this asset is leasing the new facility to a community group.

13.2 Parkhouse West

This site was approved in the last Asset Management Strategy for disposal for industrial development purposes and has been sold to a local company who have submitted a planning application for a sustainable industrial park. Works are due to commence in mid-2025.

13.3 Town Centre Car Parks

Once Castle car park has been completed, the car parks listed below will potentially become surplus to requirements and therefore alternative uses for these brownfield sites may need to be considered. These will be consulted on in accordance with the consultation process as set out in Section 8 above. Additionally these sites have been put

forward to the Planning Authority for consideration as potential bonus/windfall sites within the new local Plan and will be subject to review as to their merits under the planning framework, prior to their reclassification and potential disposal.

Consultation as part of the draft local plan has prompted petitions to be raised particularly regarding the significance of the Hassell Street car park for local businesses. Reflecting this, Officers will be required to bring forward proposals for development which include the provision of some public parking spaces at Hassell Street and others as appropriate.

Blackfriars car park, Newcastle	0.32 acres
Blackfriars car park, Newcastle	0.21 acres
Hassell Street, Newcastle ST5 1AY	0.32 acres
Cherry Orchard Newcastle ST5 2UB	0.30 acres
Goose Street Newcastle ST5 2EA	0.84 acres
King Street Newcastle ST5 1HX	1.39 acres
Bankside/ Well Street Newcastle ST5 1BP	0.10 acres

13.4 **Former Keele Golf Course (Lyme Park)**

As per the previous Asset Management Strategy, the former Keele Golf Course site is again listed for possible disposal. The site is currently classified as Green Belt land. Prior to any Council build out and/or sale to third party developers this classification will need to be changed to allow for any residential development. As noted within the Strategy in previous sections, the Local Plan has been submitted for examination and it is expected to be adopted following an Inquiry towards the end of 2025. The proposal is for 900 homes and a new country park be created, but until the Green Belt classification is amended or not, no such development or sale can be considered.

13.5 **Land at Glenwood Close, Silverdale**

This 0.69 acre site is designated as low quality and low value in the latest Open Space and Green Infrastructure Strategy therefore given it has little value as open space alternative uses need to be considered.

14. Other Projects

14.1 Kidsgrove

14.1.1 There are plans for the creation of a shared service hub in Kidsgrove. This is on land partly owned by the Council that is currently used as a car park (Meadows Road Car Park) and an adjacent piece of privately owned land which the Council is looking to acquire (with town deal monies). NBC will own the building, but Kidsgrove Town Council will lease it from the Council.

14.1.2 It is proposed that Kidsgrove Town Hall be refurbished to create modern lettable office space. This is to be funded through shared prosperity.

14.2 Creation of a Circus Heritage Centre.

A unit on Merial Street in the Council's ownership has been refurbished and the Philip Astley CIC occupy the unit. Plans for a relocation are under review.

15. Government Funding

The Council is in receipt of government funds which include Town Deal, Future High Street and the Shared Prosperity Funds. Some of these funding streams directly impact Council assets, the major schemes are set out in section 12-14 of this Strategy. The remainder of these projects are set out below

15.1 Kidsgrove Town Deal

15.1A Construction of an access road has been completed at Chatterley Valley, on privately owned land.

15.1B Refurbishment of Kidsgrove Railway Station and creation of a transport hub is also planned. The land areas involved in this project are owned by Network Rail / operated by East Midlands Railway.

15.1C There are a number of planned improvements that will be made to the Canal towpath on land that is owned by Canal & River Trust. (Some shared prosperity fund is also to be used for this).

15.1D There will be a series of interventions for community based facilities – at The Kings School, on the Meadows, one way traffic and associated landscaping on the Meadows, and highway improvements on King Street.

15.2 Newcastle Town Deal

- 15.2A **Digital Infrastructure Project** – This project has been tendered and work will commence in early 2025 to provide super-fast broadband and community digital hubs.
- 15.2B **Sustainable Transport Solutions** - A mix of measures are being introduced in regards to public transport. A new bus entrance will be completed in early 2025 at Keele University (on land owned by the University), installation of real time passenger information at Newcastle Bus station have been completed and plans to improve bus service reliability with Keele University.
- 15.2C **Electric Vehicle charging points** are now installed at the new Castle Car Park at Ryecroft .
- 15.2D **Transformation of Key Gateway Sites** – The partial demolition and redevelopment of the Midway multi storey car park is planned as set out above. The former Zanzibar nightclub site (that is in the ownership of Aspire Housing) has been demolished and it is intended to be replaced with residential development, along with approximately 5 small enterprise units which the Council will own and manage. Works on the enterprise units will commence in mid 2025.
- 15.2E **Digital Society** – The Town Deal will fund the conversion of a town centre building for use by Keele University for a learning / enterprise space, and will open in January 2025. The building is owned by Keele University.
- 15.2F **Cross Street Chesterton** – The plan for this project is that the Town Deal will fund the re-development of the current housing land that is owned by Aspire housing in this area.

15.3 Future High Street Fund

- 15.3A A public realm and market improvement project has been underway during Autumn 2024 with the completion of the overall scheme with a large digital screen and seating to be installed in March 2025.

15.4 Shared Prosperity Fund

- 15.4A Improvements are planned to Clough Hall Park, in line with the existing masterplan
- 15.4B The creation of a Homeless Hub is underway having purchased a suitable property which will be refurbished for the specific use in early 2025.

16. Completed Projects

- 16.1 The refurbishment of Kidsgrove Sports Centre was completed using monies provided by Kidsgrove Town Deal. It was opened in Summer 2022 and is managed by Kidsgrove Sports Centre Community Group.

17. Completed Significant Land Disposals

Address	Disposal Date
Freehold sale – Eccleshall Road, Loggerheads	Mar-21
Freehold sale- 20 Sidmouth Ave, Newcastle	Nov -21
Freehold sale – Apedale, Chesterton	Nov -21
Covenant release – Midway, Newcastle	Dec-21
Freehold sale – Market Drayton Road Newcastle	Apr-22
Freehold sale – Knype Way, Bradwell	Jan-23
Freehold sale - Park House West	Oct-24
Freehold sale – Ryecroft Site (Western edge)	Oct-24

The total value of the above disposals from March 2021 is circa £7.3m

18. The Market

- 18.1 In respect of the objective of being a town centre for all, diversification of the type of market is key. As such we currently host General Markets each week, Antiques Markets each week, Artisan market each month, up to 3 Vegan Festivals, up to 3 Bring your dog to town Markets, 6 vinyl collectors fairs and one-off events such as Young Traders Market and Charity Fairs.
- 18.2 The Council works in partnership with Newcastle-under-Lyme BID to deliver its portfolio of events such as the Castle Classics retro car show, outdoor music and food and drink festivals. As a licensed premises we are able to host licensable events.
- 18.3 The market is cashless for collection of stall rents and pitches will soon be able to be booked and paid for online. This will make resource savings and embraces the digital payment and banking trend.

- 18.4 The market provides a platform for fledgling businesses to test and grow their business model with a view to potentially taking on a Newcastle-under-Lyme town centre “bricks and mortar” business premises.
- 18.5 Our footfall figures and performance indicators show that we have made a significant difference to visitor numbers on our new event and trader-run markets. We have rationalised and improved our fixed stall provision, and created more flexibility by purchasing a stock of temporary stalls. This, alongside improvements to the public realm to create a flexible events space, continues to rejuvenate the general market and market infrastructure to ensure we retain a contemporary market offer.

19. Community Centres

- 19.1 The Council is continuing to explore options for the long-term sustainability and management of the Community Centres in partnership with the community and voluntary sector and to review the management arrangements linked to these options and implement the proposals. The digital infrastructure project through the Town Deal (see above) and the placement of community digital hubs within these buildings should assist in the long term viability of some centres.
- 19.2 To date four community centres have been leased on 25 year leases to community groups, whereby over a 5 year period the maintenance and running costs are transferred to the community organisation thereby reducing the Council’s liabilities. In addition it allows the management committees greater freedoms to pursue external funding. Negotiations are ongoing in relation to two other community centres.

20. Further Reading & Associated Publications

- The Corporate Strategy
- The Commercial Strategy
- The Capital Strategy
- The Financial Strategy
- The Digital Agenda
- The Carbon Plan
- The Council's Constitution
- The Local Plan (including Open Space and Green Infrastructure Strategy)
- The Playing Pitch Strategy
- The Debt Recovery Policy

- The Cushman Report

Further Information

For further information on the Asset Strategy, please contact:

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APPENDIX A ASSET PLAN

SITE LOCATION	SITE AREA (Acres)	CURRENT POSITION
Land Adjacent to Keele Cemetery	35.59	Proposal to install a solar array on this land. This project is in the planning stage.
Lowlands Road, Ravensdale	7.70(developable)	Industrial development land, under offer and subject to an option to purchase
Plot E Apedale Road, Chesterton	4.42	Industrial development land approved in the last Asset Management Strategy for approval. This site has been on the market for a number of years. There have been a number of offers but none have progressed through to completion. The site is being marketed
Site of former Recreation Centre, Knutton	5.31	Masterplan approved by Cabinet. It is proposed that this site be developed for residential and industrial purposes
Site of former community centre and clinic, Knutton Lane, Knutton	1.72	Masterplan approved by Cabinet. It is proposed that this site be developed for residential purposes
Former Keele Golf Course	150	Plans are being considered for the potential development of the former Keele Golf Course site that currently sits in the Green Belt, which could involve Council build out and / or sale to third party developers. The Local

		Plan is currently out for consultation of which this site forms part. The proposal is for 900 homes.
Ryecroft	4.18	Planning permission has been approved to develop a new multi-storey car park (Castle car park) on the western third of the site.
York Place Shopping Centre	0.72	Cabinet approved the demolition of York Place in June 2023. A further report in respect of the redevelopment will be considered by Cabinet in Autumn 2023
Midway Car Park	n/a	An option report will be considered by Cabinet in Autumn 2023.
Blackfriar's Car Park	0.53	The site is partially vacant and partially used as a public car park. Once Castle Car Park is completed this brownfield site will potentially become surplus to requirements and alternative uses may need to be considered
Part of King Street carpark	1.39	Once Castle Car Park is completed this brownfield site will potentially become surplus to requirements and alternative uses may need to be considered for part of this car park
Cherry Orchard car park	0.30	Once Castle Car Park is completed this brownfield site will potentially become surplus to requirements and alternative uses may need to be considered for this car park
Part of Goose Street car park	0.84	Once Castle Car Park is completed this brownfield site will potentially become surplus to requirements and alternative uses may need to be considered for part of this car park
Hassell Street car park	0.32	Once Castle Car Park is completed this brownfield site will potentially become surplus to requirements and alternative uses may need to be considered for this car park
Garden Street/ Bankside car park	0.10	Once Castle Car Park is completed this brownfield site will potentially become surplus to requirements and alternative uses may need to be considered for this car park
Land at Glenwood Close, Silverdale	0.69	This site is designated as low quality and low value in the latest Open Space and Green Infrastructure Strategy therefore given it has little value as open space alternative uses need to be considered.
Land site of former mortuary, Newcastle Cemetery	0.23	Mortuary demolished June 2020. Public consultation complete. Options for residential development to be considered
Sites approved in previous Asset Management Strategy (Low value or little or no interest)		
Cotswold Avenue, Knutton	0.44	Grassland area not included in latest Open Space and Green Infrastructure Strategy for review. Site offered to Housing Associations, but no interest.
Kinnersley Street, Kidsgrove	1.60	Site not included in latest Open Space and Green Infrastructure Strategy for review. Grass and tree covered area on very steep slope. Topography to be analyzed to assess which parts maybe developable only likely to be a small part
	0.36	Surplus brownfield land at the rear of Kidsgrove Town Hall. Poor access to the site

Rear of Kidsgrove Town Hall, Liverpool Road. Kidsgrove		
Victoria Street, Chesterton	0.04	Developability of site to be explored
Silverdale Road, Newcastle	1.38	Brownfield site, former plant nursery which is located on the flood plain
Brick Kiln Lane, Chesterton	11.76	Grassland area not included in latest Open Space and Green Infrastructure Strategy for review. Third party access to the site is required
Former Public Conveniences, Merrial Street, Newcastle	n/a	Closed in 2015, alternative uses being considered once development of Ryecroft is underway
Pepper Street Public Conveniences, Newcastle	n/a	Closed alternative uses to be considered

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

CORPORATE LEADERSHIP TEAM'S
REPORT TO
FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE

16 January 2025

Report Title: **Scale of Fees and Charges 2025/26**

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"/>
To enable the Committee to scrutinise the proposed scale of fees and charges to apply from 1 April 2025.			
<u>Recommendation</u>			
That Committee:			
<ol style="list-style-type: none"> 1. Note the proposed fees and charges proposed to apply from 1 April 2025, as set out in Appendix 1. 2. Note the Charging Policy as set out in Appendix 2. 			
<u>Reasons</u>			
It is necessary to review the fees and charges which the Council makes in order to keep them in line with the cost of service provision, ensure compliance with the Charging Policy and to establish the amounts to be included in the 2025/26 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 2025 and remain in force until 31 March 2026.
- 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 3 December 2024, assumes an overall 4% increase in the amount of income raised from fees and charges in 2025/26.

- 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. In drawing up the proposed fees and charges for 2025/26 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; and
 - Any other relevant factors.
- 2.5** 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.
- 2.6** 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 the Charging Policy.
- 2.7** For 2025/26 a number of fees compared to previous years have remained frozen due to the ongoing current cost of living challenges and the negative impact this may have on service uptake. This has been factored into the Medium Term Financial Strategy assumptions.
- 2.8** Alongside the review of the Council's fees and charges, work is continually undertaken to benchmark fees alongside those of other Authorities nationwide. This work is then used as a basis to challenge officers' first fee proposals.
- 2.9** The Scale of Fees and Charges (Appendix 1) shows the current and proposed fees and charges for 2025/26 and indicates those which have been frozen at current levels. There are several new charges proposed for 2025/26. The table below shows these:

2.10 Several fees and charges approved for 2024/25 have been deleted from the proposed fees and charges for 2025/26 relating to services no longer provided or superseded. The table below shows these:

Deleted Charges - Description of Charge	Fee / Charge 2024/25 (£)
BULKY RECYCLING	
Reusable items	Free
CEMETERIES	
Use of Chapel & Community Room Newcastle cemetery chapel	200.00
Keele community room - full day hire	150.00
Keele community room - half day hire	75.00
Keele family room - per hour family history research 3hrs (9.00am to 12.00pm)	25.00
CREMATORIUM	
Cremation Fees	
Cremation environmental charge	85.00
Plaques	
12" x 4" new plaque & 10-year hire	520.00
12"x4" Each succeeding 5-year hire	210.00
12" x 8" new plaque & 10-year hire	780.00
12"x8" Each succeeding 5-year hire	380.00
Additional Memorials	
Memorial leaf on tree renewal for 5-years	250.00
Planters	870.00
Each succeeding 5-year hire	355.00
Trees	745.00
Each succeeding 10-year hire	390.00
Donations Memorial Fish/Bulbs	200.00
LEISURE CHARGES	
Jubilee 2	
DJD Junior Dance - Daniel Jones Dance Junior Membership	20.00
DJ Dance Membership existing customers only	28.00
Legacy Off Peak Memberships annual % increase (rounded to nearest 10p)	8%
1:1 dance lesson with DJD Dance - 30 minutes	24.00
1:1 swim / dance lesson with DJD Dance - 30 minutes, block of four lessons	84.00
DJ Wedding Package	210.00

2.11 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 2025, as set out in Appendix 1.
- 3.2** Note the Charging Policy as set out in Appendix 2.

4. Reasons

- 4.1** Applying selective increases to fees and charges enables economic activity to be promoted within the Borough. It also contributes to the delivery of a sustainable budget for 2025/26 and later years and ensures compliance with the Charging Policy.

5. Options Considered

- 5.1** The decision to charge less than cost recovery 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 the Charging Policy.

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 fees and charges.

8. Financial and Resource Implications

- 8.1** The approved levels of fees and charges will be incorporated in the General Fund Budget for 2025/26. The Medium Term Financial Strategy (MTFS) assumes increased income of £408,000 from an average increase of 4% across the existing range of fees and charges and the introduction of a number of new 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 a 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 detailed fees and charges proposals consideration will be given to:



11. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

We will make investment to diversify our income and think entrepreneurially.

One Digital Council

We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.

One Green Council

We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle.

12. Key Decision Information

12.1 Approval of the fees and charges is a key decision.

13. Earlier Cabinet/Committee Resolutions

13.1 Medium Term Financial Strategy 2025/26 to 2029/30 (Cabinet 10 September 2024).

13.2 Revenue and Capital Budgets 2025/26 – First Draft Savings Plans (Cabinet 3 December 2024).

13.3 Draft Revenue and Capital Budget and Strategies 2025/26 (Cabinet 9 January 2025).

14. List of Appendices

14.1 Appendix 1 – Proposed charges from 1 April 2025

14.2 Appendix 2 – Charging Policy

14.3 Appendix 3 – Trade waste charges from 1 April 2025 – commercially sensitive

APPENDIX 1 - SCALE OF FEES AND CHARGES 2025/26

ALLOTMENTS	1
BULKY RECYCLING	1
BUS DEPARTURE CHARGES	1
CAR PARKS	1
CEMETERIES	6
CIRCUSES & FAIRS	8
COVENANT CONSENTS	8
CREMATORIUM	9
DOG WARDEN SERVICE	11
ELECTIONS	11
ENVIRONMENTAL HEALTH	13
FACILITIES MANAGEMENT	16
GARDEN WASTE RECYCLING	16
LAND CHARGES	16
LEISURE CHARGES	17
LICENCES	20
MARKETS	25
MOT	25
MUSEUM & ART GALLERY	26
NAMING/ NUMBERING OF STREETS/ PROPERTIES	27
PEST CONTROL	27
PLANNING SERVICES	28
PRIVATE SECTOR HOUSING	30
REMOVAL OF DOMESTIC ANIMAL CARCASSES	30
SALE OF SANDBAGS	30
STREET TRADING	31
TOWN CENTRE DISPLAYS	31
TREE PRESERVATION ORDERS	31
WASTE & RECYCLING BINS/ RECEPTACLES	31

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Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
ALLOTMENTS				No VAT	Cabinet
Rent (per annum) per square metre Note: 20% concession for Junior/60+/Unemployed	0.54	0.56	0.02		
BULKY RECYCLING				No VAT	Cabinet
1-3 Items non reusable/waste items	50.00	52.00	2.00		
4-6 Items non reusable/waste items	80.00	84.00	4.00		
7-9 Items non reusable/waste items	100.00	105.00	5.00		
BUS DEPARTURE CHARGES				Plus VAT	Cabinet
Fee per departure	0.35	0.37	0.02		
CAR PARKS					
Charges for Infringements				No VAT	
Civil parking enforcement - higher charge	70.00	70.00	0.00		
Civil parking enforcement - lower charge	50.00	50.00	0.00		
Discount for block purchase of permits					
Discount for purchase of 20 or more permits	20%	20%	0%		
Construction permit (max of 1 week permit)				VAT Incl.	
Initial day rate	16.00	17.00	1.00		
Additional days	7.00	7.50	0.50		
Bankside				VAT Incl.	Cabinet
Season ticket - per quarter	165.00	172.00	7.00		
Each additional permit for the same numbered bay - per quarter	26.00	27.00	1.00		
Overnight quarterly permit - 6pm to 7am	62.00	65.00	3.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Blackfriars (Zone C)				VAT Incl.	Cabinet
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	1.60	1.70	0.10		
Up to 3 hours	2.10	2.20	0.10		
Up to 4 hours	2.60	2.70	0.10		
Up to 6 hours	3.20	3.40	0.20		
6 hours to 24 hours	3.70	3.80	0.10		
Season ticket - per quarter	165.00	172.00	7.00		
Evening charge - 1pm to 8am	1.00	1.00	0.00		
Overnight quarterly permit - 8pm to 8am	65.00	68.00	3.00		
Bank Holiday	1.00	1.10	0.10		
Event Parking	1.00	1.10	0.10		
Castle Car Park				VAT Incl.	Cabinet
Up to 1 hour	N/A	1.20	1.20		New
Up to 2 hours	N/A	2.30	2.30		New
Up to 3 hours	N/A	3.50	3.50		New
Up to 4 hours	N/A	4.70	4.70		New
Up to 24 hours	N/A	6.60	6.60		New
Season ticket - per quarter	N/A	172.00	172.00		New
Monthly ticket	N/A	65.00	65.00		New
Overnight quarterly permit - 8pm to 8am	N/A	66.00	66.00		New
Bank Holiday & Event Parking	N/A	1.20	1.20		New
Evening charge (8pm to 8am the following morning)	N/A	1.50	1.50		New
Cherry Orchard (Zone B)				VAT Incl.	Cabinet
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	2.00	2.10	0.10		
Up to 3 hours	3.00	3.20	0.20		
Up to 4 hours	4.20	4.40	0.20		
4 hours to 24 hours	5.50	5.80	0.30		
Season ticket - per quarter	165.00	172.00	7.00		
Evening charge - 1pm to 8am	1.00	1.00	0.00		
Overnight quarterly permit - 8pm to 8am	65.00	68.00	3.00		
Bank Holiday	1.00	1.10	0.10		
Event Parking	1.00	1.10	0.10		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Corporation Street (Zone A)				VAT Incl.	Cabinet
Up to 1/2 hour	0.90	1.00	0.10		
Up to 1 hour	1.60	1.70	0.10		
Evening charge - 1pm to 8am	1.00	1.00	0.00		
Overnight quarterly permit - 8pm to 8am	65.00	68.00	3.00		
Bank Holiday	1.50	1.60	0.10		
Event Parking	1.50	1.60	0.10		
Fogg Street East (Zone A)				VAT Incl.	Cabinet
Season ticket - per quarter	165.00	172.00	7.00		
Each additional permit for the same numbered bay - per quarter	26.00	27.00	1.00		
Overnight quarterly permit - 6pm to 7am	65.00	68.00	3.00		
Goose Street (Zone B)				VAT Incl.	Cabinet
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	2.00	2.10	0.10		
Up to 3 hours	3.00	3.20	0.20		
Up to 4 hours	4.20	4.40	0.20		
4 hours to 24 hours	5.50	5.80	0.30		
Season ticket - per quarter	165.00	172.00	7.00		
Evening charge - 1pm to 8am	1.00	1.00	0.00		
Overnight quarterly permit - 8pm to 8am	65.00	68.00	3.00		
Bank Holiday	1.00	1.10	0.10		
Event Parking	1.00	1.10	0.10		
Hassell Street (Zone B) (Bandings Subject to Review)				VAT Incl.	Cabinet
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	2.00	2.10	0.10		
Up to 3 hours	3.00	3.20	0.20		
Up to 4 hours	4.20	4.40	0.20		
4 hours to 24 hours	5.50	5.80	0.30		
Season ticket - per quarter	165.00	172.00	7.00		
Resident permit - per quarter	65.00	68.00	3.00		
Evening charge - 1pm to 8am	1.00	1.00	0.00		
Overnight quarterly permit - 8pm to 8am	65.00	68.00	3.00		
Bank Holiday	1.00	1.10	0.10		
Event Parking	1.00	1.10	0.10		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
High Street - New					
20 minute stay	N/A	Free	Free		New
High Street (Rear of)				VAT Incl.	Cabinet
Season ticket - per quarter	165.00	172.00	7.00		
Each additional permit for the same numbered bay - per quarter	26.00	27.00	1.00		
Overnight quarterly permit - 6pm to 7am	65.00	68.00	3.00		
King Street (Zone C)				VAT Incl.	Cabinet
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	1.60	1.70	0.10		
Up to 3 hours	2.10	2.20	0.10		
Up to 4 hours	2.60	2.70	0.10		
Up to 6 hours	3.20	3.40	0.20		
6 hours to 24 hours	3.70	3.90	0.20		
Season Ticket - per quarter	165.00	172.00	7.00		
Evening charge - 1pm to 8am	1.00	1.00	0.00		
Overnight quarterly permit - 8pm to 8am	65.00	68.00	3.00		
Bank Holiday	1.00	1.10	0.10		
Event Parking	1.00	1.10	0.10		
Lyme Valley / Buckmaster Ave				VAT Incl.	Cabinet
Up to 3 hours	Free	Free	0.00		
Up to 4 hours	4.50	4.70	0.20		
4 - 24 hours	6.30	6.60	0.30		
Season Ticket - per quarter	165.00	172.00	7.00		
Lyme Valley / Lyme Valley Rd				VAT Incl.	Cabinet
Up to 2 hours	Free	Free	0.00		
Up to 3 hours	3.40	3.60	0.20		
Up to 4 hours	4.50	4.70	0.20		
4 - 24 hours	6.30	6.60	0.30		
Season Ticket - per quarter	165.00	172.00	7.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
School Street/ Barracks Road (Zone B)					
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	2.00	2.10	0.10		
Up to 3 hours	3.00	3.20	0.20		
Season ticket - per quarter	165.00	172.00	7.00		
Evening charge - 1pm to 8am	1.00	1.00	0.00	VAT Incl.	Cabinet
Overnight charge 8pm to 8am	N/A	1.00	1.00		
Overnight quarterly permit - 8pm to 8am	65.00	68.00	3.00		
Bank Holiday	1.00	1.10	0.10		
Event Parking	1.00	1.10	0.10		
Silverdale Road (Zone C)					
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	1.60	1.70	0.10		
Up to 3 hours	2.10	2.20	0.10		
Up to 6 hours	3.20	3.40	0.20		
6 hours to 24 hours	3.70	3.90	0.20		
Season ticket - per quarter	165.00	172.00	7.00		
Resident permit - per quarter	65.00	68.00	3.00		
Evening charge - 1pm to 8am	1.00	1.00	0.00	VAT Incl.	Cabinet
Overnight quarterly permit - 8pm to 8am	65.00	68.00	3.00		
Bank Holiday	1.00	1.10	0.10		
Event Parking	1.00	1.10	0.10		
Windsor Street (Zone B)					
Up to 1 hour	1.10	1.20	0.10		
Up to 2 hours	2.10	2.20	0.10		
Season ticket - after school (30 minutes)	31.00	32.00	1.00		
Evening charge - 1pm to 8am	1.00	1.00	0.00		
Overnight quarterly permit - 8pm to 8am	65.00	68.00	3.00		
Bank Holiday	1.00	1.10	0.10		
Event Parking	1.00	1.10	0.10		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
CEMETERIES					
Interment Fees - Resident Fees					
17 years & under 4ft 6	1,085.00	1,140.00	55.00	No VAT	Cabinet
18 years & over over 4ft 6	1,300.00	1,350.00	50.00		
18 years & under 4ft 6	1,085.00	1,140.00	55.00		
Woodland burial - Keele Cemetery (1 full interment only in each grave)	1,085.00	1,135.00	50.00		
Cremated remains at 2 feet	480.00	510.00	30.00		
Woodland burial cremated remains at 2 feet - Keele Cemetery (4 interments only in each grave)	480.00	510.00	30.00		
Additional depth for cremated remains over 2 feet	250.00	265.00	15.00		
Additional depth over 6 feet per foot	270.00	285.00	15.00		
Interment of body part	480.00	510.00	30.00		
Double interment (two interments taking place at the same time)	Fee + 50%	Fee + 50%	0.00		
Exhumation fee - cremated remains	1,500.00	1,600.00	100.00		
Exhumation fee	3,500.00	3,700.00	200.00		
Purchase of Graves - Resident Fees					
(Includes right to erect memorial for single grave)					
Exclusive Right of Burial & Memorialisation for a grave - two internments	1,465.00	1,530.00	65.00	No VAT	Cabinet
Lawn Graves Reservation	2,084.00	2,180.00	96.00		
Exclusive Right of Burial in a Woodland Grave at Keele Cemetery (1 full interment only in each grave plus memorial tree)	1,465.00	1,530.00	65.00		
Reservation of Woodland Grave	2,085.00	2,180.00	95.00		
Exclusive Right of Burial & Memorialisation in Cremated Remains Grave at 2ft	730.00	770.00	40.00		
Reservation of Cremated Remains Grave	1,035.00	1,095.00	60.00		
Exclusive Right of Burial in Woodland Cremated Remains Grave, Keele Cemetery at 2ft Inclusive of a Shrub	730.00	770.00	40.00		
Reservation of Woodland Cremated Remains Grave	1,095.00	1,095.00	0.00		
Renewal of exclusive right of burial & memorialisation (full grave)	450.00	470.00	20.00		
Renewal of exclusive right of burial & memorialisation (cremated remains)	250.00	260.00	10.00		
Transfer of ownership of exclusive rights of burial & memorialisation	115.00	125.00	5.00		
Duplicate deed of exclusive rights of burial & memorialisation	60.00	65.00	5.00		
Memorial fee permit	60.00	65.00	5.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Interment Fees - Non-Resident Fees				No VAT	Cabinet
17 years & under 4ft 6	1,645.00	1,710.00	65.00		
18 years & over over 4ft 6	1,865.00	2,025.00	160.00		
18 years & under 4ft 6	1,645.00	1,710.00	65.00		
Woodland burial - Keele Cemetery (1 full interment only in each grave)	1,645.00	1,710.00	65.00		
Cremated remains at 2 feet	730.00	765.00	35.00		
Woodland burial cremated remains at 2 feet - Keele Cemetery (4 interments only in each grave)	730.00	765.00	35.00		
Interment of body part	730.00	765.00	35.00		
Additional depth for cremated remains over 2 feet	260.00	275.00	15.00		
Additional depth over 6 feet per foot	280.00	295.00	15.00		
Double interment (two interments taking place at the same time)	Fee + 50%	Fee + 50%	0.00		
Exhumation fee - cremated remains	1,500.00	1,600.00	100.00		
Exhumation fee	3,500.00	3,700.00	200.00		
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	2,930.00	3,060.00	130.00		
Lawn Graves Reservation	3,530.00	3,710.00	180.00		
Exclusive Right of Burial in a Woodland Grave at Keele Cemetery (1 full interment only in each grave plus memorial tree)	2,930.00	3,060.00	130.00		
Reservation of Woodland Grave	3,530.00	3,710.00	180.00		
Exclusive Right of Burial & Memorialisation in a Cremated Remains Grave at 2ft	1,450.00	1,540.00	90.00		
Reservation of a Cremated Remains Grave	2,050.00	1,865.00	-185.00		
Exclusive Right of Burial in a Woodland Cremated Remains Grave, Keele Cemetery at 2ft inclusive of a Shrub	1,450.00	1,540.00	90.00		
Reservation of Woodland Cremated Remains Grave	2,050.00	1,865.00	-185.00		
Renewal of exclusive right of burial & memorialisation (cremated remains grave)	540.00	565.00	25.00		
Transfer of ownership of exclusive rights of burial & memorialisation	170.00	175.00	5.00		
Duplicate deed of exclusive rights of burial & memorialisation	95.00	100.00	5.00		
Erection of Memorials (no prior right given)				No VAT	Cabinet
Memorial not exceeding 3 feet in height	180.00	190.00	10.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Columbarium					
10-year lease including 1st interment	650.00	680.00	30.00	No VAT	Cabinet
2nd interment	100.00	105.00	5.00		
Renewal of 10-year lease	315.00	330.00	15.00		
Additional 5-year lease	315.00	330.00	15.00		
Use of Chapel & Community Room					
Keele community room - funeral service 90 minutes	200.00	240.00	40.00		
Keele Community Room - hourly rate	25.00	30.00	5.00		
Sundry Items				VAT Incl.	Cabinet
Single abstract information from registrar	30.00	35.00	5.00		
Family history research	25.00	25.00	0.00		
Casket - Single	95.00	100.00	5.00		
Casket - Double	120.00	125.00	5.00		
Casket Plaque for Crematorium Boxes	15.00	16.00	1.00		
Wooden cross	55.00	60.00	5.00		
Memorial bench	1,500.00	1,560.00	60.00		
Memorial trees	420.00	440.00	20.00		
Barrier fob replacements	15.00	17.50	2.50		
Late arrival at cemeteries by more than 15 mins, Funeral Director charge	200.00	210.00	10.00		
Late Paperwork	50.00	55.00	5.00		
Incorrect coffin size	50.00	55.00	5.00		
Admin fee	85.00	90.00	5.00		
Late removal of memorial resulting in a delay of grave excavation	150.00	160.00	10.00		
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)	730.00	760.00	30.00		
Returnable deposit - cleaning	1,040.00	1,080.00	40.00		
Returnable deposit - damage	1,040.00	1,080.00	40.00		
COVENANT CONSENTS				No VAT	Cabinet
Covenant consents & any written responses to enquiries relating to land & property previously owned by the Council	165.00	172.00	7.00		
Initial purchase enquiry form for land smaller than 0.1ha (deducted from land transaction fee if completed otherwise non-refundable)	100.00	104.00	4.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
CREMATORIUM					
Cremation Fees					
17 years of age & under	895.00	950.00	55.00	No VAT	Cabinet
Direct cremation no service or family before 9.00am, Monday Tuesday, Wednesday, Thursday, limited to two per day.	350.00	375.00	25.00		
18 years & over 9.20am service time only	650.00	705.00	55.00		
18 years & over from 10am	895.00	950.00	55.00		
Burial of remains cremated elsewhere	260.00	280.00	20.00		
Chapel hire - additional use to cremation service 30 minutes	220.00	255.00	35.00		
Chapel service 40 mins	490.00	510.00	20.00		
Temporary deposit of ashes (per week after the first 4 weeks)	20.00	22.00	2.00		
Storage of ashes where burial is to be arranged (per week after 12 weeks)	20.00	22.00	2.00		
Obitus Fees					
Webcast Live	40.00	50.00	10.00	VAT Incl.	
Webcast Live + 28 day + downloadable	60.00	70.00	10.00		
Keepsake DVD, USB, Blu-Ray, or Audio CD	65.00	70.00	5.00		
Basic Slideshow	50.00	55.00	5.00		
Music Slideshow (Pro-Tribute)	85.00	95.00	10.00		
Family-supplied tribute checking	30.00	35.00	5.00		
Bespoke tribute	400.00	415.00	15.00		
Themed tribute	105.00	110.00	5.00		
Extra single photo	20.00	22.00	2.00		
Extra photo charge (each extra 25 photos on a visual tribute)	35.00	40.00	5.00		
Extra work charge	30.00	33.00	3.00		
Tribute download	20.00	22.00	2.00		
Video book	100.00	105.00	5.00		
Memory box	135.00	140.00	5.00		
Obitus bundle	180.00	190.00	10.00		
Urns & Containers					
Casket - Single	95.00	100.00	5.00	VAT Incl.	Cabinet
Casket - Double	120.00	125.00	5.00		
Casket plaque for Crematorium Boxes	15.00	16.00	1.00		
Postage & packaging	Cost + £40	Cost + £40	0.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Memorialisation				VAT Incl.	Cabinet
Book of remembrance up to 2 lines	85.00	90.00	5.00		
Book of remembrance for 5 lines	180.00	190.00	10.00		
Book of remembrance for 8 lines	270.00	280.00	10.00		
Simple flower or emblem with five lines or more	120.00	125.00	5.00		
Badges or coat of arms with five lines or more	160.00	170.00	10.00		
Memorial card to match inscription	50.00	52.00	2.00		
Plaques Slate				No VAT	Cabinet
Adding to existing plaque per letter or figure	12.00	12.50	0.50		
Regilding of existing letters (per letter)	8.00	8.50	0.50		
Wall plaque purchase at end of lease (12"x4")	100.00	105.00	5.00		
Wall plaque purchase at end of lease (12"x8")	200.00	210.00	10.00		
Sandstone memorial vase - 5 year lease	325.00	335.00	10.00		
Granite wall plaque with posey vase 5 year lease	275.00	285.00	10.00		New
Additional Memorials				No VAT	Cabinet
Memorial benches ten year lease	1,500.00	1,560.00	60.00		
Individual memorial bench - 5-year renewal	500.00	520.00	20.00		
Remembrance bench (up to 12 plaques) - initial lease of plaque 5-years	295.00	310.00	15.00		
Remembrance bench (up to 12 plaques) - renewal for 5-years	175.00	185.00	10.00		
Memorial leaf on tree initial 5-year lease	300.00	250.00	-50.00		
Memorial vases ten year lease	520.00	540.00	20.00		
Additional characters for Kerb side vase	5.00	5.00	0.00		
Each succeeding 5-year hire	320.00	335.00	15.00		
Garden / Memorial Plaque ten year lease	415.00	425.00	10.00		New
Additional plaques in same location as family member in gardens	105.00	110.00	5.00		
Garden / Memorial Plaque - 5-year renewal	205.00	210.00	5.00		
Service overrun at Bradwell Crem charge to be made to the Funeral Director	200.00	210.00	10.00		
Late Paperwork	50.00	55.00	5.00		
Incorrect coffin size	50.00	55.00	5.00		
Copy cremation certificate	N/A	10.00	10.00		New
Early/late arrival at cemeteries by more than 15 minutes, charge to be made to the funeral directors	200.00	210.00	10.00		
Admin Fee	85.00	90.00	5.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
DOG WARDEN SERVICE					
Recovery of Stray Dogs					
During normal working hours - reclaim fee	80.00	84.00	4.00	No VAT	Cabinet
Daily kennelling fees	Cost	Cost	0.00		
ELECTIONS					
Rule 9 (1) Parliamentary Election Regulations & Rule/Reg 9 (1) Police Fire & Crime Commissioner Election Regulations - Candidates' Deposits					
Parliamentary election candidate	500.00	500.00	0.00	No VAT	Statutory
Police Fire & Crime Commissioner candidate	5,000.00	5,000.00	0.00		
Regulations 48 & 49 Representation of the People Regulations 2001					
Supply of Full Register					
Sale of full register (printed)	10.00	10.00	0.00		
Plus, per 1,000 names or part 1,000 (printed)	5.00	5.00	0.00		
Sale of full register (data)	20.00	20.00	0.00		
Plus, per 1,000 names or part 1,000 (data)	1.50	1.50	0.00	No VAT	Statutory
List of overseas electors (printed)	10.00	10.00	0.00		
Plus, per 100 names or part 100 (printed)	5.00	5.00	0.00		
List of overseas electors (data)	20.00	20.00	0.00		
Plus, per 100 names or part 100 (data)	1.50	1.50	0.00		
Supply of Edited Register					
Sale of edited register (printed)	10.00	10.00	0.00	No VAT	Statutory
Plus, per 1,000 names or part 1,000 (printed)	5.00	5.00	0.00		
Sale of register (data)	20.00	20.00	0.00		
Plus, per 1,000 names or part 1,000 (data)	1.50	1.50	0.00		
Regulations 120 Representation of the People Regulations 2001					
Supply of Marked Register					
Supply of marked registers (printed)	10.00	10.00	0.00	No VAT	Statutory
Plus, per 1,000 entries or part 1,000	2.00	2.00	0.00		
Supply of marked registers (data)	10.00	10.00	0.00		
Plus, per 1,000 entries or part 1,000	1.00	1.00	0.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	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	0.00		
A4 - copies (black & white)	0.20	0.20	0.00		
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%	Market rate + 5%	0.00		
- Room hire	admin costs 50% of cost	admin costs 50% of cost	0.00		
- 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	0.00		
<i>Town or Parish Election on different day i.e., by-election</i>					
- printing, postage, stationery, room hire costs & other associated costs	Full costs for each election per ward or parish	Full costs for each election per ward or parish	0.00		
- polling station / count staff cost	Standard NULBC staffing rates	Standard NULBC staffing rates	0.00		
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).	125.00 per election (if warded the cost is 125.00 for each ward or parish as they are classed as separate elections).	25.00		
Room hires	Full Costs	Full Costs	0.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
ENVIRONMENTAL HEALTH					
Works in default of statutory notice					
Calculated in accordance with the following formula -	Per Formula	Per Formula	0.00	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				No VAT	Statutory
Waste receptacles - Section 47ZA(2) (paid in 10 days)	60.00	60.00	0.00		
Waste receptacles - Section 47ZA(2) (paid in 14 days)	80.00	80.00	0.00		
Failure to Produce Waste Carrier Registration Documents – Control of Pollution (Amendment) Act 1989 – section 5B	300.00	300.00	0.00		
Failure to furnish documentation (waste carrier authority - Section 34(2))	300.00	300.00	0.00		
Litter – Section 88 (1) Domestic person (paid within 14 days)	200.00	200.00	0.00		
Litter – Section 88 (1) Commercial business (paid within 14 days)	500.00	500.00	0.00		
Unauthorised distribution of literature on designated land - Schedule 3A (7)2 (paid in 10 days)	75.00	75.00	0.00		
Unauthorised distribution of literature on designated land - Schedule 3A (7)2 (paid in 14 days)	100.00	100.00	0.00		
Failure to comply with a Community Protection Notice or Public Spaces Protection Order (paid in 10 days)	75.00	75.00	0.00		Cabinet
Failure to comply with a Community Protection Notice or Public Spaces Protection Order (paid in 14 days)	100.00	100.00	0.00		Cabinet
Littering from vehicles outside of London (Keepers: Civil Penalties) Regulations 2018, Regulation 6 (Paid in 14 days)	75.00	75.00	0.00		
Littering from vehicles outside of London (Keepers: Civil Penalties) Regulations 2018, Regulation 6 (Paid in 28 days)	100.00	100.00	0.00		Public Protection Committee
Graffiti & Fly Posting (Anti-Social Behaviour Act 2003 Section 43) (Domestic)	200.00	200.00	0.00		
Graffiti & Fly Posting (Anti-Social Behaviour Act 2003 Section 43) (Commercial)	500.00	500.00	0.00		
Domestic Waste Section 46 (Environmental Protection Act 1990)	60.00	60.00	0.00		
Household waste duty of care fixed penalty notices. Environmental protection Act 1990 Section 34(2)A)	600.00	600.00	0.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
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)	500.00	500.00	0.00		
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)	1,000.00	1,000.00	0.00		
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)	1,000.00	1,000.00	0.00		
Vehicle repair & sale offences (Clean Neighbourhoods & Environment Act 2005, Sections 3 & 4	100.00	100.00	0.00		
FPN for abandoned vehicles	200.00	200	0.00		
Environmental Protection Act 1990 - Part 1 Pollution Prevention & Control Act 1999					
Register of Permits				No VAT	Cabinet
Copy of tape/CD recorded interviews	20.00	21.00	1.00		
Environmental Information Regulations 1992 (requests for information), Charge per Hour (ICO guidance)	26.00	26.00	0.00		ICO Guidance
Noise monitoring service for Registered Social Landlords & Private Landlords for 1 period of up to 7 days & subsequent report & copy of recording	360.00	375.00	15.00		
Environmental Health Licences				No VAT	Cabinet
Dangerous wild animals - first licence	676.00	700.00	24.00		
Dangerous wild animals - renewal	336.00	350.00	14.00		
Zoo - first licence	On Application	On Application	0.00		
Zoo - renewal	On Application	On Application	0.00		
Selling animals as Pets – Grant new licence	379.00	395.00	16.00		
Selling animals as Pets – Renew licence	336.00	350.00	14.00		
Selling animals as Pets – Grading review (no visit)	87.00	92.00	5.00		
Selling animals as Pets – Variation	109.00	114.00	5.00		
Animal Boarding – Grant new licence	379.00	395.00	16.00		
Animal Boarding – Renew licence	336.00	350.00	14.00		
Animal Boarding – Grading review (no visit)	87.00	92.00	5.00		
Animal Boarding – Variation	109.00	114.00	5.00		
Hiring out horses – Grant new licence Exc Vet Fee	607.00	632.00	25.00		
Hiring out Horses - new licence Vet Fee	On Application	On Application	0.00		
Hiring out horses – Renew licence exc. Vet Fee	553.00	395.00	-158.00		
Hiring out Horses - renew licence Vet Fee	On Application	On Application	0.00		
Hiring out horses – Grading review (no visit)	87.00	91.00	4.00		
Hiring out horses – Variation	109.00	114.00	5.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Hiring out horses – Annual horse check	379.00	On Application	0.00		
Breeding Dogs – Grant new licence	628.00	654.00	26.00		
Breeding Dogs - New licence Vet Fee	On Application	On Application	0.00		
Breeding Dogs – Renew licence	336.00	350.00	14.00		
Breeding Dogs – Grading review (no visit)	87.00	91.00	4.00		
Breeding Dogs – Variation	109.00	114.00	5.00		
Keeping or training animals for exhibition - Grant new licence (3yrs)	260.00	270.00	10.00		
Keeping or training animals for exhibition - Renew licence (3yrs)	260.00	270.00	10.00		
Keeping or training animals for exhibition - Variation	109.00	114.00	5.00		
Re-inspection	109.00	114.00	5.00		
Registration of premises for acupuncture, tattooing, cosmetic piercing, electrolysis & semi-permanent skin colouring	168.00	175.00	7.00		
Registration of each operative	105.00	109.00	4.00		
Additional treatment registration	87.15	91.00	3.85		
Export health certificates	180.60	188.00	7.40		
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 & other stakeholders. The scale of charges is designed to cover the regulatory & administrative costs to the regulator.	Per DEFRA	Per DEFRA	0.00		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	165.00	165.00	0.00		
Charge for factual statements - disclosure of documents	90.00	90.00	0.00		
Private Water Supplies				No VAT	Statutory
Risk assessment (per hour, plus mileage)					
Sampling					
Investigation					
Authorisation			0.00		
Analysis - during Regulation 10					
Analysis - during check monitoring	Laboratory cost	Laboratory cost	0.00		
Analysis - during audit monitoring					

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Swimming Pools				No VAT	Cabinet
Sampling of pool water - per annum	756.00	787.00	31.00		
Sampling of pool water - one sample	78.75	82.00	3.25		
Food Hygiene Rating Scheme					
Food Hygiene Rating Scheme inspection	231.00	241.00	10.00	No VAT	Public Protection
FACILITIES MANAGEMENT					
NULBC delivery of Facilities Management services to Community Centres on leases & Kidsgrove Town Council. Calculated in accordance with the following formula - a) Contractor costs + b) Officer costs for administration & management + c) Car mileage & subsistence + d) On costs + 5%	As per formula	As per formula	0.00	Plus VAT	Cabinet
GARDEN WASTE RECYCLING				No VAT	Cabinet
Garden waste service - one bin	39.95	41.99	2.04		
Every additional garden waste bin	39.95	41.99	2.04		
Delivery of each additional garden waste bin	30.00	31.50	1.50		
LAND CHARGES				Plus VAT	
Residential – Con 29 only (conveyancer search)	138.00	137.00	-1.0		
Residential – additional parcel of land - each	90.00	90.00	0.00		
Residential - Con290 optional enquiries - each	36.50	26.00	-10.50		
Commercial – Con 29 only (conveyancer search)	344.00	342.00	-2.00		
Commercial – additional parcel of land - each	210.00	210.00	0.00		
Commercial – Con290 optional enquiries - each	36.50	26.00	-10.50		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
LEISURE CHARGES					
Sport Development Sports Development Activities up to 2 hours	Quotation	Quotation	0.00	No VAT	Cabinet
Jubilee 2 <i>Equipment Resale</i>					
Saleable items	Market Value	Market Value	0.00	VAT Incl.	Portfolio Holder
Equipment Hire	Market Value	Market Value	0.00	No VAT	
<i>Junior Memberships</i>					
Active2 12-16 years: Swimming, gym*, & appropriate classes (14 years & above with a paying Adult) *Access between the hours Monday – Friday 6.00 pm to 9.00pm with an appropriate adult. All other times individuals can attend unsupervised	18.00	19.00	1.00	No VAT	
<i>Premium Membership Charges Adults</i> (Including gym, classes, swim, climbing, discount on retail)				No VAT	Cabinet
Joining fee (includes inductions)	20.00	20.00	0.00		
Single Membership - 12-month minimum contract - payment monthly by direct debit	32.00	33.50	1.50		
Single Membership - no contract - per month	41.50	43.00	1.50		
Single Membership - 12-month membership for price of 11 months - payable in advance	352.00	370.00	18.00		
Corporate membership	34.00	35.50	1.50		
Corporate membership 12 motnh	27.50	29.00	1.50		
Swim & aquatic membership 12-month contract	27.00	28.50	1.50		
Swim & aquatic membership monthly contract	36.00	37.50	1.50		
Gym & group exercise classes 12-month contract	27.00	28.50	1.50		
Gym & group exercise classes monthly contract	36.00	37.50	1.50		
Climbing only membership 12-month contract	19.00	20.00	1.50		
Blue light membership 12-month contract	23.00	24.50	1.50		
Student/Apprenticeship membership month to month (16+) month to month	23.00	24.50	1.50		
<i>Studio Hire</i>					
Studio 1 or Studio 2	42.00	22.00	-20.00	VAT Incl.	Cabinet

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
<i>Swim / Climbing Casual Fee</i>					
Adult -	6.30	6.60	0.30	No VAT	
Adult - Concession	4.30	4.60	0.30		
Juniors 4 years and over	4.30	4.50	0.20		
under 4	1.00	1.45	0.45		
<i>Gym / Classes Casual Fee</i>					
Adult - Lite membership	6.30	6.60	0.30	No VAT	
Adult - Concession	4.30	4.60	0.30		
Junior 12 & over - Activities accessed in accordance with Industry guidance	4.30	4.50	0.20		
<i>Swimming Instruction</i>					
<i>Swimming Lessons</i>					
Adult swimming lesson (30 minutes)	9.90	10.50	0.60	No VAT	Cabinet
Junior swimming lesson (30 minutes) price per lesson - block of 12	6.40	6.70	0.30		
Monthly DD swimming	26.67	27.92	1.25		
<i>Private Lessons</i>					
1:1 swim lesson (per 30 minutes)	22.00	23.00	1.00	No VAT	Cabinet
1:1 Lessons 5 consecutive sessions in payable in advance	94.00	98.00	4.00		
<i>Pool Courses</i>					
National lifesaving Academy/Rookies (per 2-hour session) - Lyme Card	12.00	12.80	0.80	No VAT	Cabinet
Rookies	6.40	8.00	1.60		
<i>Swimming Pool Hire</i>					
Teaching Pool Hire	75.00	80.00	5.00	VAT Incl.	Cabinet
Main Pool Hire - (8 lane) (per lane per hour)	20.00	21.00	1.00		
Additional staff for pool hire (per staff member)	35.00	36.50	1.50		
Setup fee - galas	45.00	50.00	5.00		
Time equipment hire - galas	45.00	50.00	5.00		
<i>Parties</i>					
Pool Party inclusive of studio	100.00	105.00	5.00	VAT Incl.	
Climbing Party (six people) inclusive of studio use	100.00	105.00	5.00		
Additional instructor per six children	40.00	45.00	5.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Bowls				No VAT	Cabinet
Adult	5.00	5.25	0.25		
Junior/60+	3.00	3.20	0.20		
Summer season ticket - adult	70.00	73.00	3.00		
Summer season ticket - junior/60+/unemployed	46.00	48.00	2.00		
Winter season ticket	18.00	19.00	1.00		
Summer/winter season ticket - adult	83.00	86.00	3.00		
Summer/winter season ticket - junior/60+/unemployed	58.00	61.00	3.00		
Merit competition per player - per hour	10.00	10.50	0.50		
Greenage fees for pre-booking (plus playing fee per person)	12.00	12.50	0.50		
Tennis Class A (Westlands, Wolstanton)				No VAT	Cabinet New
Admin fee per court booking	Free	2.00	2.00		
Adult (per hour per court)	Free	Free	0.00		
Junior / Concession (per hour per court)	Free	Free	0.00		
Education / Not for Profit Organisations	Free	Free	0.00		
Tennis Class B (Chesterton, Silverdale, Bradwell, Clough Hall)	Free	Free	0.00		
Football (alternate weekly use per season)				No VAT	Cabinet
Wolstanton Marsh Pavilion	645.00	670.00	25.00		
All other pitches	450.00	468.00	18.00		
Junior pitch	60% of Fee	60% of Fee	0.00		
Mini soccer pitch (unmarked)	262.00	272.00	10.00		
Mini soccer pitch (marked)	368.00	382.00	14.00		
Rugby (alternate weekly use per season)				No VAT	Cabinet
Bathpool	908.00	940.00	32.00		
Lyme Valley	908.00	940.00	32.00		
Clough Hall	908.00	940.00	32.00		
Junior Pitch	60% of fee	60% of fee	0.00		
Rugby (casual use per match)	106.00	110.00	4.00	No VAT	Cabinet
Concessionary Licences				No VAT	Cabinet
Brampton Park ice cream sales	879.00	910.00	31.00		
Brampton Park use of bouncy castle	879.00	910.00	31.00		
4 Large Parks Northern part of Borough – ice cream	754.00	785.00	31.00		
4 Large Parks Southern part of Borough – ice cream	754.00	785.00	31.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Community Events				Plus VAT	Cabinet
Wedding Photos within a park setting	49.00	52.00	3.00		
Advertising within parks	11.00 to 5,330.00	11.00 to 5,330.00	0.00	Plus VAT	
Booking large events - more than 6 months planning	196.00	205.00	9.00	No VAT	
Booking medium events - 6 months+ planning (firework displays, carnivals etc.)	99.00	103.00	4.00	No VAT	
Booking small events - 6 months+ planning (competitions, fun days, picnics etc.)	37.00	38.50	1.50	No VAT	
Commercial Events - under 500 attendees per day	N/A	450.00	450.00		New
Commercial Events - between 500- 1000 attendees per day	N/A	600.00	600.00		New
Commercial events - between 1000-3000	N/A	1,200.00	1,200.00		New
Commercial events - over 3000 attendees per day	N/A	1,500.00	1,500.00		New
Commercial Fun Fairs & Circus - per day for events up to up 5 days	N/A	1,250.00	1,250.00		New
Commercial Fun Fairs & Circus - per day (purchased outside of the 5 day package)	N/A	360.00	360.00		New
Commercial Fun fair price per day (if purchased as part of the 5 day package)	N/A	250.00	250.00		New
Commercial Fun fair set up & take down days if outside the 5 days	N/A	84.00	84.00		New
LICENCES					
General				No VAT	
Sex establishments - application fee	3,665.00	3,665.00	0.00		
Sex establishments - Renewal	3,665.00	3,665.00	0.00		
Sex establishments - variation	1,241.00	1,241.00	0.00		Licensing Committee
Sex establishments - transfer	1,241.00	1,241.00	0.00		
Scrap metal dealer site licence	313.00	313.00	0.00		
Scrap metal dealer collectors' licence	248.00	248.00	0.00		
Gambling Act 2005				No VAT	
Lotteries - application fee	40.00	40.00	0.00		Statutory fees - Licensing Committee
Lotteries - annual fee	20.00	20.00	0.00		
Bingo - application fee	3,500.00	3,500.00	0.00		
Bingo - annual fee	1,000.00	1,000.00	0.00		
Bingo - application to vary	1,750.00	1,750.00	0.00		
Bingo – application for transfer	1,200.00	1,200.00	0.00		
Bingo – application to reinstate	1,200.00	1,200.00	0.00		
Track betting - application fee	2,500.00	2,500.00	0.00		
Track betting - annual fee	1,000.00	1,000.00	0.00		
Track betting - application to vary	1,250.00	1,250.00	0.00		
Track betting - application to transfer	950.00	950.00	0.00		
Track betting – application to reinstate	950.00	950.00	0.00		
Betting premises - application fee	3,000.00	3,000.00	0.00		
Betting premises - annual fee	600.00	600.00	0.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Betting premises - application to vary	1,500.00	1,500.00	0.00		
Betting premises - application to transfer	1,200.00	1,200.00	0.00		
Betting premises – application to reinstate	1,200.00	1,200.00	0.00		
Family entertainment centre - application fee	2,000.00	2,000.00	0.00		
Family entertainment centre - annual fee	750.00	750.00	0.00		
Family entertainment centre - application to vary	1,000.00	1,000.00	0.00		
Family entertainment centre - application to transfer	950.00	950.00	0.00		
Family entertainment centre – application to reinstate	950.00	950.00	0.00		
Adult gaming centre - application fee	2,000.00	2,000.00	0.00		
Adult gaming centre - annual fee	1,000.00	1,000.00	0.00		
Adult gaming centre - application to vary	1,000.00	1,000.00	0.00		
Adult gaming centre - application to transfer	1,200.00	1,200.00	0.00		
Adult gaming centre – application to reinstate	1,200.00	1,200.00	0.00		
Copy of any of the above licences (lost, stolen, damaged)	25.00	25.00	0.00		
Notice of Intention – 2 or less gaming machines	50.00	50.00	0.00		
Licensed Premises Gaming Machine Permits – more than 2 machines	150.00	150.00	0.00		
Licensed Premises Gaming Machine Permits – more than 2 machines, Variation	100.00	100.00	0.00		
Licensed Premises Gaming Machine Permits – more than 2 machines, Transfer	25.00	25.00	0.00		
Licensed Premises Gaming Machine Permits – more than 2 machines, Annual Fee	50.00	50.00	0.00		
Licensed Premises Gaming Machine Permits – more than 2 machines, Change of Name	25.00	25.00	0.00		
Licensed Premises Gaming Machine Permits – more than 2 machines, Copy (lost, stolen, damaged)	15.00	15.00	0.00		
Club Gaming/Club Machine Permits – New/Renew	200.00	200.00	0.00		
Club Gaming/Club Machine Permits for holders of Club Premises Certificates (under LA03) – New/Renew	100.00	100.00	0.00		
Club Gaming/Club Machine Permit – Annual Fee	50.00	50.00	0.00		
Club Gaming/Club Machine Permit – Variation	100.00	100.00	0.00		
Club Gaming/Club Machine Permit – Copy (lost, stolen, damaged)	15.00	15.00	0.00		
UFEC (Unlicensed family entertainment Centre – 10-year licence)	300.00	300.00	0.00		
Prize Gaming Permit – New/Renewal	300.00	300.00	0.00		
Prize Gaming Permit – Change of Name	25.00	25.00	0.00		
Prize Gaming Permit – Copy (lost, stolen, damaged)	15.00	15.00	0.00		
Temporary Use Notice (TUN)	200.00	200.00	0.00		
Casino Small – New application	7,952.00	7,952.00	0.00		
Casino Small – Annual Fee	3,976.00	3,976.00	0.00		
Casino Small - Variation	2,650.00	2,650.00	0.00		
Casino Small – Application for Transfer	1,705.00	1,705.00	0.00		
Casino Small – application to reinstate	1,705.00	1,705.00	0.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Private Hire/Hackney Carriage				No VAT	Public Protection
OPERATORS					
PHO Application fee	329.00	330.00	1.00		
Add/Remove Director	45.00	46.00	1.00		
Copy/Replacement Licence	8.00	8.00	0.00		
Basic DBS	18.00	18.00	0.00		
Director/Licence Holder - change of home address	N/A	18.00	18.00		New
Exemption Request	N/A	51.00	51.00		New
DRIVERS				No VAT	
Dual Driver Badge - 3 years	250.00	261.00	11.00		
Change of address	18.00	18.00	0.00		
Replacement badge (vehicle or driver copy)	15.00	16.00	1.00		
Reissue/replacement badge (with amended details)	31.00	33.00	2.00		
DBS (CRB check)	38.00	38.00	0.00		
DBS (CRB check) online	64.34	64.34	0.00		
Exemption certificates	15.00	16.00	1.00		
Knowledge test	20.00	13.00	-7.00		
Fail to attend Knowledge Test	20.00	13.00	-7.00		
Change of Name	21.00	22.00	1.00		
DE Training replacement cert	Free	Free	0.00		
Copy of Paper Licence	8.00	8.00	0.00		
Joint Disability & Safeguarding Training	48.00	48.00	0.00	£40 + VAT	
Exemption Request	N/A	51.00	51.00		New
Application Support appointment	N/A	18.00	18.00		New
VEHICLES				No VAT	
Transfer of vehicle	45.00	46.00	1.00		
Change of vehicle registration	52.00	54.00	2.00		
Failure to attend for vehicle test	73.00	76.00	3.00		
Retest	31.00	32.00	1.00		
Replacement plate carrier – front	11.00	11.00	0.00		
Replacement plate carrier – rear	13.00	14.00	1.00		
Replacement vehicle plate - front	9.00	9.00	0.00		
Replacement vehicle plate - rear	12.00	13.00	1.00		
Replacement vehicle sticker signage	6.00	6.00	0.00		
Copy of paper part of licence	8.00	8.00	0.00		
Change of Vehicle Colour	52.00	54.00	2.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
HCV test	79.00	82.00	3.00		
PHV test	79.00	82.00	3.00		
HCV application fee	186.00	193.00	7.00		
PHV application fee	173.00	182.00	9.00		
Basic DBS	18.00	18.00	0.00		
Change of Name/Address	45.00	46.00	1.00		
Spot check	23.00	23.00	0.00		
Replacement Internal Plate	8.00	8.00	0.00		
Exemption Request	N/A	51.00	51.00		New
PHV change of base	N/A	18.00	18.00		New
Copy of HCV Tariff sheet	N/A	3.00	3.00		New
Licensing Act 2003 - New Application				No VAT	Statutory
Premise licence, band A (rateable value of up to £4,300)	100.00	100.00	0.00		
Premise licence, band B (rateable value of £4,301 to £33,000)	190.00	190.00	0.00		
Premise licence, band C (rateable value of £33,001 to £87,000)	315.00	315.00	0.00		
Premise licence, band D (rateable value of £87,001 to £125,000)	450.00	450.00	0.00		
Premise licence, band E (rateable value of >£125,001)	635.00	635.00	0.00		
Additional fee (5,000 to 9,999 patrons)	1,000.00	1,000.00	0.00		
Additional fee (10,000 to 14,999 patrons)	2,000.00	2,000.00	0.00		
Additional fee (15,000 to 19,999 patrons)	4,000.00	4,000.00	0.00		
Additional fee (20,000 to 29,999 patrons)	8,000.00	8,000.00	0.00		
Additional fee (30,000 to 39,999 patrons)	16,000.00	16,000.00	0.00		
Additional fee (40,000 to 49,999 patrons)	24,000.00	24,000.00	0.00		
Additional fee (50,000 to 59,999 patrons)	32,000.00	32,000.00	0.00		
Additional fee (60,000 to 69,999 patrons)	40,000.00	40,000.00	0.00		
Additional fee (70,000 to 79,999 patrons)	48,000.00	48,000.00	0.00		
Additional fee (80,000 to 89,999 patrons)	56,000.00	56,000.00	0.00		
Additional fee (90,000 patrons & above)	64,000.00	64,000.00	0.00		
Licensing Act 2003 - Annual Fee				No VAT	Statutory
Premise licence, band A (rateable value of up to £4,300)	70.00	70.00	0.00		
Premise licence, band B (rateable value of £4,301 to £33,000)	180.00	180.00	0.00		
Premise licence, band C (rateable value of £33,001 to £87,000)	295.00	295.00	0.00		
Premise licence, band D (rateable value of £87,001 to £125,000)	320.00	320.00	0.00		
Premise licence, band E (rateable value of £125,001 & above)	350.00	350.00	0.00		
Additional fee (5,000 to 9,999 patrons)	500.00	500.00	0.00		
Additional fee (10,000 to 14,999 patrons)	1,000.00	1,000.00	0.00		
Additional fee (15,000 to 19,999 patrons)	2,000.00	2,000.00	0.00		
Additional fee (20,000 to 29,999 patrons)	4,000.00	4,000.00	0.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Additional fee (30,000 to 39,999 patrons)	8,000.00	8,000.00	0.00		
Additional fee (40,000 to 49,999 patrons)	12,000.00	12,000.00	0.00		
Additional fee (50,000 to 59,999 patrons)	16,000.00	16,000.00	0.00		
Additional fee (60,000 to 69,999 patrons)	20,000.00	20,000.00	0.00		
Additional fee (70,000 to 79,999 patrons)	24,000.00	24,000.00	0.00		
Additional fee (80,000 to 89,999 patrons)	28,000.00	28,000.00	0.00		
Additional fee (90,000 patrons & above)	32,000.00	32,000.00	0.00		
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	0.00		
Section 29 (application for a provisional statement)	315.00	315.00	0.00		
Section 33 (notification of change of name or address)	10.50	10.50	0.00		
Section 37 (application to vary licence to specify individual as premises supervisor)	23.00	23.00	0.00		
Section 42 (application for transfer of premises licence)	23.00	23.00	0.00		
Section 47 (interim authority notice following death of licence holder)	23.00	23.00	0.00		
Section 79 (theft, loss etc. of certificate or summary)	10.50	10.50	0.00		
Section 82 (notification of change of name or alteration of rules of club)	10.50	10.50	0.00		
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	0.00		
Section 100 (temporary event notice)	21.00	21.00	0.00		
Section 110 (theft, loss of temporary event notice)	10.50	10.50	0.00		
Section 117 (application for, or renewal of personal licence)	37.00	37.00	0.00		
Section 126 (theft, loss of personal licence)	10.50	10.50	0.00		
Section 127 (duty to notify change of name/address)	10.50	10.50	0.00		
Section 110 (theft or loss of temporary event notice)	10.50	10.50	0.00		
Section 126 (theft or loss of personal licence)	10.50	10.50	0.00		
Section 127 (duty to notify change of name/address)	10.50	10.50	0.00		
Section 178 (right of freeholder etc.)	21.00	21.00	0.00		
Minor Variation	89.00	89.00	0.00		
Removal of DPS at community premises	23.00	23.00	0.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
MARKETS				No VAT	Cabinet
Open market - stall (per day) Monday	Free	Free	0.00		
Open market - second stall (per day) Monday	Free	Free	0.00		
Open market - stall (per day) Wednesday	12.50	13.00	0.50		
Open market - second stall (per day) Wednesday	11.50	12.00	0.50		
Open market - stall (per day) Fri/Sat	23.00	24.00	1.00		
Open market - additional space (per day) Fri/Sat	11.50	12.00	0.50		
Farmers market - stall (per day)	22.00	23.00	1.00		
Other Pitches - minimum charge (per day)	28.00	29.00	1.00		
Catering Pitches - minimum charge (per day) Fri / Sat	27.00	28.00	1.00		
Catering Pitches - minimum charge (per day) Mon / Weds	13.50	14.00	0.50		
Small Stalls (adjacent to Guildhall)	10.50	11.00	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)	5.25	5.50	0.25		
Stalls - Secondary offer (16 weeks only / per day)	50% stall rent	50% stall rent	0.00		
Catering Pitches - Secondary offer (16 weeks/weekly charge - up to 4 days trading)	26.00	27.00	1.00		
Antique market - stall (per day)	8.00	8.50	0.50		
Antique Market - second stall (per day)	4.00	4.50	0.50		
Craft fair (bric-a-brac) - stall (per day)	5.50	6.00	0.50		
Craft fair (bric-a-brac) - second stall (per day)	2.50	3.00	0.50		
Service Charge (for licensed markets)	29.00	31.00	2.00		
Events Markets - per stall / pitch (e.g., CAM / Vegan)	5.25	5.50	0.25		
Electricity Charge for pitches on AFG licensed markets	7.50	8.00	0.50		
Record Fair	10.00	11.00	1.00		
MOT				No VAT	Cabinet
MOT - car	48.60	50.50	1.90		
MOT - car (for discounted partner incl. Lyme Card)	42.74	44.50	1.76		
MOT - class 7 (up to 3.5 tonnes)	61.00	64.00	3.00		
Retest	16.80	17.50	0.70		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
MUSEUM & ART GALLERY					Cabinet
<i>Reproduction prints of items in collection</i>				VAT Incl.	
Photocopies	1.20	1.25	0.05	VAT Incl.	
Commission of picture sales from exhibitions	0.30	0.30	0.00	Plus VAT	
Education session per pupil - half day	5.75	6.25	0.50	No VAT	
Education session per pupil - full day	7.80	7.80	0.00	No VAT	
Education sessions - minimum charge half day (20 pupils or fewer)	84.00	88.50	4.50	No VAT	
Education sessions - minimum charge full day (20 pupils or fewer)	130.00	135.00	5.00	No VAT	
Holiday activities per child	12.50	13.00	0.50	No VAT	
Adult object handling/reminiscence sessions per hour	34.00	36.00	2.00		
Outreach fee	62.50	88.50	26.00	No VAT	
Outreach education – schools per session	89.00	6.25	-82.75	No VAT	
Hire of Drawing Room per hour (Function/Corporate)	16.00	17.00	1.00		
Hire of Drawing Room per hour (Not for profit/Charity)	10.50	11.00	0.50		
Hire of Alder Room per hour (Function/Corporate)	27.00	28.00	1.00		
Hire of Alder Room per hour (Not for profit/Charity)	21.00	22.00	1.00		
Hire of Willow Room per hour (Function/Corporate)	36.50	28.00	-8.50		
Hire of Willow Room per hour (Not for profit/Charity)	29.00	22.00	-7.00		
Hire of Event Space per hour (function/corporate/park business)	55.00	57.00	2.00		
Hire of Event Space per hour (Not for Profit/charity/park)	38.00	40.00	2.00		
Early entry or late stay - per hour	25.00	26.00	1.00		
Room set up	25.00	26.00	1.00		
Education item loan	26.00	27.00	1.00	No VAT	
Saleable items	RRP	RRP	0.00		
Open art registration - up to 2 items	5.00	10.00	5.00	VAT Incl.	
Research/archive fees				VAT Incl.	
Complex collections/archive research per hour	25.00	25.00	0.00		
Object loans to Accredited Museums (outside the county) includes condition report	200.00	200.00	0.00		
1:1 session with collections adviser (after 15 minutes)	12.50	12.50	0.00		
Archive/Object scans (paper or digital) A4 colour - First Scan	10.00	10.00	0.00		
Archive/Object scans (paper or digital) A4 colour - Subsequent Scan	5.00	5.00	0.00		
Archive/Object scans (paper or digital) A3 colour - First Scan	15.00	15.00	0.00		
Archive/Object scans (paper or digital) A3 colour - Subsequent Scan	5.00	5.00	0.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
NAMING/ NUMBERING OF STREETS/ PROPERTIES					
New or Redevelopment					
Charge for naming of a street	225.00	235.00	10.00	No VAT	Cabinet
Charge for naming of a commercial building	115.00	120.00	5.00		
Single residential property on existing street	150.00	160.00	10.00		
Number/name 2-9 properties (includes first)	225.00	235.00	10.00		
Plus - per plot	80.00	85.00	5.00		
Number/name 10 plus properties (includes first property)	225.00	235.00	10.00		
Plus - per plot	80.00	85.00	5.00		
Change to layout after notification	285.00	295.00	10.00		
Plus - per plot	45.00	50.00	5.00		
Existing Properties/Streets					
Adding or alteration of a house/building name	80.00	85.00	5.00	No VAT	Cabinet
Renaming of a street	On request	On request	0.00		
House or building renumbering (including subdivision to flats)	285.00	295.00	10.00		
Confirmation of postal address	45.00	50.00	5.00		
Requests not included in above fees per hour	60.00	65.00	5.00		
Road closure	35.00	40.00	5.00		
PEST CONTROL					
Treatment of rats (domestic) - prepayment (up to 4 visits)	62.40	75.00	12.60	VAT Incl.	Cabinet
Treatment of rats (domestic) - payment by invoice (up to 4 visits)	83.20	90.00	6.80		
Treatment of mice (domestic) – prepayment (up to 3 visits)	62.40	75.00	12.60		
Treatment of mice (domestic) – payment by invoice (up to 3 visits)	83.20	90.00	6.80		
Fleas / Bedbugs / Cockroaches (domestic) - prepayment	124.80	130.00	5.20		
Fleas / Bedbugs / Cockroaches (domestic) - payment by invoice	145.60	151.00	5.40		
Insect control treatments (domestic) including wasps, & ants - prepayment	83.20	90.00	6.80		
Insect control treatments (domestic) including wasps & ants - payment by invoice	104.00	108.00	4.00		
Pest control commercial (other) - first hour	124.80	130.00	5.20		
Pest control commercial (other) - per 1/4 extra hour	31.20	33.00	1.80		
Mole & Rabbit control (per treatment course, max 3 visits) - prepayment	202.80	210.00	7.20		
Mole & Rabbit control (per treatment course, max 3 visits) - payment by invoice	223.60	235.00	11.40		
Squirrel control - prepayment (up to 4 visits)	150.80	157.00	6.20		
Squirrel control - payment by invoice (up to 4 visits)	171.60	178.00	6.40		
Telephone Advice (prepayment only)	15.60	17.00	1.40		
Advice Visit (no treatment) - prepayment	62.40	65.00	2.60		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Advice Visit (no treatment) - payment by invoice	83.20	87.00	3.80		
Fixed term pest control treatment agreements (commercial premises)	On request	On request	0.00		
Works in default (Prevention of Damage by Pests Act 1949) first hour (invoiced)	As per formulae	As per formulae	0.00		
Works in default (Prevention of Damage by Pests Act 1949) per additional 1/4 hour (invoiced)	for works in default	for works in default			
PLANNING SERVICES					
Postage & packaging	1.47	1.60	0.13	No VAT	
Copies up to £1 are free of charge					
Paper copies of planning/building control decisions & documents - per sheet (A4 black & white)	0.32	0.34	0.02	No VAT	
Paper copies of planning/building control decisions & documents - per sheet (A3 black & white)	0.52	0.54	0.02	No VAT	
Paper copies of plans - planning files - per sheet (A4 black & white)	0.32	0.34	0.02	No VAT	
Paper copies of plans - planning files - per sheet (A3 black & white)	0.63	0.66	0.03	No VAT	
Paper colour copies of an A4 sheet of planning/building control decision, planning documents or plan	0.63	0.66	0.03	No VAT	
Paper colour copies of an A3 sheet of decision, planning documents or plan	0.95	0.99	0.04	No VAT	
Scanned copies of documents - charge per hour of scanning	44.10	45.65	1.55	No VAT	
Paper copies of plans - planning files - each plan (A2)	2.94	3.05	0.11	No VAT	
Paper copies of plans - planning files - each plan (A1)	4.30	4.46	0.16	No VAT	
Paper copies of plans - planning files - each plan (A0)	5.56	5.76	0.20	No VAT	
Weekly lists - statutory consultees	Free	Free	0.00		
Requests for site information – commercial per hour	94.50	97.90	3.40	No VAT	
Requests for site information - individuals	Cost			No VAT	
Electronic copies of Planning Decision Notices & Legal Agreements	N/A	10.00	10.00		New
Pre Planning Application Advice					
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 10,000m2 of floor space or where floor space not known, a site area of 2ha or more)	972.00	1,215.00	243.00		
Small Scale Major Developments (residential developments of between 10 & 200 dwellings or where number not known, a site area of between 0.5ha & 4ha. Non-residential developments of between 1000m2 & 10,000m2 of floor space or where floor space not known, a site area of between 1ha & 2ha)	492.00	615.00	123.00		
1 dwelling	150.00	187.50	37.50	VAT Incl.	Cabinet

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
Minor Developments (residential developments of 2 to 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)	222.00	277.50	55.50		
Householder Development.					
Half hour appointment	30.00	37.50	7.50		
Appointment in excess of 30 minutes	44.00	55.00	11.00		
Other Development (excluding householder development but including changes of use, advertisements, prior approval proposals & listed building proposals)	73.00	91.25	18.25		
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	0.00		
Building Control fees (North Staffs Building Control Partnership)	Per Board	Per Board	0.00		Partnership
Planning & development briefs (as & when prepared)	Free	Free	0.00		
Core spatial strategy	44.10	45.65	1.55		
Local development framework proposals map - north or south	10.50	10.87	0.37		
Local development framework proposals map - north & south	16.80	17.39	0.59		
Strategic housing land availability assessment (SHLAA)	47.25	48.91	1.66		
Section 106					
Section 106 Monitoring for each obligation forming part of an agreement, excluding those elements the responsibility of Staffordshire County Council	300.00	310.50	10.50		
Additional time spent in monitoring over & above the expected 1 working day, per hour	40.25	41.66	1.41		
Self Build & Custom Build Register					
Charge for someone wanting to be on the register - first charge	N/A	40.00	40.00		
Annual charge to remain on the register	N/A	20.00	20.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
PRIVATE SECTOR HOUSING					
Houses in multiple occupation licence fee	695.00	723.00	28.00	No VAT	Cabinet
Each additional bedroom	9.50	10.00	0.50		
Renewal of houses in multiple occupation licence	515.00	535.00	20.00		
Each additional bedroom	9.50	10.00	0.50		
Immigration Inspections	146.00	152.00	6.00		
Provision of accommodation for homeless households	Cost	Cost	0.00		
Annual interest to be applied to unpaid debts for enforcement action	0.08	0.08	0.00		
Work in default notices to remedy Housing Health & Safety issues					
Officer time (per hour)	Cost	Cost	0.00	No VAT	Cabinet
Travelling costs (per mile)	Cost	Cost	0.00		
Management costs (per hour)	Cost	Cost	0.00		
Land registry fee	Cost	Cost	0.00		
Inspection by qualified electrician or gas engineers	Cost	Cost	0.00		
Recorded delivery	Cost	Cost	0.00		
Other costs (stated as per individual case)	Cost	Cost	0.00		
Administration fee (to cover service recharges)	12% Cost	12% Cost	0.00		
Annual interest to be applied to unpaid debts for enforcement action	0.08	0.08	0.00		
REMOVAL OF DOMESTIC ANIMAL CARCASSES					
Removal of domestic animal carcasses	43.26	45.00	1.74	VAT Incl.	Cabinet
SALE OF SANDBAGS					
5 sandbags	44.50	46.50	2.00	VAT Incl.	Cabinet
10 sandbags	61.75	64.00	2.25		
15 sandbags	78.00	82.00	4.00		
20 sandbags	95.00	100.00	5.00		

Fees and Charges 2025/26

	Fee/ Charge 2024/25 £	Proposed Fee/ Charge 2025/26 £	Increase/ Decrease £	VAT Status	Committee Approval/ Comments
STREET TRADING					
Eastbound or Northbound layby A500 (per annum)	10,500.00	10,900.00	400.00	No VAT	Cabinet
TOWN CENTRE DISPLAYS					
Local promotions (minimum charge)	32.00	33.50	1.50	No VAT	Cabinet
Charity & local community groups	7.00	7.50	0.50		
National promotions (minimum charge)	89.00	93.00	4.00		
TREE PRESERVATION ORDERS					
Single copy of a tree preservation order	35.00	38.00	3.00	No VAT	Cabinet
WASTE & RECYCLING BINS/ RECEPTACLES					
Bins/receptacles per property on new developments (to be paid by the developer)	80.00	85.00	5.00	No VAT	Cabinet
Replacement bin due to loss / theft	30.00	31.50	1.50		
<i>Maximum Delivery Charge:</i>					
New property - resident	30.00	31.50	1.50		
Replacement / additional recycling bag.	30.00	31.50	1.50		

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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.



NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
CORPORATE LEADERSHIP TEAM'S
REPORT TO
FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE

16 January 2025

Report Title: Town Deal and Future High Street Funds Update
Submitted by: Deputy Chief Executive
Portfolios: Portfolio Holders - Finance, Town Centres and Growth
Ward(s) affected: All

<u>Purpose of the Report</u>	<u>Key Decision</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
To update Scrutiny Committee on the Town Deal and Future High Street Funds projects.	
<u>Recommendation</u>	
That:-	
1. Scrutiny Committee notes this report on the delivery of the Town Deal and Future High Street Funds projects.	
<u>Reasons</u>	
To update the Scrutiny Committee on the progress with the various projects that are being funded or part funded through the two Town Deals – Newcastle and Kidsgrove, and the Future High Street Funds for Newcastle Town Centre.	

1. Background

1.1 As reported to previous Scrutiny meetings, the Council has secured Future High Street Funding and Town Deal Funds for the redevelopment of several key regeneration sites across the Town Centre and the wider Borough.

2. Updates

2.1 Future High Street Fund

Work has been continuing in the development of the schemes for the past couple of years, and the current position regarding each is as follows:

2.1.1 Market improvements

Planning permission has now been received for the large digital screen and the Traffic Regulation Order for the 'Nipper Parking' has been agreed for implementation on the

ground. Works to the project (including benching and planters) will be complete by the end of March 2025 in line with the funding deadline for spend.



2.1.2 Astley Place

The demolition / strip out contract for the removal of the building fabric, exposing the framework for future development has practically completed and the planning application for the new development will be considered at the upcoming planning committee in the Spring (it is currently out for consultation).



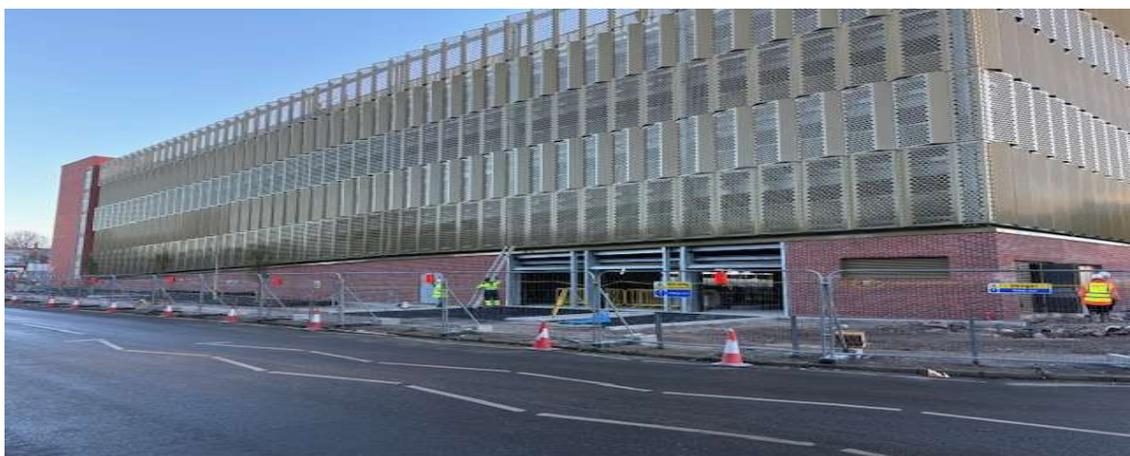


Merrial Street / Red Lion Square

Ryecroft / Rye Park

2.1.3 Castle Car Park

Completion and opening are now imminent. Directional signage, notices of change of car park, permit changes etc have all been organised and the Traffic Regulation Order to close Midway and open Castle Car Park have been approved and actioned.



2.1.4 McCarthy and Stone Residential Development

McCarthy and Stone's planning application for their development is currently out for consultation and will be at a planning committee very shortly.



2.1.5 New Hotel / Aparthotel

Capital and Centric's planning application for the whole of the wider Ryecroft development submission is currently out for consultation and will be considered at a planning committee in early Spring.



Aparthotel and apartment layout along Merriel St



Aspire Residential Development



Capital&Centric Residential Development

2.2 Newcastle Town Deal

2.2.1 Midway Car Park / Carpark

Capital&Centric's planning application for the new development is currently out for consultation and will be considered by a planning committee in early spring.



2.2.2 Astley Performing Arts Centre

The Philip Astley CIC and the Council are continuing their investigation for Phase 2 for the circus skills training space, for ariel work etc.

2.2.3 Knutton and Chesterton

Knutton

Aspire Housing are planning to commence construction works in early 2025 for the residential development at the High Street site. Planning permission has been granted and the land transfer documentation has been signed, allowing development to begin.

Also, as above, the former community centre site development by Aspire is due to commence at the same time.

Whilst work on the extension to the Enterprise Centre will be complete in January 2025.

The plans for a village hall at High Street in Knutton were considered by the planning committee in September 2024 and approved. Support Staffs are currently sourcing a group to act as tenant / operators – there are several interests being considered and once selected and agreements signed, the construction of the Hall can be tendered.

The development of the football changing rooms at the Wammy continues and will be complete in February 2025.

Cross Street Chesterton

Aspire Housing has appointed a contractor to deliver the next phase, and the contractor is mobilising on site.

2.2.4 Zanzibar Enterprise Units

A planning application for the development is expected by the end of January 2025, with construction starting in spring / summer 25 and completion of the units by the end of 2025.

2.2.5 Walking and Cycling Provision

Works for these schemes has begun through Staffordshire County Council with cycling improvements implemented along George Street, at Gallowstree Roundabout and works will commence along Barracks Road in summer 2025.

2.2.6 Sustainable Travel

We are awaiting confirmation of the commencement date of the works to the new bus entrance to Keele University.

2.2.7 Digital Society – 53 Iron Market (Keele in Town)

Works to Keele in Town have now completed and a soft launch is expected mid-January 2025



2.2.8 EV Charging Points

These works now form part of the new Castle Car Park project and will be in place ready for opening of the car park imminently.

2.2.9 Digital infrastructure

A procurement exercise has completed and a contractor has been selected, ITS, and they are now working up the business case and proposals for the fibre network and the community hubs.

2.3 Kidsgrove Town Deal

2.3.1 Chatterley Valley

This element of the Town Deal project is complete.

2.3.2 Kidsgrove Train Station works

As reported previously there is currently an issue with the costs of car park underpinning due to mine works underground, which are being worked through. Network Rail are looking into costs and scope of works required and there is a suggestion that the HS2 cancellation will result in funds being transferred to this issue. We are awaiting feedback on several fronts before the scheme can progress.

2.3.3 Canal Pathways

Works by the Canal and Rover Trust are being tendered currently with works anticipated to commence in January 2025.

2.3.4 Shared Service Hub

An options appraisal is being undertaken on various new options for the hub on The Meadows, with some enterprise units, landscaping to the highway and an upgrade of space at The Kings Academy. This work is being presented to the Town Deal Board in January 2025 for approval.

3. Recommendation

- 3.1 Scrutiny Committee notes the progress made to date and continues to receive further reports at subsequent meetings.

4. Reasons

- 4.1 Generating efficiencies and additional income by adopting a more commercial approach is a key in the Council's plans for maintaining financial sustainability in the medium to long term. The Commercial Strategy provides a framework for managing and coordinating commercial activities, it is appropriate that the Council reviews key major projects when they are at an appropriate stage of business planning and contract award.

5. Options Considered

- 5.1 The Council continues to progress a number of strategies and approaches to ensure that it can maintain a financially sustainable future and deliver the key priorities set out in the Council plan.

6. Legal and Statutory Implications

- 6.1 The Local Government Act 2000 - powers to promote the economic, social and environmental wellbeing of the Borough.
- 6.2 The Council will need to make sure that its commercial activities are legally and state aid compliant, including having regard to the Public Sector Duty within the Equality Act 2010, statutory guidance on local authority investments and The Prudential Code for Capital Finance in Local Authorities.
- 6.3 All commercial projects and investment opportunities will be examined to ensure that they are within the Council's powers and legal implications will be identified on a case-by-case basis.

7. Equality Impact Assessment

- 7.1 The development of these projects does not create any specific equality impacts.

8. Financial and Resource Implications

- 8.1 The Council was awarded Future High Streets Fund funding in June 2021 of £11.0m to progress projects to help future economic growth. The full £11.0m has now been received of which £10.9m has been spent at 6 January 2025, as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Ryecroft / Site Preparation	3,756	3,675	81
Multi Story Car Park	3,500	3,500	0
York Place	3,015	3,015	0
Stones Public Realm	321	266	55
Market Stalls	76	76	0
Project Management	380	380	0
Total	11,048	10,912	136

- 8.2 £23.6m was awarded to the Council via the Town Deals Fund for Newcastle to enable a vision to improve communications, infrastructure, and connectivity in Newcastle-under-Lyme to become a reality. £16.0m has been received to date of which £7.9m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Digital Infrastructure	2,285	1,528	757
Sustainable Public Transport	3,421	279	3,142
Electric Vehicle Charging	400	0	400
Pedestrian Cycle Permeability	950	359	591
Transform Key Gateway Sites	3,810	755	3,055
Astley Centre for Circus	1,810	637	1,173
Digital Society	3,510	1,369	2,141
Heart into Knutton Village	3,534	1,721	1,813
Cross Street, Chesterton	2,955	583	2,372

Project Management	925	668	257
Total	23,600	7,899	15,701

8.3 £16.9m has also been awarded via the Town Deals fund for Kidsgrove to enable real and lasting economic benefits to be realised in Kidsgrove and the surrounding area. To date £14.5m has been received of which £7.0m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Kidsgrove Sports Centre	2,328	2,328	0
Chatterley Valley West	3,661	3,661	0
Kidsgrove Station	3,638	225	3,413
Shared Services Hub	6,183	174	6,009
Canal Enhancement	420	0	420
Project Management	670	566	104
Total	16,900	6,954	9,946

9. Major Risks & Mitigation

9.1 Management of risk is central to the Council's commercial approach and all potential activities will be assessed with due regard to the risks being taken. This will be in line with the Council's corporate approach to risk management.

10. UN Sustainable Development Goals (UNSDG)

10.1 These projects support the realisation of the following UNSDG objectives:-



11. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

We will make investment to diversify our income and think entrepreneurially.

One Digital Council

We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.

One Green Council

We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle.

12. Key Decision Information

12.1 The plans affect more than 2 wards and any future investments have the potential to have significant financial implications. These will be subject to further reports which may be key decisions.

13. Earlier Cabinet/Committee Resolutions

13.1 None.

14. List of Appendices

14.1 None.

15. Background Papers

15.1 None.

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**CORPORATE LEADERSHIP TEAM'S
REPORT TO Finance, Assets and Performance Committee**

16th January 2025

Report Title: **One Council Review and Next Steps**

Submitted by: Service Director for Strategy, People and Performance

Portfolios: One Council, people and Partnerships

Ward(s) affected: All

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
To provide a review of the One Council Programme including lessons learned and achievements.			
<u>Recommendation</u>			
<p>That Finance:</p> <ol style="list-style-type: none"> 1. Acknowledges this report and the successes evidenced. 2. Further acknowledges the lessons learned and the need to continuously improve as the One Council programme closes. 3. Notes that service level change and delivery of improvement moves into business as usual as teams use the skills they have learned through this process to challenge them selves and others to continue to make positive change. 4. Celebrates and endorses the significant efforts of Council teams involved in the transformation. 5. Notes the inclusion of Staff feedback and the intent to review aspects of of service delivery 			
<u>Reasons</u>			
<p>A large scale programme such as the One Council will create lasting change and improvements to services. These changes will not be linear.</p> <p>Acknowledging where things could have gone better is a valuable learning experience and supports organisational learning and continuous improvement.</p>			

- 1.1 The One Council Transformation Programme was Newcastle Borough Council's biggest ever change programme borne out of both future financial uncertainty and learning from the pandemic when the Borough Council was required to swiftly adapt and change.
- 1.2 The Programme aimed to fundamentally change the Council's operating model to better meet the needs and demands of our community, to become both more efficient and effective with the resources at our disposal and to provide enhanced customer journeys whilst bringing about annual financial savings of over £1.17m (amounting to 6% of the Council's net budget) year on year.
- 1.3 The appendix report summarises the process followed, achievements and lessons learned of the programme and sets the scene for The One Green Council, One Digital Council and One Commercial Council programmes.

2. Issues

- 2.1 In 2020, the Council was facing significant future financial challenges, alongside the operational and strategic challenges of service delivery during the Covid 19 pandemic.
- 2.2 Taking a forward thinking approach, the Council took the decision to face these challenges head on and embark on a full scale transformation which launched in 2021.
- 2.3 The transformation delivered a new operating model alongside significant operational efficiencies measured in officer time and delivery cost
- 2.4 Central to the programme was a focus on culture and behaviours leading to improvements in staff engagement as well as a renewed emphasis on organisational values designed to enhance the delivery of excellent services to residents.
- 2.5 Teams and services were encouraged and supported to work together in order to create slick and efficient experience for our customers.
- 2.6 A spend to save model was used with an outlay of £1.2m over the life of the programme, which resulted in overall savings of £1.17m per annum.
- 2.7 Programme progress was tracked throughout via innovative use of Power BI tools and a 'benefits tracker' which supported live tracking and measurement of intended and realised benefits.

3. Recommendation

- 3.1 Acknowledges this report and the successes evidenced.
- 3.2 Further acknowledges the lessons learned and the need to continuously improve as the One Council programme closes.
- 3.3 Notes that service level change and delivery of improvement moves into business as usual as teams use the skills they have learned through this process to challenge themselves and others to continue to make positive change.
- 3.4 Celebrates and endorses the significant efforts of Council teams involved in the transformation.
- 3.5 Notes the inclusion of Staff feedback and the intent to review aspects of of service delivery

4. Reasons

4.1 A large scale programme such as the One Council will create lasting change and improvements to services. These changes will not be linear.

4.2 Acknowledging where things could have gone better is a valuable learning experience and supports organisational learning.

5. Options Considered

5.1 n/a

6. Legal and Statutory Implications

6.1 n/a

7. Equality Impact Assessment

7.1 The programme was designed to ensure that all citizens have equal access to Council services, and that the website in particular was and remained accessible. All transition processes were undertaken in line with equalities legislation, and the Mission and Values promote an overall increased focus on inclusivity.

8. Financial and Resource Implications

8.1 Overall savings of £1.17m per annum.

9. Major Risks & Mitigation

9.1 None as result of this report.

10. UN Sustainable Development Goals (UNSDG)



11. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

One Digital Council

One Green Council

For all One Council follow-on programmes (Commercial, Digital and Green) learning will be taken from the One Council approach and forward activity will be in line with the recommendations for this report.

12. Key Decision Information

12.1 n/a

13. Earlier Cabinet/Committee Resolutions

13.1 Programme approved February 2021 Cabinet.

13.2 Update report November 2021

14. **List of Appendices**

14.1 Appendix A One Council Review and Next Steps

14.2 Appendix B One Council Staff Survey Feedback

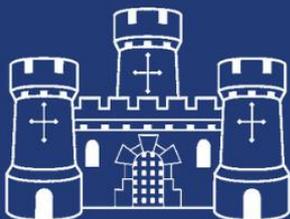
15. **Background Papers**

15.1 n/a



ONE COUNCIL

Review and Next Steps



One Council Review and Next Steps

December 2024

Contents

1. Executive Summary	3
2. Intention	4
2.1 Programme Objectives	4
2.2 Principles.....	5
3. Design and Delivery	6
3.1 Programme Governance.....	6
3.2 Operating Model Intention (Building Blocks of Design)	7
3.3 Project workstreams and governance.....	8
4. Outcomes	9
4.1 Big Building Blocks.....	9
4.2 Supportive and Service Workstreams	11
5. Achievements.....	13
5.1 Recurrent cost reduction	13
5.2 Operational Efficiency	13
5.3 Staff Engagement.....	14
6. Lessons Learned.....	14
6.1 What could have been better.....	14
6.2 Generic lessons learned.....	15
7. Recommendations.....	16
8. Conclusion	16
Appendix 1. Service Delivery scope and outputs.	17
Appendix 2 Benefit Outturn.....	24

1. Executive Summary

The One Council Transformation Programme was Newcastle Borough Council's biggest ever change programme borne out of both future financial uncertainty and learning from the pandemic when the Borough Council was required to swiftly adapt and change.

The Programme aimed to fundamentally change the Council's operating model to better meet the needs and demands of our community, to become both more efficient and effective with the resources at our disposal and to provide enhanced customer journeys whilst bringing about annual financial savings of over £1.17m (amounting to 6% of the Council's net budget) year on year.

The overall budget for the Programme was set at £1.2m and included consultancy costs, cost of website and intranet review, additional staff resource and backfill, staff development and training and restructuring costs associated with change management. The programme was funded by a combination of capital receipts and the Borough Growth Fund.

Taking a systems led approach with a digital focus, the programme identified and delivered on efficiencies to processes, reduced waste demand and enhanced customer experience through mapping customer journeys across services.

Underpinning the process and change elements was a cultural workstream which has focussed values and behaviours of officers, wellbeing, inclusion, role clarity and leadership.

A principle of continuous improvement has been embedded across the Council and as such some models implemented through the programme have been and will continue to be reviewed as feedback and performance is considered. Implementation under this programme does not set things in stone and it would be naive to behave as if it did. Our environment and capability changes and we learn from our activity and continuously develop.

Key aspects of delivery were met as follows.

- **Timeline:** The project was completed on schedule, with all project deliverables achieved. Initial set up was 6th July 2020 with the official commencement being the start of financial year 2021 and the end date as March 2024.
- **Budget:** The project was delivered within the allocated budget of £1.2 million
- **Quality:** The Programme was audited in December 2023 by NULBC's external auditor and received a positive grade 4, out of a possible 5 meaning that the programme was satisfactory in the way it delivered the objectives.

Detailed review of achievements, outputs, benefits successes and lessons learned are contained in this report.

2. Intention

2.1 Programme Objectives

The Programme was established early in 2021 with consulting support from Ignite Consulting who were contracted to both support the executive team in developing a sound change management foundation to the Programme, and defining the overarching Programme Objectives. The objectives were set as:

- **Objective 1:** Develop and implement a new Target Operation Model (TOM) which was designed around the need to better meet the needs and demands of both the residents and customers of the Borough Council and fulfil our statutory and regulatory duties
- **Objective 2:** Enhance both the customer and staff journeys to improve satisfaction by designing better process interactions to pull the help and support needed from the Council
- **Objective 3:** Achieve year on year financial savings for the Council of £1m to ensure our financial sustainability is maintained by becoming as efficient and effective as possible within our resource envelope, primarily by seeking operational efficiencies.
- **Objective 4:** Create a culture of innovation and flexibility within the council where staff of all levels not only feel valued and cared for, but are also trusted to do their jobs and to make evidenced-based changes to improve how we work
- **Objective 5:** Embrace the digital ways of working and the tools at our disposal to deliver end-to-end digital customer journeys to create operational efficiencies, whilst guiding self-service when appropriate and

2.2 Principles

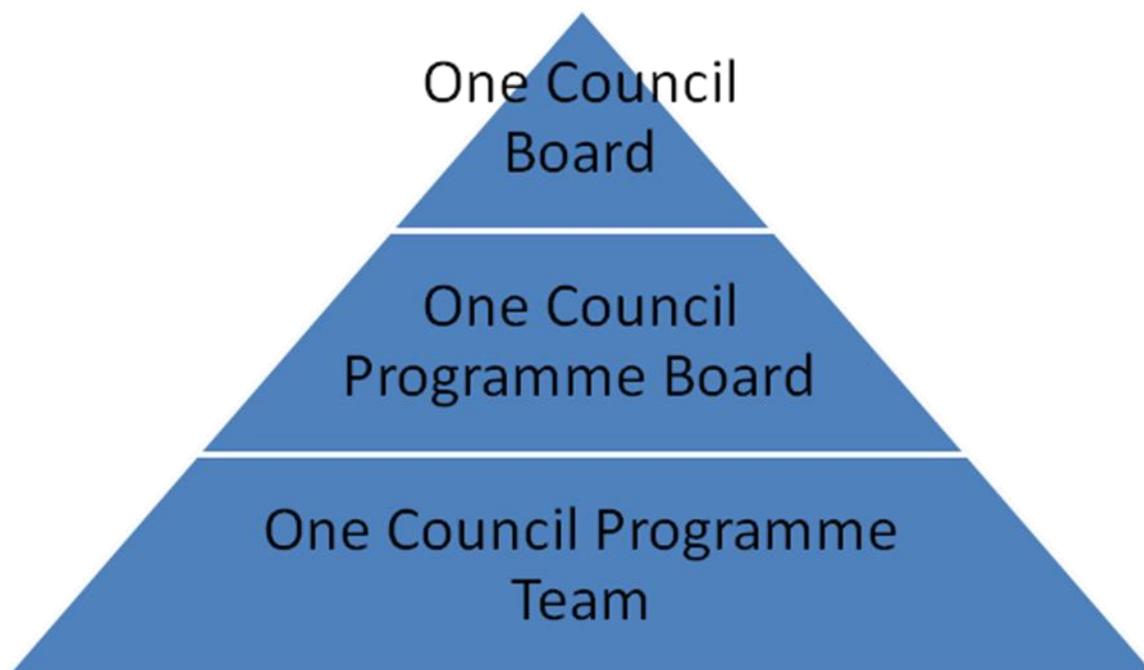
The deliverables were used to create a series of principles, developed through a series of engagement sessions with officer and members. These principles underpinned how outputs of the programme would impact on stakeholders and acted as the golden thread for decision making and scope.

<p>Establish line of sight to strategic outcomes</p>	<ul style="list-style-type: none"> • Ensure there is a clear sense of purpose and alignment at all levels across the organisation and everyone understands their role in that purpose • Ensure that we make evidence-based decisions that will have the greatest impact on our strategic ambitions for our community and track quality of service delivery and organisational productivity • Ensure that we set out clear lines of accountability to empower decision making at the right levels within the Council
<p>Delivery in Partnership</p>	<ul style="list-style-type: none"> • Internally we work better together, focussing on the needs of our customers to deliver efficient and appropriate service to our community • Externally we work with our communities to understand and address their needs, as well as recognising that we need to work with others to achieve this • We need to trust our partners and work together to achieve the outcomes for our community
<p>Proactively Manage Demand</p>	<ul style="list-style-type: none"> • We need to use intelligence and insight, including understanding our customer journeys, to identify where better public information, advice and guidance will stop unnecessary contact • Additionally use the insight to look forward and manage peaks and troughs of demand, freeing capacity to refocus on priorities • Recognising that changing the way we work (i.e. more digitally) will not itself reduce demand, but we need to work with the community to build resilience and support them to do more for themselves
<p>Efficient and Effective ways of working</p>	<ul style="list-style-type: none"> • Understand that being commercial as an organisation means the ability to create income from the services we deliver but also about the mind-set of providing value for money • Developing a learning culture to always challenge why things are done the way they are • Build on the experience of agile working to recognise that change is constant and the Council will need to evolve • Create greater opportunities for staff to grow and play to their strengths • Embed a culture of trust ensuring employees have the confidence to be creative and explore options to get things done
<p>Digital Delivery</p>	<ul style="list-style-type: none"> • Ensure we can personalise the service for our most vulnerable residents and those that need help • Continuously explore how developments such as AI and automation can improve both service delivery and cost to deliver • Use digital workflow and processing to help provide end to end solutions where possible, break down the silos, share knowledge and respond to customer needs • Ensure consistency of approach across the Council.
<p>Customer Focussed</p>	<ul style="list-style-type: none"> • Understand our communities and customers better • Engagement is continuous to develop analysis and insight into trends • Ensure we have consistent customer journeys across the Council so customers know what to expect, and from whom. Use the insight to manage customer expectations and have clarity on what the Council does and does not do
<p>Empowering People</p>	<ul style="list-style-type: none"> • Empower the community to help themselves and build resilience • Recognise that there are different perspectives to be considered that are valid and informative • Build an employer brand that is focussed on being flexible, adaptable and business friendly • Recognise that change is constant and managing this change both internally and externally is a core competence for the Council

3. Design and Delivery

3.1 Programme Governance

The One Council programme had a 3 tier governance structure as follows:



The One Council Board was the decision-making group that drove the transformation programme and ensured that benefits were delivered and costs managed in line with the business case. The board was strategic in that it was concerned with overall programme effectiveness and delivery. It was not concerned with the full detail of the individual workstreams.

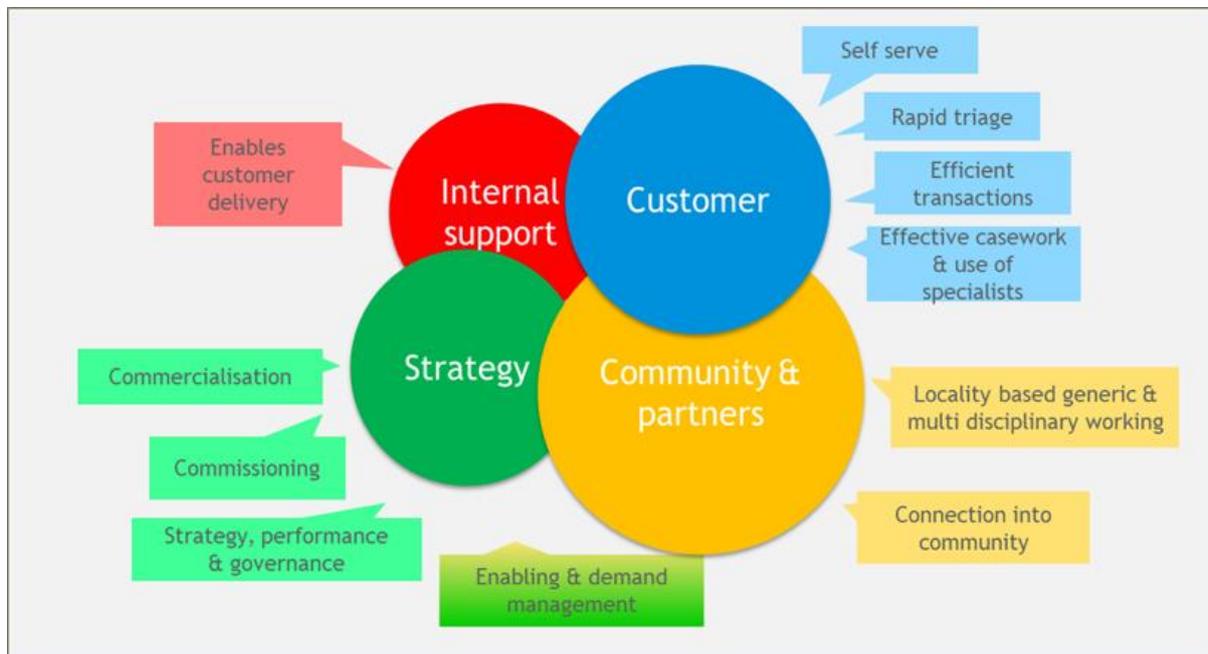
The One Council Programme Board made decisions and agreed actions that related to the delivery of the agreed programme within the agreed budget. Any decisions that involve a change to programme milestones, benefits or the overall programme budget were escalated to the One Council Board.

The One Council Programme Team Meeting was the operational group that monitored and drove the operational transformation programme activity. The board made decisions and agreed actions that related to the delivery of the agreed programme within the agreed budget. Any decisions that involve a change to programme milestones, benefits or the overall programme budget were escalated to the Programme Board.

Workstream leads attended this meeting and reported progress against key deliverables, providing a RAG rating against deliverables and raising any emerging risks and issues.

3.2 Operating Model Intention (Building Blocks of Design)

The structural intention for the programme was to develop an 'operating model' which reflected the activity of the Council and gave priority where needed to deliver the Council Plan. The below figure shows the elements present as we deliver services.



A series of 'Building Blocks' were identified which acted as the foundation of the target operating model and gave a shape to the overall delivery of service and informed the alignment to strategy and vision. These building blocks; *Customer*, *Community Strategy and Internal Support*, impacted both internally and externally to varying degrees.

- **Customer:** Our customer focus block deals with most transactional & rules-based cases at the point of contact, pulling support from specialist resources where the customers transaction exceeds rules-based activity to deliver a joined up, consistent customer experience for your residents, businesses & visitors.

The concept deals with a wide array of queries, anything from looking for information, wanting to report a problem, needing a progress update on their case or starting an application on a range of council services.

- **Community and Partners:** This building block focused on creating a visible and connected presence on the ground incorporating community engagement, proactive prevention, education and enforcement, as well as inspections, monitoring activity and tactical mobile tasks that are delivered 'in the field'.

Teams in this block work seamlessly with those in the Customer block to prevent avoidable demand and increase channel shift.

An integral part of this block focus on combining the enforcement activity across the Council, ranging from administering parking charge notices to handling more complicated fly tipping penalties and prosecutions with a balance between enforcement and education.

- **Strategy:** This building block creates 'single brain' to translate political will and ambition into evidence-based strategy and planned services, actions and projects. It is focused on ensuring

- That there is clear line of sight between the strategic outcomes required and the activities being delivered by the services
- That the Council can be proactive in looking forward in linking the external environment to the delivery of services, rather than responding reactively at an operational level
- There is a focus in the development of strategies and policies to deliver the political will, whilst ensuring efficient and effective use of resources

This block consolidates these disparate elements that exist within the Council but are spread out across the organisation. The design needs to bring clarity regarding requirements, capacity and capability, accountabilities and responsibilities to ensure that strategic outcomes and objectives are delivered. It will also identify where strategic activity sits in the appropriate part of the organizational efficiency benefit and targeted use of resources.

- **Internal Support:** This building block considers how internal services an support can facilitate the smooth running of external facing teams.
-

The 4 building blocks translated into 4 key aspects of the programme which were delivered 'top down' almost as projects in their own right:

- Customer Hub (from *customer*)
- Neighbourhood Delivery (from *Community and Partners*)
- Strategic hub (from *Strategy*)
- Resources and Support Services (*from Internal Support*)

Further to these building blocks were elements of the programme which facilitated high performing services aligned to the programme principles

3.3 Project workstreams and governance.

In order to deliver the Objectives, the One Council Programme was split out into a series of workstreams , each with an assigned Lead Officer who had responsibility for delivery in line with a set of agreed Design Principles to ensure a consistency of design & architecture across the Council. The 4 building blocks referenced above each had their own dedicated workstream with other integral schemes addressing supportive and transformative aspects of delivery.

Across the phases of the programme, the workstreams were reviewed

The workstreams were agreed as:

1. OFD / Customer Hub
2. Resource & Support Services
3. Strategy Hub 'strategic brain
4. Mobile-Multi Function
5. Leadership & Development (*became business as usual on delivery of the leadership workshops*)
6. Benefits Realisation & Reporting
7. Culture & Change
8. Digital Delivery
9. Service Delivery (*added in later phases of the programme to reflect ongoing scrum activity*)

As the programme progressed, these workstreams were reviewed and Service Delivery Workstream was added following the closure of Resource & Support Services, the successful

delivery of the Strategic Brain and the transfer of Leadership & Development to business as usual (BAU).

4. Outcomes

4.1 Big Building Blocks

4.1.1 OFD / Customer Hub Workstream

Following extensive activity mapping and demand studies of forward-facing services, the Customer Hub (working title One Front Door) design was agreed to include Customer Services, Revenue & Benefits and Reception staff from across the organisation.

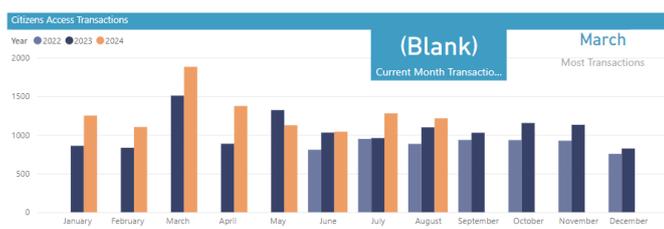
Following a formal consultation period, the OFD team launched in October 2021 followed by the customer engagement elements of the Newcastle Housing Advice (NHA) team joining in January 2022.

An extensive programme of cross-skilling and training occurred throughout 2022 to allow the OFD team to confidently deal a wide range of customer enquiries with a matrix of officers being able to undertake more complex processing work to both broaden the service offer and deepen the level of work handled at the first point of contact, thus moving the processing work further forward in the system.

This work package redesigned the Revenue & Benefits business processes, pulled heavily on the Digital Delivery Workstream to maximise the use of processing & self-service technology and made significant enhancements to the way telephone demand is routed through to the OFD staff.

Since the creation of the Customer Hub, some key performance improvements have been achieved in addition to the financial savings. Of note are:

- Number of phone calls reduced; Ignite benchmarking identified 137,225 phone calls between July 20 to July '21. For this period in '23/24, the figure is 101,921. This is a 26% reduction in call volumes from the benchmarked period.
- Wait times & abandonments improved
- The number of self-service digital transactions for Council Tax, Benefits and NNDR have increased month on month (by maximising Citizen Access module)



- The percentage of service requests raised by Hub Officers in Jadu on behalf of customers has reduced demonstrating a migration to self-service. Falling from 28% in 2021, to 17% in 2022, 15% in 2023 and 13% at the time of writing.

4.1.2 Neighbourhood Delivery 'Mobile-Multi Function' Workstream

The Neighbourhood Delivery Team was created through systemic review of activity and demand across teams including Environmental Services, Community Development and Parking Performance.

Following the alignment of resources to form the Neighbourhood Delivery Team, a detailed period of service redesign followed to review all the core customer journeys relating to the

new service area in order to not only optimise the flow of work but to improve the quality of the service delivery. In total thirteen core customer Journeys were redesigned during the delivery of this workstream, making 48 improvements to the business processes along the way.

The customer journeys redesigned during this implementation are wide ranging by the very nature of this building block, covering fly-tip enforcement, ASB reports, abandoned vehicle investigations, parking enforcement to name but a few. As a result of the redesign to these journeys, it is estimated that 2,738 hours of efficiency was released back into the business, equivalent to 2.16FTE.

In addition to efficiency improvements, the Neighbourhood Delivery team has seen an increase in the number of fly-tip FPNs issued, a dramatic reduction in the end-to-end time taken to resolve abandoned vehicle reports.

4.1.3 Strategy Hub ‘Strategic Brain’ Workstream

The Strategic Hub was created through use of savings from the HR restructure and Business Improvement and repurposing a position from the communications team. Fundamental to the principle of strategic decision making, this team consider and support the use of data led and evidence based decision making to ensure that all teams across the council are working to deliver our strategic aims.

This team developed a framework to map measure and report on progress against internal and external facing strategies. Using Power BI the team have created focussed dashboards providing clear and interrogable data to aid decision making and assurance.

4.1.4 Resource & Support Services Workstream

The initial model devised by Ignite Consulting proposed a single support series function which mirrored the externally facing Customer Hub. In this model, transactional services were to be performed by multiskilled officers who could answer and perform basic queries in scope of IT, legal, finance and HR.

One review of the activity in these teams however it became clear that what initially appeared to be transactional in nature was more specialist to the different services and the combined services were not large enough to accommodate this broad model design. As a result, it was decided that each specialism would review business processes to ensure that officers were supported to self serve as much as possible (using a similar framework to that of the customer hub demand management review) and that efficiencies would be made through improved processes and digital improvements.

The Legal Services restructure was completed in 2023 which included a review of scope to incorporating the Corporate Complaints, Contracts, Procurement & Risk management.

The Finance structure brought in debtors which had previously been part of customer services, and undertook vacancy review and improved self service capability to improve processes.

The Human Resources Team reviewed customer journeys resulting in an efficiency which enabled a restructure with savings to staffing budget.

It must be noted that review of the legal provision is now underway.

4.2 Supportive and Service Workstreams

4.2.1 Leadership & Development

The programme initiated a programme of leadership development across the organisation. This included a structured programme delivered by an external facilitator which aimed to create a cohesive vision and equip our leaders with the tools to deliver this with their teams.

Initial sessions were held with CLT to create and sustain a strong, cohesive, and supportive performance culture with the following principles modelled in behaviours:

- Owning and Driving Outcomes
- Embracing Innovation and Change
- Partnership and Connectivity Ethos
- Encouraging inclusion of different experiences and bias to add value to the whole
- Support and Challenge

The sessions were based around the values and vision which emerged from the Culture and Change workstream. The senior tier of leaders undertook a 360 feedback process to benchmark their own skill set and competence.

Further to this, Business Managers joined CLT to create 3 cohorts in which 3 workshops were delivered:

1. The benefits of focusing on performance.
2. Coaching for performance
3. 'Crunchy' conversations for performance

Each member of the cohort was assigned a coaching partner to practise and consolidate coaching skills.

In total, 52 officers undertook this training in Spring 2022.

The next phase of the leadership and development team saw the creation of the cluster leadership model which formed CLT from the previous model of EMT and Heads of Service. This model has allowed senior leaders to consider the wider corporate experience and strategy, enabling wider opportunities for development and growth.

A further phase of leadership development is planned for 2025.

4.2.2 Benefits Realisation & Reporting

A detailed log of activity was diligently kept throughout the programme which considered projected savings against those realised over time.

Benefits were considered either in monetary terms or in time saved by officers (FTE) and could be either fixed or variable.

All savings were captured on a central log and tracked over time to ensure that benefits were not double counted or lost. Progress against target was tracked across the life of the programme with regular updates provided to the member led Programme Board and the Finance and Performance Scrutiny Committee.

Appendix 2 shows the final set of benefits as targets were reached.

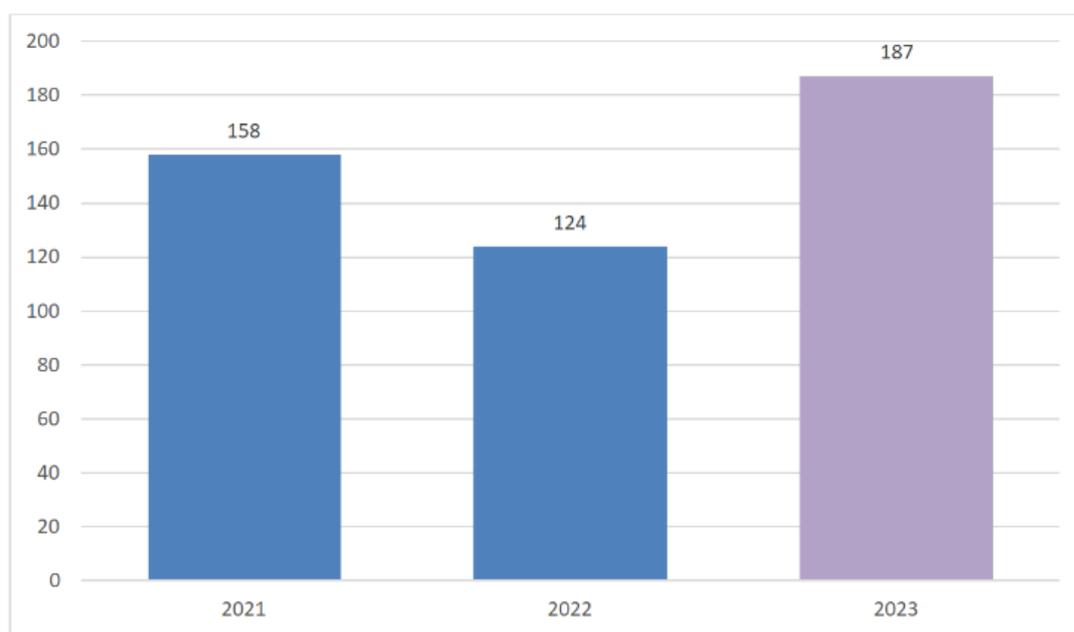
4.2.3 Culture & Change

The Culture and Change workstream had 2 key areas of focus. 1 was to effectively, safely and compassionately deliver any formal change in the organisation. This included the restructures of the Customer Hub, the People Team and Neighbourhood Delivery.

The cultural aspects delivered were done so with the intention of fundamentally shifting '*how we do things*'. Initially centred around the creation of a set of Organisational Values and associated behaviours, these values then formed the basis of leadership development, people policy development, appraisal, recruitment and performance management.

Since 2021 we have used the values framework to gauge our cultural position through use of a staff survey which seeks to measure staff experience against these themes. The results of the surveys influence further interventions designed to improve our adherence to these underpinning values. Each year the survey has seen greater participation and an increase in alignment to our target values.

Figure 1: Responses to surveys 2021-2023



Examples of interventions have been:

- Leadership Development workshops and coaching tools delivery
- Creation of the staff led 'Thrive' group which suggest ideas for policy and improvement
- Participation in externally accredited 'Thrive' scheme aimed to improve wellbeing and health
- People policy review and implementation (e.g. volunteering policy, fostering policy)
- Enhanced staff discount to Jubilee 2
- Annual Staff Health checks and health advice

4.2.4 Digital Delivery

The One Council Programme set out the clear aim that, where possible, information should be available and accessed on-line and would be an integral channel strategy to reduce the volume of avoidable calls; where contact is needed, it would be via digital solutions as far as possible, as these solutions operate at a much lower cost base than face-to-face or traditional 'phone calls.

Given the digital aspirations, this workstream was a core enabler to the Programme, tasked with not only replacing the website platform, but rewriting all the content on every page and

developing over 140 integrated digital forms to make all customer journeys as user friendly as possible. This workstream has allowed digital channels to become a credible option for our customers through a modern website containing quality information, advice & guidance to allow customers to find the information they need and to log the service requests without having to call the OFD team.

In addition to re-writing the website and designing over 140 digital forms, this workstream has further developed the MyAccount portal by configuring the Citizen Access modules in Council Tax and Business Rates to maximise the technology already available. MyAccount has seen consistent growth in both the number of registered users and the volume of successful transactions month on month as discussed in the OFD section above.

It is important to note that an ever-increasing number of completed forms is not necessarily a positive outcome for this Programme; the Service Delivery Workstream identified that many digitally raised contacts were demands that could have been avoided with better information advice and guidance at the point of contact, and forms that dynamically advise customers based upon the information entered. This workstream has underpinned some significant demand reductions across the business – See below and put the council in to a fantastic position to continue our digital transformation with the One Digital Council Programme.

4.2.5 Service Delivery Workstream

With the big building blocks of the operating model delivered in distinct packages, ‘top down’, a ‘bottom-up’ approach was taken across the service areas not directly affected by the operating model delivery to bring about operational efficiencies whilst aligning to the Design Principles and meeting the wider Programme Objectives.

The main achievements delivered across the organisation are shown in Appendix 1

5. Achievements

5.1 Recurrent cost reduction

At the close of the One Council Programme, the savings profile, is recorded in the Statement of Accounts as achieving £1.173m worth of ongoing savings to the Borough Council. The savings profile is as follows:

- £0.196m achieved in 2021/22
- £0.601m achieved in 2022/23
- £0.376m in 2023/24

5.2 Operational Efficiency

At the closure of the Programme, the corporate benefits tracker has recorded 41.06FTE of efficiency savings spread across the organisation, not exclusively limited to the workstreams discussed in section 5a above. This has enabled officer to ensure focus is on areas of work which add value to residents and customers.

In addition, an estimated 3.16 tCO₂e had been reported to the One Green Council Programme for inclusion towards NULBCs net zero pledge.

5.3 Staff Engagement

Throughout the Programme, there has been a constant and sustained focus upon improving the working culture here at NULBC, this has been monitored via the annual staff survey to track

At the time of writing the 2024 survey remained open to staff, however the available data from the 2023 survey showed significant progress had been made in virtually all areas assessed.

The 2024 staff survey has also included a section specific to how people have experienced One Council so we can continue to learn and develop our approach.

6. Lessons Learned

In line with the values of the Programme, it is important to acknowledge and learn from the elements that did not work out as expected to ensure that changes to our approach can be made in the future.

This section is subdivided into specific elements that were implemented differently from the original design as well as general learning:

6.1 What could have been better

6.1.1 Sequencing

The Customer Hub model was the first building block to be developed and implemented and important lessons were learned from this piece of work. Based on benchmarking and activity mapping a model was designed which, it was anticipated, met the demand of activity in a scenario in which processes were efficient and teams were multi skilled. The restructure took place in advance of the skills development to ensure that key posts were filled and savings were released as quickly as possible.

However, on reflection this left some officers in the teams initially unsure of their remit and who required additional support and development to be able to function in the newly designed teams.

Although the model has proved effective over time now it is embedded; officers were undeniably unsettled by the change to a degree that it had an impact on wellbeing. This result in additional support being sourced from agency teams to ensure the right skills were in the teams for key areas of work such as revenues and benefits.

Learning from this situation, subsequent changes and restructure through the programme happened only when process redesign had been embedded and skills development undertaken. This resulted in a longer lead time for the financial benefit to be realised but saved in backfilling of resource and improved staff engagement.

6.1.2 Receptions

Front of house resource was transferred to the Customer Hub as per the Target Operating Model where it was envisaged that staff would become cross skilled to enhance the customer experience. Whilst this model is still in place, it has proven particularly difficult to implement, especially at J2 and the Museum where conflict has occurred between supporting the business

area with tasks traditionally performed by the reception and the wider OFD need to take calls, process digital enquiries and transaction rules-based activities.

This element of delivery is currently under review and the model may alter from that implemented during the programme to ensure optimum customer experience and staff engagement.

6.1.3 Internal Services

The Internal Support Services model as proposed in the original design, was explored at considerable length but ultimately it was felt that the small size of the teams and the specialisms contained meant that this model was felt not appropriate for NULBC. It is believed that this demonstrated a confidence of leadership by not simply following the design but having the strength of mind to do what is right for NULBC.

6.1.4 Understanding the MMF building Block

This building block represented a very different way of working for NULBC and this was borne out during the delivery stage; staff, officers and members struggled to understand how this concept would operate given the very diverse customer journeys within the remit and therefore the range of skill sets required to be effective.

In hindsight, more preparatory work could have been undertaken here to enable people to see the direction and end result.

6.1.5 Trade Union Engagement

Relationships with Trade Unions were strained throughout the programme to the regret of all concerned.

6.2 Generic lessons learned

6.2.1 Change management: The Programme highlighted that when change is undertaken in a structured manner, then it can and does bring about lasting transformational change.

Agile delivery worked well in conjunction with Lean Systems Thinking principles, especially when the principles of Value and Preventable demand and work are applied, along with an evidence-based approach to iterative design.

6.2.2 Nudge Theory: The 'EAST' principles as designed by the Behavioural Insight Team proved to be very effective when redesigning business processes to either encourage or discourage particular behaviours. The principles also proved to be effective when applied to the language of our website, digital forms and IVR 'phone messages.

6.2.3 Benefits Realisation: This is proved to be a critical element of the Programme and absolutely key in ensuring the objectives were being met whilst following the Agile approach. The Benefits Tracker used throughout the Programme has received positive attention from the LGA resulting in the sharing with other authorities who have previously struggled with this problem. We have also worked with the LGA to host dedicated learning events helping other organisations to track their benefits.

6.2.4 Culture Change: Baking in a dedicated workstream to facilitate the culture change piece has been a significant to the programme success; culture change is notoriously difficult to achieve, and whilst we acknowledge that we are still on that path we celebrate the successes the workstream has made to date.

6.2.5 Digital: Whilst significant steps have been achieved to digitise the way that NULBC works, the Programme has also demonstrated that our technology landscape is preventing us from developing too much further; this has provided us with a solid spring-board to the next stage of the transformation journey by underpinning the One Digital Council Programme to ensure we remain a digital focussed authority, providing the experience that customers and residents experience in other key service areas.

6.2.6 Contracts: The Programme, when reviewing how the organisation works, identified some significant contract opportunities that were not being maximised for the benefit of the organisation. Some notable examples include:

- Citizen Access portals not being configured to automate Revenue & Benefit actions
- Contract with IEG4 for the provision of online benefit applications despite that functionality existing within the core NEC Northgate application
- S.106 monitoring software included with the Uniform IDOX suite but not being utilised, or even known about.
- A full repairs and maintenance contract for the car parking meters across the Borough that was not being used as it was not known about

As a result of these discoveries, it has been decided that a review of the Contracts Register will be a key part of the One Commercial Council Programme to ensure not only the contracts in existence are maximised but are reviewed to ensure they are both relevant and offer value for money.

7. Recommendations

- a) That Agile becomes the espoused project methodology across NULBC, along with knowledge of the tools used to deliver the One Council Programme – Refresher training be offered to Business Managers to ensure the required adoption.
- b) The Benefits Tracker continues to capture opportunities organisation wide to ensure their delivery and inclusion into succession programmes and Efficiency Boards
- c) The Programme governance & approach is emulated in the Green, Digital and Commercial follow-on Programmes.

8. Conclusion

The One Council Transformation Programme successfully achieved its objectives, delivering significant improvements in service delivery, improved customer journeys, and operational efficiency. The lessons learned and recommendations provided will help sustain these improvements and guide future projects.

Appendix 1. Service Delivery scope and outputs.

Team	Context	Aims	Outputs
Environmental Services	<p>This service area was receiving significant levels of demand aside from that caused by the ever present situation with Walleys Quarry; demand studies illustrated that IRO 1000 service requests were received annually covering barking dogs, noise nuisance and so forth.</p> <p>The processes were mapped and it was discovered that significant portions of received demand was not of the nature that NUL could add any value to; investigations were being started in full knowledge that the outcome would be that the customer would be offered information, advice and guidance in relation to the issue as it was not a statutory nuisance.</p>	<ul style="list-style-type: none"> • Management of the customer expectations of how NULBC can help before the report was made by adding the IAG to the webpage and webform • to encourage customers to resolve issues amicably between themselves • to cease sending letters to the offending party until evidence is received of the concerning behaviour • Not to chase reporting parties who fail to submit requested diary sheets / evidence 	<p>The service saw a drop in demand from an average of 82 reports per month to 29 per month.</p> <p>The time saved is estimated to be IRO 1483 hours annually, equating to 1.17FTE in additional capacity for the team to focus upon the cases requiring intervention from Council staff.</p> <p>In addition, the team designed process improvements for private water supplies and industrial process which are still in the process of being implemented.</p>
Jubilee 2	<p>Significant levels of manual processing were highlighted which adversely affected customer journey; concerning given the level of competition in this market segment.</p>	<ul style="list-style-type: none"> • Improvement of process for booking Swimming lessons, both sign-up and ongoing subscriptions • Improvement of process for booking General swim sessions 	<ul style="list-style-type: none"> • Two self-service portals were installed into the reception area allow high volume/low complexity transactions to be channel shifted, such as parking permits, class bookings, swim classes etc.

		<ul style="list-style-type: none"> • Improvement of process for booking Membership sign-ups • Improvement of process for booking Class bookings, including payments 	<ul style="list-style-type: none"> • A mobile app was also launched allowing a digital Lyme Card to ease entry, easier digital bookings instead of the traditional book at reception or via our website and push notifications for essential communications. • Reception iPads to digitally enrol customers who walk into J2 seeking either a gym membership or swimming lessons, ending the reliance upon carbon paper forms and manual Direct Debits • Migration to Direct Debits for swimming lessons to avoid subscriptions dropping out, and frustrated customers presenting at reception • Introduction of swim level descriptors to allow the removal of dedicated tutor assessments • Introduce Essendex SMS messaging for unforeseen lesson & class cancellations to members, instead of individual calls to each affected person. • General swim sessions are in the progress of being included on the kiosks and app for e-booking, following classes such as Parent & Toddler, Adult Swims, Aqua Blast etc. which are already available.
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			<p>The above changes are estimated to have created an additional 3253 hours (2.57 FTE) of capacity, predominantly, but not exclusively, within the reception function.</p> <p>At the time of writing, there is an additional 2288 hours (1.81FTE) of improvements in progress.</p> <p>In addition to the above, memberships numbers have steadily grown to approx. 4000 and 82% of new members sign up digitally (not all memberships can be handled by our sign-up portal, such as internal staff discounts & corporate members). Over 8800 downloads of the J2 App, with over 2500 regular monthly users. 80% of class bookings are now made digitally meaning approx. 1000 fewer reception visits each month.</p>
Streetscene	<p>This area was one of the first to review their business processes via the Programme and engaged with enthusiasm; the customer journeys covered were wide ranging but included fly tipping removal and investigations, graffiti removal, litter bin emptying and reports of issues such as overflowing or damaged, inspections for playground equipment, pavements, culverts and vehicles, the reporting of issues with trees and the general enquires received by the service area.</p>	<ul style="list-style-type: none"> Improving the quality of the information received from the customers at the point of contact, especially in relation to the location of the issue, and its size / scale to reduce the time wasted searching for the issue or not having the correct 	<p>These changes made some significant efficiency savings in the team, of particular note is that route planning for the emptying of litter bins saved an estimated 499 hours (0.39FTE), £1500 in fuel costs and 3.14 tCO2e saved; whilst the improvement of location, size & scale information for fly tips saw time savings IRO 390 hours (0.31FTE).</p>

	<p>The overarching theme in this area was one of manual processing and antiquated ways of working; the demand here is predominantly out of the service area's control but the way that demand is services was with scope to change.</p>	<p>equipment or staffing as the issue was poorly described.</p> <ul style="list-style-type: none"> • Digitisation of routes and data capture; litter bin routes have now been plotted using route optimisation software and staff have access to data enabled tablets containing the service requests allowing them to update as they go about their work. • Simplifying the ways on reporting with the team; such as making forms easier and cleaner to use whilst removing confusing journeys such as 'general enquiries' 	<p>Overall an estimates 1803 hours (1.42FTE) of efficiency has already been created with an additional 841 hours (0.66 FTE) still in the process of being delivered.</p>
<p>Planning</p>	<p>The service redesign in Development Management focussed heavily upon using technology to improve the way we work and smoothing out the customer journey.</p>	<p>The scrum team looked end-to-end, from the pre-application advice stage all the way through to S106 payments and enforcement. 29 improvement areas were identified, 25 of which have been delivered, with the remaining 4 being 'in-progress' at the time of writing.</p>	<ul style="list-style-type: none"> • Use of tablet devices for site visits to improve the access to pertinent information & plans, along with the auto indexing of images • Migration away from Information@Work to SharePoint; I@W caused significant manual re-work of document indexing • Improvements to the website information, advice & guidance to improve the quality of submissions and remove unnecessary questions,

			<p>particularly in relation to smaller householder applications, enforcement situations and conservation areas</p> <ul style="list-style-type: none"> • A digitised pre-application route to make this a seamless process for the customer • A redesigned S106 process, including the configuration of previously purchased monitoring software, along with invoicing for legacy agreements totalling up to £4.2m • A conscious push towards use of the Planning Portal for all applications allowing customers real-time updates and significant operational efficiency for officers. <p>The results of this strand was 2059 hours (1.62FTE) of efficiency created, of which 1510 (1.19FTE) has already been delivered.</p> <p>In addition to the above process improvements, the scrum team undertook benchmarking of Fees & Charges which illustrated that NULBC are between 30 & 50% cheaper than neighbouring authorities for services such as pre-application advice and validation checking resulting in lost income. This has since been partially addressed in the proposed fee scales for FY '25/26.</p>
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Bereavement Care	This service, as a major income generator for NULBC, undertook a review of its processes with the primary focus being upon the internal processing undertaken by staff and enhancing our offer to bereaved families.	The team identified 13 key improvements, 4 of which have been delivered and 9 are in progress now that the core Bereavement Care IT system, BACAS, is about to be moved to the Microsoft Azure cloud server.	865 hours (0.68FTE), 728 hours (0.57 FYE) pending With areas of projected income of £13,899 additional annual income coming from upsell items, such as memorials, genealogy research and so on.
Licensing	This was the first service area to be scoped as a part of the Ignite discover; this scrum work identified that the business was incredibly reliant upon manual processing which consumed significant amounts of time across not only Taxi licences but also event notices, premise licenses, lottery licenses and betting & gambling applications.	The initial scrum work resulted in 29 improvement opportunities being identified, many of which were dependant upon the replacement of the Civica APP IT system and digitisation of customer applications. Unfortunately the APP system is now scheduled for replacement in 2025, therefore significant opportunities are still outstanding in this area.	To date, despite the service remaining on Civica APP, 1172 hours (0.93 FTE) of efficiency has been released. A further 2010 hours (1.59 FTE) will be released when Microsoft Dynamics, Civica APP replacement, is released into the business in 2025. The Dynamics solution, at the time of writing, was in build with our Microsoft partner.
Newcastle Housing Advice	This service area was reviewed as a part of the widening and deepening of the OFD concept as the initial Activity Mapping exercise identified significant proportions of several roles that better aligned to the Customer Hub building block.	The customer journey mapping identified that there were also areas to improve the customer experience when interacting with the service; the main improvement opportunities were identified as: <ul style="list-style-type: none"> Putting the resource closer to the customer to enable advice to be offered at the point of contact and not behind a call-back system 	As a result of the service redesign, 2 FTE transferred into the Customer Hub to provide the initial point of contacts advice to residents in need of support; additionally, the above improvements opportunities delivered 1570 hours (1.24FTE) of efficiency spilt across both the NHA and OFD teams with an additional 250 hours (0.20 FTE) outstanding.

		<ul style="list-style-type: none">• Introducing a Duty Officer role to act as a single point of contact where the customer facing officer required greater expertise to help the customer• Streamlining the process for allocating cases, where appropriate, to a named Housing Advisor to prevent• Improving the information, advice and guidance available on the website to allow customers to receive self-service advice tailored to their circumstance• Improving the digital application journey for customers with some level of housing need within the Borough	
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Appendix 2 Benefit Outturn

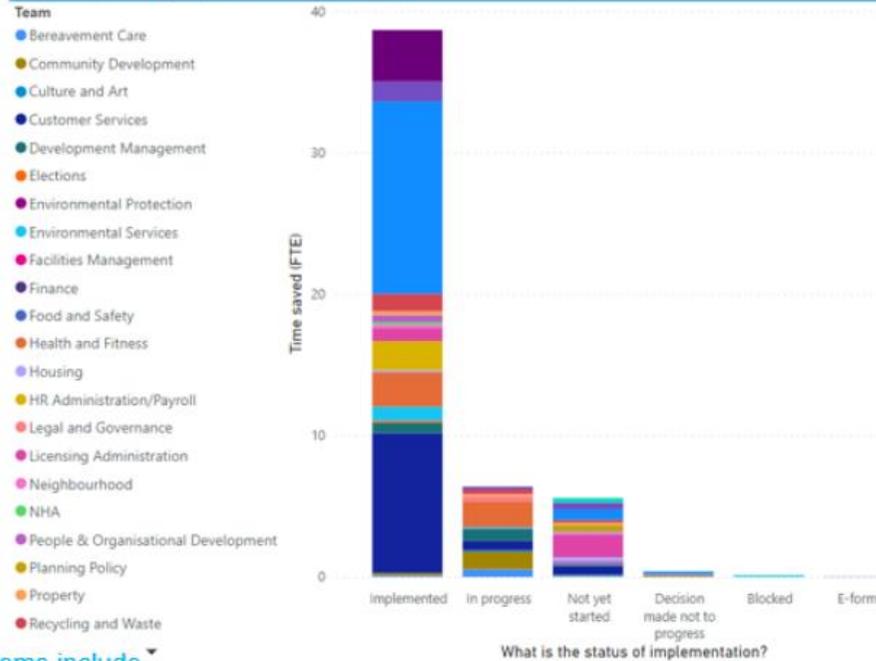
Financial Benefits for One Council



Variable Benefit Saving Status



Weighted Benefit by Implementation Status (FTE)



Status

- Blocked
- Decision made not to progress
- E-forms
- Implemented
- In progress

Team	Weighted estimated saving (£)	Saving type	Time saved (FTE)
Revenues and Benefits	£340,938.32	Variable	14.53
Customer Services	£261,225.15	Variable	11.19
Health and Fitness	£82,053.89	Variable	4.26
Whole Council	£85,296.03	Variable	3.62
Licensing Administration	£53,083.59	Variable	2.48
Streetscene	£53,823.84	Variable	2.11
HR Administration/Payroll	£53,364.31	Variable	2.05
Recycling and Waste	£40,263.13	Variable	1.74
Development Management	£46,486.75	Variable	1.67
Community Development	£35,371.24	Variable	1.54
Environmental Services	£36,775.42	Variable	1.21
Bereavement Care	£15,388.87	Variable	0.69
Property	£17,003.83	Variable	0.59
People &	£16,154.22	Variable	0.55
Total	£1,200,490.44		51.14

In progress items include

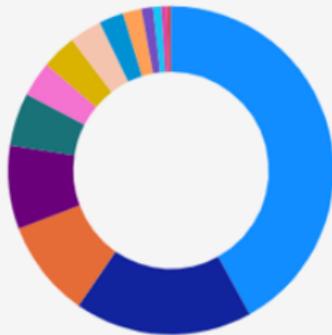
Fixed Saving Benefit Breakdown



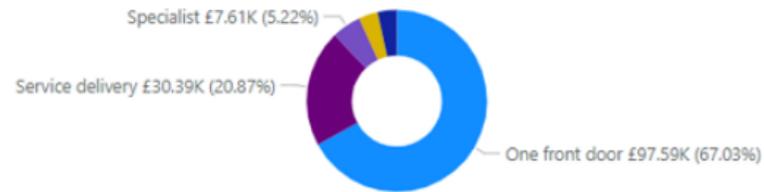
Fixed/Cashable Saving

Total Fixed Benefit (Cashable) Found "As is" Team

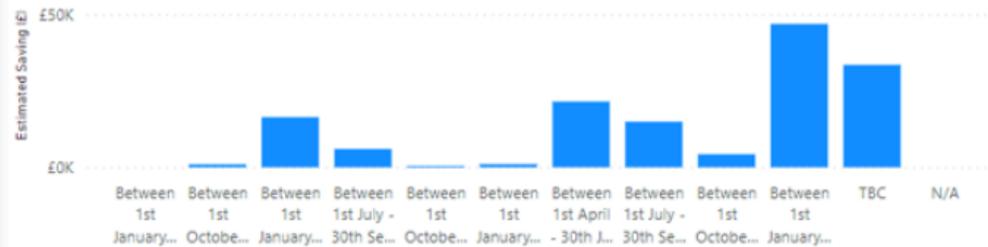
- Revenues and Be...
- Customer Services
- Bereavement Care
- Whole Council
- Development M...
- Neighbourhood
- HR Administrati...
- Health and Fitness
- Culture and Art
- Property
- Streetscene
- Environmental S...
- Licensing Admin...
- Recycling and W...
- Food and Safety
- Administration S...
- Finance
- Leisure & Culture



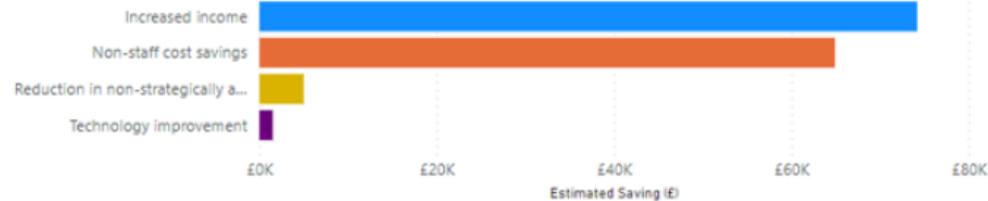
Total Fixed Benefit Found Operation Model

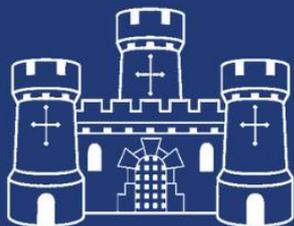


Implementation Profile



Total Fixed Benefit Saving by Benefit Type





NEWCASTLE·UNDER·LYME
BOROUGH COUNCIL

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Appendix B One Council Staff Survey Feedback

1 One Council Survey

The 2024 Staff Survey was open between 9th October 2024 and 20th November 2024. All staff were given the opportunity to feedback on a number of aspects of their working lives related to how well we as a council adhere to our values.

167 responses to the staff survey were received in total which amounts to approximately 39% of all staff. Facility to respond on-line and in paper form was provided; and all responses were anonymous.

In addition to the values-related questions; at the request of the Finance, Assets and Performance Scrutiny Committee, additional questions related to staff experience of the One Council programme were included in the 2024 survey.

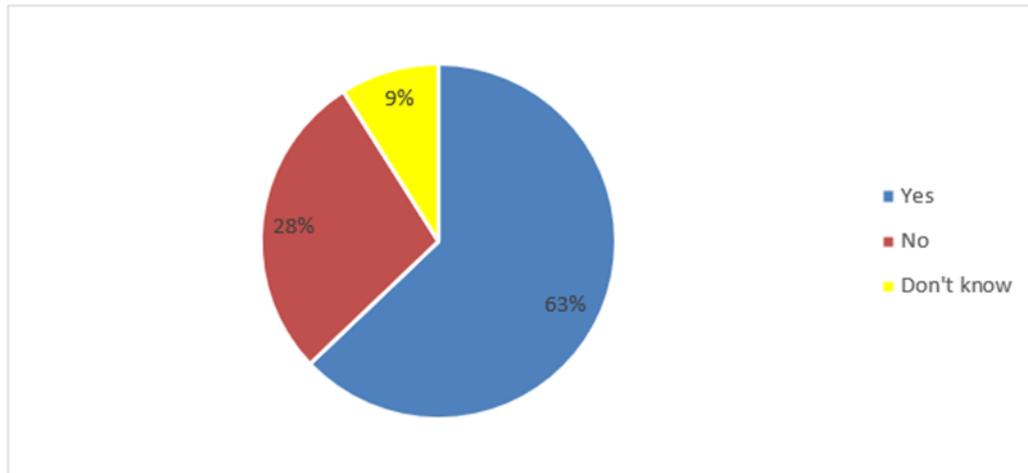
2. Outcomes

The outcomes regarding staff experience of One Council were as follows. It is important to note that the percentages below represent the split of views of the 167 officers who responded, not the entire workforce:

2.1 Awareness

- o 63 per cent had heard about One Council

Figure 26: Have you heard about the One Council transformation Programme? 167 respondents



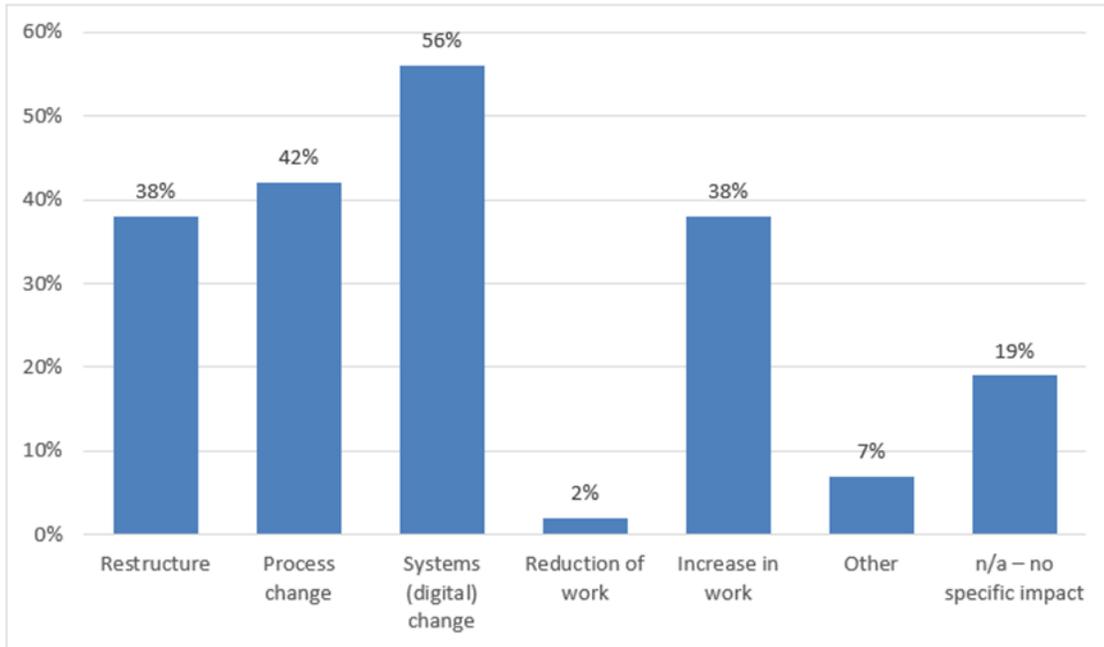
2.2 Impact on teams/roles and outcome

- o 77 per cent felt One Council's impact on their team had been positive or neutral
- o 81 per cent felt its impact on their role had been positive or neutral
- o 78 per cent felt its impact on working with other teams had been positive or neutral
- o 78 per cent felt its impact on how we work with residents had been positive or neutral
- o 75 per cent felt its impact on wellbeing and culture had been positive or neutral

2.3 Changes and Impact experienced by Respondents

Respondents were asked in what ways the One Council Programme had impacted their roles, and the following outcomes were found:

Figure 27: Which of the following impacts has One Council had on your team?



- o 56 per cent had experienced systems/digital change
- o 42 per cent had experienced process change
- o 38 per cent had experienced restructure
- o 38 per cent had experienced an increase in workload
- o 2 per cent had experienced a reduction in workload

2.4 Overall perception, Communication, and engagement.

- o 72 per cent were, overall, positive or neutral towards One Council
- o 78 per cent rated One Council Communication as good or very good or neutral
- o 39 per cent felt able to give feedback on One Council proposals (43 per cent replied neutrally to this question)

3. Further Comment

In addition to the structured answers, respondents were given the option to provide further comment, and 60 comments were received. This amounts to 36% of the total respondents of the survey choosing to respond to this section, and 14% of the entire workforce.

The comments have been themed and counted as below.

Theme	Number	Percentage of total respondents to the whole staff survey	Percentage of entire workforce
Customer hub - negative	21	12.5%	4.8%
Generally negative	15	8.9%	3.5%
Not affected by One Council	3	1.8%	0.7%
Positive	12	7.1%	2.8%
Pros and cons	7	4.2%	1.6%
Unsure about what the programme means	2	1.2%	0.5%

It is apparent from this feedback that some individuals saw positives from the programme as well as those who saw both pros and cons which during widescale changes such as this is very normal and to be expected. Clearly some experiences were not positive.

Positive comments ranged from comments around process efficiency, job creation and financial savings whereas negative comments raised questions around expectations on staff as well as evidence of the impact that change can bring on teams.

Negative comments ranged from comments around communication, perceived impact on customer services and management practices.

Additionally, from the comments received it seems that one main source of dissatisfaction from staff is the operating model in the Customer Hub. Comments related in particular to the reception teams at J2, the depot and at the museum struggling with processes and workload whilst ensuring the customers coming in face to face were served.

4. Response

Prior to the survey having been concluded, Service Directors across these teams had already met to review the provision in these areas and additional support will be provided at the depot and a move to re-establishment of dedicated J2 staff proposed for the coming months. This will be achieved at neutral cost within current budgets.

We will continue to work to enhance line management capability, communications, and support to staff as part of the overall people strategy.

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FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE



Work Programme 2024/25

Chair	Cllr M. Holland
Vice-Chair	Cllr A. Bryan
Members	Cllrs D. Allport, R. Bettley-Smith, R. Lewis, A. Lawley, A. Parker, M. Stubbs, J. Tagg, P. Waring and N Crisp
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
16 January 2025	<ul style="list-style-type: none"> - Revenue and Capital Budget and Strategies 2025/26 - Schedule of Fees and Charges 2025/26 - Town Deal and Future High Street Funds Update - One Council Review and Next Steps 	
27 March 2025	<ul style="list-style-type: none"> - Q3 Finance and Performance Report 2024/25 - Commercial Strategy Update - Town Deal and Future High Street Funds Update 	
26 June 2025	<ul style="list-style-type: none"> - Q4 Finance and Performance Report 2024/25 - Town Deal and Future High Street Funds Update 	

Previous Items

DATE OF MEETING	ITEM	NOTES
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 	

DATE OF MEETING	ITEM	NOTES
	- Technology Strategy 2023-2028	
18 January 2024	- Revenue and Capital Budgets and Strategies 24/25 - Draft Schedule of Fees and Charges 24/25	
14 March 2024	- Q3 Finance and Performance Report 2023/24 - Commercial Strategy Update - Town Deal and Future High Street Funds Update	
27 June 2024	- Q4 Finance and Performance Report 2023/24 - Town Deal and Future High Street Funds Update	Simon McEneny
18 September 2024	- Medium Term Financial Strategy 2025/26 - Q1 Finance and Performance Report 2024/25 - Commercial Strategy Update - Town Deal and Future High Street Funds Update - Staff Turnover Report	Requested at FAPS on 27/06/24
5 December 2024	- Q2 Finance and Performance Report 2024/25 - Draft Savings Proposals 2025/26 - Town Deal and Future High Street Funds Update	

Last updated on the 8/01/2025

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

Document is Restricted

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