

# Public Document Pack



Date of meeting **Thursday, 15th January, 2026**

Time **7.00 pm**

Venue **Astley Room - Castle**

Contact **Geoff Durham 742222**

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

## **Finance, Assets & Performance Scrutiny Committee**

### **AGENDA**

#### **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 2026/27** (Pages 11 - 90)
- 5 SCALE OF FEES AND CHARGES 2026/27** (Pages 91 - 124)
- 6 WORK PROGRAMME** (Pages 125 - 128)
- 7 PUBLIC QUESTION TIME**  
Any member of the public wishing to submit a question must serve two clear days' notice, in writing, of any such question to the Borough Council
- 8 URGENT BUSINESS**  
To consider any business which is urgent within the meaning of Section 100B (4) of the Local Government Act 1972
- 9 DATE OF NEXT MEETING**  
Thursday 26<sup>th</sup> March 2026 (7:00pm)
- 10 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.

**11 TRADE REFUSE SCALE OF FEES AND CHARGES -  
CONFIDENTIAL APPENDIX**

**(Pages 129 - 130)**

**Members:** Councillors Holland (Chair), Bryan (Vice-Chair), Parker, Turnock, P Waring, Bettley-Smith, Stubbs, Allport, Lawley, Grocott and Dean

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

**Meeting Quorums :-** Where the total membership of a committee is 12 Members or less, the quorum will be 3 members....Where the total membership is more than 12 Members, the quorum will be one quarter of the total membership.

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

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

Substitute Members:	Whieldon	J Tagg
	Beeston	D Jones
	Wilkes	Wright
	Adcock	Gorton
	Crisp	Lewis

***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.**

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

# Agenda Item 3

**Finance, Assets & Performance Scrutiny Committee - 04/12/25**

## FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE

Thursday, 4th December, 2025  
Time of Commencement: 7.00 pm

[View the agenda here](#)

[Watch the meeting here](#)

<b>Present:</b>	Councillor Mark Holland (Chair)		
Councillors:	Bryan Turnock P Waring	Bettley-Smith Stubbs Allport	Grocott Dean
Apologies:	Councillor(s) Parker and Lawley		
Substitutes:	Deputy Mayor. Councillor Joan Whieldon		
Officers:	Simon McEneny Craig Turner Sam Clark Georgina Evans-Stadward	Deputy Chief Executive Service Director - Finance / S151 Officer Service Director - IT & Digital Service Director - Strategy, People and Performance	
Also in attendance:	Councillor Stephen Sweeney	Deputy Leader of the Council and Portfolio Holder - Finance, Town Centres and Growth	

### 1. APOLOGIES

Apologies were shared as listed above.

### 2. DECLARATIONS OF INTEREST

There were no declarations of interest stated.

### 3. MINUTES OF A PREVIOUS MEETING

**Resolved:** That the minutes of the previous meeting held on 4<sup>th</sup> September 2025 be agreed as a true and accurate record.

### 4. REVENUE AND CAPITAL BUDGET 2026/27 - FIRST DRAFT SAVINGS PLANS

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth introduced the refreshed Medium Term Financial Strategy including the First Draft Savings Plans considered to balance the 2026/27 revenue budget as well as the proposed Capital Programme covering the three years ahead.

The Chair invited members to comment and take the opportunity to suggest alternate or additional savings.

Cllr Stubbs asked how the projected income figures, e.g. the £10,000 for pet cremations and £19,000 for food waste transfer had been calculated and what assumptions underpinned their sustainability over the financial year.

The Service Director for Finance (S151 Officer) advised that some extra equipment had been installed at the crematorium for pet cremations and that net income for the first year would be of £10,000 after all of the costs had been taken into account, which was expected to increase over the next few years.

With regards to the food waste transfer station, other local authorities had expressed an interest in taking advantage of the facilities to meet with new legal requirements and a price had been agreed. The £19,000 income was a half year assumption which would likely be doubled by the close of the year.

Cllr Stubbs wondered about what actual assumptions had been made to meet the funding level pertaining to staffing efficiencies and the savings coming from reduced pension contributions as well as how sensitive to market volatility that figure was.

The Service Director for Finance (S151 Officer) responded that pension contributions had been reduced from 22% to 19% per employee which was where the majority of the saving came from. A lump sum contribution was also made to the pension fund to address historic deficits in relation to people having retired earlier than anticipated. It was expected that this amount would be staying very similar over the next three years.

Cllr Stubbs asked what evidence supported the tax base growth forecasts and assumed increase of both the Council tax and business rates as well as what contingency were in place given the reliance on housing supply and business growth forecasting.

The Service Director for Finance (S151 Officer) said that the Council tax base was calculated on the actual number of homes at the current time and assumptions involving current planning applications. The collection fund amounts over the past few years had demonstrated that forecasts based on these criteria were very closely met every year. Likewise forecasts relating to business rates and business rates appeals, had led to a surplus on the collection fund, part of which may be required to meet a corresponding deficit in the current financial year.

Cllr Stubbs enquired about the certainty level of the extended producer responsibility additional funding of £274,000 which assumed a national policy as well as how the budget would adjust should the policy be delayed or altered.

The Service Director for Finance (S151 Officer) advised that a letter confirming a grants allocation of £1.2 million had just been received, which covered the £900,000 allocation assumed in the budget and some extra. The first payment was expected to come the week after the meeting.

Cllr Stubbs asked how sensitive the MTFS funding gap figure was to inflation, interest rates and pay award assumptions as well as what scenario had been put in place in the event it had to be amended.

The Service Director for Finance (S151 Officer) responded that all budgets were sensitive to inflation and that a 3% pay award assumption had been factored in for the year ahead, which was above most of what other Staffordshire authorities were accounting for. The budgets for premises costs, transport costs and contract costs

were increased accordingly in line with the CPI (Consumer Price Index). Risk assessments were also carried out and the general fund reserve was there to cover any extra costs.

Cllr Stubbs wondered about risk analysis that had been conducted in terms of delays, shortfalls and anticipated capital receipts.

The Service Director for Finance (S151 Officer) advised that there wasn't a great reliance on capital receipts, the majority of which were for the regeneration projects. Capital receipts were being monitored and any need for further reduction would be reflected to Cabinet.

Cllr Stubbs asked what alternative strategies were in place if the fair funding review resulted in a greater than expected cut.

The Service Director for Finance (S151 Officer) responded that it was unlikely. A lot of modelling had been done with one of the Council's partners who had a lot of insight into government policy and decisions and considered different scenarios. The status of the actual settlement would be known on the week commencing the 15th of December and while it would probably be a bit more or a bit less than anticipated the figures should be relatively close.

Cllr Stubbs enquired about the target reserve level for financial resilience and how this compared to the CIPFA benchmarks.

The Service Director for Finance (S151 Officer) stated that the recommendation was to have about 5% of the Council's net budgets covered by the General Fund Reserve. There was about £2,000,000 in the general fund which corresponded to about 10% and efforts were put in towards continuing to bolster those reserves as a precaution and in anticipation of the uncertainty related to the local government reorganisation.

Cllr Stubbs thanked the Service Director for Finance (S151 Officer) and the rest of the team for the responses provided and the budget put forward.

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth shared his trust for the work undertaken by officers and for the caution with which figures had been put together.

The Chair expressed his satisfaction at having heard more about the assumptions that underpinned the document.

Cllr Whieldon praised the thoroughness and exemplarity of the report and of the efforts put in by both officers and Cabinet members.

The Chair advised that there would be an opportunity for further scrutiny of the budget to be conducted before submission to Full Council.

The Chair also commented on the consistency of the format of the report and caution demonstrated which suggested the finances were very well managed.

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth showed confidence that it was indeed the case, adding that information expected around 15<sup>th</sup> December would confirm the accuracy of estimates.

**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 the commencement date of the Budget Consultation period as mid-November to mid-December 2025 be noted.
4. That the Mid-Year Capital Estimates for 2025/26 be noted.
5. That the proposed setting of Council Tax at 1.99 per cent for 2026/2027 be noted.

Watch the debate here

**5. FINANCIAL AND PERFORMANCE REVIEW REPORT - SECOND QUARTER 2025/26**

The Chair introduced the Financial and Performance Review report before inviting members to comment on the Corporate Performance indicators.

ID1.8a -Total number of digital online transactions

The Service Director for Information Technologies advised that the trend was towards a reduction of the number of forms that are to be completed by members of the public with information now available at the start.

Peaks were however observed when launching new services like garden waste or issuing annual bills.

Cllr Stubbs asked what sort of figure should be expected around March.

The Service Director for Information Technologies responded that the current focus was on providing residents with the right experience going through the form. The percentage was to be seen as contextual figure rather than a trend and priority was given to monitoring the feedback received on the form.

The Chair wondered if, in the future, the metric could become a purely contextual figure to be reported and analysed to work out whether it's good or not rather than a performance indicator.

The Chair also invited members to suggest any alternative performance indicators to measure something useful.

Cllr Bryan suggested a kind of metrics based on the emails received, whether or not people knew about the forms, the number of forms that were there and forms that didn't exist.

The Service Director for Information Technologies said that team was working on analysis the data and amount of emails received as part of the launch of the new contact centre system / refreshed telephony and emails. Accessibility and make things easy for visitors would be the key with large buttons to facilitate navigating through the site.

ID1.4a - Total percentage of materials collected for recycling and composting

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth said that he had spoken with the Portfolio Holder for Sustainable Environment who advised that the target was raised from 49% to 51% to make it more challenging and that the dry summer meant less garden waste had been produced which explained the figures.

ID3.13 – Percentage of fly-tipping incidents where sufficient evidence gathered to proceed to formal enforcement

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth commented that despite best efforts finding evidence i.e. names and / or addresses on items was not an easy task – fly-tippers being cautious not to leave any information behind.

Cllr Stubbs asked if something could be done to address the pile of fly-tipping that had been building up, some of which could be recycled, being mindful of the investigation work that was being carried out.

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth responded that he trusted that officers had this in hands.

The Chair asked if any members wish to bring up any other indicators that wasn't in the red.

ID1.13 - Average number of days per employee lost to sickness

Cllr Grocott noted that details were not provided for privacy reasons and wished for regards to be passed on to employees that were being affected by sickness and long-term illnesses.

The Service Director for Strategy, People and Performance advised that a balance had to be found to allow scrutiny without sharing sensitive information.

ID2.6a and 6b - Percentage of complainants informed within the required timescales of any action to be taken about alleged breaches of planning control

Cllr Grocott suggested there may not be enough staff to cover the amount of complaints received.

The Deputy Chief Executive responded that while there had been some struggle in the past with capacity the team was now fully staffed and catching up with previous knock-on effect.

**Resolved:** That the contents of the report and appendices be noted and that the Council's service and financial performance Committee continue to be monitored and challenged for this period.

[Watch the debate here](#)

**6. TOWN DEAL AND FUTURE HIGH STREET FUNDS UPDATE**

The Deputy Leader / Portfolio Holder for Finance, Town Centres and Growth introduced the report on the delivery of projects enabled through the Town Deal and

Future High Street Funds, most of them having reached their completion stage or being not far off.

It was noted that pictures of the progress made in Chesterton had been included to the report as requested by Cllr Grocott at previous meetings.

The Deputy Leader asked Cllr Grocott if anyone had come up to run the Village Hall which construction had been compromised for lack of interested parties to manage it.

Cllr Grocott responded that no-one had.

Cllr Stubbs enquired about the change of scope in relation to the works originally planned at Kidsgrove Train Station – now moved to a smaller area.

The Deputy Chief Executive responded that the scheme had to be moved away from the area that needed underpinning due to the lack of funding to address the underpinning. Design and costing works were now underway for a smaller area of the site which did not need underpinning.

Cllr Stubbs asked about the project to have a Transport Hub.

The Deputy Chief Executive advised that a smaller Transport Hub would be built to allow sufficient space for the car park.

Cllr Allport commented on the wonderful job done on the Canal pathways.

Cllr Grocott shared his gratitude about what had been done in Chesterton.

**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**

The Chair reminded members that the Committee in its current form would soon be reaching the end of the four-year cycle it had been mandated for with three meetings remaining in 2026.

**Resolved:** That the work programme be noted.

[Watch the debate here](#)

## **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 held on Thursday 15<sup>th</sup> January 2026.

**Councillor Mark Holland**  
**Chair**

Meeting concluded at 7.51 pm

This page is intentionally left blank

## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

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

15 January 2026

**Report Title:** Draft Revenue and Capital Budgets and Strategies 2026/27

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

**Portfolios:** Finance, Town Centres and Growth

**Ward(s) affected:** All

<b><u>Purpose of the Report</u></b>	<b><u>Key Decision</u></b>	<b>Yes <input checked="" type="checkbox"/></b>	<b>No <input type="checkbox"/></b>
To review progress on the completion of the revenue and capital budgets for 2026/27 and approve the 5 year Medium Term Financial Strategy for 2026/27 to 2030/31.			
To consider drafts of the Capital Strategy for 2026/36, the Treasury Management Strategy for 2026/27, the Investment Strategy for 2026/27 and the Commercial Strategy for 2026/27 prior to their submission to Full Council for final approval.			
<b><u>Recommendation</u></b>			
<b>That Committee:</b>			
<b>1. Note the progress on the completion of the Revenue (Appendix 1) and Capital Budgets (Appendix 4).</b>			
<b>2. Note the updated Medium Term Financial Strategy 2026/27 to 2030/31 (Appendix 2).</b>			
<b>3. Note the strategy for ensuring a balanced revenue outturn position for 2025/26.</b>			
<b>4. Note the calculation of the Council Tax base and the Council Tax increase to be proposed for 2026/27 of 1.99% per Band D equivalent property.</b>			
<b>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 2026/27.</b>			
<b>6. Note the draft Capital Strategy (Appendix 5) for 2026/36 be noted.</b>			
<b>7. Note the draft Treasury Management Strategy (Appendix 6) for 2026/27.</b>			
<b>8. Note the draft Investment Strategy (Appendix 7) for 2026/27.</b>			

## 9. Note the draft Commercial Strategy (Appendix 8) for 2026/27.

### **Reasons**

To enable the Committee to scrutinise the proposals in order to inform the Cabinet in recommending a robust and affordable budget for 2026/27 to the Council meeting on 11 February 2026.

The Council needs to have an approved Capital Strategy for 2026/27, an approved Treasury Management Strategy for 2026/27, an approved Investment Strategy for 2026/27 and an approved Commercial Strategy for 2026/27 in place before the start of the 2026/27 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 2026/27 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 2 December 2025 and scrutinised by the Finance, Assets and Performance Scrutiny Committee at its meeting on 4 December 2025.
- 1.5 The draft and provisional proposals included in this report will inform the Revenue and Capital Budgets and Council Tax 2026/27 reports to Cabinet on 3 February 2026 and to Full Council on 11 February 2026.
- 1.6 The Capital Strategy 2026/36 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, 2026/27.

- 1.8 The Investment Strategy 2026/27 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 2026/27 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 2025/26 – Provisional Outturn Forecast**

#### **Revenue**

- 2.1 The Council approved a General Fund Revenue Budget of £19.730m on 12 February 2025 for 2025/26. 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 £0.011m has been achieved. The projected outturn on the General Fund Revenue Account for the year is £19.703m. This represents a positive variance of £0.027m for the year.
- 2.3 The positive variances that have occurred at the close of period 8 of 2025/26 include:
  - a. Income from major planning applications offsets income shortfalls in other areas by £0.436m, it is forecast that income for the remainder of the financial year will remain in line with budget resulting in a positive variance of £0.436m for the financial year.
  - b. Interest receivable on cash that the Council holds in terms of Town Deal funding totals £0.167m at the close of period 8 (it is forecast that this will grow to £0.188m for the financial year).
  - c. Interest payable on borrowing has not been incurred due to the cash that the Council holds in terms of Town Deal funding, resulting in a saving of £0.389m at the close of period 8. It is forecast that borrowing will commence during the final quarter, it estimated that this saving may amount to £0.438m for the financial year.
- 2.4 These positive variances have been offset by the following adverse variances:

- a. Income shortfalls at the close of period 8 from car parking (£0.133m), trade waste (£0.076m) and bereavement services (£0.120m). It is forecast that these alongside income lost from the temporary large pool closure (£0.265m) at Jubilee 2 will total £0.649m for the financial year.
- b. Contributions to reserves of up to £0.325m at the close of the financial year, dependent upon the outturn regarding interest payable and receivable.

2.5 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***

2.6 A mid-year review of the Capital Programme for 2025/26 has been undertaken in order to identify any projects that may need to be re-profiled from 2025/26 into future years. The revised Capital Programme for 2025/26 totalling £35.635m was approved by Cabinet on 2 December 2025.

2.7 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	392	391	(1)
A Successful and Sustainable Growing Borough	3,504	3,507	3
Healthy, Active and Safe Communities	3,719	3,730	11
Town Centres for All	3,193	3,191	(2)
<b>Total</b>	<b>10,808</b>	<b>10,819</b>	<b>11</b>

### ***Medium Term Financial Strategy***

2.8 The draft MTFS was approved as a basis for consultation by Cabinet on 2 December 2025 and has since been updated to reflect the impact of the Local Government Finance Settlement.

2.9 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 and funding strategies identified to date for the period of the MTFS have enabled a balanced financial position to be proposed for 2026/27.

Detail	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000
<b>Income</b>	87	119	50	50	50
<b>Staffing Related</b>	781	-	-	-	-
<b>Good Housekeeping</b>	66	275	50	50	50
<b>Tax Base</b>	212	264	348	317	267
<b>Council Tax Increase</b>	179	182	186	190	193
<b>Other Financing</b>	274	-	-	-	-
<b>TOTAL SAVINGS</b>	<b>1,599</b>	<b>840</b>	<b>635</b>	<b>607</b>	<b>560</b>
<b>UPDATED MTFS GAPS</b>	<b>1,599</b>	<b>883</b>	<b>692</b>	<b>550</b>	<b>925</b>
<b>REMAINING GAP/(SURPLUS)</b>	-	<b>43</b>	<b>58</b>	<b>(57)</b>	<b>365</b>

2.10 The table below shows the amendments to items included in the saving strategy reported to Cabinet on 2 December 2025 reflecting the impact of the Local Government Finance Settlement on assumed increases to the tax base, the non-requirement to contribute from the Budget Support Fund towards the costs of Local Government Re-organisation (that can now be financed from the revenue fund) and the finalisation of pension contribution rates for the period 2026/27 to 2028/29:

Detail	£'000
<b>Total Savings as at 2 December 2025</b>	<b>(1,752)</b>
Pension contributions (to reflect finalised contributions)	(143)
Contribution to Local Government Re-organisation from Budget Support Fund	200
Amendments to Tax Base increases to reflect Fair Funding Review	96
<b>Total Revised Savings</b>	<b>(1,599)</b>

#### **Draft Revenue Budget 2026/27**

2.11 The MTFS has been updated to reflect the Local Government Finance Settlement received on 17 December 2025. It provides for a gap in 2026/27 of £1.599m and a gap over the 5 year period of the MTFS of £4.649m.

2.12 The table below shows the factors which give rise to the £1.599m gap for 2026/27:

<b>Additional Income</b>		£'000
Fees and Charges	(364)	
<b>Total Additional Income</b>	<b>(364)</b>	
<b>Loss of Income</b>		
Settlement Funding Assessment	126	
Reduction in income from under achieved budgets	100	
National Insurance – not fully reimbursed as previously assumed	233	
<b>Total Loss of Income</b>	<b>459</b>	
<b>Additional Expenditure</b>		
Employees (pay awards, increments, national insurance, pension)	649	
Premises (business rates and utilities)	65	
Transport (fuel)	21	
Borrowing	90	

Temporary Accommodation	194
Other (inc. software licences, Local Government Re-Organisation, restructuring)	485
<b>Total Additional Expenditure</b>	<b>1,504</b>
<b>Net Increase in Base Budget</b>	<b>1,599</b>

2.13 The table below shows the amendments to items included in the MTFS 'gap' reported to Cabinet on 2 December 2025 reflecting the impact of the Local Government Finance Settlement on them (further details are included at 2.30 to 2.33):

<b>Detail</b>	<b>£'000</b>
<b>Total Pressures at 2 December 2025</b>	<b>1,752</b>
Pension contributions on pay awards (to reflect finalised contributions)	(9)
Local Government Finance Settlement	(338)
Temporary Accommodation	194
<b>Total Revised Pressures</b>	<b>1,599</b>

2.14 The proposed savings identified for 2026/27 are summarised at 2.9, with further detail in Appendix 1.

2.15 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 4 December 2025. The Committee will also scrutinise the Cabinet report of 13 January 2026 at its meeting on 15 January 2026.

### **Civic Growth Fund**

2.16 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.

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

<b>Investment Area</b>	<b>£'000</b>	<b>Details</b>
Council Modernisation	882	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	140	Tree planting/carbon reduction
Walley's Quarry	175	Addressing community concerns regarding the quarry's unpleasant odour omissions.
Town Centre Support	188	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.

2.18 The savings and funding strategies identified in the table in paragraph 2.9 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.

2.19 The 2026/27 Civic Growth Fund investment will be used in the following areas:

Investment Area	£'000
Environmental Sustainability	100
Digital Delivery	100
Place Development	50
<b>Total</b>	<b>250</b>

2.20 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.

2.21 £0.100m of the 2026/27 Civic Growth Fund will continue to be allocated to the digital programme which will transform public access to Council services and drive efficiency savings.

2.22 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***

2.23 The savings and funding strategy assumes a 1.99% per Band D equivalent property Council Tax increase, producing £0.179m 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	2.95	0.06
B	3.46	0.07
C	3.94	0.08
D	4.44	0.09
E	5.42	0.10
F	6.42	0.12
G	7.39	0.14
H	8.88	0.17

- 2.24 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 451 band D equivalent properties from 39,807 in 2025/26 to 40,258 in 2026/27.
- 2.25 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 2025/26. This surplus or deficit is then shared between the relevant preceptors in 2026/27 (a surplus if paid out to preceptors, including the Council, and a deficit is repaid to the collection fund from preceptors, including the Council).
- 2.26 The Council Tax Collection Fund is estimated to be in a deficit position as the close of 2025/26. This deficit is estimated to amount to £0.625m, of which the Council's share is £0.068m.
- 2.27 The Business Rates Collection Fund is estimated to be in a deficit position at the close of 2025/26. The deficit is estimated to amount to £2.982m, of which the Council's share is £1.193m.
- 2.28 The deficit primarily relates to successful appeals in the period January to March 2025 which resulted in an actual outturn position of a surplus of £1.823m for 2024/25 compared to the forecast declared surplus position as at December 2024 of £4.114m.
- 2.29 The Council's share of the deficit for both Business Rates and Council Tax will be provided for via Business Rates Reserve which was established to ensure the Council's resilience against Business Rates volatility.

#### ***Local Government Finance Settlement***

- 2.30 The Local Government Finance Settlement for 2026/27 to 2028/29 was received on 17 December 2025. The amount receivable is £0.126m less than received in 2025/26 and provides a reduction of £1.051m over the 3 year period of the settlement, when compared to funding received in 2025/26.
- 2.31 The Council set aside £0.500m ahead of the potential impact of the Fair Funding Review 2.0, this amount is not required to be used in 2026/27, but will be used to smooth the impact of the settlement reductions in 2027/28 and 2028/29.
- 2.32 A recovery grant was introduced for 2025/26 with the aim of targeting money towards areas with greater need and demand for services, using deprivation as a proxy. This resulted in a grant of £0.398m which was assumed to be a one off grant, it has been confirmed that this grant will continue at £0.398m for at least the 3 year period of the settlement. It is anticipated that the Council will use this grant to smooth the impact of the settlement reductions in 2027/28 and 2028/29.
- 2.33 Grants in relation to Homelessness Prevention, Rough Sleepers and Domestic Abuse have been merged into a single ringfenced grant. Indications are that this will amount to £0.707m in 2026/27, compared to £0.640m in 2025/26.

## Budget Consultation

2.34 Public consultation has been undertaken on the budget, the consultation ran between 25 November 2025 and 1 January 2026. The results of which will be reported to Cabinet on 3 February 2026.

### **Capital Programme 2026/27 to 2028/29 and Capital Strategy 2026/36**

2.35 The Capital Programme for 2026/27 to 2028/29 (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 £109.946m including major investment into the Borough via external funding in terms of the Town Deals Fund for both Newcastle and Kidsgrove.

2.36 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 £31.278m by 2028/29 based on the 3 year Capital Programme for 2026/27 to 2028/29, the Capital Financing Requirement at 31 March 2025 (£19.893m) and the Capital Financing Requirement for capital expenditure during the current financial year and the financial years 2026/27 to 2028/29 (£11.385m).

2.37 The Capital Programme for 2026/27 to 2028/29 includes an estimate for the development of York Place, this assumes spend of £18.136m over the period 2025/26 to 2027/28 and a subsequent capital receipt of the same value plus capitalised interest during 2028/29.

2.38 The Capital Programme for this period also includes an estimate for the redevelopment of the Midway Carpark and assumes spend of £36.350m over the period 2025/26 to 2028/29 and a subsequent capital receipt of the same value plus capitalised interest during 2029/30.

2.39 In addition, the Capital Programme also includes an estimate for the redevelopment of the Ryecroft site of £33.712m over the period 2025/26 to 2029/30 together with a subsequent capital receipt of the same value plus capitalised interest in 2030/31.

2.40 The Capital Strategy for 2026/36 (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.

2.41 The Capital Programme is produced in line with the Capital Strategy for 2026/36. 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.

- 2.42 Delivering the capital programme for 2026/27 will require prudential borrowing to be undertaken. The impact of borrowing is included in the MTFS pressures for 2026/27 and future years.
- 2.43 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 2026/27, Investment Strategy 2026/27 and Commercial Strategy 2026/27***

- 2.44 The Treasury Management Strategy for 2026/27 is attached at Appendix 6. The Minimum Revenue Provision Policy for 2026/27 is contained in Annex C to the strategy.
- 2.45 The Treasury Management Strategy for 2026/27 allows for borrowing and for the capitalisation of interest costs in relation to development schemes. 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.
- 2.46 The Investment Strategy for 2026/27 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.
- 2.47 The Commercial Strategy for 2026/27 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***

- 2.48 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.
- 2.49 It is recommended that a minimum level of unallocated reserves and contingencies (i.e. the Council's Balance and Reserve Strategy for 2026/27) of £2.225m be held in 2026/27 to reflect the levels of revenue risk shown in the draft budget for 2026/27.
- 2.50 The increase in the minimum level will be financed from the Recovery Grant to be received in 2026/27, the balance of which will be paid into the Budget and Borrowing Support Fund to increase the Council's financial resilience, ahead of

its use in 2027/28 and 2028/29 to smooth the impact of the Fair Funding Review 2.0.

### ***Timetable***

<b>Event</b>	<b>Committee</b>	<b>Date</b>
Final budget proposals recommended for approval by Full Council	Cabinet	3 February 2026
Full Council to approve budget	Full Council	11 February 2026

### **3. Recommendations**

- 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 2026/27 to 2030/31 (Appendix 2) be noted.
- 3.3 That the strategy for ensuring a balanced revenue outturn position for 2025/26 be noted.
- 3.4 That the calculation of the Council Tax base and the Council Tax increase to be proposed for 2026/27 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 2026/27 be noted.
- 3.6 That the draft Capital Strategy (Appendix 5) for 2026/36 be noted.
- 3.7 That the draft Treasury Management Strategy (Appendix 6) for 2026/27 be noted.
- 3.8 That the draft Investment Strategy (Appendix 7) for 2026/27 be noted.
- 3.9 That the draft Commercial Strategy (Appendix 8) for 2026/27 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 MTFS that sets out how the Council plans to allocate resources to meet its objectives.

### **5. Options Considered**

- 5.1 None.

### **6. Legal and Statutory Implications**

- 6.1 The Council is required to set its Council Tax for 2026/27 by 11 March 2026, per Section 30(6) of the Local Government Finance Act 1992. It is planned to approve the final budget and Council Tax rates on 11 February 2026.

## **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 £2.225m to reflect the levels of revenue risk shown in the draft budget for 2026/27. 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 2026/27 reports to Cabinet on 3 February 2026 and to Council on 11 February 2026.

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 2026/27 to 2030/31 (Cabinet 2 September 2025).

13.2 Revenue and Capital Budgets 2026/27 – First Draft Savings Plans (Cabinet 2 December 2025).

## 14. List of Appendices

14.1 Appendix 1 – 2026/27 MTFS Funding Strategy

14.2 Appendix 2 – 2026/27 to 2029/30 MTFS 'Gaps'

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

14.4 Appendix 4 – 2026/27 to 2028/29 Capital Programme and 2025/26 Mid-Year Estimate

14.5 Appendix 5 – Capital Strategy 2026 to 2036

14.6 Appendix 6 – Treasury Management Strategy 2026/27

14.7 Appendix 7 – Investment Strategy 2026/27

**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 – 2026/27 MTFS Funding Strategy

Ref	Service Area	Description	£000's	Detail
<b>Income</b>				
I1	Regulatory Services	Navigation House Rent	8	Rent contribution from contractor
I2	Commercial Delivery	Pet Cremations	10	Initial net income from the introduction of pet cremations
I3	Commercial Delivery	Museum Rent	10	Rental income from the Museum café
I4	Commercial Delivery	Electrical Works	12	Recharging of time spent by Electrician at non Council managed buildings
I5	Planning	Fees	15	Introduction of new fees and cost recovery for pre-planning application advice
I6	Neighbourhood Delivery	Digital Screen Advertising	8	Net income from advertising on Town Centre digital screen
I7	Sustainable Environment	Food Waste Transfer Station	19	Operating charge to users of the Waste Transfer Station
I8	Legal and Governance	Legal Costs	5	Recharging of legal costs relating to deeds of variation and Section 106 agreements
			<b>87</b>	
<b>Staffing Related Efficiencies</b>				
S1	Finance	Pension Contributions	744	Reduction in primary and secondary contributions to reflect improved funding levels
S2	Neighbourhood Delivery	Markets	37	Restructure of Markets and Events team following changes to the Markets operating model
			<b>781</b>	
<b>Good Housekeeping/More Efficient Processes</b>				
G1	Corporate	Printing and Postage	14	Reduction in printing and postage across the Council
G2	Legal and Governance	Contract Register Review	32	Savings from review of contracts including janitorial supplies, software, cash collections and licences
G3	Sustainable Environment	Sustainable Bedding Plants	20	Saving in bedding contract costs following the introduction of sustainable bedding plants
			<b>66</b>	
<b>Alternative Sources of Finance/Other</b>				
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	112	Assumed increase in tax base of 3%
A3	Corporate	Council Tax increase	179	Assumed increase of 1.99% per Band D property
A5	Sustainable Environment	Extended Producer Responsibility	274	Additional funding to be received during 2026/27, this enables a continued contribution of £200k to the Waste Reserve
			<b>665</b>	
<b>Grand Total</b>			<b>1,599</b>	

**Appendix 2 – 2026/27 to 2030/31 MTFS ‘Gaps’**



Detail	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	Description
<b>Employees:</b> Increments Pay awards Members pay awards Superannuation increases Superannuation lump sum increases National Insurance	68 396 8 99 - 78	45 465 9 97 33 77	17 479 9 94 35 74	4 494 9 95 37 75	- 509 10 97 39 76	Employees due an increment 3% pay award assumed for all years (2026/27 includes 2025/26 difference) 3% pay award assumed for all years 19% of salary increases Net increase of lump sum pension payment 15% of salary increases
<b>Premises:</b> Business Rates Utilities	28 37	23 30	24 31	25 32	25 33	Inflationary increase in business rates payable (per CPI) Inflationary increase in gas and electric (per CPI)
<b>Transport:</b> Fuel	21	17	17	18	18	Inflationary increase in fuel/HVO (per CPI)
<b>Financing:</b> Borrowing costs	90	175	38	(4)	363	Borrowing costs regarding the financing of capital expenditure
<b>New Pressures:</b> ICT software Restructuring Inflationary Pressures (contracts) Local Government Re-organisation Temporary Accommodation Recycling	10 25 50 400 194 -	10 - 50 (200) - 195	10 - 50 (200) - 250	10 - 50 - - -	10 - 50 - - -	ICT costs re. systems maintenance and software licences Potential additional resource requirements Inflationary uplifts allowance One off costs re. re-organisation (£400k in 2026/27 includes one off contribution from reserves in 2026/27, spend reduced to £200k in 2027/28 and nil in 2028/29) Contribution towards costs of temporary accommodation Potential loss of recycling credits and income if contractor disposal undertaken by the County Council
<b>Income:</b> Fees and charges Settlement Funding Assessment baseline funding level Recovery Grant/Allowance for funding impact National Insurance reimbursement Income pressures	(364) 126 - 233 100	(299) 454 (398) - 100	(308) 472 (500) - 100	(317) (78) - - 100	(326) (79) - - 100	Inflationary increase in fees and charges assumed for all years (per CPI) The Council currently receives £9.36m from Business Rates Retention and grants that are to be rolled into a new Settlement Funding Assessment for 2026/27 onwards. Revised forecasts estimate that this will amount to £9.23m in 2026/27 with decreases of £0.45m in 2027/28 and £0.47m in 2028/29. The Recovery Grant will continue over the 3 year period of the Settlement Funding Assessment. This will be used to offset the reduction in the settlement in 2027/28. £0.5m has already been included in the base budget for 2025/26 to allow for a reduction in the settlement, this will be applied in 2028/29. Shortfall in grant re. National Insurance rises General income shortfalls
<b>TOTAL GAPS</b>	<b>1,599</b>	<b>833</b>	<b>692</b>	<b>550</b>	<b>925</b>	



### Appendix 3 – Risk Assessment on Required Balances/Contingency Reserve (£2,225m)

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	3 x 3	High	Regular monitoring of income levels	185,000
2	Reduced Income due to non-availability of service (e.g. COVID-19 related or similar)	Shortfall in income leading to overspends	3 x 3	High	Included in calculation of minimum balances	3 x 3	High	Regular monitoring of income levels	190,000
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	205,000
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	2 x 3	Moderate	Regular monitoring of vacancy levels	50,000
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	100,000
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 use agency/interim staff at extra cost	Additional unbudgeted costs	3 x 3	High	Absence management procedures in place	3 x 3	High	Monitoring of sickness levels	150,000
Page 27	Council becomes liable to pay compensation or legal fees or another	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances	3 x 2	Moderate	None	125,000

Item Page 28	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 £
	unforeseen commitment arises								
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	100,000
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	220,000
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	20,000
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	40,000
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
15	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
16	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

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 £
17	Government further increase NI rates during 2026/27	Additional unbudgeted costs	2 x 3	Moderate	Included in calculation of minimum balances. Increased rate built into budget	2 x 3	Moderate	None	65,000
18	Savings built into Budget are not realised	Additional unbudgeted costs	3 x 3	High	Regular Budget Monitoring	3 x 2	Moderate	None	80,000
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	60,000
22	Municipal Mutual Insurance (MMI) Clawback	Additional unbudgeted costs	3 x 3	High	MMI Provision	2 x 1	Low	Consider increasing amount of provision if necessary	15,000
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
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 2026/27 to 2028/29 Capital Programme and 2025/26 Mid-Year Estimate**



Page 30

**PRIORITY – CAPITAL PROGRAMME**

	2025/26 MID YEAR	2026/27	2027/28	2028/29	<b>TOTAL 2026/27 to 2028/29</b>
		£	£	£	£
<b>PRIORITY – One Council Delivering for Local People</b>					
Service Area – Council Modernisation	922,120	705,000	80,000	351,000	1,136,000
<b>Total</b>	<b>922,120</b>	<b>705,000</b>	<b>80,000</b>	<b>351,000</b>	<b>1,136,000</b>
<b>PRIORITY – A Successful and Sustainable Growing Borough</b>					
Service Area – Housing Improvements	3,474,641	3,421,363	2,095,000	2,095,000	7,611,363
Service Area – Managing Property & Assets	14,183,389	18,997,888	42,758,904	16,028,979	77,785,771
<b>Total</b>	<b>17,658,030</b>	<b>22,419,251</b>	<b>44,853,904</b>	<b>18,123,979</b>	<b>85,397,134</b>
<b>PRIORITY – Healthy, Active and Safe Communities</b>					
Service Area – Streetscene	536,760	542,419	130,000	130,000	802,419
Service Area – Bereavement Services	164,200	141,950	5,000	5,000	151,950
Service Area – Recycling and Fleet	3,717,650	3,049,661	6,279,419	2,323,428	11,652,508
Service Area – Leisure and Cultural	475,763	1,604,998	1,373,936	-	2,978,934
Service Area – Engineering	310,600	200,000	-	-	200,000
<b>Total</b>	<b>5,204,973</b>	<b>5,539,028</b>	<b>7,788,355</b>	<b>2,458,428</b>	<b>15,785,811</b>
<b>PRIORITY – Town Centres for All</b>					
Public Realm	10,000	-	-	-	-
Town Deals – Newcastle	8,040,484	3,432,755	-	-	3,432,755
Town Deals – Kidsgrove	3,318,343	1,955,030	1,239,313	-	3,194,343
<b>Total</b>	<b>11,368,827</b>	<b>5,387,785</b>	<b>1,239,313</b>	<b>-</b>	<b>6,627,098</b>
<b>CONTINGENCY (assumes unspent contingency is carried forward from 2026/27)</b>					
<b>TOTAL</b>	<b>480,954</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>
<b>FUNDING</b>					
Capital Receipts	1,530,000	5,050,000	4,350,000	4,350,000	<b>13,750,000</b>
Regeneration Receipts	-	-	-	12,655,881	<b>12,655,881</b>
External Contributions	26,590,251	16,907,528	4,196,155	2,000,000	<b>23,103,683</b>
Borrowing	7,514,653	1,633,832	3,216,988	(979,519)	<b>3,871,301</b>
Regeneration Borrowing	-	11,459,704	42,198,429	2,907,045	<b>56,565,178</b>
<b>TOTAL</b>	<b>35,634,904</b>	<b>35,051,064</b>	<b>53,961,572</b>	<b>20,933,407</b>	<b>109,946,043</b>



# Capital Strategy

## 2026 to 2036



# 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 – 2026/27 to 2035/36 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 2025/26 has been undertaken to identify any projects that may need to be re-profiled from 2025/26 into future years. This was approved by Cabinet on 2 December 2025.

The revised 2025/26 Capital Programme totals £35.635m 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	0.922
A Successful and Sustainable Growing Borough	17.658
Healthy, Active and Safe Communities	5.205
Capital Contingency	0.481
Town Centres for all	11.369
<b>Total</b>	<b>35.635</b>

Full Council will consider a capital programme to continue investment beyond 2025/26 on 11 February 2026.

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%, every £100,000 of such capital receipts or reserve balances used will cost £4,000 to the revenue account on an ongoing basis. The use of capital receipts and reserves to finance the Capital Programme is taken account of in the Medium Term Financial Strategy. Any receipts generated from the sale of assets will be invested until they are required to finance capital expenditure.

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

Funding will be sought towards the cost of capital projects from external parties wherever possible and appropriate. The prime examples of these being the Town Deals, 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 £9,000/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

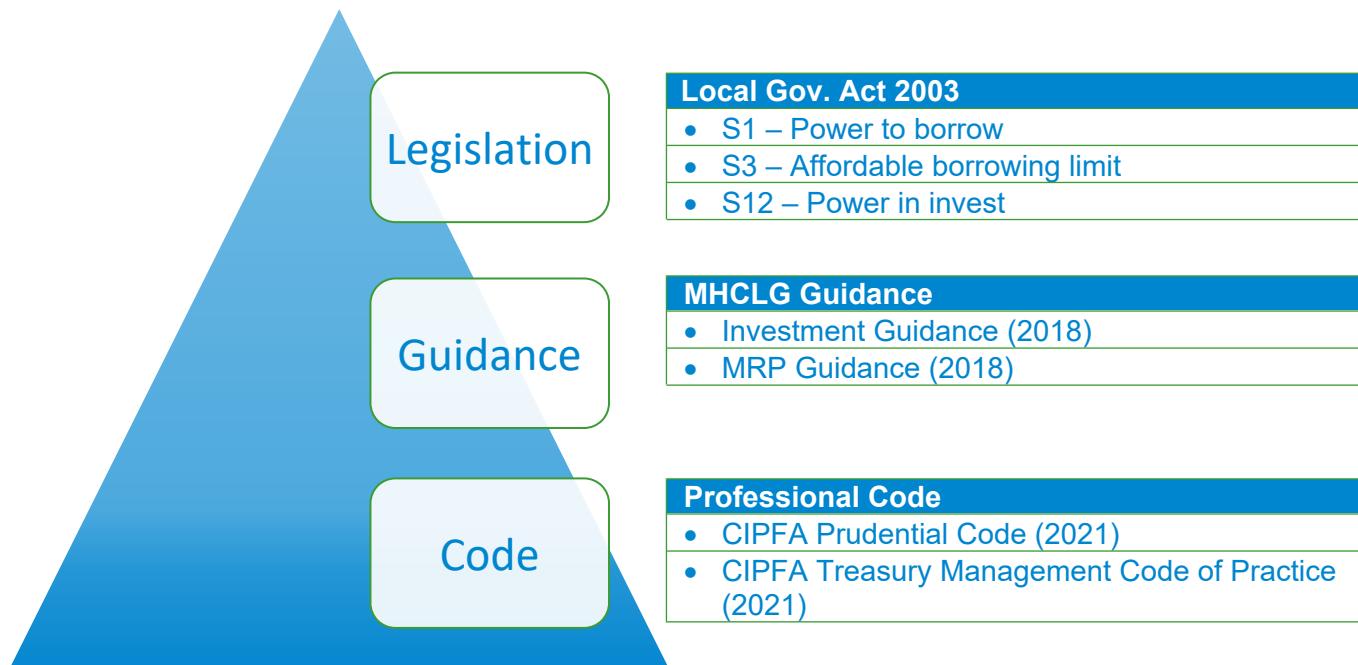
The Council's capital investment is carried out within the statutory framework laid down by the Local Government Act 2003 and regulations under that Act. Accordingly, only expenditure which fits the definition of capital expenditure contained in the Act or Regulations pursuant to it will be capitalised.

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 (2026/27 to 2035/36) 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 2026/27 to 2035/36 it is estimated that this expenditure will total £142.312m. 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 £31.278m by 2028/29 based on the 3-year Capital Programme for 2026/27 to 2028/29, the Capital Financing Requirement at 31 March 2025 (£19.893m) and the Capital Financing Requirement for capital expenditure during the current financial year and the financial years 2026/27 to 2028/29 (£11.385m).

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 costs to the revenue budget relating to minimum revenue provision and interest payable on borrowings will be around £16.163m over 10 years, with the costs in each year 2026/27 to 2035/36 being as shown below:

Year	Total £m	Year	Total £m
2026/27	1.037	2031/32	1.820
2027/28	1.211	2032/33	1.889
2028/29	1.249	2033/34	1.960
2029/30	1.245	2034/35	2.034
2030/31	1.608	2035/36	2.110
<b>Total</b>		<b>16.163</b>	

A capital programme for 2026/27 to 2028/29 totalling £109.946m will be recommended to Full Council on 11 February 2026, 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 2025/26 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 – 2026/27 to 2035/36 Capital Programme

CAPITAL PROGRAMME	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
<b>PRIORITY - One Council Delivering for Local People</b>											
Neighbourhood Delivery	5,000	5,000	5,000	25,000	5,000	5,000	5,000	5,000	5,000	5,000	70,000
ICT	700,000	75,000	346,000	431,000	121,000	31,000	31,000	31,000	31,000	31,000	1,828,000
<b>Total</b>	<b>705,000</b>	<b>80,000</b>	<b>351,000</b>	<b>456,000</b>	<b>126,000</b>	<b>36,000</b>	<b>36,000</b>	<b>36,000</b>	<b>36,000</b>	<b>36,000</b>	<b>1,898,000</b>
<b>PRIORITY - A Successful and Sustainable Growing Borough</b>											
Housing	3,421,363	2,095,000	2,095,000	2,095,000	2,095,000	2,095,000	2,095,000	2,095,000	2,095,000	2,095,000	22,276,363
Property	402,317	-	277,510	-	7,280	-	-	-	-	-	687,107
Facilities Management	534,904	560,475	188,543	310,000	724,742	172,500	172,500	150,000	150,000	150,000	3,113,664
Commercial Strategy	18,060,667	42,198,429	15,562,926	34,004	-	-	-	-	-	-	75,856,026
<b>Total</b>	<b>22,419,251</b>	<b>44,853,904</b>	<b>18,123,979</b>	<b>2,439,004</b>	<b>2,827,022</b>	<b>2,267,500</b>	<b>2,267,500</b>	<b>2,245,000</b>	<b>2,245,000</b>	<b>2,245,000</b>	<b>101,933,160</b>
<b>PRIORITY - Healthy, Active and Safe Communities</b>											
Environmental Health	-	-	-	12,000	-	-	-	-	-	-	12,000
Streetscene	542,419	130,000	130,000	130,000	155,000	130,000	130,000	130,000	130,000	130,000	1,737,419
Bereavement Services	141,950	5,000	5,000	10,000	1,530,000	5,000	5,000	5,000	5,000	5,000	1,716,950
Recycling and Fleet Services	3,049,661	6,279,419	2,323,428	2,086,514	6,874,835	700,000	700,000	700,000	700,000	700,000	24,113,857
Leisure	1,604,998	1,373,936	-	-	-	-	-	-	-	-	2,978,934
Engineering Works	200,000	-	-	-	95,000	-	-	-	-	-	295,000
<b>Total</b>	<b>5,539,028</b>	<b>7,788,355</b>	<b>2,458,428</b>	<b>2,238,514</b>	<b>8,654,835</b>	<b>835,000</b>	<b>835,000</b>	<b>835,000</b>	<b>835,000</b>	<b>835,000</b>	<b>30,854,160</b>
<b>PRIORITY - Town Centres for All</b>											
Town Deal - Newcastle	3,432,755	-	-	-	-	-	-	-	-	-	3,432,755
Town Deal - Kidsgrove	1,955,030	1,239,313	-	-	-	-	-	-	-	-	3,194,343
<b>Total</b>	<b>5,387,785</b>	<b>1,239,313</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,627,098</b>
<b>CONTINGENCY</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>
<b>TOTAL</b>	<b>35,051,064</b>	<b>53,951,571</b>	<b>20,933,407</b>	<b>5,133,518</b>	<b>11,607,857</b>	<b>3,138,500</b>	<b>3,138,500</b>	<b>3,116,000</b>	<b>3,116,000</b>	<b>3,116,000</b>	<b>142,312,418</b>
<b>FUNDING</b>											
Capital Receipts	5,050,000	4,350,000	4,350,000	4,350,000	550,000	550,000	550,000	550,000	550,000	550,000	21,400,000
Regeneration Receipts	-	-	13,230,000	32,765,676	25,941,944	-	-	-	-	-	71,937,620
External Contributions	16,907,528	4,196,155	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	37,103,683
Borrowing	1,633,832	3,216,988	(979,519)	(1,250,486)	9,057,857	588,500	588,500	566,000	566,000	566,000	14,553,672
Regeneration Borrowing	11,459,704	42,198,429	2,907,045	(30,623,234)	(25,941,944)	-	-	-	-	-	-
<b>TOTAL</b>	<b>35,051,064</b>	<b>53,961,572</b>	<b>20,933,407</b>	<b>5,133,518</b>	<b>11,607,857</b>	<b>3,138,500</b>	<b>3,138,500</b>	<b>3,116,000</b>	<b>3,116,000</b>	<b>3,116,000</b>	<b>142,312,418</b>

# Annex C – Prudential Indicators

## Capital Prudential Indicators

### *Actual and Estimate of Capital Expenditure*

31/03/25 Actual (£000's)	31/03/26 Estimate (£000's)	31/03/27 Estimate (£000's)	31/03/28 Estimate (£000's)	31/03/29 Estimate (£000's)
26,236	35,635	53,962	20,933	5,134

### *The Capital Financing Requirement (The Council's 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:

31/03/25 Actual (£000's)	31/03/26 Estimate (£000's)	31/03/27 Estimate (£000's)	31/03/28 Estimate (£000's)	31/03/29 Estimate (£000's)
19,893	27,408	29,041	32,258	31,278

The amounts shown above from 2025/26 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):

	2024/25 Actual (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)	2028/29 Estimate (£000's)
<b>Debt (incl. PFI &amp; leases)</b>	Nil	14,836	16,469	19,686	18,707
<b>Capital Financing Requirement</b>	19,893	27,408	29,041	32,258	31,278

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term whereby capital receipts are expected. 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:

	2024/25 Actual (£000's)	2025/26 Budget (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)	2028/29 Estimate (£000's)
<b>Net Revenue Stream</b>	17,026	19,730	19,730	19,730	19,730
<b>Financing Costs</b>	(390)	947	1,037	1,211	1,249
<b>Ratio</b>	(2.29%)	4.80%	5.26%	6.14%	6.33%

## 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	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)	2028/29 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	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)	2028/29 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
2025/26	100%	0%	100%	0%
2026/27	100%	0%	100%	0%
2027/28	100%	0%	100%	0%
2028/29	100%	0%	100%	0%

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

	Borrowing		Investments	
	Upper	Lower	Upper	Lower
<b>2025/26</b>	100%	0%	100%	0%
<b>2026/27</b>	100%	0%	100%	0%
<b>2027/28</b>	100%	0%	100%	0%
<b>2028/29</b>	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.

This page is intentionally left blank



# Treasury Management Strategy

2026/27



## Contents

Introduction	3
Economic Situation	3
Borrowing Strategy	6
Treasury Investment Strategy	7
Treasury Management Prudential Indicators	10
Related Matters	12
Financial Implications	12
Other Options Considered	13
Annex A – Arlingclose Economic & Interest Rate Forecast November 2024	14
Annex B – Existing Investment & Debt Portfolio Position	16
Annex C – Minimum Revenue Provision Policy	17
Annex D – Treasury Management Glossary of Terms	19

# Introduction

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

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

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

## Economic Situation

### Highlights of the report supplied by Arlingclose Ltd.

#### External Context

*Economic background:* The impact on the UK from the government's Autumn Budget will influence the Council's treasury management strategy for 2026/27. Other influences will include lower short-term interest rates alongside higher medium and longer-term rates, slower economic growth, together with ongoing uncertainties around the global economy, stock market sentiment, and ongoing geopolitical issues.

The Bank of England's Monetary Policy Committee (MPC) maintained Bank Rate at 4.00% in November 2025, following a 0.25% cut in August. At the November meeting, five members, including the Governor's deciding vote, supported holding rates steady, while four favoured a further reduction to 3.75%.

The accompanying Monetary Policy Report projected modest economic growth, with GDP expected to rise by 0.2% in the final calendar quarter of 2025. Annual growth is forecast to ease from 1.4% before improving again later, reflecting the delayed effects of lower interest rates, looser monetary conditions, stronger global activity, and higher consumer spending. The view of modest economic growth going forward was echoed by the Office for Budget Responsibility in its Economic and fiscal outlook published in line with the Autumn Statement which revised down its estimate of real GDP to around 1.5% on average between 2025 and 2030.

CPI inflation was 3.8% in September 2025, unchanged from the previous two months and below the 4.0% expected. Core CPI eased to 3.5% from 3.6%, contrary to forecasts of a rise to 3.7%. The Bank of England's November Monetary Policy Report projects inflation to fall from this level - expected to mark the peak - to 3.2% by March 2026, before steadily returning to the 2% target by late 2026 or early 2027.

The labour market continues to ease with rising unemployment, falling vacancies and flat inactivity. In the three months to September 2025, the unemployment rate increased to 5.0%, while the employment rate slipped to 75.0% and the inactivity rate held at 21.0%. Pay growth for the same period eased modestly, with total earnings (including bonuses) rising by 4.8% and regular pay up

4.6%. Going forward, the Bank predicts the unemployment rate will increase modestly to around 5.0% by around the end of 2025 before trending downwards at a gradual pace.

The US Federal Reserve also continued to cut rates, most recently reducing the target range for the Federal Funds Rate by 0.25% at its October 2025 meeting, to 3.75%-4.00%, in line with expectations. Financial markets anticipate a further 0.25% cut in December, although Chair Jerome Powell has cautioned that this is not guaranteed, signalling the Fed may pause before any additional easing. A factor influencing a potential pause is the ongoing government shutdown, which has delayed the publication of several important data releases used to inform monetary policy decisions.

The European Central Bank (ECB) kept its key interest rates unchanged in October for a third consecutive month, maintaining the deposit rate at 2.0% and the main refinancing rate at 2.15%. The ECB reiterated that future policy decisions will remain data-dependent, noting that inflation is close to its 2% target and that the euro area economy continues to expand despite a challenging global environment, including heightened geopolitical risks and trade tensions.

**Credit outlook:** Credit Default Swap (CDS) prices, which spiked in April 2025 following President Trump's 'Liberation Day' tariff announcements, have since trended lower, returning to levels broadly consistent with their 2024 averages. Although CDS prices rose modestly in October, the overall credit outlook remains stable, and credit conditions are expected to remain close to the range seen over the past two years.

While lower interest rates may weigh on banks' profitability, strong capital positions, easing inflation, steady economic growth, low unemployment, and reduced borrowing costs for households and businesses all support a favourable outlook for the creditworthiness of institutions on (the Council's treasury management advisor) Arlingclose's counterparty list. Arlingclose's advice on approved counterparties and recommended investment durations is kept under continuous review and will continue to reflect prevailing economic and credit conditions.

**Interest rate forecast (December 2025):** Arlingclose currently forecasts that the Bank of England's Monetary Policy Committee will continue to reduce Bank Rate through 2025 and 2026, reaching around 3.25%. This forecast reflects amendments made following the Autumn Budget and an assessment of the fiscal measures and their market implications.

Interest rates payable on long-term borrowing are expected to remain broadly stable on average and to end the forecast period marginally lower than current levels, although there will be continued volatility. Short-term fluctuations are expected to persist in response to economic data releases and geopolitical developments.

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

## Local Context

On 18<sup>th</sup> November 2025, the Council held no borrowing and £11.34 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	31/03/2025 Actual £m	31/03/2026 Forecast £m	31/03/2027 Forecast £m	31/03/2028 Forecast £m	31/03/2029 Forecast £m
General Fund CFR	19.9	27.4	29.0	32.3	31.3
Less: Existing external borrowing	0.0	0.0	(6.5)	(8.7)	(9.8)
Less: Usable reserves	(9.6)	(10.9)	(8.8)	(8.8)	(9.2)
Less: Working capital	(13.4)	(10.0)	(5.0)	(5.0)	(5.0)
<b>(New Investments or Cash)/ New external borrowing</b>	<b>(3.1)</b>	<b>6.5</b>	<b>8.7</b>	<b>9.8</b>	<b>7.3</b>

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 2026/27. Please note that this excludes borrowing in relation to regeneration projects for which it is anticipated that capital receipts will be received (hence no capital financing requirement).

**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	31/03/2025 Actual £m	31/03/2026 Forecast £m	31/03/2027 Forecast £m	31/03/2028 Forecast £m	31/03/2029 Forecast £m
General Fund CFR	19.9	27.4	29.0	32.3	31.3
Less: Balance sheet resources	(23.0)	(20.9)	(20.3)	(22.5)	(24.0)
<b>Net loans requirement</b>	<b>(3.1)</b>	<b>6.5</b>	<b>8.7</b>	<b>9.8</b>	<b>7.3</b>
Plus: Liquidity Allowance	-	1.0	1.0	1.0	1.0
<b>Liquidity benchmark</b>	<b>(3.1)</b>	<b>5.5</b>	<b>7.7</b>	<b>8.8</b>	<b>6.3</b>

## 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 forecasts, in the table above, shows that the Council expects to borrow in 2026/27, in addition to undertaking 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 2026/27 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 or insurance company 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 £-0.1 million and £22.7 million. The highest figure of £22.7 million was invested in December 2024, when the Council received the yearly Disabled Facilities Grant in addition to holding 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***

	<b>Cash limit</b>
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	(£184,690)
Upper limit on one-year revenue impact of a 1% fall in interest rates	£184,690

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	2025/26	2026/27	2027/28	2028/29	No Fixed Date
Limit on principal invested beyond year end	£25m	£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):** As the Council did not consistently hold the minimum requirement of £10m to retain professional client status, it returned to its previously held retail client status with its providers of financial services, including advisers and banks, allowing it access to a smaller range of services but with greater regulatory protections afforded to individuals and small companies. This is believed to be the most appropriate status given the size and range of the Council's treasury management activities. The Council may upgrade their client status to professional if the requirements to do so are met during the year. This will allow a greater range of services but without the same level of regulatory protections provided by retail client status.

## Financial Implications

The budget for investment income in 2026/27 is nil. The revenue budget for debt interest paid in 2026/27 is £738,780. 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 2025

### *Underlying assumptions:*

- The Budget signalled further fiscal (tax/spend) tightening across this parliament. Most tax changes take effect from 2028, while welfare and spending start from April 2026. Taken together, the timing of these announcements means the fiscal stance is likely to be slightly looser than expected for the next two years (with increased government spending), before tightening sharply from 2028 (with large tax rises).
- Despite the near-term looser fiscal stance, the new policies add little support for activity in 2026. Even before the Budget, economic data was pointing to a slower growth outlook. Meanwhile, disinflation has been evident and planned government actions on train fares and energy bills will also dampen inflation next year.
- The close vote in November to keep Bank Rate at 4% reflected pre-Budget uncertainty. With no major growth or inflation boosts in the Budget, a cut to 3.75% in December continues to look highly likely.
- Inflation fell to 3.6% in October. Business surveys point to weaker pricing power and household inflation expectations are easing, although they remain high. Wage growth is moderating amid rising unemployment and overall activity is flat. Confidence has been hit by the run-up to the Budget and a strong rebound seems improbable in the near term.
- Weak growth and softer inflation strengthen the case for dovish MPC members to push for further Bank Rate cuts, while undermining arguments of more hawkish members. There will still be questions over whether Government can deliver the fiscal tightening it set out, given a history of U-turns, and timing ahead of the next General Election. The December meeting will offer a clearer view of how divided the MPC really is.
- Risks to the growth and inflation outlook lie to the downside, which if crystallised may ultimately deliver lower Bank Rate than our central case.
- Lower inflation expectations and a tighter fiscal stance have helped bring down gilt yields, especially at the long end. Even so, sustained heavy borrowing across advanced economies, the DMO's move towards issuing more short-dated gilts and lingering doubts about the government's fiscal plans will keep short to medium yields above the levels implied by interest rate expectations alone.

### Forecast:

- Following the 2025 Budget, we continue to forecast a 0.25% Bank Rate cut in December to 3.75%.
- Continuing disinflation, rising unemployment, softening wage growth and low confidence suggests that monetary policy will be eased to stimulate activity ahead of incoming fiscal tightening post-2028.
- Arlingclose now expects Bank Rate to be cut to 3.25% by Q2 2026, with risks weighted to the downside.
- Medium and long-term gilt yields continue to incorporate premia for UK government credibility and global uncertainty. These issues may not be resolved quickly and we expect yields to remain higher than would normally be consistent with Bank Rate expectations.

- However, the lower path for Bank Rate maintains the downside risks to Arlingclose's gilt yield forecasts.

	Current	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
<b>Official Bank Rate</b>													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Arlingclose Central Case	4.00	3.75	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
<b>3-mth money market rate</b>													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Arlingclose Central Case	3.90	3.65	3.50	3.40	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
<b>5-yr gilt yield</b>													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Arlingclose Central Case	3.92	3.90	3.85	3.80	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.80	3.80
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
<b>10-yr gilt yield</b>													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Arlingclose Central Case	4.48	4.40	4.35	4.30	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.30
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
<b>20-yr gilt yield</b>													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Arlingclose Central Case	5.13	4.90	4.85	4.80	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.80	4.80
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
<b>50-yr gilt yield</b>													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Arlingclose Central Case	4.73	4.50	4.50	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.50
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85

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

	18/11/2025 Actual Portfolio £m	18/11/2025 Average Rate %
<i>Treasury investments:</i>		
Banks & building societies (unsecured)	0.84	2.31
Government (incl. local authorities)	8.50	3.95
Money Market Funds	2.0	3.97
<b>Total treasury investments</b>	<b>11.34</b>	
<b>Total external borrowing</b>	<b>0.0</b>	
<b>Net investments</b>	<b>11.34</b>	

# 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

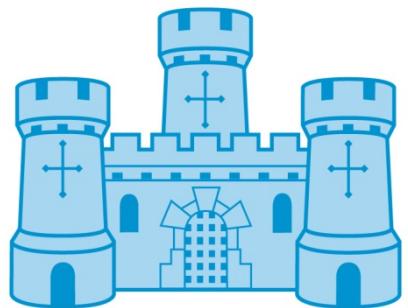
The most appropriate of the four options permitted by the Regulations is Option 3, the Asset Life Method, within which there are two further options, an equal instalment method and an annuity method (as detailed in 1.1 – option 3). The Council is permitted to apply either of these two further options 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.
- **Office for Budget Responsibility (OBR)** – *The Office for Budget Responsibility is a non-departmental public body funded by the UK Treasury that provides independent economic forecasts and independent analysis of the public finances.*

- **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.



**NEWCASTLE  
UNDER LYME**  
BOROUGH COUNCIL

# Investment Strategy 2026/27



# 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 2026/27 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 2026/27 for treasury management investments are covered in a separate document, the Treasury Management Strategy.

## Service Investments: Loans

**Contribution:** During 2024/25 and 2025/26 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	31/03/2025 Actual			2026/27
	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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,000</b>

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	31/03/2025 actual			2026/27
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Suppliers	0	0	0	250
Local businesses	0	0	0	250
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>

**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 2025 is £15.349m.

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 a return from investment property activity in terms of rentals 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*

	2022/23 Actual (£'000's)	2023/24 Actual (£'000's)	2024/25 Actual (£'000's)	2025/26 Estimate (£'000's)
<b>Commercial Properties</b>				
Gross Income	1,018	1,011	1,024	982
Gross Expenditure - Excluding Capital Charges	(1,054)	(1,153)	(1,117)	(860)
<b>Net Income / (Expenditure)</b>	<b>(36)</b>	<b>(142)</b>	<b>(93)</b>	<b>122</b>
Net Service Expenditure (Whole Council)	(15,261)	(16,850)	(17,026)	(19,780)
<b>Ratio of Net Income to Net Service Expenditure</b>	<b>(0.24%)</b>	<b>(0.84%)</b>	<b>(0.55%)</b>	<b>0.62%</b>

### *Gross and Net Income - Over Period of Approved Medium Term Financial Strategy 2026/27 to 2030/31 (Based on 3% increase on 2025/26)*

	2026/27 Estimate (£'000's)	2027/28 Estimate (£'000's)	2028/29 Estimate (£'000's)	2029/30 Estimate (£'000's)	2030/31 Estimate (£'000's)
Gross Income	1,011	1,042	1,073	1,105	1,138
Gross Expenditure	(886)	(912)	(940)	(968)	(997)
<b>Net Income</b>	<b>125</b>	<b>130</b>	<b>133</b>	<b>137</b>	<b>141</b>

### *Vacancy Levels*

2022/23 Actual (%)	2023/24 Actual (%)	2024/25 Actual (%)	2025/26 Actual at Q2 (%)
9.4	8.8	9.4	9.4

This page is intentionally left blank



# Commercial Strategy

## 2026 to 2027



# 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

## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

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

15 January 2026

**Report Title:** **Scale of Fees and Charges 2026/27**

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

**Portfolios:** **Finance, Town Centres and Growth**

**Ward(s) affected:** **All**

<b><u>Purpose of the Report</u></b>	<b><u>Key Decision</u></b>	<b>Yes <input checked="" type="checkbox"/></b>	<b>No <input type="checkbox"/></b>
To enable the Committee to scrutinise the scale of fees and charges to apply from 1 April 2026.			
<b><u>Recommendation</u></b>			
<b>That Committee:</b> <ol style="list-style-type: none"><li><b>1. Note the fees and charges proposed to apply from 1 April 2026, as set out in Appendix 1 and 3.</b></li></ol>			
<b><u>Reasons</u></b>			
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 2026/27 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 2026 and remain in force until 31 March 2027.
- 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 2 December 2025, assumes an overall 3.8% increase in the amount of income raised from fees and charges in 2026/27.

**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 3.8% 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 2026/27 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 2026/27 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 2026/27 and indicates those which have been frozen at current levels. There are several new charges proposed for 2026/27. The table below shows these:

Revised Charges - Description of Charge	Fee / Charge 2026/27 (£)
<b>CAR PARKS</b> <b>Buckmaster</b> Up to 3 hours Up to 4 hours Up to 24 hours Season ticket - quarterly	Free 4.70 6.60 178.60
<b>ENVIRONMENTAL HEALTH</b> <b>Environmental Health Licences</b> Dangerous wild animals - first licence completion fee Dangerous wild animals' renewal completion fee Selling animals as Pets - Grant new licence completion fee Selling animals as Pets - Renew licence completion fee Animal Boarding - Grant new licence completion fee Animal Boarding - Renew licence completion fee Hiring out Horses - Grant new licence (exc. Vet Fee) completion fee Hiring out horses - Renew licence exc. vet fee completion fee Breeding dogs - grant new licence completion fee Breeding Dogs - renew licence completion fee Primates - Grant new licence application fee Primates - Grant new licence completion fee Primates - renew licence application fee Primates - renew licence completion fee Primates - licence variation Primates - licence variation with inspection Primates - new licence vet fee	175.00 175.00 175.00 175.00 175.00 175.00 175.00 175.00 175.00 175.00 300.00 175.00 300.00 175.00 114.00 250.00 On Application
<b>LEISURE CHARGES</b> <b>Jubilee 2</b> External NPLQ Training (2 hours) Active-life Programme Initial Twelve Weeks	13.50 32.05
<b>MARKETS</b> Fundraising in Street Trading Area	75.00
<b>PLANNING</b> Invalid planning applications, information not submitted within 28 days: - Householder applications - Non-major applications - Major applications	50.00 150.00 250.00

Revised Charges - Description of Charge	Fee / Charge 2026/27 (£)
<i>Biodiversity Net Gain Monitoring - Low Distinctiveness:</i>	
- Less than 0.5 hectare	969.00
- Small site, up to 1 hectares	2,169.00
- Small / Medium site, up to 5 hectares	4,338.00
- Medium site, up to 10 hectares	6,338.00
- Large site, up to 20 hectares	8,507.00
- Very large site, over 20 hectares	10,676.00
<i>Biodiversity Net Gain Monitoring - Moderate Distinctiveness:</i>	
- Less than 0.5 hectare	1,369.00
- Small site, up to 1 hectares	2,569.00
- Small / Medium site, up to 5 hectares	5,138.00
- Medium site, up to 10 hectares	7,138.00
- Large site, up to 20 hectares	9,307.00
- Very large site, over 20 hectares	11,476.00
<i>Biodiversity Net Gain Monitoring - High Distinctiveness:</i>	
- Less than 0.5 hectare	1,769.00
- Small site, up to 1 hectares	2,969.00
- Small / Medium site, up to 5 hectares	5,938.00
- Medium site, up to 10 hectares	7,938.00
- Large site, up to 20 hectares	10,107.00
- Very large site, over 20 hectares	12,276.00

**2.10** Several fees and charges approved for 2025/26 have been deleted from the proposed fees and charges for 2026/27 relating to services no longer provided or superseded. The table below shows these:

Deleted Charges - Description of Charge	Fee / Charge 2025/26 (£)
<b>CAR PARKS</b>	
<b>Construction permit (max of 1 week permit)</b>	
Initial day rate	17.00
Additional days	7.50
<b>Bankside</b>	
Season ticket - per quarter	172.00
Each additional permit for the same numbered bay - per quarter	27.00
Overnight quarterly permit - 6pm to 7am	65.00
<b>Barracks Road/School Street (Zone B)</b>	
Overnight quarterly permit - 8pm to 8am	68.00

Deleted Charges - Description of Charge	Fee / Charge 2025/26 (£)
<b>Blackfriars (Zone C)</b>	
Up to 1 hour	1.20
Up to 2 hours	1.70
Up to 3 hours	2.20
Up to 4 hours	2.70
Up to 6 hours	3.40
6 hours to 24 hours	3.80
Season ticket - per quarter	172.00
Evening charge - 1pm to 8am	1.00
Overnight quarterly permit - 8pm to 8am	68.00
Bank Holiday	1.10
Event Parking	1.10
<b>Fogg Street East (Zone A)</b>	
Each additional permit for the same numbered bay - per quarter	27.00
<b>Hassell Street (Zone B) (Bandings Subject to Review)</b>	
4 hours to 24 hours	5.80
Evening charge - 1pm to 8am	1.00
<b>High Street (Rear of)</b>	
Each additional permit for the same numbered bay - per quarter	27.00
<b>Silverdale Road (Zone C)</b>	
Resident permit - per quarter	68.00
<b>Windsor Street (Zone B)</b>	
Season ticket - after school (30 minutes)	32.00
<b>LEISURE CHARGES</b>	
<i>Pool Courses</i>	
National lifesaving Academy/Rookies (per 2-hour session) - Lyme Card	12.80
Rookies	8.00
<b>MARKETS</b>	
Farmers market - stall (per day)	23.00
Small Stalls (adjacent to Guildhall)	11.00
Craft fair (bric-a-brac) - stall (per day)	6.00
Craft fair (bric-a-brac) - second stall (per day)	3.00
Electricity Charge for pitches on AFG licensed markets	8.00
Record Fair	11.00

**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** That Committee notes the fees and charges proposed to apply from 1 April 2026, as set out in Appendix 1.

### **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 2026/27 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 2026/27. The Medium-Term Financial Strategy (MTFS) assumes increased income of £364,000 from an average increase of 3.8% 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 3.8% 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 Sustainable Council

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

11.1 Consideration of these factors has been given by Portfolio Holders and Service Directors in the determining of fees and charges.

## 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 2026/27 to 2030/31 (Cabinet 02 September 2025).

13.2 Revenue and Capital Budgets 2026/27 – First Draft Savings Plans (Cabinet 2 December 2025).

## 14. List of Appendices

14.1 Appendix 1 – Proposed charges from 1 April 2026

14.2 Appendix 2 – Charging Policy

**APPENDIX 1 - SCALE OF FEES AND CHARGES 2026/27**

ALLOTMENTS	1
BULKY RECYCLING	1
BUS DEPARTURE CHARGES	1
CAR PARKS	1
CEMETERIES	3
CIRCUSES & FAIRS	4
COVENANT CONSENTS	4
CREMATORIUM	5
DOG WARDEN SERVICE	6
ELECTIONS	6
ENVIRONMENTAL HEALTH	7
FACILITIES MANAGEMENT	9
GARDEN WASTE RECYCLING	9
LAND CHARGES	9
LEISURE CHARGES	10
LICENCES	12
MARKETS	15
MOT	15
MUSEUM & ART GALLERY	15
NAMING/ NUMBERING OF STREETS/ PROPERTIES	16
PEST CONTROL	16
PLANNING SERVICES	17
PRIVATE SECTOR HOUSING	19
REMOVAL OF DOMESTIC ANIMAL CARCASSES	19
SALE OF SANDBAGS	19
STREET TRADING	19
TOWN CENTRE DISPLAYS	19
TREE PRESERVATION ORDERS	19
WASTE & RECYCLING BINS/ RECEPTACLES	19

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
<b>ALLOTMENTS</b>				No VAT	Cabinet
Rent (per annum) per square metre	0.56	0.58	0.02		
Note: 20% concession for Junior/60+/Unemployed					
<b>BULKY RECYCLING</b>				No VAT	Cabinet
1-3 Items non reusable/waste items	52.00	62.00	10.00		
4-6 Items non reusable/waste items	84.00	87.20	3.20		
7-9 Items non reusable/waste items	105.00	109.00	4.00		
<b>BUS DEPARTURE CHARGES</b>				Plus VAT	Cabinet
Fee per departure	0.37	0.39	0.02		
<b>CAR PARKS</b>					
<b>Charges for Infringements</b>				No VAT	Cabinet
Civil parking enforcement - higher charge	70.00	70.00	0.00		
Civil parking enforcement - lower charge	50.00	50.00	0.00		
<b>Discount for block purchase of permits</b>					
Discount for purchase of 10 or more permits	10.00%	10.00%	0.00%		
Discount for purchase of 20 or more permits	20.00%	20.00%	0.00%		
<b>Parking convenience charge and reminder charge</b>				VAT Incl.	Cabinet
<b>Barracks Road/School Street (Zone B)</b>				VAT Incl.	Cabinet
Up to 1 hour	1.20	1.30	0.10		
Up to 2 hours	2.10	2.20	0.10		
Up to 3 hours	3.20	3.40	0.20		
Season ticket - per quarter	172.00	178.60	6.60		
Monthly permit	65.00	67.50	2.50		
Afternoon charge - 1pm to 8pm	1.00	1.00	0.00		
Evening charge - 1pm to 8am	1.00	1.00	0.00	VAT Incl.	Cabinet
Bank Holiday	1.20	1.30	0.10		
Event Parking	1.20	1.30	0.10		
<b>Buckmaster</b>				VAT Incl.	Cabinet
Up to 3 hours	N/A	Free	New		
Up to 4 hours	N/A	4.70	New		
Up to 24 hours	N/A	6.60	New		
Season ticket - quarterly	N/A	178.60	New		
<b>Castle Car Park</b>				VAT Incl.	Cabinet
Up to 1 hour	1.20	1.30	0.10		
Up to 2 hours	2.30	2.40	0.10		
Up to 3 hours	3.50	3.70	0.20		
Up to 4 hours	4.70	4.90	0.20		
Up to 24 hours	6.60	6.90	0.30		
Season ticket - per quarter	172.00	178.60	6.60		
Monthly ticket	65.00	67.50	2.50		
Overnight quarterly permit - 8pm to 8am	68.00	70.60	2.60		
Bank Holiday & Event Parking	1.20	1.30	0.10		
Evening charge (8pm to 8am the following morning)	1.50	1.60	0.10		
<b>Cherry Orchard (Zone B)</b>				VAT Incl.	Cabinet
Up to 1 hour	1.20	1.30	0.10		
Up to 2 hours	2.10	2.20	0.10		
Up to 3 hours	3.20	3.40	0.20		
Up to 4 hours	4.40	4.60	0.20		
4 hours to 24 hours	5.80	6.10	0.30		
Season ticket - per quarter	172.00	178.60	6.60		
Monthly ticket	65.00	67.50	2.50		
Evening charge - 1pm to 8am	1.00	1.00	0.00		
Overnight quarterly permit - 8pm to 8am	68.00	70.60	2.60		
Bank Holiday	1.10	1.30	0.20		
Event Parking	1.10	1.30	0.20		
<b>Corporation Street (Zone A)</b>				VAT Incl.	Cabinet
Up to 1/2 hour	1.00	1.00	0.00		
Up to 1 hour	1.70	1.80	0.10		
Evening charge - 1pm to 8am	1.00	1.00	0.00		
Overnight quarterly permit - 8pm to 8am	68.00	70.60	2.60		
Bank Holiday	1.60	1.80	0.20		
Event Parking	1.60	1.80	0.20		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27		Increase/ Decrease	VAT Status	Committee Approval/ Comments
		£.p	£.p			
<b>Fogg Street East (Zone A)</b>					VAT Incl.	Cabinet
Season ticket - per quarter	172.00	178.60	6.60			
Overnight quarterly permit - 6pm to 7am	68.00	70.60	2.60			
<b>Goose Street (Zone B)</b>					VAT Incl.	Cabinet
Up to 1 hour	1.20	1.30	0.10			
Up to 2 hours	2.10	2.20	0.10			
Up to 3 hours	3.20	3.40	0.20			
Up to 4 hours	4.40	4.60	0.20			
4 hours to 24 hours	5.80	6.10	0.30			
Season ticket - per quarter	172.00	178.60	6.60			
Monthly ticket	65.00	67.50	2.50			
Evening charge - 1pm to 8am	1.00	1.00	0.00			
Overnight quarterly permit - 8pm to 8am	68.00	70.60	2.60			
Bank Holiday	1.20	1.30	0.10			
Event Parking	1.20	1.30	0.10			
<b>Hassell Street (Zone B) (Bandings Subject to Review)</b>					VAT Incl.	Cabinet
Up to 1 hour	1.20	1.30	0.10			
Up to 2 hours	2.10	2.20	0.10			
Up to 3 hours	3.20	3.40	0.20			
Up to 4 hours	4.40	4.60	0.20			
Season ticket - per quarter	172.00	178.60	6.60			
Monthly ticket	65.00	67.50	2.50			
Overnight quarterly permit - 8pm to 8am	68.00	70.60	2.60			
Bank Holiday	1.20	1.30	0.10			
Event Parking	1.20	1.30	0.10			
<b>High Street (South)</b>					VAT Incl.	Cabinet
20 minute stay	Free	Free	0.00			
<b>High Street (Rear of)</b>					VAT Incl.	Cabinet
Season ticket - per quarter	172.00	178.60	6.60			
Monthly ticket	65.00	67.50	2.50			
Overnight quarterly permit - 6pm to 7am	68.00	70.60	2.60			
<b>King Street (Zone C)</b>					VAT Incl.	Cabinet
Up to 1 hour	1.20	1.30	0.10			
Up to 2 hours	1.70	1.80	0.10			
Up to 3 hours	2.20	2.30	0.10			
Up to 4 hours	2.70	2.90	0.20			
Up to 6 hours	3.40	3.60	0.20			
6 hours to 24 hours	3.90	4.10	0.20			
Season Ticket - per quarter	172.00	178.60	6.60			
Monthly ticket	65.00	67.50	2.50			
Evening charge - 1pm to 8am	1.00	1.00	0.00			
Overnight quarterly permit - 8pm to 8am	68.00	70.60	2.60			
Bank Holiday	1.20	1.30	0.10			
Event Parking	1.20	1.30	0.10			
<b>Lyme Valley A34</b>					VAT Incl.	Cabinet
Anytime	Free	Free	0.00			
<b>Lyme Valley / Lyme Valley Rd</b>					VAT Incl.	Cabinet
Up to 2 hours	Free	Free	0.00			
Up to 3 hours	3.60	3.80	0.20			
Up to 4 hours	4.70	4.90	0.20			
4 - 24 hours	6.60	6.90	0.30			
Season Ticket - per quarter	172.00	178.60	6.60			
<b>Silverdale Road (Zone C)</b>					VAT Incl.	Cabinet
Up to 1 hour	1.20	1.30	0.10			
Up to 2 hours	1.70	1.80	0.10			
Up to 3 hours	2.20	2.30	0.10			
Up to 6 hours	3.40	3.60	0.20			
6 hours to 24 hours	3.90	4.10	0.20			
Season ticket - per quarter	172.00	178.60	6.60			
Monthly ticket	65.00	67.50	2.50			
Evening charge - 1pm to 8am	1.00	1.00	0.00			
Overnight quarterly permit - 8pm to 8am	68.00	70.60	2.60			
Bank Holiday	1.20	1.30	0.10			
Event Parking	1.20	1.30	0.10			
<b>Windsor Street (Zone B)</b>					VAT Incl.	Cabinet
Up to 1 hour	1.20	1.30	0.10			
Up to 2 hours	2.20	2.30	0.10			
Monthly ticket	65.00	67.50	2.50			
Season ticket - quarterly	172.00	178.60	6.60			
Evening charge - 1pm to 8am	1.00	1.00	0.00			
Overnight quarterly permit - 8pm to 8am	68.00	70.60	2.60			
Bank Holiday	1.10	1.30	0.20			
Event Parking	1.10	1.30	0.20			

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
<b>CEMETERIES</b>					
<b>Interment Fees - Resident Fees</b>					
17 years and under 4ft 6	1,140.00	1,200.00	60.00	No VAT	Cabinet
18 years & over over 4ft 6	1,350.00	1,420.00	70.00		
18 years & under 4ft 6	1,140.00	1,200.00	60.00		
Woodland burial - Keele Cemetery (1 full interment only in each grave)	1,135.00	1,200.00	65.00		
Cremated remains at 2 feet	510.00	535.00	25.00		
Woodland burial cremated remains at 2 feet - Keele Cemetery (4 interments only in each grave)	510.00	535.00	25.00		
Additional depth for cremated remains over 2 feet	265.00	280.00	15.00		
Additional depth over 6 feet per foot	285.00	300.00	15.00		
Interment of body part	510.00	535.00	25.00		
Double interment (two interments taking place at the same time)	Internment Fee +50%	Internment Fee +50%	0.00		
Exhumation fee - cremated remains	1,600.00	1,680.00	80.00		
Exhumation fee	3,700.00	3,880.00	180.00		
<b>Purchase of Graves - Resident Fees (Includes right to erect memorial for single grave)</b>				No VAT	Cabinet
Exclusive Right of Burial & Memorialisation for a grave with two interments	1,530.00	1,610.00	80.00		
Lawn Graves Reservation	2,180.00	2,260.00	80.00		
Exclusive Right of Burial in a Woodland Grave at Keele Cemetery (1 full interment only in each grave plus memorial tree)	1,530.00	1,610.00	80.00		
Reservation of Woodland Grave	2,180.00	2,260.00	80.00		
Exclusive Right of Burial and Memorialisation in a Cremated Remains Grave at 2ft	770.00	810.00	40.00		
Reservation of a Cremated Remains Grave	1,095.00	1,135.00	40.00		
Exclusive Right of Burial in a Woodland Cremated Remains Grave, Keele Cemetery at 2ft Inclusive of a Shrub	770.00	810.00	40.00		
Reservation of Woodland Cremated Remains Grave	1,095.00	1,135.00	40.00		
Renewal of exclusive right of burial & memorialisation (full grave)	470.00	495.00	25.00		
Renewal of exclusive right of burial & memorialisation (cremated remains grave)	260.00	275.00	15.00		
Transfer of ownership of exclusive rights of burial & memorialisation	125.00	130.00	5.00		
Duplicate deed of exclusive rights of burial & memorialisation	65.00	70.00	5.00		
Memorial fee permit	65.00	70.00	5.00		
<b>Interment Fees - Non-Resident Fees</b>				No VAT	Cabinet
17 years and under 4ft 6	1,710.00	1,800.00	90.00		
18 years & over over 4ft 6	2,025.00	2,130.00	105.00		
18 years & under 4ft 6	1,710.00	1,800.00	90.00		
Woodland burial - Keele Cemetery (1 full interment only in each grave)	1,710.00	1,800.00	90.00		
Cremated remains at 2 feet	765.00	802.50	37.50		
Woodland burial cremated remains at 2 feet - Keele Cemetery (4 interments only in each grave)	765.00	802.50	37.50		
Interment of body part	765.00	802.50	37.50		
Additional depth for cremated remains over 2 feet	275.00	290.00	15.00		
Additional depth over 6 feet per foot	295.00	310.00	15.00		
Double interment (two interments taking place at the same time)	Fee + 50%	Fee + 50%	0.00		
Exhumation fee - cremated remains	1,600.00	1,680.00	80.00		
Exhumation fee	3,700.00	3,880.00	180.00		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
<b>Purchase of Graves - Non-Resident Fees</b>					
(Includes right to erect memorial for single grave)					
Exclusive Right of Burial & Memorialisation for a Single Grave	3,060.00	3,220.00	160.00		
Lawn Graves Reservation	3,710.00	3,870.00	160.00		
Exclusive Right of Burial in a Woodland Grave at Keele Cemetery (1 full interment only in each grave plus memorial tree)	3,060.00	3,220.00	160.00		
Reservation of Woodland Grave	3,710.00	3,870.00	160.00		
Exclusive Right of Burial and Memorialisation in a Cremated Remains Grave at 2ft	1,540.00	1,620.00	80.00		
Reservation of a Cremated Remains Grave	1,865.00	1,945.00	80.00		
Exclusive Right of Burial in a Woodland Cremated Remains Grave, Keele Cemetery at 2ft Inclusive of a Shrub	1,540.00	1,620.00	80.00		
Reservation of Woodland Cremated Remains Grave	1,865.00	1,945.00	80.00		
Renewal of exclusive right of burial & memorialisation (cremated remains grave)	565.00	593.30	28.30		
Transfer of ownership of exclusive rights of burial & memorialisation	175.00	183.80	8.80		
Duplicate deed of exclusive rights of burial & memorialisation	100.00	105.00	5.00		
<b>Erection of Memorials (no prior right given)</b>					
Memorial not exceeding 3 feet in height	190.00	200.00	10.00	No VAT	Cabinet
<b>Columbarium</b>					
10-year lease including 1st interment	680.00	715.00	35.00	No VAT	Cabinet
2nd interment	105.00	110.00	5.00		
Renewal of 10-year lease	330.00	350.00	20.00		
Additional 5-year lease	330.00	350.00	20.00		
<b>Use of Chapel &amp; Community Room</b>				No VAT	Cabinet
Keele community room - funeral service 90 minutes	240.00	252.00	12.00		
Keele family room - per hour hour	30.00	31.50	1.50		
<b>Sundry Items</b>				VAT Incl.	Cabinet
Single abstract information from registrar	35.00	37.00	2.00		
Family history research	25.00	27.00	2.00		
Casket - Single	100.00	105.00	5.00		
Casket - Double	125.00	132.50	7.50		
Casket Plaque for Crematorium Boxes	16.00	17.00	1.00		
Wooden cross	60.00	70.00	10.00		
Memorial bench	1,560.00	1,638.00	78.00		
Memorial trees	440.00	465.00	25.00		
Barrier fob replacements	17.50	18.50	1.00		
Late arrival at cemeteries by more than 15 mins, Funeral Director charge	210.00	220.00	10.00		
Late Paperwork	55.00	58.00	3.00		
Incorrect coffin size	55.00	58.00	3.00		
Admin fee	90.00	95.00	5.00		
Late removal of memorial resulting in a delay of grave excavation	160.00	170.00	10.00		
<b>CIRCUSES &amp; FAIRS</b>				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)	760.00	780.00	20.00		
Returnable deposit - cleaning	1,080.00	1,120.00	40.00		
Returnable deposit - damage	1,080.00	1,120.00	40.00		
<b>COVENANT CONSENTS</b>				No VAT	Cabinet
Covenant consents and any written responses to enquiries relating to land and property previously owned by the Council	172.00	178.00	6.00		
Initial purchase enquiry form for land smaller than 0.1ha (deducted from land transaction fee if completed otherwise non-refundable)	104.00	108.00	4.00		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
					£.p
<b>CREMATORIUM</b>					
<b>Cremation Fees</b>					
17 years of age and under	950.00	990.00	40.00	No VAT	Cabinet
Direct cremation no service or family before 9.00am, Monday Tuesday, Wednesday, Thursday, limited to two per day.	375.00	389.30	14.30		
18 years & over 9.20am service time only	705.00	745.00	40.00		
18 years & over from 10am	950.00	990.00	40.00		
Burial of remains cremated elsewhere	280.00	290.00	10.00		
Chapel hire - additional use to cremation service 30 minutes	255.00	275.00	20.00		
Chapel service 40 mins	510.00	530.00	20.00		
Temporary deposit of ashes (per week after the first 4 weeks)	22.00	23.00	1.00		
Storage of ashes where burial is to be arranged (per week after 12 weeks)	22.00	23.00	1.00		
<b>Obitus Fees</b>				VAT Incl.	Cabinet
Webcast Live	50.00	52.00	2.00		
Webcast Live + 28 day + downloadable	70.00	73.00	3.00		
Keepsake DVD, USB, Blu-Ray, or Audio CD	70.00	73.00	3.00		
Basic Slideshow	55.00	58.00	3.00		
Music Slideshow (Pro-Tribute)	95.00	100.00	5.00		
Family-supplied tribute checking	35.00	37.00	2.00		
Bespoke tribute	415.00	430.00	15.00		
Themed tribute	110.00	115.00	5.00		
Extra single photo	22.00	23.00	1.00		
Extra photo charge (each extra 25 photos on a visual tribute)	40.00	42.00	2.00		
Extra work charge	33.00	34.00	1.00		
Tribute download	22.00	23.00	1.00		
Video book	105.00	110.00	5.00		
Memory box	140.00	145.00	5.00		
Obitus bundle	190.00	198.00	8.00		
<b>Urns &amp; Containers</b>				VAT Incl.	Cabinet
Casket - Single	100.00	105.00	5.00		
Casket - Double	125.00	133.00	8.00		
Casket plaque for Crematorium Boxes	16.00	17.00	1.00		
Postage & packaging	Cost + £40	Cost + £40	0.00		
<b>Memorialisation</b>				VAT Incl.	Cabinet
Book of remembrance up to 2 lines	90.00	94.00	4.00		
Book of remembrance for 5 lines	190.00	198.00	8.00		
Book of remembrance for 8 lines	280.00	290.00	10.00		
Simple flower or emblem with five lines or more	125.00	130.00	5.00		
Badges or coat of arms with five lines or more	170.00	177.00	7.00		
Memorial card to match inscription	52.00	54.00	2.00		
<b>Plaques Slate</b>				No VAT	Cabinet
Adding to existing plaque per letter or figure	12.50	13.00	0.50		
Regilding of existing letters (per letter)	8.50	9.00	0.50		
Wall plaque purchase at end of lease (12"x4")	105.00	110.00	5.00		
Wall plaque purchase at end of lease (12"x8")	210.00	220.00	10.00		
Sandstone memorial vase - 5 year lease	335.00	350.00	15.00		
Granite wall plaque with posy vase 5 year lease	285.00	295.00	10.00		
<b>Additional Memorials</b>				No VAT	Cabinet
Memorial benches ten year lease	1,560.00	1,620.00	60.00		
Individual memorial bench - 5-year renewal	520.00	540.00	20.00		
Remembrance bench (up to 12 plaques) - initial lease of plaque 5-years	310.00	322.00	12.00		
Remembrance bench (up to 12 plaques) - renewal for 5-years	185.00	193.00	8.00		
Memorial leaf on tree initial 5-year lease	250.00	260.00	10.00		
Memorial vases ten year lease	540.00	560.00	20.00		
Additional characters for Kerb side vase	5.00	6.00	1.00		
Each succeeding 5-year hire	335.00	348.00	13.00		
Garden / Memorial Plaque ten year lease	425.00	442.00	17.00		
Additional plaques in same location as family member in gardens	110.00	115.00	5.00		
Garden / Memorial Plaque - 5-year renewal	210.00	218.00	8.00		
Service overrun at Bradwell Crem charge to be made to the Funeral Director	210.00	220.00	10.00		
Late Paperwork	55.00	60.00	5.00		
Incorrect coffin size	55.00	60.00	5.00		
Copy cremation certificate	10.00	10.00	0.00		
Early/late arrival at cemeteries by more than 15 minutes, charge to be made to the funeral directors	210.00	220.00	10.00		
Admin Fee	90.00	95.00	5.00		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26 £.p	Proposed Fee/ Charge 2026/27 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
<b>DOG WARDEN SERVICE</b>					
<b>Recovery of Stray Dogs</b> During normal working hours - reclaim fee Daily kennelling fees	84.00 Cost	88.00 Cost	4.00 0.00	No VAT	Cabinet
<b>ELECTIONS</b>					
<b>Rule 9 (1) Parliamentary Election Regulations &amp; Rule/Reg 9 (1) Police Fire and Crime Commissioner Election Regulations - Candidates' Deposits</b> Parliamentary election candidate Police Fire and Crime Commissioner candidate	500.00 5,000.00	500.00 5,000.00	0.00 0.00	No VAT	Statutory
<b>Regulations 48 &amp; 49 Representation of the People Regulations 2001</b> <b>Supply of Full Register</b> Sale of full register (printed) Plus, per 1,000 names or part 1,000 (printed) Sale of full register (data) Plus, per 1,000 names or part 1,000 (data) List of overseas electors (printed) Plus, per 100 names or part 100 (printed) List of overseas electors (data) Plus, per 100 names or part 100 (data)	10.00 5.00 20.00 1.50 10.00 5.00 20.00 1.50	10.00 5.00 20.00 1.50 10.00 5.00 20.00 1.50	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	No VAT	Statutory
<b>Supply of Edited Register</b> Sale of edited register (printed) Plus, per 1,000 names or part 1,000 (printed) Sale of register (data) Plus, per 1,000 names or part 1,000 (data)	10.00 5.00 20.00 1.50	10.00 5.00 20.00 1.50	0.00 0.00 0.00 0.00	No VAT	Statutory
<b>Regulations 120 Representation of the People Regulations 2001</b> <b>Supply of Marked Register</b> Supply of marked registers (printed) Plus, per 1,000 entries or part 1,000 Supply of marked registers (data) Plus, per 1,000 entries or part 1,000	10.00 2.00 10.00 1.00	10.00 2.00 10.00 1.00	0.00 0.00 0.00 0.00	No VAT	Statutory
<b>Inspection &amp; Copies of Documents</b> Regulation 10 representation of the people regulations 2001 - inspection of candidates' expenses A4 - copies (black & white)	5.00 0.20	5.00 0.20	0.00 0.00	No VAT	Statutory
<b>Town &amp; Parish Elections</b> <i>Borough Council Election taking place on the same day:</i> Town or Parish specific printing / postage costs - <b>Room hire</b> - <b>Staffing costs (polling &amp; count)</b>  <i>Town or Parish Election on different day i.e., by-election</i> - printing, postage, stationery, room hire costs and other associated costs - polling station / count staff cost Uncontested Town or Parish Election Administration Fee Room hires	Market rate + 5% admin costs 50% of cost 50% of staffing rate on the same day, or full costs if the count is taking place on a different day Full costs for each election per ward or parish Standard NULBC staffing rates 125.00 Full Costs	Market rate + 5% admin costs 50% of cost 50% of staffing rate on the same day, or full costs if the count is taking place on a different day Full costs for each election per ward or parish Standard NULBC staffing rates 130.00 Full Costs	0.00 0.00 0.00 0.00 0.00 0.00 0.00	No VAT	Statutory

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26 £.p	Proposed Fee/ Charge 2026/27 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
<b>ENVIRONMENTAL HEALTH</b>					
<b>Works in default of statutory notice</b> Calculated in accordance with the following formula - 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	Per Formula	Per Formula	0.00	No VAT	Cabinet
<b>Environmental Offences - Fixed Penalty Notices</b>				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 and Fly Posting (Anti-Social Behaviour Act 2003 - Section 43) (Domestic person)	200.00	200.00	0.00		
Graffiti and Fly Posting (Anti-Social Behaviour Act 2003 - Section 43) (Commercial business)	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		
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 and Environment Act 2005, Sections 3 & 4 FPN for abandoned vehicles	100.00	100.00	0.00		
	200.00	200.00	0.00		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
<b>Environmental Protection Act 1990 - Part 1</b>					
<b>Pollution Prevention &amp; Control Act 1999</b>					
<b>Register of Permits</b>					
Copy of tape/CD recorded interviews	21.00	22.00	1.00	No VAT	Cabinet
Environmental Information Regulations 1992 (requests for information), Charge per Hour (ICO guidance)	26.00	27.00	1.00		ICO Guidance
Noise monitoring service for Registered Social Landlords & Private Landlords for 1 period of up to 7 days & subsequent report & copy of recording	375.00	390.00	15.00		
<b>Environmental Health Licences</b>				No VAT	Cabinet
Dangerous wild animals - first licence application	700.00	525.00	-175.00		
Dangerous wild animals - first licence completion fee	N/A	175.00	New		
Dangerous wild animals - renewal application	350.00	175.00	-175.00		
Dangerous wild animals renewal completion fee	N/A	175.00	New		
Zoo - first licence	On Application	On Application	0.00		
Zoo - renewal	On Application	On Application	0.00		
Selling animals as Pets – Grant new licence application	395.00	220.00	-175.00		
Selling animals as Pets - Grant new licence completion fee	N/A	175.00	New		
Selling animals as Pets – Renew licence	350.00	175.00	-175.00		
Selling animals as Pets - Renew licence completion fee	N/A	175.00	New		
Selling animals as Pets – Grading review (no visit)	92.00	96.00	4.00		
Selling animals as Pets – Variation	114.00	118.00	4.00		
Animal Boarding – Grant new licence application fee	395.00	220.00	-175.00		
Animal Boarding - Grant new licence completion fee	N/A	175.00	New		
Animal Boarding – Renew licence application fee	350.00	175.00	-175.00		
Animal Boarding - Renew licence completion fee	N/A	175.00	New		
Animal Boarding – Grading review (no visit)	92.00	96.00	4.00		
Animal Boarding – Variation	114.00	118.00	4.00		
Hiring out horses – Grant new licence Exc Vet Fee application fee	632.00	457.00	-175.00		
Hiring out Horses - Great new licence (exc Vet Fee) completion fee	N/A	175.00	New		
Hiring out Horses - new licence Vet Fee	On Application	On Application	0.00		
Hiring out horses – Renew licence exc. Vet Fee application fee	395.00	175.00	-220.00		
Hiring out horses - Renew licence exc vet fee completion fee	N/A	175.00	New		
Hiring out horses - renew licence Vet Fee	On Application	On Application	0.00		
Hiring out horses – Grading review (no visit)	91.00	96.00	5.00		
Hiring out horses – Variation	114.00	118.00	4.00		
Hiring out horses – Annual horse check	On Application	On Application	0.00		
Breeding Dogs – Grant new licence application fee	654.00	479.00	-175.00		
Breeding dogs - grant new licence completion fee	N/A	175.00	New		
Breeding Dogs - New licence Vet Fee	On Application	On Application	0.00		
Breeding Dogs – Renew licence application fee	350.00	175.00	-175.00		
Breeding Dogs - renew licence completion fee	N/A	175.00	New		
Breeding Dogs – Grading review (no visit)	91.00	96.00	5.00		
Breeding Dogs – Variation	114.00	118.00	4.00		
Keeping or training animals for exhibition - Grant new licence (3yrs)	270.00	274.00	4.00		
Keeping or training animals for exhibition - Renew licence (3yrs)	270.00	274.00	4.00		
Keeping or training animals for exhibition - Variation	114.00	118.00	4.00		
Re-inspection	114.00	118.00	4.00		
Primates - Grant new licence application fee	N/A	300.00	New		
Primates - Grant new licence completion fee	N/A	175.00	New		
Primates - renew licence application fee	N/A	300.00	New		
Primates - renew licence completion fee	N/A	175.00	New		
Primates - licence variation	N/A	114.00	New		
Primates - licence variation with inspection	N/A	250.00	New		
Primates - new licence vet fee	N/A	On Application	New		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
Registration of premises for acupuncture, tattooing, cosmetic piercing, electrolysis & semi-permanent skin colouring	175.00	182.00	7.00		
Registration of each operative	109.00	114.00	5.00		
Additional treatment registration	91.00	95.00	4.00		
Export health certificates	188.00	196.00	8.00		
Charges for Authorised Process - Local Authority Pollution Prevention Control Act	Statutory	Statutory	0.00		Statutory
 The scale of charges is set by DEFRA annually after consultation with Local Authorities, representatives of industry and other stakeholders. The scale of charges is designed to cover the regulatory and administrative costs (including visits, administration, advice, and time) to the regulator arising from each process. The 2018/19 charges are to be advised by DEFRA in February 2018.	Per DEFRA	Per DEFRA	0.00		To be advised by DEFRA
<b>Factual Statements (Food Safety Act, Health &amp; Safety at Work Act, Environmental Protection Act)</b>				No VAT	Cabinet
Charge for factual statements - additional time	165.00	172.00	7.00		
Charge for factual statements - disclosure of documents	90.00	94.00	4.00		
<b>Private Water Supplies</b>				No VAT	Statutory
Risk assessment (per hour, plus mileage)	Hourly charge out rate plus mileage or costs incurred (each LA visit to include £40 to cover UKAS accreditation)	Hourly charge out rate plus mileage or costs incurred (each LA visit to include £40 to cover UKAS accreditation)	0.00		
Sampling					
Investigation					
Authorisation					
Analysis - during Regulation 10					
Analysis - during check monitoring					
Analysis - during audit monitoring					
<b>Swimming Pools</b>				No VAT	Cabinet
Sampling of pool water - per annum	787.00	817.00	30.00		
Sampling of pool water - one sample	82.00	86.00	4.00		
<b>Food Hygiene Rating Scheme</b>					
Food Hygiene Rating Scheme inspection	241.00	250.00	9.00	No VAT	Public Protection
<b>FACILITIES MANAGEMENT</b>					
NULBC delivery of Facilities Management services to Community Centres on full repairing leases and Kidsgrove Town Council. Calculated in accordance with the following formula -					
a) Contractor costs +					
b) Officer costs for administration and management +					
c) Car mileage & subsistence +					
d) On costs + 5%					
For any exceptional requests/project related works to Bus Station on-cost 3%					
<b>GARDEN WASTE RECYCLING</b>				No VAT	Cabinet
Garden waste service - one bin	41.99	43.60	1.61		
Every additional garden waste bin	41.99	43.60	1.61		
Delivery of each additional garden waste bin	31.50	32.70	1.20		
<b>LAND CHARGES</b>				Plus VAT	Cabinet
Residential – Con 29 only (conveyancer search)	137.00	150.00	13.00		
Residential – additional parcel of land - each	90.00	60.00	-30.00		
Residential – Con29O optional enquiries - each	26.00	28.00	2.00		
Commercial – Con 29 only (conveyancer search)	342.00	389.00	47.00		
Commercial – additional parcel of land - each	210.00	180.00	-30.00		
Commercial – Con29O optional enquiries - each	26.00	30.00	4.00		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26 £.p	Proposed Fee/ Charge 2026/27 £.p	Increase/ Decrease £.p	VAT Status	Committee Approval/ Comments
<b>LEISURE CHARGES</b>					
<b>Sport Development</b> Sports Development Activities up to 2 hours	Quote based on staffing costs	Quote based on staffing costs	0.00	No VAT	Cabinet
<b>Jubilee 2</b> <i>Equipment Resale</i> Saleable items Equipment Hire	Market Value Market Value	Market Value Market Value	0.00 0.00	VAT Incl. No VAT	Portfolio Holder
<b>Junior Memberships</b> Active2 12-16 years: Swimming, gym*, and appropriate classes (14 years and above with a paying Adult)	19.00	20.00	1.00	No VAT	Cabinet
*Access between the hours Monday – Friday 6.00 pm to 9.00pm with an appropriate adult. All other times individuals can attend unsupervised					
<b>Premium Membership Charges Adults</b> <i>(Including gym, classes, swim, climbing, discount on retail)</i>				No VAT	Cabinet
Joining fee (includes inductions)	20.00	22.00	2.00		
Single Membership - 12-month minimum contract - payment monthly by direct debit.	33.50	35.00	1.50		
Single Membership - no contract - per month	43.00	45.00	2.00		
Single Membership - 12-month membership for price of 11 months - payable in advance	370.00	385.00	15.00		
Corporate membership	35.50	37.50	2.00		
Corporate membership 12 month contract	29.00	30.50	1.50		
Swim and aquatic membership 12-month contract	28.50	30.00	1.50		
Swim and aquatic membership monthly contract	37.50	39.50	2.00		
Gym and group exercise classes 12-month contract	28.50	30.00	1.50		
Gym and group exercise classes monthly contract	37.50	39.50	2.00		
Climbing only membership 12-month contract	20.00	21.50	1.50		
Blue light card holders membership 12-month contract All facilities	24.50	26.00	1.50		
Wellness Hub Membership (wellness hub and aqua classes) 12 month contract	28.50	30.00	1.50		
Activelife Programme Initial Twelve Weeks	N/A	32.05	New		
Active Life membership 12 month contract	29.00	30.50	1.50		
Student/Apprenticeship membership month to month, 16+	24.50	26.00	1.50		
<b>Studio Hire</b> Studio 1 or 2	22.00	24.00	2.00	VAT Incl.	Cabinet
<b>Swim / Climbing Casual Fee</b>				No VAT	Cabinet
Adult -	6.60	6.90	0.30		
Adult - Concession	4.60	4.90	0.30		
Juniors 4 years and over under 4	4.50 1.45	4.70 1.70	0.20 0.25		
<b>Gym / Classes Casual Fee</b>				No VAT	Cabinet
Adult - Lite membership	6.60	6.90	0.30		
Adult - Concession	4.60	4.90	0.30		
Junior 12 and over - Activities accessed in accordance with Industry guidance	4.50	4.70	0.20		
<b>Swimming Instruction</b>				No VAT	Cabinet
<b>Swimming Lessons</b>				No VAT	Cabinet
Adult swimming lesson (30 minutes)	10.50	11.50	1.00		
Junior swimming lesson (30 minutes) price per lesson - block of 12	6.70	7.00	0.30		
Monthly DD swimming	27.92	29.16	1.24		
School swimming lessons cost per term 12 x 30 minute lessons					Portfolio holder
<b>Private Lessons</b>				No VAT	Cabinet
1:1 swim lesson (per 30 minutes)	23.00	24.00	1.00		
1:1 Lessons 5 consecutive sessions in payable in advance	98.00	103.00	5.00		
<b>Pool Courses</b>				No VAT	Cabinet
External NPLQ Training (2 hours)	N/A	13.50	New		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
<b>Swimming Pool Hire</b>					
Teaching Pool Hire	80.00	85.00	5.00	VAT Incl.	Cabinet
Main Pool Hire - (8 lane) (per lane per hour)	21.00	22.00	1.00		
Additional staff for pool hire (per staff member)	36.50	39.00	2.50		
Setup fee - galas	50.00	55.00	5.00		
Time equipment hire - galas	50.00	55.00	5.00		
Newcastle Staffs Swimming Club					Portfolio holder
<b>Parties</b>					
Pool Party inclusive of studio	105.00	115.00	10.00	VAT Incl.	Cabinet
Climbing Party (six people) inclusive of studio use	105.00	110.00	5.00		
Additional instructor per six children	45.00	50.00	5.00		
<b>Bowls</b>				No VAT	Cabinet
Adult	5.25	5.50	0.25		
Junior/60+	3.20	3.40	0.20		
Summer season ticket - adult	73.00	76.00	3.00		
Summer season ticket - junior/60+/unemployed	48.00	50.00	2.00		
Winter season ticket	19.00	20.00	1.00		
Summer/winter season ticket - adult	86.00	90.00	4.00		
Summer/winter season ticket - junior/60+/unemployed	61.00	64.00	3.00		
Merit competition per player - per hour	10.50	11.00	0.50		
Greenage fees for pre-booking (plus playing fee per person)	12.50	13.00	0.50		
<b>Tennis Class A (Westlands, Wolstanton)</b>				No VAT	Cabinet
Admin fee per court booking	2.00	2.00	0.00		
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		
<b>Tennis Class B (Chesterton, Silverdale, Birchenwood, Bradwell, Clough Hall)</b>					
<b>Football (alternate weekly use per season)</b>				No VAT	Cabinet
Wolstanton Marsh Pavilion	670.00	696.00	26.00		
All other pitches	468.00	486.00	18.00		
Junior pitch	60% of fee	60% of fee	0.00		
Mini soccer pitch (unmarked)	272.00	283.00	11.00		
Mini soccer pitch (marked)	382.00	397.00	15.00		
<b>Rugby (alternate weekly use per season)</b>				No VAT	Cabinet
Bathpool	940.00	976.00	36.00		
Lyme Valley	940.00	976.00	36.00		
Clough Hall	940.00	976.00	36.00		
Junior pitch	60% of fee	60% of fee	0.00		
Rugby (casual use per match)	110.00	115.00	5.00		
<b>Concessionary Licences</b>				No VAT	Cabinet
Brampton Park ice cream sales	910.00	950.00	40.00		
Brampton Park use of bouncy castle	910.00	950.00	40.00		
4 Large Parks Northern part of Borough – ice cream	785.00	820.00	35.00		
4 Large Parks Southern part of Borough – ice cream	785.00	820.00	35.00		
<b>Community Events</b>				Plus VAT	Cabinet
Wedding Photos within a park setting	52.00	55.00	3.00		
Advertising within parks	11.00 to 5,330.00	11.00 to 5,330.00	0.00		
Booking large events - more than 6 months planning	205.00	215.00	10.00	No VAT	
Booking medium events - 6 months+ planning (firework displays, carnivals etc.)	103.00	108.00	5.00	No VAT	
Booking small events - 6 months+ planning (competitions, fun days, picnics etc.)	38.50	40.00	1.50	No VAT	
Commercial Events - under 500 attendees per day	450.00	468.00	18.00		
Commercial Events - between 500- 1000 attendees per day	600.00	625.00	25.00		
Commercial events - between 1000-3000	1,200.00	1,250.00	50.00		
Commercial events - over 3000 attendees per day	1,500.00	1,560.00	60.00		
Commercial Fun Fairs & Circus - per day for events up to up 5 days	1,250.00	1,300.00	50.00		
Commercial Fun Fairs & Circus - per day (purchased outside of the 5 day package)	360.00	375.00	15.00		
Commercial Fun fair price per day (if purchased as part of the 5 day package)	250.00	260.00	10.00		
Commercial Fun fair set up & take down days if outside the 5 days	84.00	88.00	4.00		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
					£.p
<b>LICENCES</b>					
<b>General</b>					
Sex establishments - application fee	3,665.00	3,926.00	261.00	No VAT	
Sex establishments - Renewal	3,665.00	3,926.00	261.00		
Sex establishments - variation	1,241.00	1,330.00	89.00		
Sex establishments - transfer	1,241.00	1,330.00	89.00		
Scrap metal dealer site licence	313.00	336.00	23.00		
Scrap metal dealer collectors' licence	248.00	266.00	18.00		
<b>Gambling Act 2005</b>				No VAT	
Lotteries - application fee	40.00	40.00	0.00		
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		
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		
Change of Circumstance Fee (change of name, address etc)	50.00	50.00	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	20.00	-5.00		
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		
Occasional Use Notice (OUN)	Free	Free	0.00		
Casino Small – New application	8,270.00	8,518.00	248.00		
Casino Small – Annual Fee	4,135.00	4,259.00	124.00		
Casino Small - Variation	2,756.00	2,839.00	83.00		
Casino Small – Application for Transfer	1,773.00	1,826.00	53.00		
Casino Small – application to reinstate	1,773.00	1,826.00	53.00		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
<b>Pavement Licensing</b>					
New pavement Licence	216.00	216.00	0.00		Public Protection
Renewal Pavement Licence	158.00	158.00	0.00		
<b>Private Hire/Hackney Carriage OPERATORS</b>				No VAT	Public Protection 13/01/2026
PHO Application fee	330.00	319.00	-11.00		
Add/Remove Director	46.00	49.00	3.00		
Copy/Replacement Licence	8.00	9.00	1.00		
Basic DBS	18.00	21.50	3.50		
Director/Licence Holder - change of home address	18.00	19.00	1.00		
Exemption Request	51.00	54.00	3.00		
<b>DRIVERS</b>				No VAT	Public Protection 13/01/2026
Dual Driver Badge - 3 years	261.00	261.00	0.00		
Change of address	18.00	19.00	1.00		
Replacement badge (vehicle or driver copy)	16.00	17.00	1.00		
Reissue/replacement badge (with amended details)	33.00	34.00	1.00		
DBS (CRB check)	38.00	49.50	11.50		
DBS (CRB check) online	64.34	75.84	11.50		
Exemption certificates	16.00	17.00	1.00		
Knowledge test	13.00	11.00	-2.00		
Fail to attend Knowledge Test	13.00	11.00	-2.00		
Change of Name	22.00	23.00	1.00		
DE Training replacement cert	Free	Free	0.00		
Copy of Paper Licence	8.00	9.00	1.00		
Joint Disability & Safeguarding Training	48.00	48.00	0.00		
Exemption Request	51.00	54.00	3.00		
Application Support appointment	18.00	19.00	1.00		
<b>VEHICLES</b>				No VAT	Public Protection 13/01/2026
Transfer of vehicle	46.00	49.00	3.00		
Change of vehicle registration	54.00	56.00	2.00		
Failure to attend for vehicle test	76.00	84.00	8.00		
Retest	32.00	35.00	3.00		
Replacement plate carrier – front	11.00	12.00	1.00		
Replacement plate carrier – rear	14.00	14.00	0.00		
Replacement vehicle plate - front	9.00	10.00	1.00		
Replacement vehicle plate - rear	13.00	13.00	0.00		
Replacement vehicle sticker signage	6.00	7.00	1.00		
Copy of paper part of licence	8.00	9.00	1.00		
Change of Vehicle Colour	54.00	56.00	2.00		
HCV test	82.00	85.00	3.00		
PHV test	82.00	85.00	3.00		
HCV application fee	193.00	202.00	9.00		
PHV application fee	182.00	188.00	6.00		
Basic DBS	18.00	21.50	3.50		
Change of Name/Address	46.00	49.00	3.00		
Spot check	23.00	24.00	1.00		
Replacement Internal Plate	8.00	9.00	1.00		
Exemption Request	51.00	54.00	3.00		
PHV change of base	18.00	19.00	1.00		
Copy of HCV Tariff sheet	3.00	3.00	0.00		
<b>Licensing Act 2003 - New Application</b>				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		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
					£.p
<b>Licensing Act 2003 - Annual Fee</b>					
Premise licence, band A (rateable value of up to £4,300)	70.00	70.00	0.00	No VAT	Statutory
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		
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		
<b>Licensing Act 2003 - Miscellaneous Fees (Application or Notice)</b>					
Section 25 (theft, loss, etc. of premises licence or summary)	10.50	10.50	0.00	No VAT	Statutory
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		
<b>Licensing Act 2003 - Miscellaneous Fees (Application or Notice)</b>					
Section 83 (1) or (2) (change of relevant registered address of club)	10.50	10.50	0.00	No VAT	Statutory
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 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
					£.p
<b>MARKETS</b>					
Open market - stall (per day) Monday	Free	Free	0.00	No VAT	Cabinet
Open market - second stall (per day) Monday	Free	Free	0.00		
Open market - stall (per day) Wednesday	13.00	13.50	0.50		
Open market - second stall (per day) Wednesday	12.00	12.50	0.50		
Open market - stall (per day) Fri/Sat	24.00	25.00	1.00		
Open market - additional space (per day) Fri/Sat	12.00	12.50	0.50		
Other Pitches - minimum charge (per day)	29.00	31.00	2.00		
Catering Pitches - minimum charge (per day) Fri / Sat	28.00	30.00	2.00		
Catering Pitches - minimum charge (per day) Mon / Weds	14.00	15.00	1.00		
<b>All stalls / pitches above are charged at 50% during winter period (1st Oct - 31st March)</b>					
New Trader - Introductory Price (16 weeks only / per day)	5.50	5.80	0.30		
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)	27.00	28.50	1.50		
Antique market - stall (per day)	8.50	5.50	-3.00		
Antique Market - second stall (per day)	4.50	5.50	1.00		
Service Charge (for licensed markets)	31.00	0.00	-31.00		
Events Markets - per stall / pitch (e.g., CAM / Vegan)	5.50	5.50	0.00		
Fundraising in Street Trading Area	N/A	75.00	New		
<b>MOT</b>					
MOT - car	50.50	52.50	2.00	No VAT	Cabinet
MOT - car (for discounted partner incl. Lyme Card)	44.50	46.00	1.50		
MOT - class 7 (up to 3.5 tonnes)	64.00	70.00	6.00		
Retest	17.50	18.30	0.80		
<b>MUSEUM &amp; ART GALLERY</b>					
<i>Reproduction prints of items in collection</i>					Cabinet
Photocopies	1.25	1.30	0.05	VAT Incl.	
Commission of picture sales from exhibitions	0.30	0.30	0.00	VAT Incl.	
Education session per pupil - half day	6.25	6.50	0.25	Plus VAT	
Education session per pupil - full day	7.80	8.00	0.20	No VAT	
Education sessions - minimum charge half day (20 pupils or fewer)	88.50	92.00	3.50	No VAT	
Education sessions - minimum charge full day (20 pupils or fewer)	135.00	140.00	5.00	No VAT	
Holiday activities per child	13.00	13.50	0.50	No VAT	
Adult courses and workshops (maximum)	95.00	110.00	15.00		
Outreach fee	88.50	92.00	3.50	No VAT	
Outreach education – schools per session	6.25	6.50	0.25	No VAT	
Hire of Drawing Room per hour (Function/Corporate)	17.00	18.00	1.00		
Hire of Drawing Room per hour (Not for profit/Charity)	11.00	11.50	0.50		
Hire of Alder Room per hour (Function/Corporate)	28.00	29.00	1.00		
Hire of Alder Room per hour (Not for profit/Charity)	22.00	23.00	1.00		
Hire of Willow Room per hour (Function/Corporate)	28.00	29.00	1.00		
Hire of Willow Room per hour (Not for profit/Charity)	22.00	23.00	1.00		
Hire of Event Space per hour (function/corporate/park business)	57.00	58.00	1.00		
Hire of Event Space per hour (Not for Profit/charity/park)	40.00	41.50	1.50		
Early entry or late stay - per hour	26.00	27.00	1.00		
Room set up	26.00	27.00	1.00		
Education item loan	27.00	28.50	1.50	No VAT	
Saleable items	RRP	RRP	0.00		
Open art registration - up to 2 items	10.00	11.00	1.00	VAT Incl.	
Talks/film shows	5.00	5.50	0.50		
Reminiscence sessions	3.50	4.00	0.50		
Museum Supporters Subs	25.00	25.00	0.00	No VAT	

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
					£.p
<b>Research/archive fees</b>					
Complex collections/archive research per hour	25.00	26.00	1.00	VAT Incl.	Cabinet
Object loans to Accredited Museums (outside the county) includes condition report	200.00	210.00	10.00		
1:1 session with collections adviser (after 15 minutes)	12.50	13.00	0.50		
Archive/Object scans (paper or digital) A4 colour - First Scan	10.00	10.40	0.40		
Archive/Object scans (paper or digital) A4 colour - Subsequent Scan	5.00	5.20	0.20		
Archive/Object scans (paper or digital) A3 colour - First Scan	15.00	15.60	0.60		
Archive/Object scans (paper or digital) A3 colour - Subsequent Scan	5.00	5.20	0.20		
<b>NAMING/ NUMBERING OF STREETS/ PROPERTIES</b>					
<b>New or Redevelopment</b>					
Charge for naming of a street	235.00	244.00	9.00	No VAT	Cabinet
Charge for naming of a commercial building	120.00	125.00	5.00		
Single residential property on existing street	160.00	167.00	7.00		
Number/name 2-9 properties (includes first)	235.00	244.00	9.00		
Plus - per plot	85.00	89.00	4.00		
Number/name 10 plus properties (includes first property)	235.00	244.00	9.00		
Plus - per plot	85.00	89.00	4.00		
Change to layout after notification	295.00	307.00	12.00		
Plus - per plot	50.00	52.00	2.00		
<b>Existing Properties/Streets</b>				No VAT	Cabinet
Adding or alteration of a house/building name	85.00	89.00	4.00		
Renaming of a street	On request	On request	0.00		
House or building renumbering (including subdivision to flats)	295.00	307.00	12.00		
Confirmation of postal address	50.00	52.00	2.00		
Requests not included in above fees per hour	65.00	68.00	3.00		
Road closure	40.00	42.00	2.00		
<b>PEST CONTROL</b>				VAT Incl.	Cabinet
Treatment of rats (domestic) - prepayment (up to 4 visits)	75.00	78.00	3.00		
Treatment of rats (domestic) - payment by invoice (up to 4 visits)	90.00	94.00	4.00		
Treatment of mice (domestic) – prepayment (up to 3 visits)	75.00	78.00	3.00		
Treatment of mice (domestic) – payment by invoice (up to 3 visits)	90.00	94.00	4.00		
Fleas / Bedbugs / Cockroaches (domestic) - prepayment	130.00	135.00	5.00		
Fleas / Bedbugs / Cockroaches (domestic) - payment by invoice	151.00	158.00	7.00		
Insect control treatments (domestic) including wasps, & ants - prepayment	90.00	94.00	4.00		
Insect control treatments (domestic) including wasps & ants - payment by invoice	108.00	113.00	5.00		
Pest control commercial (other) - first hour	130.00	135.00	5.00		
Pest control commercial (other) - per 1/4 extra hour	33.00	35.00	2.00		
Mole & Rabbit control (per treatment course, max 3 visits) - prepayment	210.00	218.00	8.00		
Mole & Rabbit control (per treatment course, max 3 visits) - payment by invoice	235.00	245.00	10.00		
Squirrel control - prepayment (up to 4 visits)	157.00	164.00	7.00		
Squirrel control - payment by invoice (up to 4 visits)	178.00	185.00	7.00		
Telephone Advice (prepayment only)	17.00	18.00	1.00		
Advice Visit (no treatment) - prepayment	65.00	68.00	3.00		
Advice Visit (no treatment) - payment by invoice	87.00	91.00	4.00		
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 for works in default	As per formulae for works in default	0.00		
Works in default (Prevention of Damage by Pests Act 1949) per additional 1/4 hour (invoiced)					

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
<b>PLANNING SERVICES</b>					
Postage & packaging Copies up to £1 are free of charge	1.60	2.00	0.40	No VAT	Cabinet
Paper copies of planning/building control decisions & documents - per sheet (A4 black & white)	0.34	0.38	0.04	No VAT	
Paper copies of planning/building control decisions & documents - per sheet (A3 black & white)	0.54	0.60	0.06	No VAT	
Paper copies of plans - planning files - per sheet (A4 black & white)	0.34	0.38	0.04	No VAT	
Paper copies of plans - planning files - per sheet (A3 black & white)	0.66	0.73	0.07	No VAT	
Paper colour copies of an A4 sheet of planning/building control decision, planning documents or plan	0.66	0.73	0.07	No VAT	
Paper colour copies of an A3 sheet of decision, planning documents or plan	0.99	1.10	0.11	No VAT	
Scanned copies of documents - charge per hour of scanning (where legal to charge)	45.65	50.25	4.60	No VAT	
Paper copies of plans - planning files - each plan (A2)	3.05	3.36	0.31	No VAT	
Paper copies of plans - planning files - each plan (A1)	4.46	4.91	0.45	No VAT	
Paper copies of plans - planning files - each plan (A0)	5.76	6.34	0.58	No VAT	
Weekly lists - statutory consultees	Free	Free	0.00		
Requests for site information – commercial per hour	97.90	107.70	9.80	No VAT	
Requests for site information - individuals	Cost	Cost	0.00	No VAT	
Electronic copies of Planning Decision Notices and Legal Agreements	10.00	11.00	1.00		
<b>Pre Planning Application Advice</b>				VAT Incl.	Cabinet
Large Scale Major Developments (residential developments over 200 dwellings or where number not known, a site area of 4 ha or more. Non-residential developments over 10,000m <sup>2</sup> of floor space or where floor space not known, a site area of 2ha or more)	1,215.00	1,336.50	121.50		
Small Scale Major Developments (residential developments of between 10 & 200 dwellings or where number not known, a site area of between 0.5ha & 4ha. Non-residential developments of between 1000m <sup>2</sup> & 10,000m <sup>2</sup> of floor space or where floor space not known, a site area of between 1ha & 2ha)	615.00	676.50	61.50		
1 dwelling	187.50	206.25	18.75		
Minor Developments (residential developments of between 2 & 9 dwellings or where number not known, a site area of less than 0.5ha. Non-residential developments of under 1,000m <sup>2</sup> of floor space or where floor space not known, a site area of less than 1ha)	277.50	305.25	27.75		
<b>Householder Development.</b>					
Half hour appointment	37.50	41.25	3.75		
Appointment in excess of 30 minutes	55.00	60.50	5.50		
Other Development (excluding householder development but including changes of use, advertisements, prior approval proposals & listed building proposals)	91.25	100.00	8.75		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
<b>Planning Application Fees</b> 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	No VAT	Statutory
Building Control fees (North Staffs Building Control Partnership)	Per Board	Per Board	0.00		Partnership Board
Planning & development briefs (as & when prepared)	Free	Free	0.00		
Core spatial strategy	45.65	47.50	1.85		
Local development framework proposals map - north or south	10.87	11.30	0.43		
Local development framework proposals map - north & south	17.39	18.00	0.61		
Strategic housing land availability assessment (SHLAA)	48.91	51.00	2.09		
Charging for paper planning applications <i>Invalid planning applications, information not submitted within 28 days:</i>	20.00 per application	21.00 per application	1.00		
- Householder applications	N/A	50.00	New		
- Non-major applications	N/A	150.00	New		
- Major applications	N/A	250.00	New		
<i>Biodiversity Net Gain Monitoring - Low Distinctiveness:</i>					
- Less than 0.5 hectare	N/A	969.00	New		
- Small site, up to 1 hectares	N/A	2,169.00	New		
- Small / Medium site, up to 5 hectares	N/A	4,338.00	New		
- Medium site, up to 10 hectares	N/A	6,338.00	New		
- Large site, up to 20 hectares	N/A	8,507.00	New		
- Very large site, over 20 hectares	N/A	10,676.00	New		
<i>Biodiversity Net Gain Monitoring - Moderate Distinctiveness:</i>					
- Less than 0.5 hectare	N/A	1,369.00	New		
- Small site, up to 1 hectares	N/A	2,569.00	New		
- Small / Medium site, up to 5 hectares	N/A	5,138.00	New		
- Medium site, up to 10 hectares	N/A	7,138.00	New		
- Large site, up to 20 hectares	N/A	9,307.00	New		
- Very large site, over 20 hectares	N/A	11,476.00	New		
<i>Biodiversity Net Gain Monitoring - High Distinctiveness:</i>					
- Less than 0.5 hectare	N/A	1,769.00	New		
- Small site, up to 1 hectares	N/A	2,969.00	New		
- Small / Medium site, up to 5 hectares	N/A	5,938.00	New		
- Medium site, up to 10 hectares	N/A	7,938.00	New		
- Large site, up to 20 hectares	N/A	10,107.00	New		
- Very large site, over 20 hectares	N/A	12,276.00	New		
<b>Section 106</b>					
Section 106 Monitoring for each obligation forming part of an agreement, excluding those elements the responsibility of Staffordshire County Council	310.50	325.00	14.50		
Additional time spent in monitoring over and above the expected 1 working day, per hour	41.66	44.00	2.34		
<b>Self Build &amp; Custom Build Register</b>					
Charge for someone wanting to be on the register - first charge	40.00	42.00	2.00		
Annual charge to remain on the register	20.00	21.00	1.00		

**Fees and Charges 2026/27**

	Fee/ Charge 2025/26	Proposed Fee/ Charge 2026/27	Increase/ Decrease	VAT Status	Committee Approval/ Comments
	£.p	£.p	£.p		
<b>PRIVATE SECTOR HOUSING</b>				No VAT	Cabinet
Houses in multiple occupation licence fee	723.00	750.00	27.00		
Each additional bedroom	10.00	11.00	1.00		
Renewal of houses in multiple occupation licence	535.00	555.00	20.00		
Each additional bedroom	10.00	11.00	1.00		
Immigration Inspections	152.00	158.00	6.00		
Provision of accommodation for homeless households	Cost	Cost	0.00		
Annual interest to be applied to unpaid debts for enforcement action	8.00%	8.00%	0.00%		
<b>Charges for work in default notices to remedy Housing Health &amp; Safety issues</b>				No VAT	Cabinet
Officer time (per hour)	Cost	Cost	0.00		
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	8.00%	8.00%	0.00%		
<b>REMOVAL OF DOMESTIC ANIMAL CARCASSES</b>				VAT Incl.	Cabinet
Removal of domestic animal carcasses	45.00	47.00	2.00		
Dog waste and litter bin emptying per occasion	5.00	7.50	2.50		
<b>SALE OF SANDBAGS</b>				VAT Incl.	Cabinet
5 sandbags	46.50	48.36	1.86		
10 sandbags	64.00	66.56	2.56		
15 sandbags	82.00	85.28	3.28		
20 sandbags	100.00	104.00	4.00		
<b>STREET TRADING</b>				No VAT	Cabinet
Eastbound or Northbound layby A500 (per annum)	10,900.00	11,315.00	415.00		
<b>TOWN CENTRE DISPLAYS</b>				No VAT	Cabinet
Fundraising in Street Areas (minimum charge)	93.00	97.00	4.00		
<b>TREE PRESERVATION ORDERS</b>				No VAT	Cabinet
Single copy of a tree preservation order	38.00	40.00	2.00		
<b>WASTE &amp; RECYCLING BINS/ RECEPTACLES</b>				No VAT	Cabinet
Bins/receptacles per property on new developments (to be paid by the developer)	85.00	100.00	15.00		
FLATS - Bins/receptacles per property on new developments (to be paid by the developer)	N/A	Cost plus delivery	New		
Replacement bin due to loss / theft	31.50	32.70	1.20		
<i>Maximum Delivery Charge:</i>					
New property - resident	31.50	32.70	1.20		
New property - development	31.50	32.70	1.20		
Replacement / additional recycling bag.	31.50	32.70	1.20		

This page is intentionally left blank

## 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?

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.

## FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE



### Work Programme 2025/26

<b>Chair</b>	Cllr M. Holland
<b>Vice-Chair</b>	Cllr A. Bryan
<b>Members</b>	Cllrs D. Allport, R. Bettley-Smith, L. Dean, D. Grocott, A. Lawley, A. Parker, M. Stubbs, A. Turnock and P. Waring
<b>Scrutiny Champion</b>	Craig Turner
<b>Portfolio Holders within the Committee's remit</b>	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](mailto:geoff.durham@newcastle-staffs.gov.uk) or on (01782) 742222
- ✉ Alexandra Bond at [alexandra.bond@newcastle-staffs.gov.uk](mailto:alexandra.bond@newcastle-staffs.gov.uk) or on (01782) 742211

**Planned Items**

<b>DATE OF MEETING</b>	<b>ITEM</b>	<b>NOTES</b>
15 January 2026	<ul style="list-style-type: none"> <li>- Revenue and Capital Strategies 2026/27</li> <li>- Schedule of Fees and Charged 2026/27</li> </ul>	
26 March 2026	<ul style="list-style-type: none"> <li>- Q3 Finance and Performance Report 2025/26</li> <li>- Town Deal and Future High Street Fund Update</li> <li>- Commercial Strategy Update</li> </ul>	
11 June 2026	<ul style="list-style-type: none"> <li>- Q4 Finance and Performance Report 2025/26</li> <li>- Town Deal and Future High Street Fund Update</li> </ul>	

**Previous Items**

<b>DATE OF MEETING</b>	<b>ITEM</b>	<b>NOTES</b>
25 September 2023	<ul style="list-style-type: none"> <li>- Asset Management Strategy</li> <li>- Medium Term Financial Strategy 24/25</li> <li>- Q1 Finance and Performance Report</li> <li>- Commercial Strategy Update</li> <li>- Sickness Absence Reporting</li> </ul>	
9 November 2023	<ul style="list-style-type: none"> <li>- Ryecroft Call-in Report</li> </ul>	
13 December 2023	<ul style="list-style-type: none"> <li>- Q2 Finance and Performance Report</li> <li>- Draft Savings Proposals 24/25</li> <li>- Town Deal and Future High Streets Fund Update</li> <li>- Technology Strategy 2023-2028</li> </ul>	
18 January 2024	<ul style="list-style-type: none"> <li>- Revenue and Capital Budgets and Strategies 24/25</li> <li>- Draft Schedule of Fees and Charges 24/25</li> </ul>	

DATE OF MEETING	ITEM	NOTES
14 March 2024	<ul style="list-style-type: none"> <li>- Q3 Finance and Performance Report 2023/24</li> <li>- Commercial Strategy Update</li> <li>- Town Deal and Future High Street Funds Update</li> </ul>	
27 June 2024	<ul style="list-style-type: none"> <li>- Q4 Finance and Performance Report 2023/24</li> <li>- Town Deal and Future High Street Funds Update</li> </ul>	
18 September 2024	<ul style="list-style-type: none"> <li>- Medium Term Financial Strategy 2025/26</li> <li>- Q1 Finance and Performance Report 2024/25</li> <li>- Commercial Strategy Update</li> <li>- Town Deal and Future High Street Funds Update</li> <li>- Staff Turnover Report</li> </ul>	Requested at FAPS on 27/06/24
5 December 2024	<ul style="list-style-type: none"> <li>- Q2 Finance and Performance Report 2024/25</li> <li>- Draft Savings Proposals 2025/26</li> <li>- Town Deal and Future High Street Funds Update</li> </ul>	
16 January 2025	<ul style="list-style-type: none"> <li>- Revenue and Capital Budget and Strategies 2025/26</li> <li>- Schedule of Fees and Charges 2025/26</li> <li>- Town Deal and Future High Street Funds Update</li> <li>- One Council Review and Next Steps</li> </ul>	
27 March 2025	<ul style="list-style-type: none"> <li>- Q3 Finance and Performance Report 2024/25</li> <li>- Commercial Strategy Update</li> <li>- Town Deal and Future High Street Funds Update</li> </ul>	
26 June 2025	<ul style="list-style-type: none"> <li>- Q4 Finance and Performance Report 2024/25</li> <li>- Town Deal and Future High Street Funds Update</li> </ul>	
4 September 2025	<ul style="list-style-type: none"> <li>- Medium Term Financial Strategy 2026/27</li> <li>- Performance Framework Changes Presentation</li> <li>- Q1 Finance and Performance Report 2025/26</li> <li>- Commercial Strategy update</li> </ul>	

DATE OF MEETING	ITEM	NOTES
	<ul style="list-style-type: none"><li>- Civic Pride (Empowering our Communities) Strategy</li><li>- Town Deal and Future High Street Fund Update</li></ul>	
4 December 2025	<ul style="list-style-type: none"><li>- Q2 Finance and Performance Report 2025/26</li><li>- Town Deal and Future High Street Fund Update</li><li>- First Draft Savings Proposals 2026/27</li></ul>	

Last updated on the 6/01/2026

# Agenda Item 11

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

Document is Restricted

This page is intentionally left blank