

Date of meeting Tuesday, 6th June, 2023
Time 2.00 pm
Venue Astley Room - Castle
Contact Geoff Durham 742222



**NEWCASTLE
UNDER LYME**

BOROUGH COUNCIL

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

Cabinet

AGENDA

PART 1 – OPEN AGENDA

- 1 APOLOGIES**
- 2 DECLARATIONS OF INTEREST**
To receive declarations of interest from Members on items included in the agenda.
- 3 MINUTES OF PREVIOUS MEETINGS** (Pages 5 - 10)
To consider the Minutes of the previous meeting.
- 4 WALLEYS QUARRY UPDATE REPORT** (Pages 11 - 38)
- 5 YORK PLACE DEVELOPMENT - AWARD OF DEMOLITION CONTRACT** (Pages 39 - 44)
- 6 RYECROFT HOTEL - DESIGN & BUILD CONTRACT AND BRAND PROCUREMENT** (Pages 45 - 96)
- 7 CASTLE MULTI-STOREY CAR PARK CONTRACT AWARD** (Pages 97 - 102)
- 8 PROPOSAL TO CONSULT ON A FIRST DRAFT LOCAL PLAN** (Pages 103 - 114)
Links to all appendices are contained within the report.
- 9 ADOPTION OF STAFFORDSHIRE ADAPTATION STRATEGY** (Pages 115 - 146)
- 10 FINANCIAL & PERFORMANCE REVIEW REPORT 4TH QUARTER 2022-23** (Pages 147 - 178)
- 11 FORWARD PLAN** (Pages 179 - 184)
- 12 URGENT BUSINESS**
To consider any business which is urgent within the meaning of Section 100B(4) of the Local Government Act 1972.
- 13 DISCLOSURE OF EXEMPT INFORMATION**

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

14 EXTERNAL IT RESOURCE CONTRACT

(Pages 185 - 190)

ATTENDANCE AT CABINET MEETINGS

Councillor attendance at Cabinet meetings:

- (1) The Chair or spokesperson of the Council's scrutiny committees and the mover of any motion referred to Cabinet shall be entitled to attend any formal public meeting of Cabinet to speak.
- (2) Other persons including non-executive members of the Council may speak at such meetings with the permission of the Chair of the Cabinet.

Public attendance at Cabinet meetings:

- (1) If a member of the public wishes to ask a question(s) at a meeting of Cabinet, they should serve two clear days' notice in writing of any such question(s) to the appropriate committee officer.
- (2) The Council Leader as Chair of Cabinet is given the discretion to waive the above deadline and assess the permissibility if the question(s). The Chair's decision will be final.
- (3) The maximum limit is three public questions at any one Cabinet meeting.
- (4) A maximum limit of three minutes is provided for each person to ask an initial question or make an initial statement to the Cabinet.
- (5) Any questions deemed to be repetitious or vexatious will be disallowed at the discretion of the Chair.

Members: Councillors S Tagg (Chair), Sweeney (Vice-Chair), Heesom, Johnson, J Waring and Fear

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:

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

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

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

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

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

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CABINET

Tuesday, 18th April, 2023
Time of Commencement: 2.00 pm

[View the agenda here](#)

[Watch the meeting here](#)

Present: Councillor Simon Tagg (Chair)

Councillors: Sweeney Johnson
Heesom Fear

Apologies: Councillor(s) J Waring

Officers: Martin Hamilton Chief Executive
Geoff Durham Mayor's Secretary / Member
Support Officer
Simon McEneny Deputy Chief Executive
Daniel Dickinson Service Director - Legal &
Governance /Monitoring Officer
Sarah Wilkes Service Director - Finance /
S151 Officer
Roger Tait Service Director -
Neighbourhood Delivery

1. **DECLARATIONS OF INTEREST**

There were no declarations of interest stated.

2. **MINUTES OF PREVIOUS MEETINGS**

Resolved: That the Minutes of the meeting held on the 14 March, 2023 be agreed as a correct record.

3. **WALLEYS QUARRY UPDATE**

The Leader presented a report updating Cabinet on the latest position regarding Walleys Quarry including Key Performance Indicators provided by the operator.

Complaints remained down on historical levels although there were some days when complaints spiked, on days when the weather was cold.

The Council had commissioned an independent evaluation of the data from October, 2022 to February, 2023 to see how the current situation compared to what would be required, as defined as a statutory nuisance.

The Council was remaining vigilant and officers were in contact with the operator and the Environment Agency.

Cabinet - 18/04/23

The local MP had suggested that the company should apologise or consider compensation for everyone who had been affected by the odours. However, compensation claims would need to be made by individuals and not by the Council.

Members agreed that an apology from the company would be a good gesture.

Resolved: That the contents of the update report be noted.

[Watch the debate here](#)

4. JOINT HOUSING ALLOCATIONS POLICY

The Portfolio Holder for Community Safety and Wellbeing introduced a report advising of changes to the 2020 Housing Allocation Policy and seeking approval to consult upon and adopt a revised Joint Housing Allocations Policy from 2023.

The proposed changes, outlined at paragraphs 3.5 to 3.14 of the report, would update the Policy in line with Part 6 of the Housing Act, 1996 which required Local Authorities to have an allocations policy setting out how social homes would be allocated within their area and to give reasonable preference to certain groups of applicants.

- Resolved:**
- (i) That the Draft Joint Housing Allocations Policy 2023 for an eight week public consultation, be approved.
 - (ii) That delegated authority be given to the Service Director – Regulatory Services, in consultation with the Cabinet Member for Community Safety and Wellbeing, to
 - (a) finalise the and adopt the Joint Housing Allocations Policy 2023 following the consultation process
 - (b) agree policy changes relating to the Choice Based Lettings (CBL) System in light of available resources and annual funding allocations.

[Watch the debate here](#)

5. ASTLEY CENTRE FOR CIRCUS

The Portfolio Holder for Finance, Town Centres and Growth introduced a report giving an update on progress with the delivery of the Astley Centre for Circus and Performing Arts and to consider the next steps.

Funding had been secured to redevelop the former Nat West Bank on the corner of Fogg Street as a temporary home for the Astley Centre until the York Place development was completed.

The Leader stated that this was one of the highlights of the Town Deal application, raising an individuality aspect for the bid. The Astley Centre would tie in with the history of the town and also the 850 celebrations.

- Resolved:**
- (i) That the progress with Astley Centre for Circus & Performing Arts be noted.
 - (ii) That the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres for All and Growth,

be authorised to take the necessary steps to make 23-25 Merrial Street available to the Philip Astley Projects CIC as a heritage centre for a period of up to 3 years at a peppercorn rent, and to work up detailed proposals for their occupation of a unit in the redeveloped York Place beyond that term, to be approved at a future meeting of Cabinet.

[Watch the debate here](#)

6. **ACTIVE LIFESTYLES STRATEGY**

The Portfolio Holder for Finance, Town Centres and Growth introduced a report outlining the proposed Active Lifestyles Strategy.

It was felt that a ten year strategy was too long and that a five year strategy would be more appropriate. Therefore the proposed Active Lifestyles Strategy would replace the Sport and Active Lifestyles Strategy 2016-2026.

The new Strategy would have three aims which were set out at paragraph 2.5 of the report.

The Leader agreed that the Strategy needed to reflect the outcomes of Covid and how people's lifestyles had changed.

Resolved: That the Active Lifestyles Strategy 2023-2028 be approved for consultation, and the Deputy Chief Executive, in consultation with the Portfolio Holder for Leisure, Culture & Heritage be authorised to finalise and adopt the strategy following the consultation process.

[Watch the debate here](#)

7. **MICROSOFT LICENCE RENEWALS**

The Leader introduced a report seeking approval to renew the Council's Microsoft Enterprise Subscription Agreement.

The Leader advised that this service had to be used to enable access to many of the Government's systems because of the security involved. Members were asked to note the savings of £200,000.

Resolved: (i) That the renewal of the Microsoft Enterprise Subscription Agreement be approved for a further period of three years, following the completion of due diligence and a procurement exercise, delegating authority to enter into a contract to the Chief Executive in consultation with the Leader of the Council.

(ii) That the savings of c.£200,000 be noted.

[Watch the debate here](#)

8. **SPOT MARKET FUEL PURCHASING**

The Portfolio Holder for Environment and Recycling introduced a report seeking authority to use a number of different procurement options for the purchase of fuel for the Council's vehicle and plant fleet.

The Leader stated that it was disappointing that there was no joint procurement available with other Council's or the County Council and suggested that this be taken through the Staffordshire Sustainability Board as an option which could possibly make savings for those involved. The Leader proposed this as a further recommendation (ii). This was seconded by Councillor Sweeney.

- Resolved:**
- (i) That the procurement process including 'spot market' purchasing for White Diesel and Hydrotreated Vegetable Oil (HVO) for use in the Councils vehicle and plant fleet be approved.
 - (ii) That a report be prepared, on behalf of the Portfolio Holder for Environment and Recycling and submitted to a future meeting of the Staffordshire Sustainability Board, relating to joint procurement for 'spot market' purchasing of HVO.

[Watch the debate here](#)

9. **UNITS 1-18 BRAMPTON SIDINGS ROOFING WORKS**

The Portfolio Holder for Finance, Town Centres and Growth introduced a report seeking approval to award a contract for over-cladding works to an existing profiled asbestos cement roof of the Brampton Sidings industrial units.

The Leader stated that these units were used by smaller businesses and those starting out before moving to bigger premises.

Councillor Johnson enquired whether there was any asbestos involved in overlaying the existing roofs. It was confirmed that there was not.

- Resolved:** That the award of contract for roofing works at Brampton Sidings to Total Roofing Solutions and Building Services Ltd of £255,823 for Brampton Sidings roof works be authorised.

[Watch the debate here](#)

10. **INTERNAL AUDIT CONTRACT EXTENSION**

The Portfolio Holder for Finance, Town Centres and Growth introduced a report seeking approval of the Internal Audit Service Level Agreement.

The Council currently had a Service Level Agreement with Stoke-on-Trent City Council which worked well and it was proposed to extend this for twelve months. During this time consideration would be given as to what improvements could be made to the services provided.

- Resolved:** That the extension of the Internal Audit Service Level Agreement be approved for a further 12 months.

[Watch the debate here](#)

11. **FORWARD PLAN**

The Leader went through the list of items scheduled for upcoming meetings.

Resolved: That the Forward Plan be received.

[Watch the debate here](#)

12. **URGENT BUSINESS**

There was no Urgent Business.

13. **DISCLOSURE OF EXEMPT INFORMATION**

There were no confidential items.

**Councillor Simon Tagg
Chair**

Meeting concluded at 2.30 pm

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

6 June 2023

Report Title: Walleys Quarry – Odour Issues

Submitted by: Chief Executive

Portfolios: Environment & Recycling; One Council, People & Partnerships

Ward(s) affected: All

Purpose of the Report

To update Cabinet on the latest position regarding the problematic odours in the Borough associated with Walleys Quarry including progress in relation to agreement reached following mediation with the operator.

RECOMMENDATIONS

Cabinet is recommended to:

- 1. Note the contents of this update report.**

Reasons

To ensure Cabinet is kept updated on the ongoing work regarding the problem odours associated with Walleys Quarry landfill. To note the current odour complaint and data available, which shows an improvement in the odour issue.

1. Background

- 1.1 For a number of years, parts of the borough have suffered from foul odours from the Walleys Quarry Landfill Site in Silverdale operated by Walleys Quarry Ltd, part of the RED Industries group of companies. The Environment Agency (EA) is the lead regulator for such sites, testing and enforcing compliance with the permit under which the site operates. The Council also has a role in influencing the operation and performance of such sites, where an operator fails to comply with actions required under an abatement notice issued by the Council in relation to any statutory nuisance caused by the site.
- 1.2 In March 2021, Council held an extraordinary meeting to receive the report of the Economy, Environment and Place Scrutiny Committee review into the Walleys Quarry issues, and to debate a motion demanding the immediate suspension of operations and acceptance of waste at the Walleys Quarry Landfill site.
- 1.3 Cabinet has received monthly updates on the issues relating to the odours, and Council has also been regularly updated.

2. Statutory Nuisance

- 2.1 Following extensive work, officers determined that the odours from the Walleys Quarry site amounted to a Statutory Nuisance and, on 13 August 2021, served an Abatement Notice on Walleys Quarry Ltd. (WQL).

- 2.2 The Abatement Notice afforded WQL a period of 5 months to abate the nuisance, with this timeframe being informed by discussion on the nature and extent of potential works required at the site with colleagues from the Environment Agency and with our own landfill and odour experts.
- 2.3 On 2 September 2021, WQL lodged an appeal against the Abatement Notice with the Magistrates Court. This has the effect of “stopping the clock” on the 5 month timeframe to abate the nuisance.
- 2.4 At the Cabinet meeting on 18 October 2022, Members received a report detailing the outcome of a mediation process that had been undertaken. The mediation process was guided by the former Supreme Court Judge and environmental law specialist the Right Honourable Lord Carnwath of Notting Hill. As a result of that process, the Council and WQL were able to agree terms for a settlement which enabled WQL to withdraw their appeal against the notice.
- 2.5 On 6 October 2022, His Honour District Judge Grego approved the settlement that the parties had reached, and issued a court order upholding the Abatement Notice and dismissing WQL’s appeal.
- 2.6 The 5 month compliance period ended at midnight on 5 March 2023 meaning that the notice can be enforced, should there be evidence to substantiate a breach and Walleys Quarry Ltd are not following best practice in operating the landfill site.
- 2.7 The Council will continue to assess the prevalence of odours off site. In the event that there are further instances of statutory nuisance identified which amount to a breach of the Abatement Notice, the Council’s Enforcement Policy will guide the process to be followed [Reference: [Environmental Health enforcement policy – Newcastle-under-Lyme Borough Council \(newcastle-staffs.gov.uk\)](https://www.newcastle-staffs.gov.uk/environmental-health-enforcement-policy)]. This would determine what action the Council would take, and whether that would be formal or informal. Enforcement is usually considered sequentially but should the circumstances or nature of the breach be such, escalation direct to prosecution is possible. The Council would need to obtain the consent of the Secretary of State before it is able to prosecute an offence of breaching an abatement notice, as the site is permitted by the Environment Agency.
- 2.8 Progress with key elements of the settlement agreement

As part of the Agreement, Council officers, including the Chief Executive are meeting with senior representatives of Walleys Quarry Limited (WQL) to ensure that all aspects of the agreement are implemented. Meetings are taking place on a regular basis with the outcome to date including:

- a. WQL have published a comprehensive set of its operational plans on its website in a publicly accessible format. [Reference: <https://walleysquarry.co.uk/site-permits-and-policies#MGMTPlans>]
- b. WQL notify any operational changes that may impact on odour emissions from the site. Notifications are published on the WQL ‘Latest Information’ webpage. In February advance notice was given by WQL of the installation of new vertical wells that had the potential to create short-lived odour emissions. [Reference: <https://walleysquarry.co.uk/#information>]
- c. A set of standard key performance indicators in a score card format monitor the performance of the operator. Further detail is provided in Section 6.
- d. The last Liaison Committee meeting took place on 16th March 2023 and a publically viewable recording of the meeting is available at the link below. Updates were provided

by Walleys Quarry Limited, Environment Agency, Staffordshire County Council, Borough Council, Silverdale Parish Council and resident representatives.

[Reference: <https://www.newcastle-staffs.gov.uk/walleys-quarry/latest-walleys-quarry-liaison-committee-video>] The next meeting is planned for June 2023.

- e. The agreement requires WQL to notify the Council of any written amendments to the listed Operational Plans/Procedures within 48 hours of such notification by the Environment Agency, and this has occurred in line with the agreement.
- f. In April 2023, Officers undertook a site visit and inspection of the landfill site, looking at the current on site operations.

3. **Complaint Data**

3.1 Below is a schedule of complaints received by the Council and by the Environment Agency over the last 3 months, on a weekly basis. Complaints rise and fall broadly in line with the H2S levels recorded at the four monitoring stations around the site, with higher levels of H2S generally causing more annoyance in the community. Historical complaint data is attached to this report as Appendix 1.

	Complaints to NuLBC	Complaints to Environment Agency
February 2023	13	66
30/01/23- 05/02/23		
06/02/23-12/02/23	26	115
13/02/23-19/02/23	7	39
20/02/23- 26/02/23	3	15
March 2023	7	13
27/2/23 – 05/03/23		
06/03/23 – 12/03/23	12	74
13/03/23 – 19/03/23	23	63
20/03/23 – 26/03/23	19	56
27/03/23 – 02/04/23	51	103
April 2023	45	152
03/04/23 – 09/04/23		
10/04/23-16/04/23	11	64
17/04/23-23/04/23	48	101
24/04/23 – 30/04/23	148	278
May 2023		
01/05/23 – 07/05/23	50	150
08/05/23 – 14/05/23	53	164
15/05/23 – 21/05/23	147	320
22/05/23 – 28/05/23	90	210

3.2 There are a number of odour events where complaints have increased (10 complaints and above):

- 07 & 08 April
- 17 April
- 22 April
- 24 to 29 April
- 01 & 02 May
- 09 May
- 15 to 23 May
- 25 & 26 May

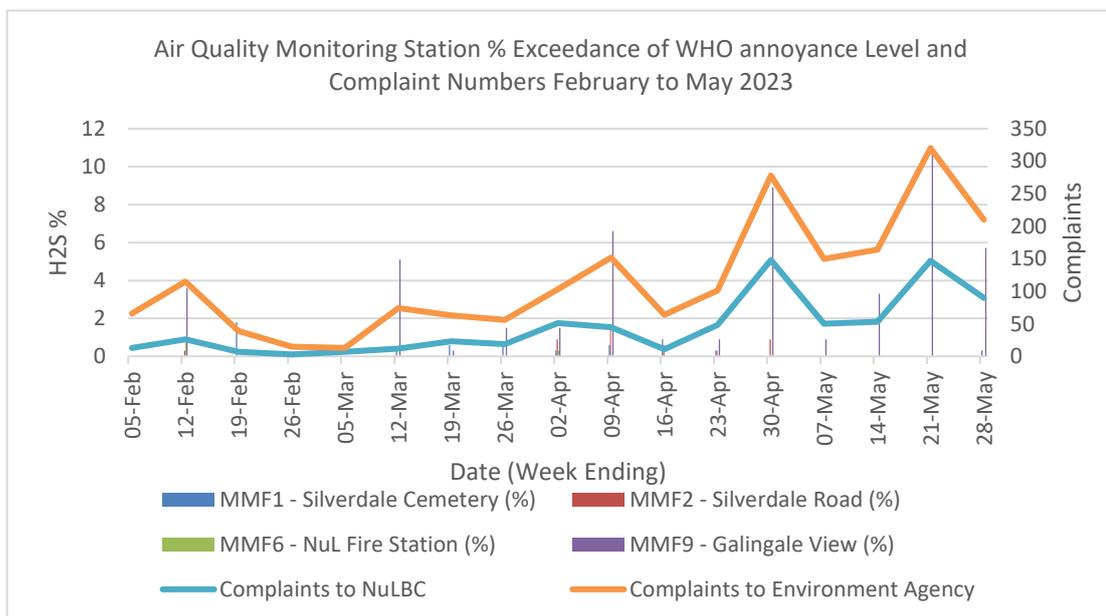
The highest number of odour reports during this two month period was received on 25 April 2023 when the Council received 47 complaints. The longest period where complaints have been consistently above 10 complaints was from 15 to 23 May 2023 (9 days).

4. Air Quality Monitoring Stations

- 4.1 The Council, Staffordshire County Council, and the Environment Agency are jointly funding a campaign of air quality monitoring utilising four static air monitoring stations. Data from these stations is reviewed to provide information in relation to two standards relating to Hydrogen Sulphide (H₂S) – the WHO Health threshold and the WHO odour annoyance guideline, with this analysis published by stakeholders.
- 4.2 Over the last 3 months, no H₂S concentrations were above the World Health Organisation’s health threshold (150 µg/m³, 24-hour average). H₂S levels were above the odour annoyance guideline level (7 µg/m³, 30-minute average) for the following percentages of each week. Historical data is attached to this report in Appendix 2.

Location	MMF1 - Silverdale Cemetery (%)	MMF2 - Silverdale Road (%)	MMF6 - NuL Fire Station (%)	MMF9 - Galingale View (%)
February 2023				
30/01/23- 05/02/23	0	0	0	0
06/02/23-12/02/23	0	0.3	0.9	3.6
13/02/23-19/02/23	1.8	0	0	0
20/02/23- 26/02/23	0	0	0	0
March 2023				
27/2/23 – 05/03/23	0	0	0	0
06/03/23 – 12/03/23	0.3	0	0	5.1
13/03/23 – 19/03/23	0.6	0	0	0.3
20/03/23 – 26/03/23	0.6	0	0	1.5
27/03/23 – 02/04/23	0.3	0.9	0.3	1.5
April 2023				
03/04/23 -09/04/23	0.6	1.5	0	6.6
10/04/23-16/04/23	0.9	0.6	0	0
17/04-23/04/23	0.3	0.3	0	0.9
24/04/23 – 30/04/23	0	0.9	0	8.9
May 2023				
01/05/23 – 07/05/23	0	0	0	0.9
08/05/23 – 14/05/23	0	0	0	3.3
15/05/23 – 21/05/23	0	0	0	11.1
22/05/23 – 28/05/23	0.3	0	0	5.7

4.3 The complaint and air quality data has been combined and shown in the graph below. The complaint numbers and % exceedance of the WHO annoyance level shows good correlation.



4.4 Each monitoring station (MMF) records the percentage exceedance over a week, which results in 16 readings over a 4 week period. In April, 0% was recorded for 37.5% of the time, a figure of <1% exceedance was recorded for 43.75% of the time and >1% exceedance was recorded for 18.75%. The peak % exceedance was for 8.9%, this is the highest level recorded since January 2023. It was noted that at MMF6 the Fire station consistently recorded 0% exceedance.

4.5 The EA reported in relation to the peak during week commencing 24 April that ‘MMF 9 recorded H2S concentrations above the World Health Organisation odour annoyance guideline value for periods on Monday, Tuesday and Friday evenings. We are investigating whether this was related to weather conditions or whether sources of fugitive releases increased during this period’.

4.6 In May the percentage of time above the World Health Organisation odour annoyance guideline level is exceeded each week at MMF9. This is a change in terms of trending as previously the percentage exceedance fluctuated across all four monitoring stations.

5. Environment Agency Regulatory and Enforcement Action

5.1 The Environment Agency has continued to provide weekly updates on their regulatory activity on the Walleys Quarry Landfill Citizens Space website. Please note that the EA have launched a brand new website for people interested in the regulation of Walleys Quarry Landfill Site. This will be replacing Citizen Space and can be accessed here: <https://engageenvironmentagency.uk.engagementhq.com/hub-page/walleys-quarry-landfill>.

These updates reflect regular EA officer presence at the site to review progress with the Contain Capture Destroy strategy. Extracts from the recent weekly updates are summarised below:

EA Site Visits –

28 April 2023 - unannounced inspection to assess general compliance with Walleys Quarry Ltd's environmental permit. Officers detected no odours either on or off-site during that inspection.

11 May 2023 - unannounced site inspection to assess general compliance with permit conditions, with a focus on landfill gas infrastructure.

18 May 2023 – site inspection with a focus on progress made in relation to infrastructure and to investigate potential fugitive emissions sources. Officers discussed increases of H₂S in MMF data in April and potential sources of fugitive emissions. No odour issues were identified during the inspection.

21 May 2023 – off-site odour monitoring assessment on the morning of 21 May 2023. Officers detected landfill gas odour at a distinct level of intensity at 3 locations. Officers are currently investigating to try and identify the cause.

Gas Capture - Data relating to the gas utilisation plant (GUP) the extraction rate and H₂S concentrations are recorded as follows:

News in Brief Date	Extraction Rate (m ³ /hr)	Hydrogen Sulphide Level at GUP (ppm)
06 April	3200	2190
14 April	3104	1850
21 April	3250	2520
27 April	3150	2430
05 May	3200	1920
11 May	3280	2090
18 May	3080	3840
25 May	3100	2060
01 June	3332	1990

During May the concentration of hydrogen sulphide increased significantly at the GUP to 3840 ppm at the GUP. The latest news update from the EA reports show that the level has reduced to 1990ppm.

EA Enforcement Action – “Following an audit in Spring 2022 which identified two major non-compliances, Walleys Quarry Ltd (WQL) submitted revised waste pre-acceptance and acceptance procedures, which we agreed in July 2022. After a period to allow for implementation onsite we audited compliance with these procedures for fines, classified as EWC 19 12 12, accepted between 1 August 2022 and 9 September 2022.

The audit identified two non-compliances with waste acceptance and management system permit conditions, which have been assessed as having a potentially significant impact on quality of life if not addressed promptly and adequately (Common Incidence Classification Scheme (CCS) 2). These are:

1. We are satisfied that WQL has accepted fines where the producer of the waste has not demonstrated that these fulfil relevant waste acceptance criteria, as appropriate basic characterisation was not completed. Supporting evidence of the basic characterisation, which is completed and provided by waste producers, did not demonstrate that the waste was non-hazardous and that it did not contain gypsum-based/high sulphate-bearing materials.

- The root cause of this non-compliance is WQL's failure to follow its agreed waste acceptance procedures, which form part of its written management system.

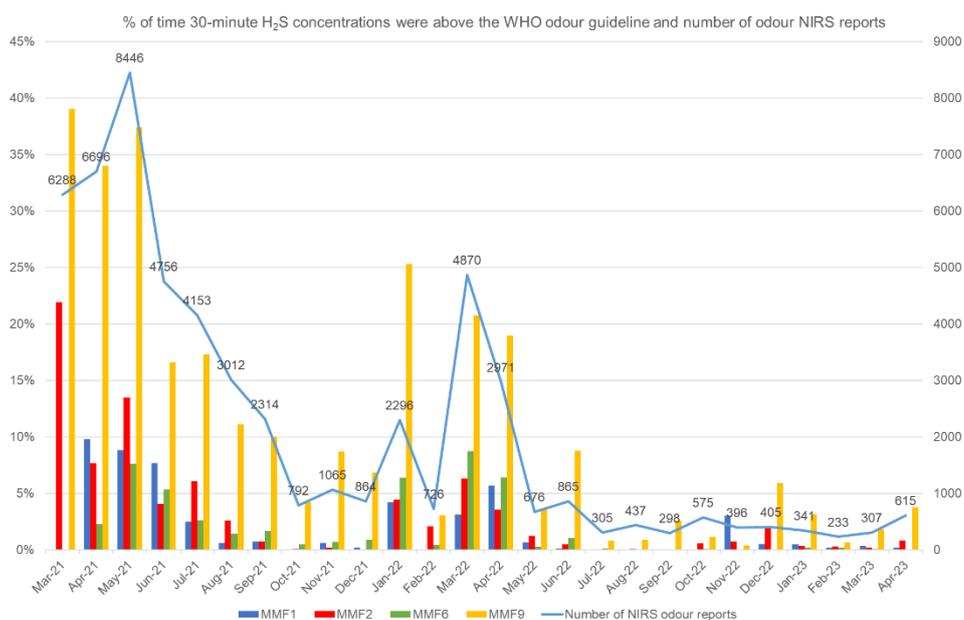
These non-compliances are recorded in a Compliance Assessment Report (CAR), which will be sent to WQL on Friday 05 May 2023. In the CAR we explain why we have assessed the reasonably foreseeable impact as significant. A high level of hydrogen sulphide (H₂S) in landfill gas is indicative of gypsum-based and/or other high sulphate-bearing materials in the deposited waste mass. The gas management procedures and infrastructure WQL has in place, measures we have required it to take, will mitigate high levels of H₂S. However, there remains the potential for fugitive emissions from the site. Such emissions are very difficult to mitigate unless the whole site has been permanently capped.

A Regulation 36 Enforcement Notice requiring WQL to comply with its waste acceptance procedures in future will be issued shortly after the CAR. The Notice will require WQL to complete waste stream authorisation assessments for fines it intends to accept, which consider total sulphate test information and the tonnage of the batch characterised. The audit and service of an Enforcement Notice are part of our ongoing regulation of the site, which is underpinned by our strategy to Contain, Capture and Destroy landfill gas to reduce emissions of H₂S at Walleys Quarry. This has been effective overall, and we will work to ensure progress is maintained.”

EA Plan to reduce hydrogen sulphide emissions - The latest plan (third review) has been published and is available as a link on the following page.
<https://engageenvironmentagency.uk/engagementhq.com/our-strategy>

April odours

The EA recognise ‘that there has been a noticeable increase in odour complaints towards the end of April. We are currently investigating whether this was related to weather conditions or whether sources of fugitive releases increased during this period. The graph below shows us the percentage of time H₂S concentrations were above the World Health Organisations (WHO) odour annoyance guideline value at each Mobile Monitoring Facility (MMF) between March 2021 and April 2023. This updates the graph recently provided as part of our community newsletter’.



6. NUL April & May Odour Complaints

- 6.1 Through April & May the complaint and monitoring data has increased on the previous month's data. In response to this matter the Council has undertaken the following actions:
- Analysed the complaint data and meteorological conditions in order to prioritise and undertake visits to monitor and assess the odour;
 - Completed odour monitoring during the day-time and out of hours;
 - During the out of hours visits Officers have contacted some complainants and visited to assess the odour in their property;
 - Officers have liaised with the operator and shared the results of the odour assessments in a timely manner to facilitate their own investigations
 - Undertaken a joint odour monitoring visit on 21 May 2023 with the Environment Agency
 - Worked with the EA to complete a review of data and information;
 - Worked with partner agencies with regard to health;
 - Liaised with Walleys Quarry Limited to request data and their investigations.
- 6.2 Prioritisation will be on identifying the root cause of the recent odour events. This investigation is ongoing. Officers will continue to witness odour events and work with partners. No conclusions will be made in relation to breaches of the abatement notice or any future enforcement action, until investigations have been completed.
- 6.3 In June, the leader will chair a meeting with leaders of partners organisations to ensure that the communities concerns regard the site are updated. Agencies will provide details of current activities. Newcastle will be committing to ongoing investigation.

7. Key Performance data

- 7.1 Through the settlement agreement both Walleys Quarry Ltd and the Council have developed key performance indicators in relation to relevant data from each organisation. These key performance indicators are shown in Appendix 3 and 4.
- 7.2 The data from the Council covers the period from February to May 2023, and provides complaint numbers, air quality data, H2S and officer assessments. Some of the data for May is unavailable and will be updated in subsequent reports.
- 7.3 The data from Walleys Quarry Limited covers the period April 2023 and provides data on waste acceptance, odour management, landfill operations, landfill gas management, leachate management and information relating to the EA regulator as the primary regulator of the site. The data is supported by explanatory notes, which will be contained within Appendix 4.

8. Proposal

- 8.1 **Cabinet is recommended to note the contents of this update report.**

9. Reasons for Proposed Solution

- 9.1 To ensure Cabinet is kept updated of the ongoing work to address the issues associated with the odours from Walleys Quarry landfill and to keep under review opportunities to further action.

10. Options Considered

- 10.1 To provide regular updates to Council.

11. Legal and Statutory Implications

11.1 Part III of the Environmental Protection Act 1990 is the legislation concerned with statutory nuisances in law. This is the principal piece of legislation covering the Council's duties and responsibilities in respect of issues relating to odour nuisance:-

- The Environmental Protection Act 1990, section 79 sets out the law in relation to statutory nuisance. This is the principal piece of legislation covering the Council's duties and responsibilities in respect of issues relating to odour nuisance.
- The relevant part of Section 79 defines a statutory nuisance as any smell or other effluvia arising on industrial, trade or business premises which is prejudicial to health or a nuisance. The Council is responsible for undertaking inspections and responding to complaints to determine whether or not a statutory nuisance exists.
- Where a statutory nuisance is identified or considered likely to arise or recur, section 80 of the Act requires that an abatement notice is served on those responsible for the nuisance. The abatement notice can either prohibit or restrict the nuisance and may require works to be undertaken by a specified date(s).
- It is then a criminal offence to breach the terms of the abatement notice. Because the site is regulated by the Environment Agency under an Environmental Permit, the council would need to obtain the consent of the Secretary of State before it is able to prosecute any offence of breaching the abatement notice.
- The Act provides powers in respect of a breach. If a person on whom an abatement notice is served, without reasonable excuse, contravenes or fails to comply with any requirement or prohibition imposed by the notice, they shall be guilty of an offence. If this is on industrial, trade or business premises shall be liable on conviction to a unlimited fine. It is a defence that the best practicable means were used to prevent, or to counteract the effects of, the nuisance.

12. Equality Impact Assessment

12.1 The work of the Council in this regard recognises that the problematic odours in the area may impact on some groups more than others. The work is focussed on minimising this impact as soon as possible.

13. Financial and Resource Implications

13.1 Dedicated officer resource has been allocated to continue the Council's work regarding Walleys Quarry Landfill.

13.2 From April 2023 there is £100k reserved for legal action associated with Walley Quarry landfill site. In the event that formal action is required, a separate report will be brought to full Council to approve additional funds.

14. Major Risks

14.1 A GRACE risk assessment has been completed including the following main risks:

- Failure to achieve a reduction in odour levels;
- Community dissatisfaction at odour levels;
- The ability to take enforcement action against abatement notice;
- Failure to evidence a breach of the abatement notice;

- Secretary of State refuses permission to undertake prosecution proceedings.

14.2 Controls have been identified and implemented in order to control these risks, the main controls include:

- Provisions in settlement agreement ensures greater transparency for public;
- Provisions in settlement agreement ensures regular meetings with Walleys Quarry which enable issues to be discussed;
- Dedicated officer resource for Walleys Quarry work has been secured;
- Continued air quality monitoring provision;
- Robust procedure for investigating complaints with experienced officers;
- Specialist expert advice maintained;
- Multi-Agency partnership working continues.

15. Unsustainable Development Goals (UNSDG)



16. Key Decision Information

16.1 As an update report, this is not a Key Decision.

17. Earlier Cabinet/Committee Resolutions

17.1 This matter has been variously considered previously by Economy, Environment & Place Scrutiny Committee, Council and Cabinet on 21 April 2021, 9th June 2021, 7th July 2021, 21st July 2021, 8th September 2021, 13th October 2021, 3rd November 2021, 17th November, 1st December 2021, 12th January 2022, 2nd February 2022, 23rd February 2022, 23rd March 2022, 20th April 2022, 7th June 2022, 19th July 2022, 6th September 2022, 18th October 2022, 8th November 2022, 6th December 2022, 10th January 2023, 7th February 2023, 13th March 2023, 5th April 2023.

18. List of Appendices

- 18.1 Appendix 1. Historical Complaint data
- 18.2 Appendix 2. Historical Monitoring Station data
- 18.3 Appendix 3. NUL Key Performance Data
- 18.4 Appendix 4. WQL Key Performance Data

Appendix 1. Historical Complaint Data

	Complaints to NuLBC	Complaints to Environment Agency
January 2022 3/1/22- 9/1/22	73	352
10/1/22 -16/1/22	258	1045
17/1/22 -23/1/22	134	651
24/1/22 – 30/1/22	25	139
February 2022 31/1/2 – 6/2/22	16	64
7/2/22 – 13/2/22	31	120
14/2/22 – 20/2/22	49	166
21/2/22 – 27/2/22	40	264
March 2022 28/2/22 – 6/3/22	118	571
7/3/22 – 13/3/22	72	285
14/3/22 – 20/3/22	224	1126
21/3/22 – 27/3/22	412	1848
28/3/22 – 3/4/22	243	1072
April 2022 4/4/22 -10/4/22	132	895
11/4/22 – 17/4/22	156	752
18/4/22 – 24/4/22	65	310
25/4/22 – 1/5/22	49	213
May 2022 2/5/22 – 8/5/22	39	193
9/5/22 – 15/5/22	35	160
15/5/22 – 21/5/22	43	134
22/5/22 – 29/5/22	20	81
June 2022 30/5/22 – 5/6/22	27	169
6/6/22 – 12/6/22	42	234
13/6/22 – 19/6/22	25	263

20/6/22 – 26/6/22	28	208
26/6/22 – 2/7/22	9	54
July 2022 3/7/22 – 9/7/22	4	34
10/7/22 – 16/7/22	14	72
17/7/22 – 23/7/22	21	52
24/7/22 – 30/7/22	12	93
August 2022 31/7/22 – 6/8/22	22	124
7/8/22 – 13/8/22	32	133
14/8/22 – 21/8/22	11	79
22/8/22 – 28/8/22	12	89
29/8/22 – 4/9/22	10	30
September 2022 5/9/22 – 11/9/22	9	64
12/9/22 – 18/9/22	13	83
19/9/22 – 25/9/22	14	79
26/9/22 – 2/10/22	13	58
October 2022 3/10/22 – 9/10/22	42	102
10/10/22 – 16/10/22	52	165
17/10/22 – 23/10/22	73	186
24/10/22 – 30/10/22	30	82
November 2022 31/10/22 – 6/11/22	27	116
7/11/22 – 13/11/22	23	86
14/11/22 – 20/11/22	60	113
21/11/22- 27/11/22	28	70
28/11/22 – 4/12/22	19	47
December 2022 5/12/22 – 11/12/22	43	163
12/12/22 – 18/12/22	22	114
19/12/22 – 25/12/22	12	45
26/12/22 – 01/01/23	11	39
January 2023	12	32

02/01/23 – 08/01/23		
09/01/23 – 15/01/23	13	25
16/01/23 – 22/01/23	47	118
23/01/23 – 29/01/23	51	149
February 2023 30/01/23- 05/02/23	13	66
06/02/23-12/02/23	26	115
13/02/23-19/02/23	7	39
20/02/23- 26/02/23	3	15
March 2023 27/2/23 – 05/03/23	7	13
06/03/23 – 12/03/23	12	74
13/03/23 – 19/03/23	23	63
20/03/23 – 26/03/23	19	56
27/03/23 – 02/04/23	51	103
April 2023 03/04/23 – 09/04/23	45	152
10/04/23-16/04/23	11	64
17/04/23-23/04/23	48	101
24/04/23 – 30/04/23	148	278
May 2023 01/05/23 – 07/05/23	50	150
08/05/23 – 14/05/23	53	164
15/05/23 – 21/05/23	147	320
22/05/23 – 28/05/23	90	210

Appendix 2. Historical Monitoring Station Data - Weekly percentage of time that each monitoring station location has recorded hydrogen sulphide concentrations above WHO odour annoyance guideline level (7 µg/m³).

Location	MMF1 - Silverdale Cemetery (%)	MMF2 - Silverdale Road (%)	MMF6 - NuL Fire Station (%)	MMF9 - Galingale View (%)
19/4/21 – 25/4	18	8	4	21
26/4 – 2/5	4	10	13	35
3/5 – 9/5	6	21	6	48
10/5 – 16/5	15	20	1	10
17/5 – 23/5	1	9	10	53
24/5 – 30/5	7	15	16	47
31/5 – 6/6	30	1	6	18
7/6 – 13/6	1	10	10	19
14/6 – 20/6	11	7	9	13
21/6 – 27/6	2	1	4	12
28/6 – 4/7	1	8	8	10
5/7 – 11/7	5	18	3	17
12/7 – 18/7	0.4	2.4	2.1	23
19/7 – 26/7	3.6	0	3.6	16
27/7 – 1/8	1.8	1.5	11	26
2/8 – 8/8	1	4	5	10
9/8 – 15/8	0.3	7	3	6
16/8 – 22/8	1	1	4	6
23/8 – 29/8	0	0	1.5	17
30/8-5/9	0	0	0.3	2.1
6/9 -12/9	0	1	13	18
13/9 – 19/9	0	0.6	7.3	11.7
20/9- 26/9	3	2	6	11
27/9-3/10	0	0	0	0.3
4/10 – 10/10	0	0	0.3	5
11/10 – 17/10	0	0.5	1.5	9
18/10-24/10	0	0	0	1.5
25/10-31/10	0	0	0	0
1/11 – 7/11	2.9	0	3.3	13.5
8/11 – 14/11	0	0	1	10
15/11 – 21/11	0	0	0	1.2
22/11-28/11	0	0	0	11
29/11-5/12	0.6	0.9	0	9
6/12 – 12/12	0.6	0	0.9	2.4
13/12-19/12	0.9	0	3	18.5
20/12-26/12	0	0	0	3
27/12-2/1	0	0	0	2.4
3/1-9/1	1.2	0	2.1	16.2
10/1-16/1	14.9	11.9	21.4	53.3
17/1-23/1	6	7	10	41
24/1 – 30/1	0	0	0	5.1
31/1-6/2	0	0	0	0

7/2 – 13/2	0	0	0.9	2.4
14/2 – 20/2	0	3.6	0.3	2.4
21/2 – 27/2	0	4.8	0.6	8.0
28/2 – 6/3	2.4	0	0.3	15
7/3 – 13/3	0.3	3.3	4.2	6.0
14/3-20/3	3.3	8.1	10.8	21.2
21/3-27/3	6.8	10.1	21.1	43.2
28/3 – 3/4	1.9	9.3	18.8	25.2
4/4-10/4	1.8	2.5	6.1	26.0
11/4 – 17/4	11.9	6.6	9.6	19.7
18/4 - 24/4	7.1	1.8	2.7	10.4
25/4 -1/5	5.1	0	1.5	9.0
2/5 – 8/5	2.7	4.8	n/a	n/a
9/5 – 15/5	0.9	1.2	0	1.8
15/5 – 21/5	0.6	2.1	0	2.7
22/5 – 29/5	0.3	0	0	0.9
30/5 – 5/6	0.3	0	1.2	7.4
6/6 – 12/6	0.3	0.6	2.1	3.6
13/6 – 19/6	0	0.6	0.6	11
20/6 – 26/6	0	0.9	0.3	15.5
26/6 – 2/7	0	0	0	0
3/7 – 9/7	0	0	0	0
10/7 – 16/7	0	0	0	0.9
17/7 – 23/7	0	0	0.3	1.5
24/7 – 30/7	0	0	0.3	1.2
31/7 – 6/8	0	0	0	1.5
7/8 – 13/8	0	0	0	1.8
14/8 – 21/8	0	0	0	0.6
22/8 – 28/8	0	0.3	0	0
29/8 – 4/9	0	0	0	0
5/9 – 11/9	0	0	0	4.2
12/9 – 18/9	0	0.3	0	2.9
19/9 – 25/9	0	0	0	1.8
26/9 – 2/10	0	0	0	4.2
3/10 - 9/10	0	0.4	0	3.7
10/10 – 16/10	0	1.9	0	0
17/10 – 23/10	0	0.6	0.3	1.5
24/10 – 30/10	0	0	0	0
31/10 – 6/11	0	2.2	0	1.8
7/11 – 13/11	0	0	0	0
14/11 – 20/11	4.5	1.2	0	0
21/11 - 27/11	4.5	0	0	0
28/11 – 4/12	0	0	0	0.6
5/12 – 11/12	1.5	5.1	0	14.3
12/12 – 18/12	1.2	3.6	0	11.6
19/12 – 25/12	0.6	0	0	0
26/12 – 01/01	0	0	0	0

02/01 – 08/01	1.8	1.2	0	0
09/01 – 15/01	0	0.3	0	0
16/01 – 22/01	0.3	0.3	0	11.1
23/01 – 29/01	0	0	0	4.8
30/01- 05/02	0	0	0	0
06/02-12/02	0	0.3	0.9	3.6
13/02-19/02	1.8	0	0	0
20/02- 26/02	0	0	0	0
27/2 – 05/03	0	0	0	0
06/03– 12/03	0.3	0	0	5.1
13/03 – 19/03	0.6	0	0	0.3
20/03 – 26/03	0.6	0	0	1.5
27/03 – 02/04	0.3	0.9	0.3	1.5
03/04-09/04	0.6	1.5	0	6.6
10/04-16/04	0.9	0.6	0	0
17/04-23/04	0.3	0.3	0	0.9
24/04-30/04	0	0.9	0	8.9
01/05–07/05	0	0	0	0.9
08/05–14/05	0	0	0	3.3
15/05– 21/05	0	0	0	11.1
22/05–28/05	0.3	0	0	5.7

Appendix 3 – NUL Key Performance Indicators

NULBC		Information	Measurement	Feb 2023	March 2023	April 2023	May 2023
KPI 1	COMPLAINTS	Complaints reported to NULBC	Number	47	108	253	353
			Number of unique properties = 25	Number of unique properties = 55	Number of unique properties = 203	Number of unique properties = 276	
			Rating 0 = 0 complaints	Rating 0 = 0 complaints	Rating 0 = 0 complaints	Rating 0 = 0 complaints	Rating 0 = 0 complaints
			Rating 1 = 1 complaints	Rating 1 = 1 complaint	Rating 1 = 0 complaint	Rating 1 = 0 complaint	Rating 1 = 0 complaints
			Rating 2 = 1 complaints	Rating 2 = 0 complaints	Rating 2 = 1 complaints	Rating 2 = 1 complaints	Rating 2 = 8 complaints
			Rating 3 = 11 complaints	Rating 3 = 16 complaints	Rating 3 = 40 complaints	Rating 3 = 40 complaints	Rating 3 = 39 complaints
			Rating 4 = 8 complaints (17%)	Rating 4 = 35 complaints (32.4%)	Rating 4 = 57 complaints (22.5%)	Rating 4 = 57 complaints (22.5%)	Rating 4 = 64 complaints (18.1%)
			Rating 5 = 10 complaints (21.3%)	Rating 5 = 26 complaints (24.1%)	Rating 5 = 71 complaints (28.1%)	Rating 5 = 71 complaints (28.1%)	Rating 5 = 118 complaints (33.4%)
			Rating 6 = 16 complaints (34%)	Rating 6 = 30 complaints (27.8%)	Rating 6 = 84 complaints (33.2%)	Rating 6 = 84 complaints (33.2%)	Rating 6 = 124 complaints (35.1%)
			% of complaints reporting odour entering the property = 35 complaints (74.5%)	% of complaints reporting odour entering the property = 84 complaints (77.8%)	% of complaints reporting odour entering the property = 194 complaints (76.7%)	% of complaints reporting odour entering the property = 315 complaints (89.2%)	% of complaints reporting odour entering the property = 315 complaints (89.2%)
			% of complaints reporting health effects = 36 complaints (76.6%)	% of complaints reporting health effects = 78 complaints (72.2%)	% of complaints reporting health effects = 200 complaints (79.1%)	% of complaints reporting health effects = 200 complaints (79.1%)	% of complaints reporting health effects = 235 complaints (66.6%)

KPI 2		Complaints reported (daytime 07:00-23:00)	Number	41	82	199	271
KPI 3		Complaints reported (night-time 23:00-07:00)	Number	6	26	54	82
KPI 4		Highest number of complaints during the period	Date (number of complaints)	06/02/23 (9 complaints) 07/02/23 (9 complaints)	27/03/23 (31 complaints)	25/04/23 (47 complaints)	21/05/23 (34 complaints)
		Information	Measurement				
KPI 5	AIR QUALITY	Percentage exceedance Odour Annoyance Guideline (Hydrogen Sulphide 30 minute average)	%	0.2	0.3	0.2	Awaiting data
				0.3	0.2	0.8	
				0.2	0.1	0.3	
				0.7	2	3.8	
KPI 6		Monthly Average H ₂ S	ug/m3 over the month	0.7	1	1.1	Awaiting data
				0.8	0.9	0.9	
				0.6	0.6	0.5	
				0.8	0.7	1.2	
KPI 7	H ₂ S PEAK LEVEL	Level measured	ug/m3	MMF1	17.18 (10/03)	32.85 09/04	Awaiting data

		over a 5 minute period Date & Time		19.6 (15/02 01:20)	22:35)	04:40)	
				MMF2 14.55 (07/02 18:15)	19.43 (27/03 19:00)	20.50 (25/04 06:00)	
				MMF6 11.25 (07/02 20:15)	11.05 (27/03 05:45)	6.47 (04/04 05:30)	
				MMF9 11.17 (06/02 23:20)	32.30 (08/03 02:55)	58.83 (25/04 23:10)	
		Information	Measurement				
KPI 8	OFFICER ASSESSMENTS	Odour Rating - Officer odour assessment (5 minute)	Max Odour Rating	KPI not reported as the monitoring time < 5 minutes for each assessment	7 assessments on 27/03	8 assessments 04/04 1 assessment 06/04 1 assessment 08/04 12 assessments 27/04 3 assessments 29/04	4 assessments 5/05 1 assessment 6/05 2 assessments 13/05 2 assessments 18/05 1 assessment 19/05 17 assessments 21/05 2 assessments 25/05

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Date of Report: April 2023			
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
KPI 1	WASTE ACCEPTANCE	Non-conformance raised with waste operator	CCS score(s) including summary and actions.
		No of loads inspected.	each
KPI 2			0 Non-conformance raised with operator. 0 CCS scores received
			1462 loads received. 1462 loads inspected. 0 loads rejected.
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
KPI 3	ODOUR MANAGEMENT	Non-conformance raised with waste operator	CCS score(s) including summary and actions.
KPI4		No of odour tours	
		No of odour tours where odour detected off site	
			0 Non-conformance raised with operator. 0 CCS scores received. 0 non conformances identified.
			37 tours
			6 external odours – rated 1 or less and local to the facility.
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
KPI 5	ACTIVE TIPPING AREA	Operational Surface area total	m3
KPI 6	ACTIVE TIPPING AREA	Active tipping area	m3
			107,236m2
			26,425m2
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
KPI 7	CAPPING OF OPERATION AREA	Temporary capping	m3
		Permanent capping	m3
			Temporary Capping 40,779m2 (36%) Permanent Capping 40,032m2 (35%) Total Capped area 80,811m2 (71%)
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
KPI 8	LANDFILL GAS MANAGEMENT	Surface & Gas infrastructure emission surveys	Number of remaining matters open in the month
			0 FID survey completed 0 actions open Next Scheduled FID survey: May 2023

KPI 9	LANDFILL GAS MANAGEMENT	Concentration of Hydrogen Sulphide in 'raw' bulk gas	ppm	2,287ppm – recorded from CLP H2S GUP input data
KPI 10	LANDFILL GAS MANAGEMENT	Landfill Gas capture rate (monitored at the GUP)	m3/hr	3,187 m3/hr - averaged across period
KPI 11	LANDFILL GAS MANAGEMENT	Appendix A LGMP Gas Management Plan (live document)	Progress including summary and actions	See explanatory notes
Landfill Operations		Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
KPI 12	LEACHATE MANAGEMENT ACTION PLAN	Actions (13 actions)	Progress including summary and actions	See explanatory notes.
Landfill Operations		Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
KPI 13	PRIMARY REGULATOR	Compliance Assessments Visits	Number undertaken for which CAR form issued to operator	<p>One visit within the period:</p> <p>0431442 – visit on 28/04/2023 received 10/05/2023. General regulatory inspection, including details of external observations made by the Environment Agency. No compliance scores received.</p> <p>Other CAR reports received in period:</p> <p>0457396 – relating to annual monitoring report 2022. Received 13/04/2023. No compliance scores received.</p> <p>Other relevant CAR reports:</p> <p>0456372 – relating to sign-off of 2022 permanent capping programme with the exclusion of upper blinding soils. No compliance scores received.</p>
KPI 14	PRIMARY REGULATOR	Compliance Assessments Visits	Number Undertaken where a CCS score is raised with operator, including summary and actions	0 regulatory compliance assessments undertaken which resulted in a compliance assessment score – see explanatory notes.

WALLEYS QUARRY KPI REPORT



KPI 15	PRIMARY REGULATOR	Compliance Assessments Visits	Number Undertaken where no CCS score is raised with operator, including summary and actions	1 regulatory compliance assessments undertaken which resulted in 0 compliance assessment scores.
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Date of Explanatory Notes: April 2023

KPI 1 and KPI 2 Waste Acceptance

No non-conformances have been received from the regulator within the month. Acceptance procedures under review by the Environment Agency, through the undertaking of an audit in cooperation with WQL, including upstream audits of waste processing sites supplying residues to the landfill business sector. An enforcement notice and associated CAR report has been received outside of the reporting period in May 2023. These are under review by WQL, with the support of external, specialist consultants and a response will be issued in due course.

Waste acceptance carried out in accordance with (Environment Agency) agreed preacceptance and acceptance protocols. 1462 loads were inspected within the period and no loads rejected.

Pre-acceptance/acceptance procedures reviewed by WQL to adopt the updated Environment Agency guidance relating to domestic seating disposal, including updated producer information and relevant declarations received. Updated preacceptance and acceptance procedures now active.

KPI 3 and KPI 4 Odour Management

No non-conformances have been received from the regulator within the month, with one site regulatory (0461442) inspection confirming no direct offsite odour detected by Environment Agency officers. A faint, transient and non-identifiable odour was detected on Sneyd Avenue. The Agency assessments cover a wide scope of permit conditions including engineering, containment, operational activities, landfill gas management, odour and pest management.

37 odour tours conducted by WQL, with 31 reflecting no odours experienced. 6 visits recorded minor odour (1 or less) local to the facility. Contemporaneously with these odour tours, checks on the gas collection and treatment infrastructure, site engineering and operations and local weather factors were reviewed to ensure all appropriate actions were being undertaken. No non-conformances were identified during these times. And all appropriate actions were being taken.

KPI 5 and 6 Active Tipping Area

The overall current landfill 107,236m². The active area is confined to Cell 4 and a small section of cell 2. The current active area remains contained and measures some 26,425m². This is in line with the approved capping and phasing plan, as agreed with the Environment Agency. The active operational area is progressively covered during the day to minimise the time that fresh waste remains uncovered. This is in line with best practice and our operating techniques. We retain healthy stockpiles of cover material to facilitate this progressive covering.

KPI 7 Temporary Capping

Currently, 40,4779m² of the surface area of the facility is temporarily capped, either using a high specification, low permeability engineering clay or an installed

geomembrane. This is in line with the capping and phasing plan for the facility, as agreed with the Environment Agency and an increase on the previous period. Maintenance works continue to clay capped areas in line with the agreed (by the Environment Agency) CQA (Construction Quality Assurance) specifications.

Permanent Capping

Relating to permanent capping, 40,032m² of the surface area of the facility is capped, by the installation of a low permeability geomembrane. This is in line with the capping and phasing plan for the facility, as agreed with the Environment Agency with all perm capping works being conducted under the process of Construction Quality Assurance (CQA). On completion of the permanent capping works, cover soils continue to be imported to the facility as part of the site restoration process.

In relation to the permanent capping works, scheduled for installation in 2023 the required membrane has been ordered and on site. The installation works will commence after receipt of the membrane, and in line with the agreed capping and phasing plan. Preparatory earthworks have commenced, with the installation of the membrane due to commence in early June.

KPI 8 - 10 Landfill gas management

WQL continues to undertake the extensive regime of surface emission surveys, as agreed with the Environment Agency. No FID surveys were undertaken in April, in line with the program agreed with the Environment Agency. The next FID survey at the facility will be undertaken in May 2023.

The concentration of H₂S at the facility remains within expected limits and in January, averaging 2287ppm at the Gas Utilisation Plant (GUP), as measured by CLP Envirogas Ltd.

The volume of gas captured at the facility remains within expected limits, at 3187m³/hr. The flow rate has remained high and consistent across the period. WQL continue to review this position and drive the gas management contractor, CLP Envirogas Ltd to ensure that gas collection is continually reviewed to assess relevant developments that can be made.

KPI 11 Landfill Gas Management - Landfill Gas Management Plan

The LFGMP continues to be developed by WQL and adopted by CLP Envirogas Ltd. From Appendix A of this document, three actions remain open and in progress, namely:

Site Specific Balancing Plan – this is being developed by WQL, in conjunction with the Environment Agency and CLP Envirogas Ltd. A draft has been received and is being reviewed, prior to agreement and submission to the Environment Agency.

Regular monitoring, requested by the Environment Agency of CLP Envirogas Ltd continues and is likely to remain in place.

Installation of horizontal wells in active operational areas continues as the site develops, in line with the approved LFGMP.

The LFGMP has been reviewed and issued to the Environment Agency for review in January 2023. No comments have been received to date.

The LFGMP has also been issued to NuLBC, with discussions taking place between the parties, with the support of external, expert consultants.

KPI 12 Leachate Management Plan

Regarding the implementation of the LMP, discussions with the Environment Agency continue regarding installation of additional replacement leachate wells to ensure these are completed with the minimum weather-condition risk, environmental risk and risk to the engineering of the facility. Discussions are ongoing in this regard.

The availability of an appropriate, specialist drilling contractor has been obtained. Pending close-out of the ongoing discussions the redrilling of the leachate wells, as proposed in the LMP will potentially commence in July/August 2023.

KPI 13- 15

0431442 – visit on 28/04/2023 received 10/05/2023. Generally regulatory inspection, including details of external observations made by the Environment Agency. No compliance scores received.

Other CAR reports received in period:

0457396 – relating to annual monitoring report 2022. Received 13/04/2023. No compliance scores received.

Other relevant CAR reports:

0456372 – relating to sign-off of 2022 permanent capping programme with the exclusion of upper blinding soils. No compliance scores received.

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S
REPORT TO**

**Cabinet
06 June 2023**

Report Title: York Place Development - Award of Demolition Contract

Submitted by: Deputy Chief Executive

Portfolios: Finance, Town Centres and Growth

Ward(s) affected: Town

Purpose of the Report

To seek authority to award a contract for the demolition of the York Place shopping complex as part of the Future High Street Fund Programme of works. The replacement of this tired and under-utilised Town Centre building a critical step to the changing face of the Town Centre for residents, visitors and businesses and the achievement of the Town Centre regeneration plans that have been developed by the Council.

Recommendation

That Cabinet

- 1. Notes the progress made on the York Place project, made through the Future High Street Fund grant funding.**
- 2. Subject to planning permission authorises the Deputy Chief Executive, in consultation with the Portfolio Holder, Finance, Town Centres and Growth, to enter into a contract to Willmott Dixon for the demolition of the existing York Place shopping complex.**

Reasons

The Council has secured £11m from DLUHC (Department of Levelling up and Housing Communities) from the Future High Street Fund for the redevelopment of the Council owned Ryecroft site and further improvements to the Town Centre, including York Place.

The Council has acquired York Place and the next step in the Future High Street Fund programme is to demolish the existing structure before the site is redeveloped. The Council is currently seeking planning permission for this and the demolition plans outlined in this report is subject to this permission.

This project will be another step in the key Town Centre developments that are planned through the Future High Street Fund and Town Deal grant monies.

1. Background

- 1.1 In December 2020 MHCLG (now DLUHC) confirmed to the Council that its Future High Street Fund business case submission had been successful and that £11,048,260.00 was approved for

Newcastle town centre. York Place was included in the Future High Street Fund Programme as a key project as it occupies a strategically important location between the Ryecroft site and the wider town centre and presents challenges in terms of its overall appearance, low level of occupancy giving a partially abandoned look and feel and overall state of repair. In January 2021 the Council submitted confirmation of its acceptance of the grant and detailed that the funding would be used to secure the demolition of the former Civic Offices, design and build a new multi storey car park, purchase and demolish York Place and undertake public realm works.

- 1.2 In April 2021 the Council agreed to accept the grant offer and subsequently funding agreements have been signed and the first tranche of the grants have been released in accordance with the submitted cash flow for the programme of works.
- 1.3 The York Place complex was acquired in March 2022 and shortly after Willmott Dixon were appointed as design and build contractor for the York Place scheme following a procurement exercise using the Pagabo framework. Since then Willmott Dixon have worked with the Council to work up a mixed use scheme for the site and it was submitted for planning in December 2022.

2. **Update**

- 2.1 Since the last Cabinet update in January 2023 the responses have been made to consultations as part of the planning application process and the application will be considered at Planning Committee on 20th June 2023.
- 2.2 The Property Team have continued to work with the existing tenants to ensure that where possible suitable alternative locations are found. It was originally envisaged that the complex would be completely vacated by June 2023 however it is now estimated that the final tenant will not relocate until December 2023/January 2024 therefore the commencement of demolition works are likely to commence in October with the demolition of the final unit to be vacated being towards the end of the contract. The demolition contract will phase the demolition to take into account tenant requirements. This is to ensure that all Future High Street Funding associated with this project is spent before the programme ends in March 2024.
- 2.3 As part of the regeneration plans the Council has supported existing businesses where they have wished to retain a physical trading location to relocate within the town centre. Out of 10 tenants of York Place 6 have either relocated or are in the process of relocating to alternative premises in the town centre.
- 2.4 It has been estimated that the contract sum for the demolition contract will be in the order of £1.2m although exact figure will be determined following confirmation of the relocation date of the final tenant and the resulting programme and phasing of the demolition works. This will be covered by the FHSF and adjustments within budgets. It is anticipated that demolition works will commence in October 2023 and be completed by March 2024.
- 2.5 As previously reported delivery options for the subsequent construction of the new buildings are being reviewed, the Council is currently exploring delivery options including a Joint Venture Company and a further report to Cabinet will be presented recommending the preferred option.
- 2.6 Once the demolition is complete it is planned to create a new commercial and social space, with new restaurant facilities, a leisure / music venue, the new Astley Centre and offices. There will be two buildings on the old footprint of the shopping centre with a large public realm square serving all of the commercial activities and creating a visible link from the Ryecroft developments to the Iron Market and the High Street.

3. **Proposal**

- 3.1 That Cabinet

Notes the progress made on the York Place project, made through the Future High Street Fund grant funding.

Subject to planning permission to authorise the Deputy Chief Executive, in consultation with the Portfolio Holder, Finance, Town Centres and growth, to enter into a contract to Willmott Dixon for the demolition of the existing York Place shopping complex

4. **Reasons for Proposed Solution**

- 4.1 The decision will enable the project to progress as per the programme agreed with Government and the Future High Street Fund awards and commitments.
- 4.2 To use this Government funding opportunity to support delivery of Council Plan objectives.
- 4.3 To uplift the status of Newcastle town centre as the heart of economic, social and community life in the Borough.

5. **Options Considered**

- 5.1 Delivery options for the construction of the new scheme at York Place are continuing to be explored.
- 5.2 York Place was chosen for inclusion in the Future High Street Fund programme as it occupies a strategically important location between the Ryecroft site and the wider town centre and it presented challenges in terms of its overall appearance, level of occupancy and state of repair.

6. **Legal and Statutory Implications**

- 6.1 Section 2(1) of the Local Government Act 2000 permits local authorities to do anything they consider likely to promote or improve the economic, social and environmental well-being of their area. That would include actions to deliver the Future High Street Fund programme for Newcastle town centre.

7. **Equality Impact Assessment**

- 7.1 The nature of the project is intended to seek benefits for all people who use the town centre and to support the economic and social health of Newcastle town centre as a destination.

8. **Financial and Resource Implications**

- 8.1 The demolition of the existing York Place complex is funded through the Future High Street Fund which has been confirmed and allocated.

- 8.2 Summary table showing Future High Street Funded projects, including the York Place;

FHSF Project	Funding Allocation (£)	Actual/Committed Spend to date (£)	Balance Remaining (£)
Ryecroft / Site Preparation	3,556,191	2,688,466	867,725
Modern MSCP Development	3,500,000	585,062	2,914,938
York Place	3,215,218	1,921,301	1,293,917
Stones Public Realm	321,251	-	321,251
Market Stalls	75,600	-	75,600
Project Management	380,000	197,548	182,452
Total Funding	11,048,260	5,392,377	5,655,883

9. **Major Risks**

- 9.1 The main risk to the project is achieving vacant possession of the site by ensuring that the last remaining tenant is relocated in time for the demolition works to be completed by the end of the Future High Street Programme in March 2024.
- 9.2 The proposed demolition is in a densely occupied town centre location and therefore will require careful management throughout the contract.

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

10.1 Newcastle town centre is a highly accessible location, encouraging greater use of its land and assets enhances its role as a centre for services, leisure, retail and living and its connection to local residents. Further this project is intended to enable the redevelopment of a underused retail complex that is in a poor state of repair and currently blocks good connectivity between the Ryecroft site and Ironmarket / High Street, bringing with it sustainability improvements, regeneration and economic benefits as well as In that respect, the project supports the realisation of the following UNSDG objectives:-



11. **Key Decision Information**

11.1 This is a Key Decision

12. **Earlier Cabinet/Committee Resolutions**

- 12.1 October 2019, Cabinet concerning development of the second stage FHSF bid and procurement of consultancy support.
- 12.2 December 2019, Economy Environment & Place Overview and Scrutiny Committee Town Centre Funding Update (information item).
- 12.3 July 2020, Cabinet concerning approval for submission of bid into MHCLG (now DLUHC).
- 12.4 April 2021 Cabinet accepting FHSF Grant monies and grant conditions.
- 12.5 December 2021 Cabinet purchase of York place Newcastle under Lyme.
- 12.6 March 2022 Cabinet award of contract for design and build contractor
- 12.7 January 2023 Cabinet progress report on the York Place project

13. **List of Appendices**

13.1 None.

14. **Background Papers**

14.1 Planning Application reference 22/01079/DEEM3.

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S
REPORT TO**

**Cabinet
06 June 2023**

Report Title: Ryecroft Hotel – Design and Build Contract and Brand Procurement

Submitted by: Deputy Chief Executive

Portfolios: Finance, Town Centres and Growth

Ward(s) affected: Town

Purpose of the Report

To commence the procurement of initial design and costing works through a design and build contractor for the development of a new hotel on the Ryecroft site and commence the selection of a hotel brand to be associated with the development.

Recommendation

That Cabinet

1. **Notes the progress with the site and feasibility work undertaken for a hotel on the Ryecroft site, which has confirmed that there is demand for a mid-range hotel in Newcastle Town Centre.**
2. **Authorises the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, to procure a brand for the hotel.**
3. **Authorises the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to commence procurement of initial design costing works through a design and build approach to the selected hotel's brand specification for a new hotel on the Ryecroft site using a compliant procurement route.**
4. **To receive further cabinet reports on each of these issues to enable final decisions on the hotel development.**

Reasons

The redevelopment of the Ryecroft site is a key Council priority and a new hotel on the site has been identified as a suitable and viable use. The procurement of a brand and feasibility work will enable the Council to work up designs for a new hotel. The selection of a brand will identify the most appropriate and viable brand to operate on the site.

1. **Background**

- 1.1 In December 2020 MHCLG (now DLUHC) confirmed to the Council that its Future High Street Fund business case submission had been successful and that £11,048,260.00 was approved for Newcastle town centre. The Ryecroft site formed a key element of the bid submitted with a the development of a new multi-storey car park at the western side of the site, demolition of the

former Civic Offices and subsequent redevelopment for housing and offices at the eastern side of the site.

- 1.2 The original Future High Street Fund bid envisaged the site being developed as a residential-led mixed use scheme. However following approaches from interested hotel groups and an early understanding of the potential revenue returns to the Council from a hotel development, a new hotel for the site was considered as the preferred use and one that fits in with the aspiration to diversify the visitor demographic to the town.
- 1.3 At its meeting of March 2022 Cabinet endorsed the blueprint for the Ryecroft site which included hotel use for the site.

2. Update

- 2.1 In order to further understand the likely demand for a hotel on the site development, consultants were appointed to carry out a feasibility study and was completed in March 2023.
- 2.2 The feasibility study (appended to this report) contained the following key findings:
 - Using existing market information, location studies and their experience with various brands, Avison Young conclude that the market investors and demand drivers are positive and would support the development of a new hotel in this location.
 - It is recommended that an internationally recognised upper tier limited service brand hotel be most suitable. These hotels properties typically offer select or focused facilities and amenities without a full-service restaurant.
 - Although a hotel of 120-135 beds was initially recommended this was subsequently revised to 110 beds with an Average Daily rate of between £70-80
 - It was recommended that third party management of the hotel (alongside the brand franchise) be the most appropriate operational structure.

Next Steps in Hotel Development

- 2.3 The attached feasibility study indicates that there will be demand for a hotel in Newcastle under Lyme, on the Ryecroft site. In developing a hotel it is usual practice for one organisation to build and own the hotel, having agreed a size and specification with a particular brand under which the hotel will operated by a management company, via a contract with the hotel owner.
- 2.4 In this instance, the model that is being investigated for the hotel development is that the Council would fund and build out, therefore owning the development. A management company and brand would both be secured through a competitive process, who would operate and quality assure the hotel in its operations, each charging a fee. This would leave the commercial benefits / dividends in Council revenue streams. This is in line with the aspirations of the Council's Commercial Strategy – to develop investments that secure future revenue streams.
- 2.5 The feasibility study clearly demonstrates that the market is ready for a mid-range recognisable hotel brand for around 110 beds, with no conference facilities, which would secure an 80% average occupancy rate, generating sufficient income / revenue to support the investment.
- 2.6 In order to progress the development to the next stage, the Council needs to have certainty regarding the hotel brand under which the hotel will operate, and the build cost associated with delivering a building to this brand's specification. It is therefore now necessary for the Council to undertake two separate, but related procurements:

- Procurement of a Hotel Brand – this is the process through which the Council can determine which hotel brand the hotel will operate under, and what financial arrangement with the Council would govern this operation;
- Procurement of a Design and Build supplier who would prepare the design of the hotel in line with the brand, and provide cost targets and planning strategy around the build.

2.7 These two procurements will then feed into a further Cabinet report to enable the Council to make its final decisions based on a detailed/full business case.

3. **Proposal**

3.1 It is proposed that Cabinet authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to commence procurement of initial design and costing works through a design and build approach for the new hotel on the Ryecroft site using a compliant procurement route and to commence the selection of a suitable hotel brand.

4. **Reasons for Proposed Solution**

- 4.1 The decision will enable the hotel project to move to the next stage following positive feedback and intelligence from the hotel feasibility study and discussions with hotel brand operators.
- 4.2 The development of the middle site at Ryecroft forms a key component of the regeneration of the wider Ryecroft site and the town centre.
- 4.3 To uplift the status of Newcastle town centre as the heart of economic, social and community life in the Borough.

5. **Options Considered**

5.1 The original development proposal for this site envisaged a largely residential development which would only provide the Council with a one-off receipt for the sale for the development land. Investing in and managing a hotel via a third party will provide long term income for the Council. Initial financial forecasts appear to be positive however more a more fully worked up financial appraisal will be presented at a future cabinet meeting.

6. **Legal and Statutory Implications**

6.1 Section 2(1) of the Local Government Act 2000 permits local authorities to do anything they consider likely to promote or improve the economic, social and environmental well-being of their area. That would include actions to deliver the regeneration of the Ryecroft site.

7. **Equality Impact Assessment**

7.1 The nature of the project is intended to seek benefits for all people who use the town centre and to support the economic and social health of Newcastle town centre as a destination.

8. **Financial and Resource Implications**

8.1 The procurement of the feasibility work will be funded through the Project Feasibility Budget within the Council's Capital Programme.

8.2 Should the hotel be a feasible project; future development of the hotel would require the Council to borrow funds. A fully costed development appraisal including cashflow forecast will be presented to a future Cabinet meeting.

9. **Major Risks**

9.1 By not pursuing the option of developing a new hotel on the site the risk would be that the site either remains vacant or is developed for an alternative use that does not provide the potential for a longer-term income stream for the Council.

9.2 The risk assessment for the Future High Street Fund is on GRACE, this identifies risks of project costs, potential failure to deliver against forecast programme, insufficient officer resources to deliver the project, delays to project start and potential failure to secure planning permission. A range of control measures include close working relationship with lead project officers, contractors and Senior Management. Options to reprofile projects to ensure annual allocation of the programme is fully defrayed. Compliance with planning policies where possible and liaison with Development Control and County Highways prior to submission of planning application. Maintain a detailed and up to date programme. Procurement of design contractors to expedite delivery. Regular cost reviews with Design and Build Contractors throughout the design and procurement of the main contract stages. Close working relationship with contractors to understand supply chain shortages as necessary.

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

10.1 Newcastle town centre is a highly accessible location, encouraging greater use of its land and assets enhances its role as a centre for services, leisure, retail and living and its connection to local residents. Further this project is intended to enable the redevelopment of a key strategic site that is currently partially derelict and partially used for surface level car parking bringing with it sustainability improvements, regeneration and economic benefits. In that respect, the project supports the realisation of the following UNSDG objectives:-



11. **Key Decision Information**

11.1 This is not a Key Decision

12. **Earlier Cabinet/Committee Resolutions**

12.1 October 2019, Cabinet concerning development of the second stage FHSF bid and procurement of consultancy support.

12.2 December 2019, Economy Environment & Place Overview and Scrutiny Committee Town Centre Funding Update (information item).

12.3 July 2020, Cabinet concerning approval for submission of bid into MHCLG (now DLUHC).

12.4 April 2021 Cabinet accepting FHSF Grant monies and grant conditions.

12.5 March 2022 Cabinet Rycroft update

13. **List of Appendices**

13.1 Avison Young Feasibility Study

14. **Background Papers**

14.1 Ryecroft Masterplan Sketchbook

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Newcastle-under-Lyme Feasibility Study

Genr8 Kajima Regeneration Limited, 5th Floor, Parsonage Chambers, 3 The Parsonage, Manchester M3 2HW

Instruction No.: 02C2205332

1st December 2022



Executive Summary

Positive opportunity

Avison Young are positive towards the development of a new hotel as part of the Ryecroft master-plan in Newcastle-under-Lyme. Although the town has a limited commercial and leisure tourism profile, it is well located and positioned to access many of the major local and regional demand drivers.

However, careful consideration must be given to the optimal product for the proposed hotel given the existing market profile and recent brand entrants. A full description of our recommendations of scale and positioning can be found overleaf.

Key market observations include:

- The proposed hotel will form part of the Ryecroft mixed-use development in central Newcastle-under-Lyme, creating a new destination within the town which will be highly visible and identifiable. The site will be easily accessible by road, with quick connections to the M6 and motorway network. This will lend itself well to the local market, where demand is largely transient;
- Newcastle-under-Lyme has a limited commercial and leisure tourism profile, however it benefits from excellent accessibility to Stoke-on-Trent and North Staffordshire which have a good mix of corporate activity and leisure attractions, and has seen strong economic growth over ten years to 2019;
- There are a number of proposals to support the development of the town further with projects such as York Place. Not only will these support additional 'placemaking' of the town which would benefit the new hotel (new food and beverage offerings and car parking), they will offer new demand drivers, raising the town's profile;
- There is a declining trend in tourism to Newcastle-under-Lyme compared with Staffordshire, which has remained relatively stable over the five years to 2019. This may be linked to the lack of quality hotel offering in the area prior to the openings of the Courtyard by Marriott and Hilton Garden Inn;
- Until recently, supply was dominated by limited-service and three-star hotels, although there has been an uplift in quality with the new openings and repositioning of the four-star DoubleTree by Hilton. It is important to offer something different at Ryecroft so as not to go head to head against these strong multinational brands;
- There are only two new hotel proposals in the market area, with neither of the projects under construction and no brands confirmed for the schemes;
- Prior to the Covid-19 pandemic, Newcastle-under-Lyme hotels showed positive levels of performance with occupancy at 79.7% in 2019, above the Regional UK average. Average daily rate (ADR) also experienced strong growth of 11.1% over the period 2015-19, higher growth than the Regional UK average, albeit from a lower base;
- Market recovery in 2022 has been strong with October year to date (YTD) revenue per available room (RevPAR) slightly above the same period of 2019. This is primarily due to average daily rate (ADR) being 20.7% higher than in 2019, aided by the increase in quality hotels in the market area;
- Whilst there is evidence of price-sensitivity and a rate ceiling in the market (ADR 25.6% below the Regional UK average in 2019), the new hotels have demonstrated that higher rates can be achieved to an extent, albeit the uplift in 2022 ADR over 2019 is only marginally higher than the Regional UK average. A domestic leisure boom in 2021 and 2022 has resulted in higher rates achieved by hotels across the country.

Strengths

- The hotel site is well located with good access and visibility from the A52 and quick connections to the M6 and motorway network
- Performance of the hotel market pre-Covid was strong, with good recovery in 2022 given two new hotels opened in 2021
- There is a lack of good quality hotel stock in Newcastle-under-Lyme which may be limiting demand
- The hotel site will form part of the Ryecroft development, transforming the northern area of the town; this will be supported by additional investment in York Place
- North Staffordshire has a good corporate and tourism profile with strong economic growth seen over the last ten years
- There are a number of additional demand drivers in the local area including Keele University, University of Stoke Hospital and Bet365 Stadium
- There is a limited pipeline of new hotel projects in the market area which are not likely to come through in the short to medium term

Weaknesses

- There is a lack of public transport directly into Newcastle-under-Lyme - *onsite car parking is essential*
- Newcastle-under-Lyme has a limited number of commercial and leisure demand drivers - *wider local and regional area has a strong mix*
- The existing brands present in the market limits the options available - *however brand gap analysis indicates options are still available*
- The STR set suggests a degree of price sensitivity in the market - *OTA Insights indicates this is driven by the high volume of Premier Inns and Travelodges*

Source: Avison Young

Executive Summary

Brand and Facility Mix

Avison Young have undertaken a review of the hotel brands present in the market area in order to identify any brand gaps for the Ryecroft site. A well selected and considered brand will be important to drive both corporate and transient leisure demand to the hotel.



Upper Tier Limited Service



120-135 Bedrooms



Streamlined F&B



Small number of meeting rooms

Brand and Positioning

Given the transient profile and price sensitivity of demand, along with the recent additions of the more upscale Courtyard by Marriott and Hilton Garden Inn, we recommend an internationally recognised upper tier limited service brand. This would offer a high quality of product which can compete with the newest hotels in the market but due to a streamlined staffing structure can also flex rates downwards during quieter periods without impacting profitability. Suitable brands within this space (whose parent brand is not already present in the market area) include:

- Ibis Styles
- Caption by Hyatt
- Prizeotel by Radisson

Other upper-tier limited service brands that would be appropriate for this location include Moxy or Fairfield by Marriott and Hampton by Hilton, however we do not recommend these brands due to the proximity and recent development of Marriott and Hilton branded hotels nearby.

Given the higher positioning of those new hotels, along with the DoubleTree by Hilton, an upper tier economy hotel will be very well-placed to drive additional demand to the area for a good value hotel product.

We believe Ibis Styles to be the optimal brand for this location. Caption is new to the UK market, as is Prizeotel which also has a younger demographic. Whilst they should not be completely ruled out at this stage, the Ibis Styles brand is well known in the UK market and the hotel would benefit from brand profile that does not currently exist with Caption or Prizeotel.

Scaling

The average size of hotels in the market area is 84 bedrooms with the key competitors averaging 135 bedrooms, ranging from 118 to 150. The largest hotels are the Courtyard (150 bedrooms), DoubleTree by Hilton (147) and Hilton Garden Inn (140) which are also some of the newest properties to have opened. Occupancy pre-pandemic was strong at just below 80%, and day of the week analysis indicates a good mix of midweek corporate and weekend leisure demand in the area.

We recommend a hotel of between 120 and 135 bedrooms.; any larger would likely result in the hotel having to reduce rates during quieter months (and shoulder nights) to compete for price sensitive business. Any smaller than 120 bedrooms would be less operationally efficient, as it would still carry a similar level of fixed costs (e.g. staffing), but with reduced rooms revenue. We have modelled 135 bedrooms.

Meeting and Conferencing Facilities

We do not believe there is sufficient demand for large scale conference and events facilities, particularly given the presence of the DoubleTree by Hilton which is established as a popular local venue. We recommend one small meeting room with a capacity for up to 20 delegates, which is standard for most upper tier limited service brands.

Food and Beverage

We do not recommend a full service bar and restaurant in this location given its proximity to Newcastle-under-Lyme's High Street and the proposed regeneration of York Place shopping centre into new food and beverage outlets. As such, the food and beverage offering should be in line with brand standards, which would comprise a café/bar space offering cooked breakfast, as well as light pre-prepared meals and drinks throughout the day for residents.

Car Parking

We expect that most visitors to the hotel will arrive by car, therefore parking is an important consideration. The majority of competitor hotels including the Travelodge Newcastle-under-Lyme offer free parking and the Ryecroft hotel will need to be aligned in order to compete. With the proposed development of a new multi-storey car park adjacent to the hotel, provision could be made within this to offer access to guests using the hotel.

Executive Summary

Performance and Pricing

Operation

We recommend that third party management of the hotel (alongside brand franchise) would be the most appropriate operational structure for the hotel.

The “viability gap” means the project will likely have to be funded by the local authority (rather than a commercial developer or owner operator) who will then retain ownership of the hotel at least until stable trading (year three). It is highly unlikely that an operating lease could be secured for the optimum product, and therefore management agreement is the optimum operating platform available.

We recommend management by a third party rather than the brand franchisor. A third party management company will act as asset manager on behalf of the owner and hold the brand to account for delivery of business. Additionally, third party management offers a greater degree of flexibility with a shorter term and the opportunity to switch management if the hotel is under performing, or upon disposal.

An overview of the main hotel operational structures can be found in Appendix D of this report.

Financial Projections:

Based on our market research and product recommendations, we have projected the performance of the 135 bedrooms upper tier limited-service hotel, with facilities as described on the previous page at the Ryecroft development for the first five years of operation:

- Our projections assume that the hotel will be in operation from 1st January 2025;
- Revenues and expenditures have been developed based upon the assumptions prepared in Section 7 and Appendix C, inflated at 2.0% from 2022;
- Terms used are as defined in the Uniform System of Accounts for the Lodging Industry, 11th Edition;
- Demand growth will slow in 2023 with the economy in recession and the cost-of-living crisis impacting domestic leisure demand, but with overall demand returning to 2019 levels in 2024;
- We have modelled limited food and beverage in line with our recommendation and consideration of the options available locally including at the redeveloped York Place;
- We have assumed the hotel will be branded (we have modelled indicative franchise fees) and operated by a third-party management company under management agreement (we have modelled indicative management fees);
- The projections are presented excluding VAT.

Projected Financial Estimates – 135 Bedrooms Upper Tier Limited Service Hotel, Newcastle-under-Lyme

	2025	2026	2027	2028	2029
Occupancy	68.0%	73.7%	79.4%	78.8%	80.7%
Average Daily Rate	£70.34	£74.01	£77.03	£78.57	£80.14
Yield	£47.82	£54.51	£61.17	£61.88	£64.65
Total revenues	£2,968,081	£3,360,104	£3,753,853	£3,797,141	£3,966,658
Total costs	£2,109,194	£2,369,385	£2,597,351	£2,633,361	£2,732,939
EBITDA	£858,888	£990,718	£1,156,503	£1,163,780	£1,233,719
F.F.E Reserve	£29,681	£67,202	£112,616	£151,886	£158,666
EBITDA less Replacement Reserves	£829,207	£923,516	£1,043,887	£1,011,894	£1,075,052

Source: Avison Young

Pricing Opinion

Newcastle-under-Lyme is something of an emerging hotel market and the lack of historic core brand hotel stock has meant that there is no transactional evidence to benchmark demand against. Likewise, the operational market is also somewhat nascent, having historically been dominated by three-star and unbranded limited-service hotels.

The proposed hotel is to be located in an untested albeit prominent location within the town centre. The site will be easily accessible by road, with quick connections to the M6 and motorway network.

Despite the prominent site, we believe some investors will be concerned over the local market’s future performance following the recent openings of the Courtyard by Marriott and Hilton Garden Inn hotels. The ability to absorb the new supply without further diluting market performance will be of paramount importance to any buyer of the subject site, who will clearly be very focussed on how the subject property is integrated into the market.

Whilst it appears the improvement in hotel product has allowed the market to develop further, this needs to be viewed against the price-sensitivity nature of the market means. As such, any purchaser will look very closely at the ultimate operator as this will clearly impact the future profitability and success of the proposed hotel and it is vital to offer a slightly different product in order to avoid a head to head fight against the existing brands. As such, we consider it vital the proposed hotel product is at both a different price point and offer to that currently available.

We would expect to realise a sale price of around £10.4 million at day one, although would recommend an asking price of £11.8m on the basis that the income could be made up to its stabilised level. There is no evidence to benchmark this asset against, however this level of pricing compares favourably with other hotels in the wider area.

Executive Summary

Positive Economic and Social Impact

Whilst there is likely to be a significant viability gap for the development as outlined on the previous page, it is important to also consider the economic and social impact the new hotel can create for Newcastle-under-Lyme, both through job creation and increased footfall / visitors to the town centre.

A good quality hotel will add considerable value to the overall place-making of the town centre, making it a more rounded destination and attractive place to visit, stay and do business; we believe that an upper tier limited service hotel offers an appropriate product to meet the market opportunity and achieve the place-making objectives.

Outline Economic Impact Estimates:

	135 Bedrooms Upper Tier Limited Service Hotel
Direct full time equivalent (FTE) jobs created at the hotel	33.0
Total FTE jobs created in Staffordshire (including supply chain) once operational	41.1
Total FTE jobs created in Newcastle-under-Lyme (included in the Staffordshire total)	22.3
Gross Value Added (GVA) impact to Newcastle-under-Lyme	£1.066m
Estimated additional tourism spend per annum in 2019 values	£5.5m

Source: Avison Young

- We have projected 33.0 FTE jobs created directly by the hotel, including outsourced housekeeping;
- We estimate that the development would have a positive impact on the local economy both in terms of jobs created and additional GVA;
- The estimates include supply chain jobs during the operational phase;
- Total direct payroll per employee in year three is projected at £27,332;
- We have projected minimal displacement of demand from other hotels in Newcastle-under-Lyme and the immediate area, with market occupancy maintained in the mid to high 70% range. The projected additional overnight visitors to the hotel is 57,474 in year three;
- These visitors will provide significant additional spend in the shops, bars and restaurants in Newcastle-under-Lyme town centre, and at the visitor attractions in the wider region; based on Staffordshire tourism data provided by Newcastle-under-Lyme Borough Council we estimate that these additional visitors could provide about £5.5m additional tourism spend per annum in 2019 values;
- Additional business rates income is projected as £129,734 in year three for the hotel.

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We are pleased to present our report assessing the hotel market and the potential for developing a hotel at the Rycroft mixed-use development in Newcastle-under-Lyme.

The scope of our work is detailed in our proposal 4537 001 dated 21st October 2022 and accepted by you via email on 27th October 2022. Our report does not examine the impact of energy shortages and the legal and regulatory requirements applicable to this project. We do not determine the effect of any future legislation of any environmental or ecological matters that may affect your project.

We do not guarantee the fulfilment of any estimates contained within this report, although they have been conscientiously prepared based on our research and information made available to us at the time of our study. As is customary with market studies, our findings should be regarded as valid for a limited period of time and subject to re-examination at regular intervals. We have no responsibility to update our report for events or circumstances which change after the date of this report.

We are uncertain about the impact on the hotel sector following the Covid-19 pandemic and the UK's departure from the EU. The mid-term impact is extremely difficult to gauge dividing economic forecasters. As a prudent response we have adopted a cautious approach to economic growth in this report.

This report has been prepared for the information of Genr8 Kajima Regeneration Limited (the Client). It may not be published, reproduced or quoted in part or in whole, nor may it be used as the basis for any contract, prospectus, agreement or other document without our prior consent, which will not be unreasonably withheld. Any responsibility of Avison Young is limited to the Client and any use by third parties shall be solely at the risk of the Client and / or third parties.

Our conclusions, recommendations and project performance are based upon the supply of competitor hotels (defined in Section 4), our knowledge of their performance and an overview of the local economy in terms of economic indicators, tourism and regeneration. We have not undertaken any market, technical, planning or other research except as noted in the scope of work.

Thank you for your instruction. We would be pleased to discuss this report with you once you have reviewed it.

Yours sincerely,



Richard Gaunt
Principal
Hospitality | Tourism | Leisure
For and on behalf of Avison Young (UK) Limited/ TA Avison Young

1. Introduction

In this section

- Background
- Scope of Work

Introduction

Project Background and Purpose

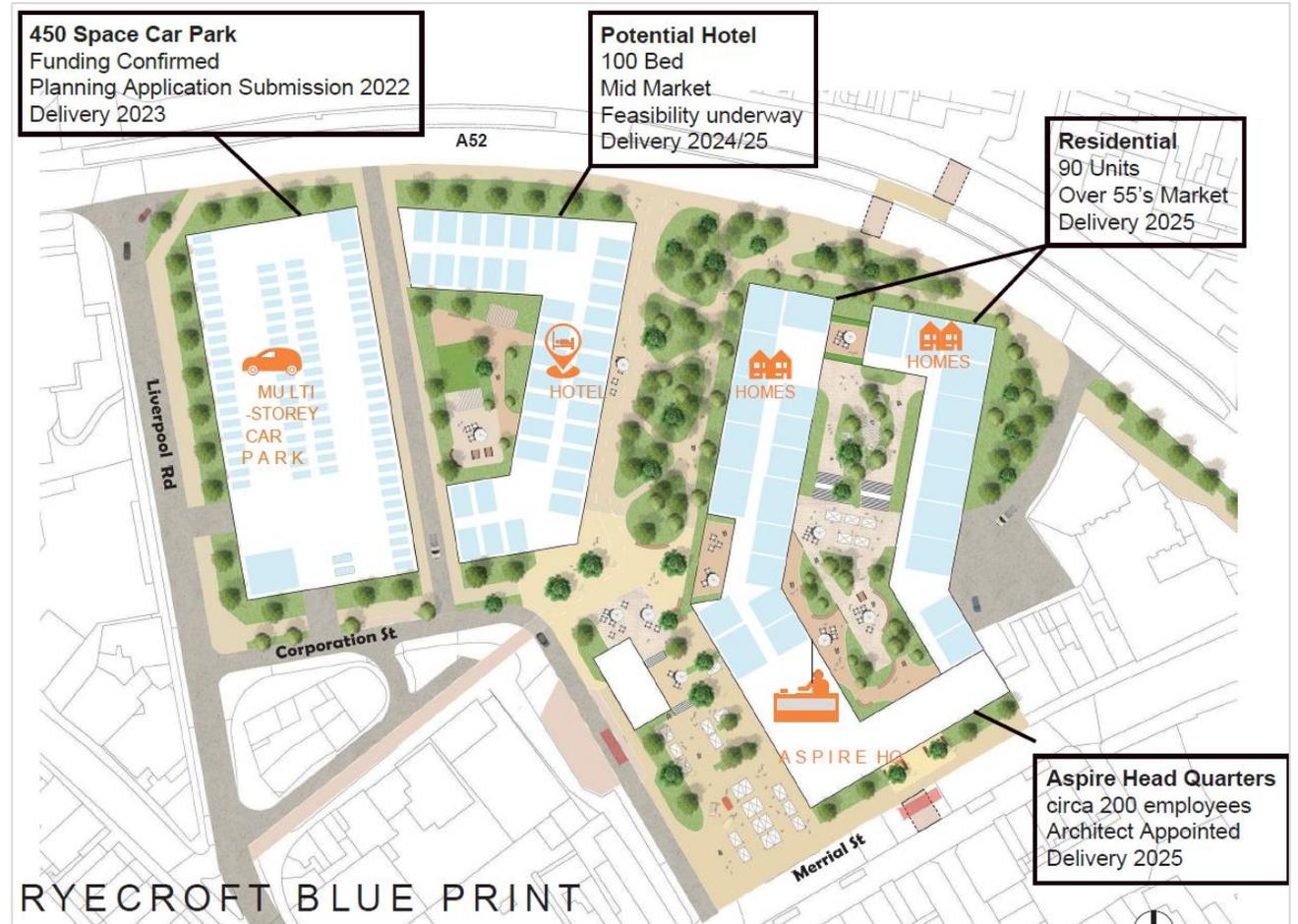
Newcastle-under-Lyme Borough Council is exploring the viability of developing a hotel as part of a mixed-use development site at Ryecroft in Newcastle-under-Lyme. Genr8 Kajima Regeneration Limited (GKRL, a joint venture between Genr8 Developments and Kajima Partnerships Ltd) has been selected by Newcastle-under-Lyme Borough Council to assist them in the delivery of the proposed hotel.

The Ryecroft mixed-use masterplan will see the redevelopment of a strategic brownfield site in the centre of Newcastle-under-Lyme. In addition to the hotel, Ryecroft is proposed include a new multi-storey car park (450 spaces) on the west of the site, 90 over 55's residential units to be developed by Aspire Housing to the east, alongside a new office for the group for c.200 employees. The development is planned to be delivered in phases between 2023 and 2025.

Initial considerations for the hotel element of the scheme indicate that there may be an opportunity for the development of a branded focused service hotel offering such as an Ibis Styles or similar product. The Ryecroft Blueprint refers to a '100 bed hotel' as part of the development, however this is indicative only and needs to be fully assessed.

GKRL requires a Feasibility Study to inform a business case for the hotel development, examining the optimum product to meet the market opportunity, achieving the right balance between viability, place-making, wider social and economic impact. Our study will determine if there is demand for a new hotel in Newcastle-under-Lyme and the viability of the proposed development. We will also recommend the appropriate scale and facility mix for the hotel based on the market opportunity.

Ryecroft Mixed-use Development Proposals



Source: Genr8 Kajima Regeneration Ltd

Introduction

Scope of Work

In undertaking this assignment, Avison Young has:

- Assessed Newcastle-under-Lyme in terms of key demographic and economic trends, tourism and regeneration initiatives; in order to place the proposed development within a context and to help identify the core demand drivers;
- Examined the supply of hotels in Newcastle-under-Lyme, and viewed the relevant market supply within the local market area, i.e., within eight miles of Newcastle-under-Lyme;
- Analysed future hotel developments and identified any material increases in supply that are likely to affect the performance of the project hotel;
- Commissioned an STR data report for the key competitors in order to analyse trends in room occupancy, average daily rate (ADR) and revenue per available room (RevPAR). We have considered this against the performance of the wider Regional UK hotel market;
- Visited and audited the site in terms of its location, accessibility, visibility and proximity to key demand generators in order to assess its overall suitability for hotel development;
- Provided our recommendations on the optimum product positioning, facility mix, scale and suitable brands for the proposed hotel to meet the future market opportunity;
- Prepared a project performance model for the recommended hotel to calculate the occupancy, ADR and RevPAR for the first five years of operation;
- Produced full financial projections for the first five years of operation to EBITDA with detailed assumptions. We have also completed sensitivity scenario analysis (upside and downside) on agreed assumptions with GKRL;
- Completed an illustrative desktop development appraisal, based on our performance projections and broadly assumed development costs (agreed with GKRL). This includes a broker's opinion on pricing but does not constitute a formal "Red Book" valuation;
- Provided commentary on the hotel operational platforms available, outlining the advantages and disadvantages of each model;
- Produced statements of economic and social impact for the proposed hotel option.

Produced by:

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1st December 2022



2. Site Overview

In this section

- Access and Visibility
- Conclusion

Site Overview

Access and Visibility

Looking west across Ryecroft Site



Looking north across Ryecroft Car Park



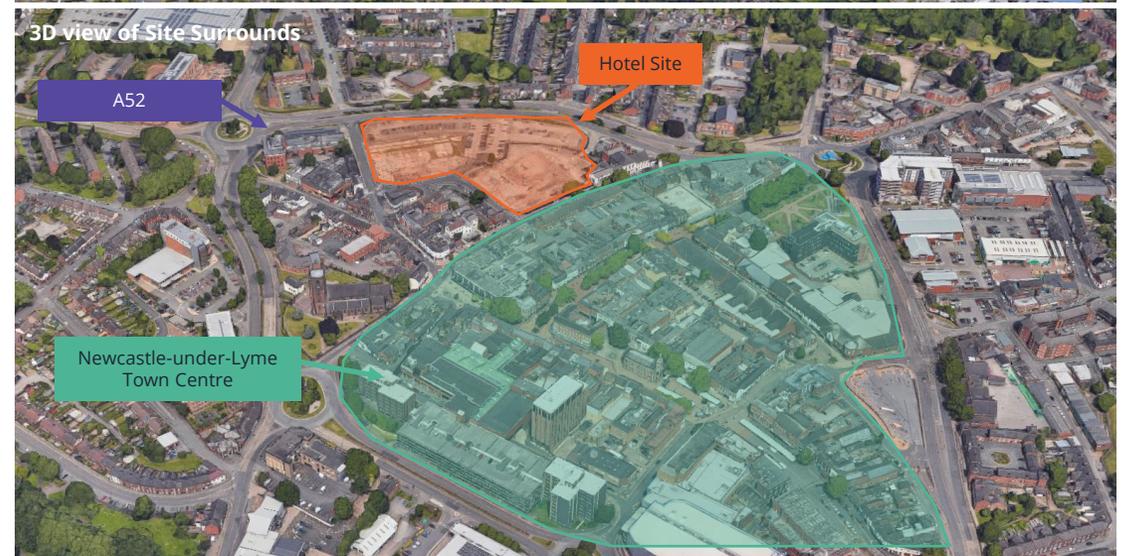
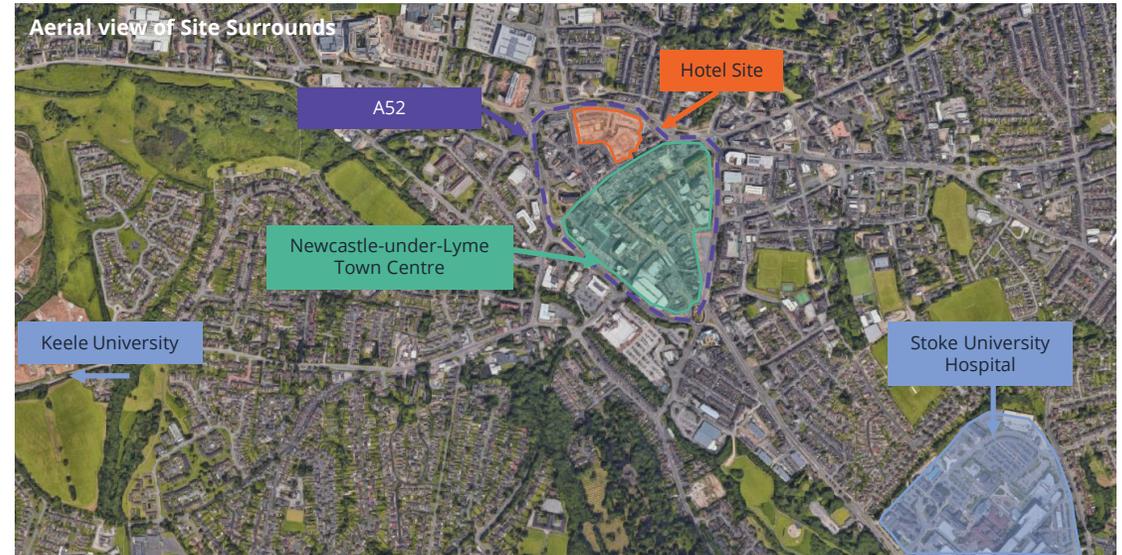
Looking west across Ryecroft Site from A52



Looking west across Ryecroft Site from Liverpool Rd



Demand Generator	Distance	Type
Newcastle-under-Lyme Town Centre	100 yards	Retail
New Vic Theatre	0.7 miles	Entertainment
Stoke University Hospital	1.2 miles	Education
Keele University	1.9 miles	Education
Stoke-on-Trent Railway Station	2.5 miles	Transportation
M6	3.1 miles	Transportation
Bet365 Stadium	4.7 miles	Events



Source: Google Maps/ Avison Young

Site Overview

Well located and easily accessible

Criteria	Comments	Rating (5.0 weighting)
Location Overview	<ul style="list-style-type: none"> – Newcastle-under-Lyme is centrally located in the UK and benefits from its proximity to major cities including Birmingham and Manchester; – The proposed hotel will form part of the Ryecroft mixed-use development in central Newcastle-under-Lyme, creating a new hub within the town. 	4.0
Accessibility	<ul style="list-style-type: none"> – The hotel site is easily accessible from the A52 which connects to the M6 and the UK motorway network in nine minutes. The proposals for the mixed-use development include a new multistorey car park which will meet the parking needs of the hotel; – Stoke-on-Trent Station is ten minutes' drive from the site (2.5 miles) and is on the West Coast mainline with direct services to major cities including London, Birmingham and Manchester; – The hotel site is within a short walk of Newcastle-under-Lyme's town centre making it highly accessible to local amenities. 	4.0
Visibility	<ul style="list-style-type: none"> – The Ryecroft development will see the regeneration of the immediate area and include new public realm, creating a highly visible and prominent location within the town; – The hotel's location adjacent to the A52 will make it highly visible on approach from east and west. Appropriate signage will be important to further highlight the hotel within the wider development. 	4.5
Business Demand	<ul style="list-style-type: none"> – Newcastle-under-Lyme has a limited commercial profile which is centered around logistics and distribution based outside town centre; – Nearby Stoke-on-Trent is the main commercial centre and home to major employers including Bet365 and Vodaphone. North Staffordshire is a world centre for fine ceramics and has a strong manufacturing base in the local area. 	3.5
Leisure Demand	<ul style="list-style-type: none"> – Newcastle-under-Lyme is not a major tourist destination but does benefit from a number of local attractions including the New Vic Theatre, Stoke-on-Trent's leading pottery museums and Stoke City's match day demand; – North Staffordshire is home to a number of popular attractions including Alton Towers and Trentham Gardens. The Peak District National Park, one of the most visited in the UK, is highly accessible from the town. 	4.0
Regeneration	<ul style="list-style-type: none"> – The hotel site forms part of the new Ryecroft development, which will be a prominent new mixed-use development, transforming the north of Newcastle-under-Lyme's town centre. This will further benefit from the investment in the nearby York Place; – Within the wider region there is a good mix of investment across the other neighboring city and town centres with new mixed-use schemes proposed. Additionally, further investment in nearby Keele University continues to support its growth as a leading UK institution; – Proposals for HS2 to connect to nearby Stoke-on-Trent Station will offer increased connectivity to the region which will likely support future investment in the area. 	4.0
Total Score	We consider a score of 24.0 to represent a positive opportunity.	24.0/30.0

3. Newcastle-under-Lyme Market Background

In this section

- Economic Profile
- Tourism Profile
- New Developments and Regeneration Activities
- Transport Links

Newcastle-under-Lyme Market Background

Economy – strengths in manufacturing

Page 64

Location

Newcastle-under-Lyme is a market town and the administrative centre of the Borough of Newcastle-under-Lyme in Staffordshire. The town is less than four miles from Stoke-on-Trent city centre and about 17 miles north of Stafford. It is within easy reach of the M6 motorway, the major cities of Manchester and Birmingham and the Peak District National Park.

Demographics

- According to the Office for National Statistics (ONS), Newcastle-under-Lyme has a population of 129,600 (2020). The town has seen population growth of 4.6% since 2011, below the regional average of 6.3%;
- Newcastle-under-Lyme has a higher proportion of population at working age than both the regional and UK averages, with rates of economic activity also above these averages. Unemployment is 3.9%, below the West Midlands at 4.9% and marginally above the UK average of 3.8%;
- Newcastle-under-Lyme has a lower skilled workforce with the proportion of residents holding NVQ Level 4 or above qualifications below regional and UK averages. This has resulted in a significantly lower proportion of professional workers in the region (Soc 2010 Major Group1-3) and gross weekly pay below the UK (7.9%) and West Midlands averages (2.9%).

	Newcastle-under-Lyme	West Midlands	UK
Working Age	63.1%	61.7%	62.4%
Economically Active	81.1%	77.4%	78.6%
Unemployment Rate	3.9%	4.9%	3.8%
Soc 2010 Major Group 1-3	36.9%	47.8%	49.7%
NVQ4+	36.0%	38.9%	43.5%
Gross Weekly Pay	£564.90	£581.80	£613.10

Source: ONS 2022

Local Economy Overview

- In 2019, Gross Value Added (GVA) for Newcastle-under-Lyme was £2.2bn, up 28.5% over the last 10 years at a compound annual growth rate (CAGR) of 2.8%. This was below the West Midlands regional average which grew 41.1% at a CAGR of 3.9%. Neighboring Stoke-on-Trent's GVA was £6.1bn and saw growth of 43.5% at a CAGR of 4.1% which is positive for the surrounding economy;
- According to Irwin Mitchells latest economic overview, Stoke-on-Trent is projected to have the third highest jobs growth in the UK by the end of 2023, up 2.2% , with only Cambridge and Oxford surpassing it. Economic growth however will be more subdued with growth at 1.8%, with macroeconomic pressures in the national economy;
- The manufacturing of ceramics is a key sector, with North Staffordshire a world leading centre for its production and known as 'The Potteries'. The area is home to over 300 companies supporting over 7,000 jobs, including Wedgwood, Royal Doulton, Portmeirion and Royal Stafford;
- The area is also notably strong in manufacturing. With global companies based in Stoke-on-Trent and Staffordshire including Siemens, GE Power, Pirelli, Michelin and Sumitomo Electric Wiring Systems. They represent manufacturing activity ranging from R&D in power converter technologies to automotive components;
- The global headquarters for JCB is in Rochester, 22 miles from Newcastle-under-Lyme. JCB World Logistics centre which employs over 300 people is located 4.9 miles north of Newcastle-under-Lyme in Chatterley. The company employs over 12,000 worldwide;
- Other major employers in North Staffordshire include Bet365 (the largest private sector employer in Stoke-on-Trent with c.5,000 staff), Michelin (commercial head office, training centre and truck tyre facility), the Co-operative Pharmacy (warehousing) and Vodafone (call centre with 900 employees);
- Stoke-on-Trent is the main commercial centre in the region: however, Newcastle-under-Lyme is home to a number of logistics centres, including New Look, TK Maxx and FedEx. Most of these firms are just off the A34 to the north of the town;
- The main retail centre within the local area is in nearby Hanley. The Potteries is the largest shopping centre in Staffordshire and South Cheshire with 561,000sqft and over 90 units, including a range of high street chains. Retail options in Newcastle-under-Lyme are limited, but it is home to a number of popular market days throughout the week;
- Royal Stoke University Hospital, 1.3 miles south of Newcastle-under-Lyme, is a teaching and research hospital, and is a major local employer with over 6,000 staff. It is the main teaching hospital for Keele University School of Medicine;
- Keele University was ranked 32nd in the Guardian University Guide 2023, its highest ever ranking in the national league table. There are currently over 10,000 students of over 120 nationalities and more than 1,700 academic and administrative staff. The Keele University Science and Innovation Park is home to over 60 companies, employing more than 600 people. It has six innovation centres at present, with major international occupiers including Adecco, Cobra, Geminor and Siemens.

Newcastle-under-Lyme Market Background

Tourism – declining domestic tourism locally

We outline the volume and value of domestic and overseas tourism to Newcastle-under-Lyme and Staffordshire below (data from the onset of Covid-19 in early 2020 is not yet available from Visit England). Visit England provides domestic tourism data as three-year smoothed annual averages to minimise the variability caused by low sample sizes. Overseas tourism for Newcastle-under-Lyme is not shown as data is not available for international tourism at a local authority level.

Volume and Value of UK (Domestic) Tourism to Newcastle-under-Lyme

	2013/15	2014/16	2015/17	2016/18	2017/19	% Change 2013/15 - 2017/19
Total Visits (000s)	134	112	109	118	104	-22.1%
Total Nights (000s)	327	360	311	371	300	-8.3%
Total Spend (m)	£19.00	£20.33	£18.33	£19.00	£16.67	-12.3%

Volume and Value of Domestic and Overseas Tourism to Staffordshire

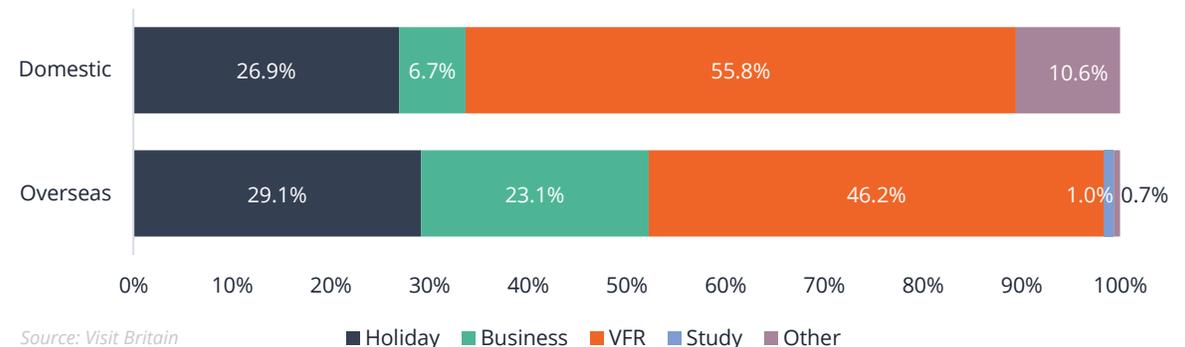
Domestic	2013/15	2014/16	2015/17	2016/18	2017/19	% Change 2013/15 - 2017/19
Total Visits (000s)	1,314	1,242	1,336	1,339	1,314	0.0%
Total Nights (000s)	2,780	2,866	3,265	3,492	3,361	20.9%
Total Spend (m)	£177.00	£175.67	£190.33	£185.00	£172.67	-2.4%

Overseas	2015	2016	2017	2018	2019	% Change 2015- 2019
Total Visits (000s)	155.4	182.6	189.6	148.2	164.3	5.7%
Total Nights (000s)	1,520	1,660	1,040	1,360	1,320	-13.2%
Total Spend (m)	£56.82	£77.99	£57.88	£75.55	£60.51	6.5%

Source: Visit England/GB Tourism Survey

- According to Visit Britain, approximately 11% of tourists to Staffordshire originate from overseas suggesting that the area is heavily reliant on domestic tourism;
- Domestic tourism to Newcastle-under-Lyme has decreased 22.1% over the period to 2017/19. This has resulted in both total nights and total spend also declining by 8.3% and 12.3% respectively. It should be noted that the total volume of domestic visits to Newcastle-under-Lyme is relatively low, at just over one hundred thousand in 2017/19;
- Conversely, domestic tourism to Staffordshire has remained relatively stable with flat overall total visits to the region. However, total nights has seen strong growth (20.9%), whilst there has been a marginal decline in total spend (2.4%);
- Overseas tourism to Staffordshire experienced strong growth to 2017 before declining to 2019, an increase of 5.7% over the review period. However, despite this growth, total nights in the region declined by 13.2%;
- The average length of stay for visitors to Newcastle-under-Lyme in 2017/19 was 2.88 nights, up 17.8% since 2013/15. Spend per night however fell over the same period to £55.56, a decline of 4.4%;
- The main purpose of travel for both sets of tourists is for visiting friends and relatives (VFR), with holiday the secondary reason. For overseas visitors there was a significant amount of business travel to Staffordshire, reflecting the strong mix of industries represented in the region.

Main Purpose of Trip to Newcastle-under-Lyme (Domestic) and Staffordshire (Overseas) (2019)



Newcastle-under-Lyme Market Background

Tourism – accessible to regional attractions

Although not a major tourism destination, Newcastle-under-Lyme sits within North Staffordshire which is home to a number of popular tourist attractions. The town is also well positioned to access the Peak District National Park, one of the most visited in the UK.



Potteries Museum & Art Gallery

One of the leading collections in the world of pottery and ceramics with over 650,000 objects in its collections.



World of Wedgwood - 100,000 visitors annually

Museum and visitor centre featuring over 80,000 works of ceramics and art from the historic manufacturer.



Trentham Estate – 3.2m visitors annually

A major regional attraction set in 725 acres featuring Italian Gardens, a shopping village and other visitor attractions.



Peak District National Park – 13m visitors annually

One of the UK's most visited national parks set in 555 square miles and offering a wide range of outdoor pursuits.

Key Attractions	Distance from Proposed hotel
New Vic Theatre	0.7 miles
Brampton Museum & Art Gallery	0.7 miles
The Potteries Museum & Art Gallery	2.5 miles
Regent Theatre	3.6 miles
Trentham Gardens	4.1 miles
Bet365 Stadium	4.7 miles
World of Wedgwood	6.0 miles
Alton Towers	18.5 miles
Peak District National Park	23.3 miles

Newcastle-under-Lyme Attractions

Newcastle-under-Lyme has a very limited tourism profile with a small number of visitor attractions. The New Vic Theatre is a 600-seat circular theatre that delivers a programme of theatre productions attracting around 150,000 visitors annually. The Brampton Museum and Art Gallery is a local history museum and event space which attracts 68,000 visitors annually.

Tourism in nearby Stoke is centred on the pottery industry, with several visitor centres, ceramic museums (including the £34 million World of Wedgwood visitor centre that opened in 2015), factory tours (including the Emma Bridgewater factory) and over 25 pottery shops.

The Cultural Quarter in the City Centre houses the Regent Theatre, a beautifully restored Art Deco theatre offering a high-quality programme of grand opera, national ballet, drama, and west end musicals. The Victoria Hall, an outstanding concert hall offering a wide-range of concerts, events, and stand-up comedians.

Other Attractions in wider area

Alton Towers is the most popular theme park in the UK (the eighth most visited in Europe), with 2.13m visitors in 2019. In addition to the theme park, the resort includes the Alton Towers Hotel, Splash Landings Hotel, Alton Towers Waterpark, Spa, Extraordinary Golf and Conference Centre.

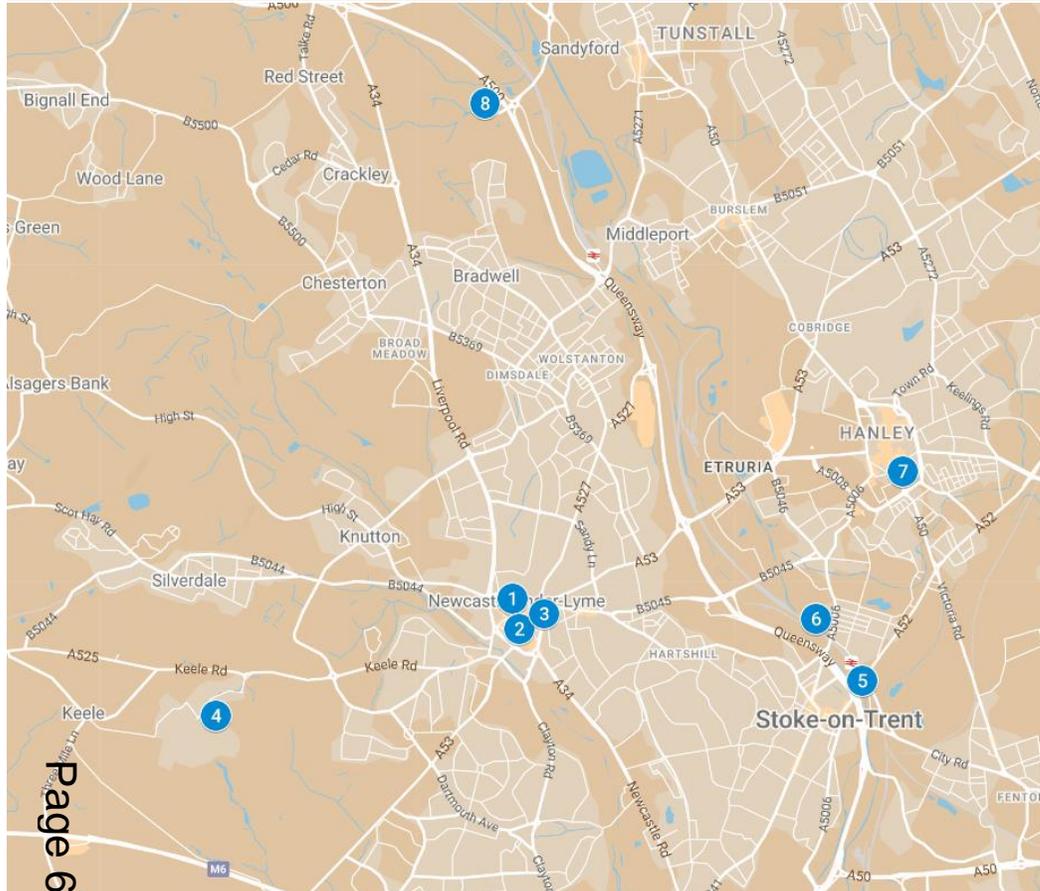
Sports

Stoke is home to two professional football clubs: Stoke City (EFL Championship) and Port Vale (EFL League One). The former plays at the Bet365 Stadium at Trentham Lakes (capacity 30,000) and the latter at Vale Park, Burslem (capacity 15,000).

Newcastle-under-Lyme Market Background

New Developments and Regeneration – good levels of regional investment

There are several large-scale development projects on-going and proposed in Newcastle-under-Lyme and surrounding areas. They comprise a variety of commercial, tourism and infrastructure projects. The development of HS2 in the region will help continue to improve connectivity and drive growth and enterprise in the region.



Source: Google Maps / Avison Young (Map Ref 1 represents project site)

Map Ref.	Development	Description	Status
1	Ryecroft	Mixed-use development new multi-storey car park, residential units (over 55's), office space and the proposed hotel site.	Masterplan development. Target delivery 2023 -2025
2	Newcastle-under-Lyme Town Centre	£35.5m funding from the Future High Streets Fund and Town Deal Fund to support development projects across the town centre. These include the redevelopment of York Place, which will see the redevelopment of the former shopping centre into new food & beverage outlets and offices.	Ongoing – Council purchased York Place in 2022
3	Philip Astley Circus School	Initial proposals for the development of a new circus training school in Newcastle-under-Lyme.	Initial Concept
4	Keele University	£70m investment masterplan to support ongoing growth of the university. Recently completed projects include a Smart Innovation Hub an Vet School, whilst the IC7 innovation centre is currently under construction.	Ongoing
5	Stoke Urban Quarter	£60m mixed-use regeneration project including new residential, workspace, leisure areas, food and beverage, and new 150 bedrooms hotel (part of phase 2).	Planning approved Mar 2022
6	Very Light Rail Network	Proposals for a new £415m very light railway (VLR) that will connect Stoke with the surrounding towns and major employment locations.	Outline Proposals announced Oct 2022
7	Etruscan Square (Unity Walk)	Longstanding proposals for the redevelopment of the East-West shopping precinct and bus station including 82,000 sqft of commercial space, multi-storey car park, 3,700 capacity indoor arena/conference venue, residential and new hotel.	Level Up Funding secured for Phase 1 (2021)
8	Chatterley Valley Enterprise Zone	Proposals for 1.2m sqft of logistics and industrial space to the north of Newcastle-under-Lyme, with the potential to create up to 1,700 new jobs.	Detailed planning consented 2022
	HS2	The development of HS2 will allow travel between Stoke and London Euston in 70 minutes through the development of a new junction at Handsacre offering connections on to the new main line.	Phase 1 under construction

Newcastle-under-Lyme Market Background

Transport links – strong motorway connections

The proposed hotel benefits from strong transport links, with excellent access to both the motorway network via the M6 and west coast mainline via Stoke-on-Trent Station. We highlight the drive times to key transport locations below.



Air

Manchester Airport (via M6) – 45 mins (36.4 miles)

Birmingham Airport (via M6) – 1hr 5 mins (54.8 miles)



Public Transport

Stoke-on-Trent Station – 10 mins (2.5 miles)

Stoke-on-Trent Bus Station – 12 mins (3.3 miles)

Crewe Station – 25 mins (13 miles)



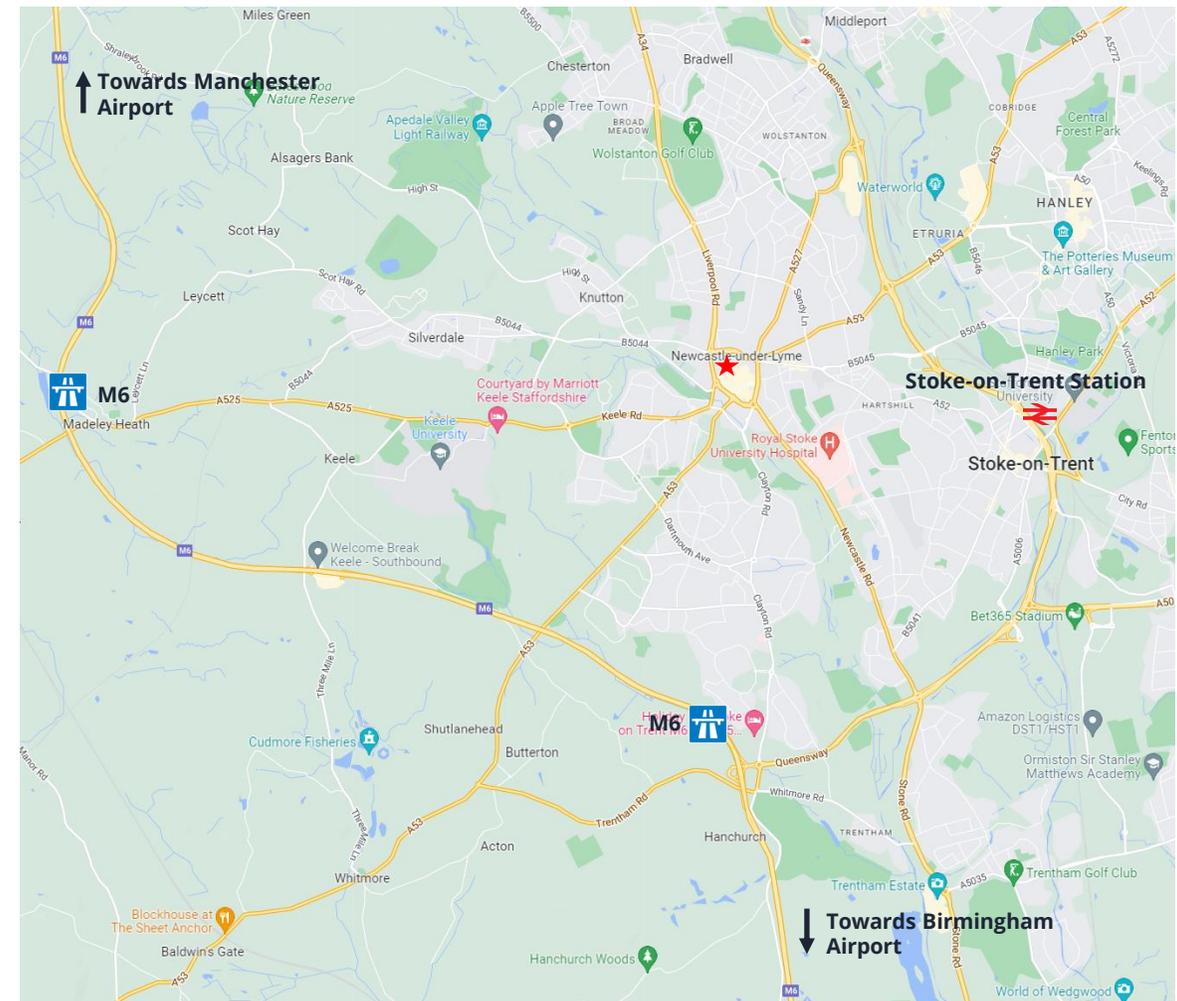
Road Network

A52 – Newcastle-under-Lyme ring road – 100 yards

M6 Motorway – Junction 15 of the M6 - 3.1 miles to the south (9 minutes' drive)

- Newcastle-under-Lyme has excellent motorway connections, with junction 15 of the M6 nine minutes' drive from the Rycroft site. The M6, the UK's longest motorway, running from the Midlands to Scotland, gives further connections to the M5 towards the south-west and the M40 towards London. The A50 (3.9 miles), offers routes to the east, connecting to the M1 which runs north to south between Leeds and London;
- The nearest railway stations are Stoke-on-Trent (2.5 miles, 10 minutes' drive) and Crewe (13 miles, 25 minutes' drive). Both offer direct services to major cities including London (from 1hr 30 mins), Manchester (39 mins) and Birmingham (51 mins), while the latter also provides connections to Liverpool, Glasgow and Edinburgh;
- Manchester Airport is the nearest international airport around 45 minutes' drive and was the third busiest in the UK in 2019 (29.4m passengers). The airport has ambitious plans to increase passenger traffic to 55m by 2050, although it is unclear how these forecasts will change in the wake of the Covid pandemic. Birmingham Airport is around a 1 hour 5 minutes' drive from Newcastle-under-Lyme via the M6. It was the seventh busiest airport in the UK in 2019 (12.6m passengers), offering flights to international destinations in Europe, the Middle East, the Indian subcontinent, North America, and the Caribbean.

Map of Key Transport Links



Source: Google Maps / Avison Young (red star denotes project site)

4. Newcastle-under-Lyme Market Supply

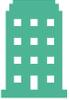
In this section

- Current Supply
- Key Competitors
- Future Supply
- Brand Gap Analysis

Newcastle-under-Lyme Hotel Supply

Current Supply – Eight miles from proposed hotel

Avison Young has defined the market set for the project as including all hotels over 20 bedrooms within eight miles of the site. Based on these criteria, we have identified 22 hotels with 1,848 bedrooms. An analysis of the structure of the market is presented below.



22 Hotels

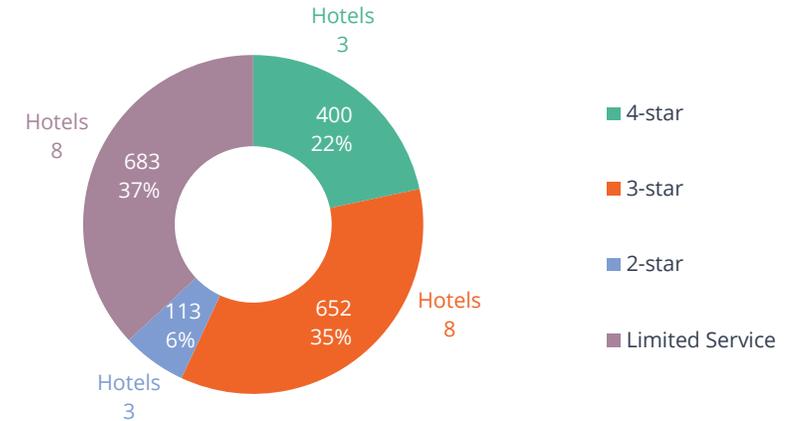


1,848 Bedrooms

Overview

- There are 22 hotels in the market area, supplying 1,848 bedrooms;
- The limited service and three-star sectors dominate the market with 37% and 35% of total bedroom supply. This is followed by four-star hotels with 22% and a small number of two-star properties (6%);
- 68% of the hotels in the Newcastle-under-Lyme market are affiliated with national or international brands with the remainder being independently operated. Major brands represented include Travelodge (four hotels), Premier Inn (three hotels), Hilton (two hotels), IHG (two hotels), Marriott and Best Western. A full brand gap analysis is presented on page 28;
- As illustrated on the map overleaf, the supply of hotels is fairly evenly spread across the areas of Stoke-on-Trent, Newcastle-under-Lyme and on the principal transport routes. There are only two hotels in and around Newcastle-under-Lyme town centre including the Travelodge Newcastle-under-Lyme Central (limited service, 82 bedrooms) and The Borough Arms Hotel (two star, 40 bedrooms);
- Since 2013, there has been a 20.9% increase in room supply across the market area with three new hotel openings. This however has been offset by the closure of three hotels, including the 50 bedroom Ramada Clayton Lodge which closed in 2020 as a result of the pandemic;
- New hotel openings include the Courtyard by Marriott at Keele University (150 bedrooms) in 2021, Hilton Garden Inn Stoke (140 bedrooms) in 2020 and Premier Inn Stoke on Trent (140 bedrooms) in 2014.

Breakdown of Newcastle-under-Lyme Hotel Market (no. of bedrooms) within eight miles



Source: Avison Young / AM:PM Hotels Database 2022 – All hotels with over 20 bedrooms

Market Evolution

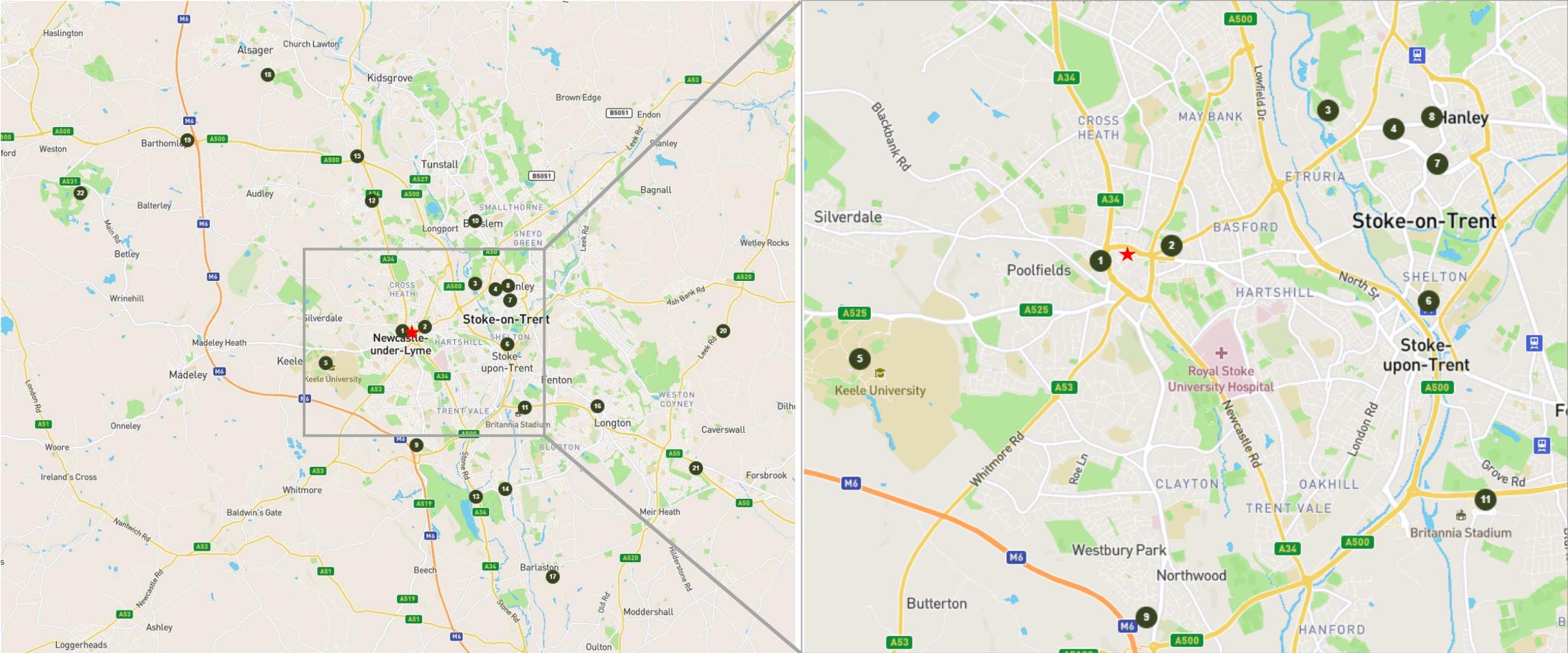


Source: AM:PM Hotels Database 2022

Newcastle-under-Lyme Hotel Supply

Geographical Distribution of Supply

Map of Hotel Supply – eight miles (full list of hotels in Appendix A)



Source: AM:PM Hotels Database (*Red star denotes site)

Newcastle-under-Lyme Hotel Supply

Key Competitors

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In order to assess the competitive market, we provide an overview of the key competitors to the proposed hotel in the Newcastle-under-Lyme market, based on their location, product positioning and facility mix.

Key Competitor Hotels

Map Ref	Hotels	Grade (according to AM:PM)	Rooms
3	DoubleTree by Hilton Stoke-on-Trent	Four Star	147
5	Courtyard by Marriott Keele Staffordshire	Three Star	150
7	Hilton Garden Inn Stoke-on-Trent	Four Star	140
9	Holiday Inn Stoke-on-Trent M6 Jct 15	Three Star	118
11	Holiday Inn Express Stoke-on-Trent	Limited Service	123

DoubleTree by Hilton Stoke-on-Trent

Four Star (147 bedrooms)



- Located in Festival Park on the edge of Stoke-on-Trent town centre, 2.4 miles east of the project site;
- Formerly the Best Western Moat House, the hotel was rebranded in 2020 to Hilton and completed a £6.5m refurbishment;
- Facilities include three meeting and events spaces, including the Ballroom, with a maximum capacity of 370 (banquet). The hotel also features an indoor swimming pool and gym facilities;
- The hotel's restaurant, Josiah, offers a relaxed dining environment serving British cuisine. In addition, the hotel has a bar and lounge serving all day pub-style dishes;
- The hotel offers extensive free on-site parking;
- Overall assessment - The hotel is 15 minutes' walk from Hanley town centre, however its position on Festival Business Park makes it popular with businesses such as Bet365. The hotel's leisure and events facilities also make it a leading events destination in Stoke and popular with weddings.

Courtyard by Marriott Keele Staffordshire

Three Star (150 bedrooms)



- Located on the University of Keele Campus, 2.1 miles west of Newcastle-under-Lyme;
- Opened in February 2021, the Courtyard is the newest hotel in the market and offers the latest high quality brand standards from Marriott;
- Additional facilities include two small meeting and event spaces, with a maximum capacity of 30. There is also a small on-site residents' fitness centre;
- The hotel's Scholars Restaurant offers all day dining, whilst there is also the Campus Coffee House and small convenience store;
- The hotel offers extensive free on-site parking;
- Overall assessment - The newest in the market area, the Courtyard offers a high quality modern hotel that will appeal to leisure and corporate users. Visitors to the university will drive demand to the hotel given its excellent location on campus, however its isolated location may not appeal to wider visitors to the area looking for proximity to additional amenities.

Newcastle-under-Lyme Hotel Supply

Key Competitors

Hilton Garden Inn Stoke-on-Trent

Four Star (140 bedrooms)



- Located on the edge of Stoke city centre on the A5008, 2.9 miles east of the project site;
- The HGI opened in October 2020 and offers a high quality product, with modern public spaces and rooms;
- Additional facilities include three meeting and event spaces with capacity for up to 50 delegates. There is also a small fitness centre for guests;
- The hotel's Restaurant Six offers all day dining in a modern and open dining space;
- Parking is available off-site opposite the hotel and charged at £5 per day;

Overall assessment – The Hilton Garden Inn is a high quality hotel in Stoke city centre, which is well placed to capture accommodation demand from the local companies and leisure visitors.

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Holiday Inn Stoke-on-Trent M6 Jct 15

Three Star (118 bedrooms)



- Located 0.2 miles from Junction 15 of the M6, 2.9 miles south of the project site;
- The hotel underwent a refurbishment in 2016 and offers a bright, modern décor in the public spaces. The hotel has a mix of standard and executive rooms which are clean but slightly dated;
- Additional facilities include nine meeting and events spaces with a maximum capacity for up to 160 delegates. The hotel also has a health club with large gym and indoor swimming pool;
- The hotel has all day dining at the Traders Restaurant offering a limited menu of British classics. 24hr room service is also available;
- The hotel offers extensive free on-site parking;
- Overall assessment – The hotel benefits from an excellent location adjacent to the M6 motorway which will appeal to a good mix of transient commercial and leisure users. Despite its refurbishment, online consumer reviews for the hotel are low, highlighting a level of dissatisfaction with the hotel and that it is in need of some further modernisation.

Holiday Inn Express Stoke-on-Trent

Limited Service (123 bedrooms)



- Located adjacent to the Bet365 stadium on the A50, 4.7 miles south-east of the project site;
- The hotel's guest rooms are completed to brand standard however now look slightly dated;
- Additional facilities include one meeting room (for up to 30) and small fitness centre;
- The hotel's lounge offers breakfast and dinner and serves a bar menu of British classic dishes;
- The hotel offers extensive on-site parking which is charged at £5 per night;
- Overall assessment – The hotel's location on the A50 and next to the Bet365 stadium will attract a strong mix of leisure visitors and transient corporate visiting the wider area. The hotel is in need of some modernisation but this will unlikely impact demand given its location and price point.

Newcastle-under-Lyme Hotel Supply

Key Competitors – Booking.com

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Booking.com

Online consumer reviews influence hotel choice and are worth noting for this project. Users of Booking.com appear to have reasonable levels of satisfaction with hotels in the market area.

Key Conclusions

- There is a mix of scores across the competitor hotels with the Courtyard by Marriott Keele and the Hilton Garden Inn scoring a very good 8.7 and 8.6/10.0 respectively, with high scores for 'Comfort' and 'Cleanliness'. This is unsurprising given the two hotels are the newest properties in the market and completed to the latest brand standards;
- Comparatively, the Holiday Inn scored the lowest of the competitors at 7.1, with low scores for 'Facilities' and 'Cleanliness'. Online reviews highlight issues around the quality of the facilities and rooms now being dated and tired;
- The three closest competitors to the project site (Courtyard, Hilton Garden Inn and DoubleTree) all scored well for 'Location' which is positive for the proposed new hotel, indicating the importance of this factor to visitors to the area;
- All hotels scored their lowest ratings for both 'Facilities' and 'Value for Money'. It is likely this results from reviewers feeling that the standard of accommodation and facilities does not warrant the room rates charged.

Relevant Hotel Rating on Booking.com*

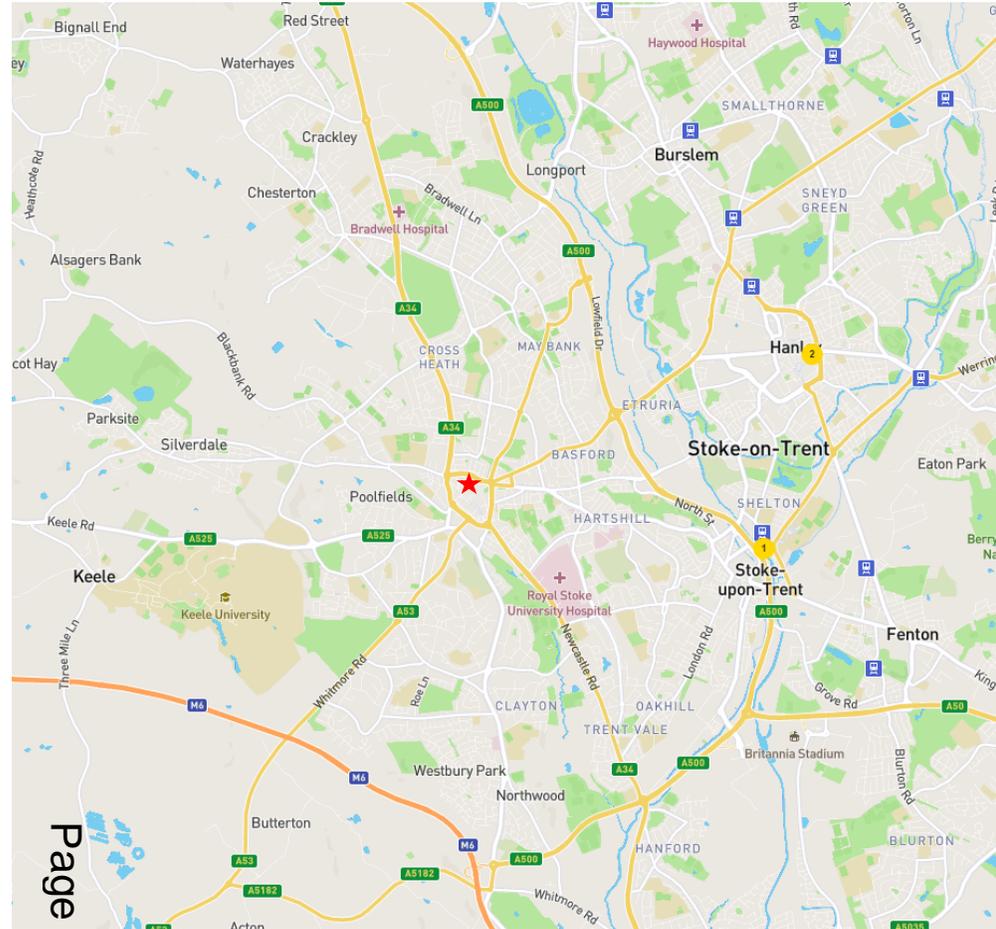
Hotels	Overall Rating	Comfort	Location	Facilities	Cleanliness	Value for Money
Courtyard Keele Staffordshire	8.7	9.3	8.7	9.0	9.3	8.4
Hilton Garden Inn Stoke-on-Trent	8.6	9.2	8.5	8.9	9.2	8.5
DoubleTree by Hilton Stoke-on-Trent	8.2	8.7	8.7	8.4	8.7	8.2
Holiday Inn Express Stoke-on-Trent	8.0	8.3	8.4	8.1	8.4	8.2
Holiday Inn Stoke-on-Trent M6 Jct 15	7.1	7.7	8.3	7.4	7.6	7.4

Source: Booking.com * Scores are based on a 1 (poor) to 10 (excellent) rating system, reviewed on 15.11.22

Newcastle-under-Lyme Hotel Supply

Future Supply Pipeline

Map of Hotel Future Supply – eight miles



Source: AM:PM Hotels Database. *Red star denotes site.

Information was supplied by Newcastle-under-Lyme, Stoke on Trent and South Cheshire Councils in order to identify any future hotel supply increase in the market area. These have been cross-checked against published sources including Estates Gazette Interactive (EGi) and the AM:PM Hotels Database.

We have identified two schemes in the planning pipeline; representing a potential increase of 288 bedrooms, excluding the proposed Rycroft hotel. None of the projects are under construction and we have factored the “probability” of them progressing in our project occupancy model. We summarise the two schemes below.


2 Hotels


288 Bedrooms

Map Ref	Development Name	Grade	No. new Rooms	Project Details	Status
1	Goods Yard	Limited Service	150	£60m mixed-use development creating a new urban quarter close to Stoke Station. Plans include the development of new residential, workspace and leisure venue, retail, public realm. A new hotel is planned as part of a second phase.	Main contractor appointed Sept 2022 for the first phase of development
2	Etruscan Square (Unity Walk)	Limited Service	138	Long-standing proposals for the redevelopment of the existing shopping centre in Hanley to create new commercial space, 3,500 capacity indoor arena, public realm and new hotel.	Council seeking private investment partners

Source: Newcastle-under-Lyme, Stoke on Trent and South Cheshire Councils, AM:PM Hotels Database, Estates Gazette Interactive (EGi)

Newcastle-under-Lyme Hotel Supply

Brand Gap Analysis

Key Findings

Avison Young has undertaken a review of the hotel brands found in the market area. The majority of the hotels fall between budget, midscale and upper midscale brands, with very few upscale properties.

- Budget brands are well represented including Travelodge (four hotels), Premier Inn (three hotels) and OYO;
- Midscale and upper midscale brands include Holiday Inn, Holiday Inn Express and Best Western. These properties have a mix of locations but are principally near key transport routes into and around Stoke-on Trent;
- Upscale brands include the DoubleTree by Hilton, Hilton Garden Inn (opened 2020) and Courtyard by Marriott (2021);
- Neither of the hotels in the planning pipeline have a brand associated;
- IHG (Holiday Inn and Holiday Inn Express), Hilton (DoubleTree and Hilton Garden Inn) and Marriott (Courtyard) branded hotels are the most represented in the market, however this is still relatively limited. There are a number of hotel companies with no brands in the city including Accor, Hyatt and Radisson;
- There are also notable product gaps, with most hotels in the adjacent diagram sitting within the corporate-end of the scale; this highlights a lack of contemporary designed and lifestyle brands that would have strong appeal to leisure guests;
- Similarly, there are no branded apart-hotels in the city, although we note that these are largely (although not exclusively) located within larger cities. Additionally, this may be the result of the types of industry located in North Staffordshire and the wider area which do not support the need for this type of accommodation.



5. Newcastle-under-Lyme Hotel Market Performance

In this section

- Hotel Market KPIs
- OTA Insights Rate Analysis

Bespoke STR Set

Hotel	Grade	Bedrooms
Hilton Garden Inn Stoke on Trent	Upscale Class	140
DoubleTree by Hilton Stoke on Trent	Upscale Class	147
Holiday Inn Express Stoke On Trent	Upper Midscale Class	123
Travelodge Newcastle-under-Lyme Central	Economy Class	82
Holiday Inn Stoke On Trent M6 Jct 15	Upper Midscale Class	118
Courtyard Keele Staffordshire	Upscale Class	150
Premier Inn Newcastle-under-Lyme	Economy Class	83
Travelodge Stoke Talke Hotel	Economy Class	63

Term	Definition
Average Daily Rate (ADR)	Hotel rooms revenue divided by the number of rooms sold. Also referred to as Average Room Rate (ARR) or Achieved Room Rate (ARR)
Occupancy Rate	The percentage of all rooms occupied or sold in a given period to total available rooms in that period.
RevPAR	Revenue per available room. Calculated by multiplying the occupancy rate by the average daily room rate. Also known as Yield.

Newcastle-under-Lyme Market Performance

Occupancy, ADR and RevPAR

A bespoke set from STR Global was commissioned that includes performance data submitted by eight hotels of various grades in Newcastle-under-Lyme and Stoke (as listed on the previous page). This is compared to the Regional UK averages in the adjacent graphs and commentary below.

Occupancy

- Occupancy for the bespoke set exceeded the Regional UK average in 2016 and increased at a higher level until 2019, peaking at 79.7%;
- Market occupancy was not impacted as significantly in 2020 by the Covid Pandemic with a decline of 33.9% compared with the Regional UK average 44.9%;
- The Hilton Garden Inn Stoke opened in October 2020 which impacted the bespoke set occupancy in late 2020 and into 2021;
- 2021 saw occupancy fall below Regional UK with the further opening of the Courtyard Keele in February 2021;
- 2022 October year to date (YTD) has seen both markets recover well, although not to 2019 levels. Newcastle-under-Lyme remains marginally below Regional UK as the two new hotels continue to stabilise.

RevPAR

- Bespoke set revenue per available room (RevPAR) increased in line with the occupancy and ADR growth from 2015 to 2019;
- Due to the strength of the bespoke set occupancy in 2020 compared with Regional UK, RevPAR for both markets were very similar;
- Regional UK saw stronger growth in 2021 as the occupancy recovery faltered locally due to the new openings;
- October 2022 YTD has seen good recovery for both markets with RevPAR above the same period of 2019, despite occupancy remaining lower.

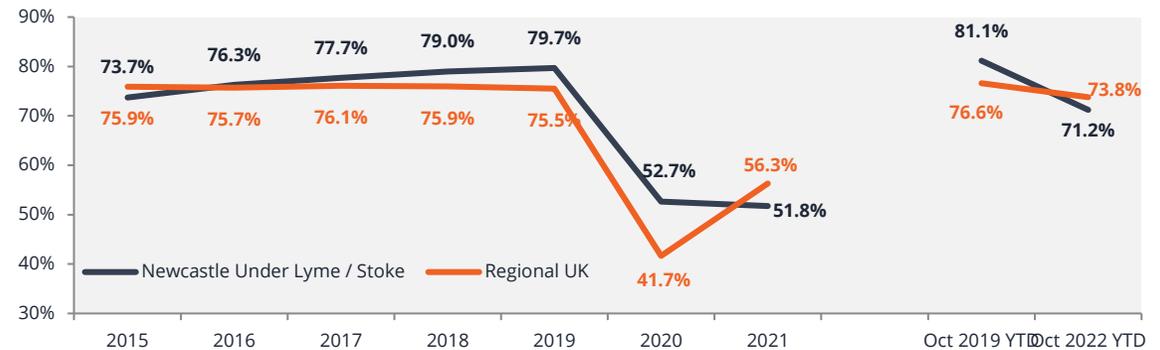
ADR

- Average daily rate (ADR) for the bespoke set grew consistently between 2015 and 2019 whilst Regional UK peaked in 2018 before seeing a small decline;
- Overall, the bespoke set growth was 11.1% between 2015 and 2019, almost double the Regional UK average (albeit from a lower base);
- The local impact from Covid-19 was more severe with ADR declining 17.2% in 2020 compared with the Regional UK average of 13.4%;
- Recovery in 2021 was strong due to the staycation boom in the UK with Regional UK average ADR increasing by 24.1%. The bespoke set saw significant growth of 42.6% likely due to the opening of two high quality hotels able to command higher rates;
- Bespoke set ADR for October YTD 2022 was 20.7% higher than the same period of 2019; in line with the Regional UK average, and a very positive indicator of market recovery.

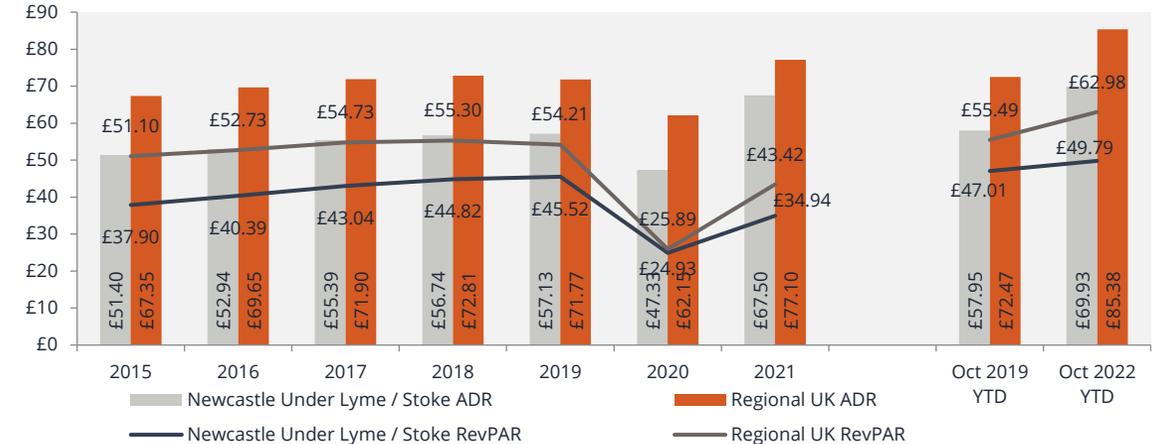
Day of the Week Analysis

- Occupancy is highest on Tuesday followed by Wednesday indicating strong corporate demand;
- Saturday has the third highest occupancy indicating there is also leisure demand in the market;
- ADR is highest on Saturday indicating that leisure demand is less price-sensitive and is likely connected to weekend domestic staycation demand.

Bespoke Set and Regional UK Occupancy 2015-2021 and YTD comparison



Bespoke Set and Regional UK ADR and RevPAR 2015-2021 and YTD comparison



Day of the Week Analysis

Nov-21 to Oct-22	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Average
Occupancy	52.8%	71.7%	77.4%	75.7%	70.0%	64.3%	73.9%	69.4%
ADR	£58.00	£65.92	£72.61	£70.84	£64.63	£68.55	£79.44	£69.10

Source: Avison Young / STR Global 2022

Newcastle-under-Lyme Hotel Supply

Key Comparable Hotels OTA Insights Rate Analysis

We have commissioned a rate check from OTA Insights for the STR set of hotels, albeit there is only limited data available for the two Travelodge hotels.

This analysis is of the best available "on the day" rates (BAR) including VAT quoted by each hotel on Booking.com for the last 12 months and next 90 days (brand.com for Premier Inn and Travelodge).

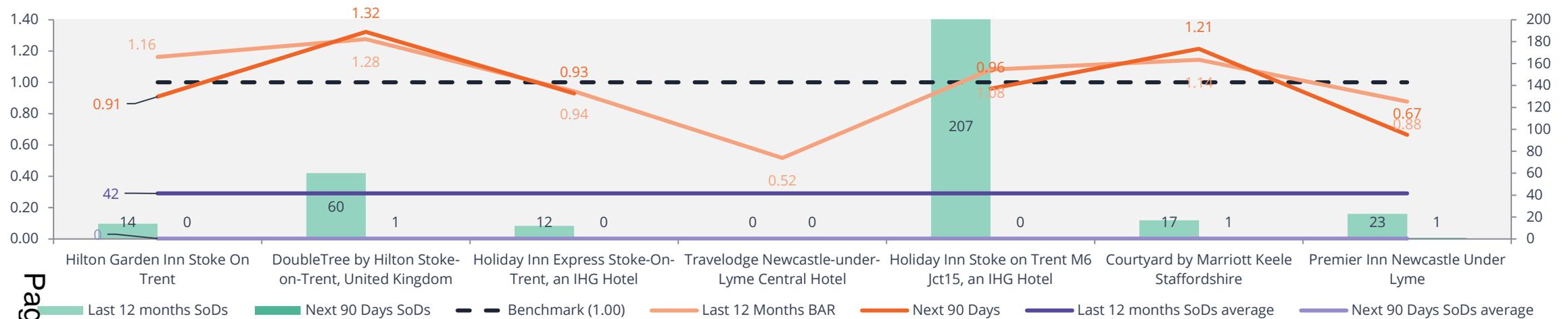
The graph below illustrates the BAR index of each hotel benchmarked to the average of the set. Through this we are able to analyse the pricing strategy each hotel employs. A BAR index greater than 1.00 means that the hotel quoted rates higher than the average.

The analysis also provides a solid indication of the number of sold-out dates across the period.

Key findings:

- The average quoted rate across the eight hotels over the last 12 months was £94.90 up 23.0% compared with 2019;
- DoubleTree by Hilton Stoke on Trent, an upscale hotel with a wide range of facilities quoted the highest rate on average over the last 12 months as well as across the next 90 days, while Travelodge Newcastle-under-Lyme was the laggard of the set;
- The Hilton Garden Inn and Courtyard quoted comparable rates on average over the last 12 months, however for the next 90 days the Courtyard is significantly higher and aligned more with the DoubleTree than the Garden Inn; this could be due to high levels of base business driven by the University allowing them to yield their rates upwards;
- Average sold out days was 42 days across the set with the Holiday Inn Stoke showing as sold out from November 2021 until June 2022, this is likely connected to a refurbishment rather than the hotel being sold out continuously over the period;
- Sold out days vary across the hotels with the DoubleTree showing the highest number; unsurprising due to the Garden Inn and Courtyard being new to the market and taking time to stabilise;
- Quoted rates vary quite significantly across the year with the highest average seen in April (£118.70), 79.8% higher than January (£66.01). These seasonal swings in quoted rates are more pronounced at the Premier Inn and Garden Inn.

Average Best Available Rates Index and Sold Out Days for Last 12 Months and the Next 90 Days



Source: Avison Young / OTA Insights

6. Research and Conclusions

In this section

- Research Summary

Research and Conclusions

Summary of Research

Avison Young are positive towards the development of a new hotel as part of the Ryecroft master-plan in Newcastle-under-Lyme town centre. The market area experienced strong levels of performance prior to the Covid-19 pandemic and despite the recent opening of new hotels, is seeing good levels of recovery in 2022. Although Newcastle-under-Lyme has a limited commercial and leisure profile, the wider region is supported by a strong mix of industry sectors and attractions which are easily reached from this highly accessible location.

Site Evaluation

- Newcastle-under-Lyme is centrally located in the UK and benefits from its proximity to major cities including Birmingham and Manchester;
- The proposed hotel will form part of the Ryecroft mixed-use development in central Newcastle-under-Lyme, creating a highly visible and identifiable area within the town centre;
- The hotel site is easily accessible from the A52 which connects to the M6 and the UK motorway network in nine minutes. The site is within a short walk of Newcastle-under-Lyme town centre and ten-minutes' drive to Stoke-on-Trent Station which is on the West Coast mainline.

How will it compete?

- There are 22 hotels within eight miles of the Ryecroft site, supplying 1,848 bedrooms. Limited service and three-star hotels comprise the majority of bedroom supply in the market area, accounting for 72%;
- There has been a modest overall increase in new supply within the market area, with three new hotels opening since 2013 and three smaller hotels closing. The Courtyard by Marriott Keele University (2021) and Hilton Garden Inn Stoke (2020) are the newest hotels and will compete with the project hotel at Ryecroft;
- Although almost three-quarters of the hotels in Newcastle-under-Lyme are affiliated with national or international brands, there remains a number of brand and positioning gaps with relatively few branded upper tier limited-service hotels, suggesting a positive opportunity in the market for this type of hotel;
- Online reviews of key comparable hotels highlights mixed perceptions of the quality of the existing stock, with low scores for 'Value for Money', further illustrating the opportunity for a modern value-added hotel in the local market.

What is coming into the market?

- We have identified two hotel schemes in the planning pipeline in the market area, representing a potential increase of 288 bedrooms. Neither of the projects is under construction and there are no brands confirmed for the schemes. Due to the continued impacts of both Covid-19 and cost inflation on the hotel development funding market, it is very possible that neither will come to fruition in the short to medium term;
- Both projects form part of mixed-use schemes within the neighbouring town centres of Stoke and Hanley. Although a main contractor has been appointed on the Goods Yard scheme in Stoke, the proposals have highlighted that the hotel would form part of a second phase with no timescales identified.

How is the market performing?

- Prior to the Covid-19 pandemic, Newcastle-under-Lyme and Stoke hotels showed positive levels of performance with occupancy at 79.7% in 2019, above the UK Regional average;
- Although the bespoke set ADR tracks below the Regional UK average, it increased by a much higher rate of 11.1% between 2015-2019, against 6.6% for Regional UK;
- The impact of Covid-19 locally was in-line with the Regional UK average, with large declines across all key performance indicators in 2020. However, recovery in 2021 occupancy was further impacted by the two new hotels opening and taking market share as demand recovered;
- October 2022 YTD occupancy for the bespoke set has seen good levels of growth, however it is still ten percentage points below the same period of 2019. ADR has seen very strong growth, exceeding 2019 and resulting in RevPAR growth against 2019, a very positive indicator of market recovery;
- Demand by day of the week highlights good performance midweek and on Saturdays suggesting a good blend of corporate and leisure demand. Despite leisure demand primarily being driven by one-night stays on Saturdays, ADR is highest indicating that leisure demand is less price-sensitive and connected to staycation demand (given the period the data covers).

Economy and Demand Drivers

- Newcastle-under-Lyme has a limited corporate profile, which is principally linked to the logistics and distribution sector located outside of the town centre. However, the wider North Staffordshire region including Stoke-on-Trent are represented by a good mix of industry sectors which has seen strong economic growth over the last ten years;
- Although not a major tourism destination, Newcastle-under-Lyme sits within North Staffordshire which is home to a number of popular tourist attractions including The Potteries, Alton Towers and the Peak District National Park;
- The wider local area is home to a mix of other demand drivers including Keele University, University of Stoke Hospital and the Bet365 Stadium, home to Stoke City FC;
- There is a good level of investment planned for Newcastle-under-Lyme supported by government funding which will offer a mix of new leisure and commercial drivers into the town. There are a number of projects in the wider area which will also support demand growth regionally;
- Proposals for HS2 to connect to nearby Stoke-on-Trent Station will offer increased connectivity to the region which will likely support future investment in the area.

7. Financial Performance

In this section

- Project Performance Model
- Projected Operating Statement
- Pricing Exercise

Financial Performance

Project Performance Model

	Growth	Growth	Growth	Rooms sold per day						
	2023	2024	2025+	2023	2024	2025	2026	2027	2028	2029
Demand Growth	3.9%	4.9%	2.4%							
Frustrated Demand			5.5%	74	78	80	82	84	86	88
Market Room Sold				1,419	1,502	1,539	1,576	1,614	1,654	1,694
Rooms available				1,848	1,848	1,848	1,983	2,096	2,096	2,165
Project hotel no. of rooms						135				
Other additions				0	0	0	113	0	69	0
Total Room Supply				1,848	1,848	1,983	2,096	2,096	2,165	2,165
Project Hotel Market Penetration Factor						1.03	1.03	1.03	1.03	1.03
Project Occupancy % projected share						80.0%	77.5%	79.4%	78.8%	80.7%
Project Occupancy %						68.0%	73.7%	79.4%	78.8%	80.7%
Double Occupancy Factor			141.6%							
Number of guests						49,205	53,305	57,474	56,994	58,379

Notes:

1. Demand growth has been estimated by market segment. We have assumed that leisure demand growth will slow in 2023 due to the cost-of-living crisis, before accelerating to return demand to 2019 levels in 2024. Overall demand growth to average 2.4% per annum from 2025;
2. Frustrated demand of 5.5% representing 20 peak demand dates annually;
3. There are limited hotel proposals in the planning pipeline. We have modelled the "probability" of these coming to fruition in 2026 and 2028;
4. We have modelled a market penetration of 1.03 (3% above fair market share) reflecting the lack of hotels in Newcastle-under-Lyme, proposed product positioning and brand delivery platform;
5. To allow for market establishment we have discounted occupancy by 15% in year one and 5% in year two.

135 Bedrooms Upper Tier Limited Service Hotel – Demand, Growth and Pricing by Segment

	Midweek	Weekend	% Demand	Annual Growth from 2025
Corporate account	£86.40	£81.90	25.1%	2.2%
Transient commercial	£91.20	£86.45	22.6%	2.8%
Conference	£94.08	£89.18	5.3%	2.0%
Independent leisure	£86.40	£81.90	21.0%	2.6%
Shortbreak	£76.80	£72.80	15.8%	2.2%
Groups and tours	£67.20	£63.70	4.9%	2.2%
Other	£86.40	£81.90	5.4%	2.6%

ADR Calculation:

1. We have applied the suggested pricing by market segment shown in the table (including VAT) to the market mix;
2. The average daily rate (ADR), net of VAT in current values is £69.77, putting the hotel in line with the market average and a little below the new Courtyard and Hilton Garden Inns according to our OTA Insights quoted rate indexing;
3. To allow for market establishment we have discounted ADR by 5% in year one and 2% in year two.

Financial Performance

Projected Operating Statement

135 Bedrooms Upper Tier Limited Service Hotel, Newcastle-under-Lyme

Rooms available	135				
% occupancy	68.0%	73.7%	79.4%	78.8%	80.7%
Rooms sold	33,503	36,295	39,133	38,806	39,749
Average Daily Room Rate	£70.34	£74.01	£77.03	£78.57	£80.14
Yield	£47.82	£54.51	£61.17	£61.88	£64.65
	2025	2026	2027	2028	2029
OPERATING REVENUE					
Rooms	£2,356,433	£2,686,078	£3,014,347	£3,048,953	£3,185,526
Food and Beverage	£574,317	£632,775	£694,140	£702,301	£733,189
Other Operated Departments	£1,778	£1,964	£2,160	£2,185	£2,283
Miscellaneous income	£35,554	£39,287	£43,206	£43,702	£45,660
Total Operating Revenue	£2,968,081	£3,360,104	£3,753,853	£3,797,141	£3,966,658
DEPARTMENTAL EXPENSES					
Rooms	£790,834	£865,177	£941,211	£953,836	£991,161
Food and Beverage	£392,643	£423,829	£456,502	£462,790	£480,412
Other Operated Departments	£22,754	£25,143	£27,652	£27,969	£29,222
Total Department Expenses	£1,206,231	£1,314,150	£1,425,365	£1,444,596	£1,500,794
UNDISTRIBUTED OPERATING EXPENSES					
Administrative and General	£179,022	£187,260	£195,577	£199,043	£204,334
Information + telecommunications	£31,836	£32,473	£33,122	£33,785	£34,461
Sales & Marketing	£210,164	£262,919	£322,177	£326,120	£340,003
Property Operation + Maintenance	£70,654	£125,795	£136,475	£138,410	£143,517
Utilities	£118,723	£134,404	£150,154	£151,886	£158,666
Undistributed Operating Expenses	£610,400	£742,851	£837,505	£849,243	£880,981
GROSS OPERATING PROFIT	£1,151,450	£1,303,103	£1,490,983	£1,503,303	£1,584,882
MANAGEMENT FEES	£124,887	£141,356	£160,031	£161,584	£169,666
INCOME BEFORE NON-OP INCOME + EXPS	£1,026,563	£1,161,747	£1,330,952	£1,341,718	£1,415,216
NON-OPERATING INCOME + EXPENSES					
Income	£0	£0	£0	£0	£0
Rent	£0	£0	£0	£0	£0
Property and other taxes	£124,696	£127,190	£129,734	£132,329	£134,975
Insurance	£42,979	£43,839	£44,715	£45,610	£46,522
Other	£0	£0	£0	£0	£0
Total Non-operating inc.+exps	£167,675	£171,029	£174,449	£177,938	£181,497
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION+ AMORTISATION	£858,888	£990,718	£1,156,503	£1,163,780	£1,233,719
REPLACEMENT RESERVES	£29,681	£67,202	£112,616	£151,886	£158,666
EBITDA LESS REPLACEMENT RESERVES	£829,207	£923,516	£1,043,887	£1,011,894	£1,075,052

Source: Avison Young

We present an Operating Statement for the 135 bedrooms hotel in future (inflated) values for the first five years of operation.

Our projections assume that the hotel will be in operation from 1st January 2025.

Revenues and expenditures have been developed based upon the assumptions prepared in Appendix C, inflated at 2.0% from 2022.

Terms used are as defined in the Uniform System of Accounts for the Lodging Industry, 11th Edition.

Key Assumptions:

- We have modelled a 135 bedrooms branded upper tier limited service hotel with bar and lounge serving breakfast and all-day light meals, and one small meeting room;
- The projections are presented excluding VAT;
- No change in competitive supply or market conditions other than those assumed;
- Rigorous effective pre and post opening marketing and promotion nationally and within the local market area;
- Continued successful development and marketing of the chosen brand within the UK, and internationally;
- Uninterrupted trading, maintaining all necessary licenses and permits;
- Competent and effective management by a third-party operator with access to the global distribution network.

Pricing Exercise

Market Summary

Covid-19 has negatively affected the investment market for hospitality property. The market was at its weakest in 2020, when it was unclear how the world would cope with the ongoing pandemic, with the resultant uncertainty leading to a long-term low in terms of investment volumes which fell to £1.8 billion, a 69% decrease from 2019. The number of transactions declined 44%, from 129 to 72. Operational hotels were more adversely affected, with transactional volumes reduced by nearly 60%.

2021 was markedly more positive with around £4bn of hotels transactions. There was and remains a multitude of investors seeking opportunities across the sector. Many of these parties were geared up to take advantage of the distress that was forecast, however this never really materialised due to ongoing support from banks and government.

2022 looked likely to see a continued recovery and UK hotel transaction volumes in the first four months of the year exceeded £1.5 billion, some 40% ahead of the total investment volume reached in the entire first half of 2021. However, the illegal invasion of Ukraine by Russia set in place a series of events that has reversed that sentiment.

As such, whilst investors continue to be positive on the longer-term outlook of the sector, we caution that market conditions are currently uncertain due to, inter alia, high levels of inflation resulting in well publicised cost of living challenges which has resulted in various strikes throughout the UK. Wage cost inflation, rising utilities and generally high cost of purchases has placed pressure on hotel profitability, albeit to date much of these costs has been passed on in the form of higher average room rates.

In an attempt to control the level of 'cost push inflation', the Bank of England have increased base rates, which together with very high inflation is likely to negatively impact on hotel trade in 2023. The higher bank base rate has increased the cost of borrowing for purchasers and furthermore some banks have now effectively withdrawn from the debt markets, which will ultimately impact on trade. All of the above are contributing to the UK's almost inevitable movement into a recession which many commentators believe could extend for a period of two years. As such, the level of tolerance applicable to our opinions is therefore greater than might normally be the case.

Key Pricing Issues

- Prominent location;
- The wider regeneration of the town should ultimately increase demand;
- Unproven nature of hotel trade against a backdrop of a highly price sensitive market
- Concern over rising operational costs, in particular uncertainty over utilities and threat of wage cost inflation;
- UK enters recession;
- There is limited comparable evidence available at this time.

In view of the above, we believe the market will view this opportunity with some caution and we have reflected this in our adopted exit yield of 8.5%.

Based on our cash flow, we would expect to realise a sale price of around £10.4 million at day one, although would recommend an asking price of £11.8m on the basis that the income could be made up to its stabilised level.

We again caution, there is no evidence to benchmark this asset against, however this level of pricing compares favourably with other hotels in the wider area.

Appendices

In this section

- Appendix A – Hotel Supply
- Appendix B – Daily Rate Model
- Appendix C – Financial Assumptions
- Appendix D – Operational Platforms
- Appendix E – Glossary of Terms

Appendix A

Hotel Supply

Map Ref	Hotels	Grade	Rooms
1	Travelodge Newcastle-under-Lyme Central	Limited Service	82
2	The Borough Arms Hotel	Two Star	40
3	DoubleTree by Hilton Stoke on Trent	Four Star	147
4	Premier Inn Stoke On Trent Hanley	Limited Service	140
5	Courtyard Keele Staffordshire	Three Star	150
6	North Stafford Hotel	Three Star	88
7	Hilton Garden Inn Stoke on Trent	Four Star	140
8	Best Western Stoke on Trent City Centre Hotel	Three Star	135
9	Holiday Inn Stoke On Trent M6 Jct 15	Three Star	118
10	OYO The George Hotel	Three Star	44
11	Holiday Inn Express Stoke On Trent	Limited Service	123
12	Premier Inn Newcastle-under-Lyme	Limited Service	83
13	Premier Inn Stoke Trentham Gardens Hotel	Limited Service	119
14	Travelodge Stoke On Trent Trentham Hotel	Limited Service	31
15	Travelodge Stoke Talke Hotel	Limited Service	63
16	Crown Hotel	Two Star	41
17	Upper House Hotel	Three Star	24
18	Stoke On Trent Alsager Manor House Hotel	Three Star	53
19	Travelodge Crewe Barthomley Hotel	Limited Service	42
20	Moorville Hall	Two Star	32
21	Weathervane Hotel	Three Star	40
22	Wychwood Park Hotel & Golf Club	Four Star	113

Source: AM:PM Hotels Database 2022

Appendix B

Daily Rate Model

	Business Mix	Rooms Sold (year 3)	Estimated Business Split		Average Discount		Net Total
			Weekday	Weekend	Weekday	Weekend	Revenue
Corporate account	25.1%	9,820	90%	10%	10%	10%	£703,374
Transient commercial	22.6%	8,838	85%	15%	5%	5%	£666,470
Conference	5.3%	2,058	90%	10%	2%	2%	£160,540
Independent leisure	21.0%	8,226	30%	70%	10%	10%	£570,697
Shortbreak & Packages	15.8%	6,174	20%	80%	20%	20%	£378,663
Groups & Tours	4.9%	1,898	50%	50%	30%	30%	£103,532
Other	5.4%	2,118	30%	70%	10%	10%	£146,911
Totals	100.0%	39,133	63%	37%			£2,730,187
Published Rate			Weekday			£96.00	
Published Rate			Weekend			£91.00	
Net ADR Standard Rooms						£69.77	

Source: Avison Young

Appendix C

Assumptions to Operating Projections

Revenues

Hotel Occupancy and Average Room Rates - year three yield of £61.17

Year	Annual Occupancy	Average Daily Rate	Yield
2025	68.0%	£70.34	£47.82
2026	73.7%	£74.01	£54.51
2027	79.4%	£77.03	£61.17
2028	78.8%	£78.57	£61.88
2029	80.7%	£80.14	£64.65

Food and Beverage Revenues - hotel guests only

	Pick-up Ratio / Guests	Spend per Cover
Residential Covers		
Cooked Breakfast	60%	£10.00
Lunch - Food	5%	£10.00
Lunch - Beverage	5%	£4.00
Dinner - Food	15%	£15.00
Dinner - Beverage	15%	£5.00
Beverage	50%	£5.00

Hotel Meeting Room Revenues

We have modelled one small meeting and assumed:

- 20% occupancy, average meeting size of 10;
- An average day delegate rate per person of £33.60 (incl. VAT).

Other Revenues - in 2022 values

We have computed other revenues as follows:

- Telephone £0.05 per occupied room
- Miscellaneous £1.00 per occupied room

Appendix C

Assumptions to Operating Projections

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Direct Costs

Food and Beverage

Cooked Breakfast	35% of Sales
Hotel Food	30% of Sales
Hotel Beverage	28% of Sales
Overheads	3% of Sales

Other Revenues

- Telephone	80% of Sales
- Miscellaneous	60% of Sales

Payroll – 24.0% of revenues in year three

Payroll costs have been prepared based on the assumption that the operator will provide certain centralised management, procurement, marketing and financial services.

Position	Number	Cost	Salary
General Manager	1.0	£60,000	£60,000
Guest Service Manager 1	1.0	£25,000	£25,000
Reception & Reservations	5.6	£118,339	£21,132
Night Manager	1.0	£22,000	£22,000
Maintenance	1.5	£33,000	£22,000
Kitchen	1.9	£40,622	£21,132
F&B Supervisor	2.0	£46,000	£23,000
F&B Services	3.3	£68,852	£21,132
Administrator	1.0	£22,000	£22,000
Sales Coordinator	1.0	£22,000	£22,000
Total	19.3	£457,814	

Payroll costs have been increased by 17.0% to cover payroll taxes and employees benefits.

Rooms cleaning payroll has been calculated at £6.76 per room sold.

Conference variable payroll has been calculated at three hours per ten delegates at a rate of £10.42.

Appendix C

Assumptions to Operating Projections

Departmental Costs

Rooms – key costs include:

Laundry:	£2.60 per room sold
Indicative Reservations Fees:	2.0% of room revenues
Operating Supplies:	1.75% of room revenues
Other Operating:	1.5% of room revenues
Commissions:	18% commission on 30% of rooms sold

Undistributed Operating Expenses:

Administration:	2.4% of total revenues
Information and Telecoms:	£30,000 per annum
Marketing:	1.0% of total revenues for local marketing and 2.0% of room revenues for brand marketing Indicative brand royalty fee of 3.0% of room revenues in year one, 4.0% in year two and 5.0% thereafter We have also modelled indicative brand loyalty card fees of 1.5% of room revenues
Indicative Management Fees:	Base management fee at 2.0% of total revenues and incentive management fee at 6.0% of GOP less the base fee

Property Repairs and Maintenance:

1.0% of total revenue in year one and 2.5% thereafter

Energy Costs:

4.0% of total revenue

Insurance:

£40,500 per annum

Finance and Property Costs

Rates:	Computed at 51.2p/£ on a rateable value of £1,700 per guest room
---------------	--

The property is not yet completed and is therefore not assessed in the Rating List. We have prepared our own projections in terms of likely rates payable over the next five years based upon benchmarking other businesses which match as closely as possible to the proposed hotel. The Uniform Business Rate for the year commencing 1 April 2022 is 51.2p in the pound.

FF&E Replacement Reserve:	At 1.0% of sales in year one, 2.0% in year two, 3.0% in year three and 4.0% thereafter
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Rent:	Nil
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Depreciation:	Nil
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Interest and Taxes:	Nil
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Appendix D

Operating Platforms

Page 92

Below we have tabulated a comparison of the main hotel operational structures below, highlighting the advantages and disadvantages of each from the perspective of an owner.

Platform	Description	Advantages	Disadvantages
1. Owner operated with brand franchise	The owner manages the hotel and enters into a franchise agreement with a hotel brand. The owner receives all profits from operations once franchise fees to the brand have been deducted.	<ul style="list-style-type: none"> - international affiliation - likely to appeal to both local business and leisure markets - likely to appeal more to funders than non-branded - maximum return less franchise fees 	<ul style="list-style-type: none"> - hotel brand standards may constrain flexibility - owner bears downside trading risk - requires management team with skill set - franchise fees (say 7% of turnover)
2. Management company operated with brand franchise	The owner enters into a management agreement with a third-party hotel operator to manage the operations of the hotel on their behalf. The owner separately enters into a franchise agreement with a hotel brand. The owner receives all profits from operations once franchise fees to the brand and management fees to the operator have been deducted.	<ul style="list-style-type: none"> - as 1. above - reduces in-house skills requirements - maximum return less franchise + management fees 	<ul style="list-style-type: none"> - less flexibility as per 1 - franchise and management fees (say 10% of turnover)
3. Operational lease	The owner enters into a leasehold agreement with a hotel operator who acts as the tenant. The operator retains all profits with the owner receiving a rent payment (which can be fixed or variable).	<ul style="list-style-type: none"> - no owner expertise required - can structure known level of return - appealing to institutional investors (where there is a strong tenant covenant) - lower downside risk than 4. 	<ul style="list-style-type: none"> - little flexibility - hotel leases currently difficult to deliver with few operators in the market and little appetite for this type of deal (particularly for hotels positioned above the budget level) - low control over brand values and customer experience - possible operator / occupier conflicts
4. Management company operated, unbranded	The owner enters into a management agreement with a third-party hotel operator to manage the operations of the hotel on their behalf. The owner receives all profits from operations once management fees to the operator have been deducted.	<ul style="list-style-type: none"> - Greater flexibility of design and customer experience than branded hotels - reduces in house skills requirements - maximum return less management fees 	<ul style="list-style-type: none"> - no affiliation or reservations systems, plus high commission costs - Lack of branding may deter funders - owner bears downside trading risk - management fees (say 6% of turnover)
5. Owner operated, unbranded	The hotel owner operates the hotel themselves which is unbranded.	<ul style="list-style-type: none"> - as 4. above - maximum return (no fees) 	<ul style="list-style-type: none"> - requires management team with skill set - Risks of non-branding as per 4.

Appendix E

Projected Operating Statement – Sensitivity Scenarios

135 Bedrooms Upper Tier Limited Service Hotel – scenario 1, 10% lower RevPAR

Rooms available	135				
% occupancy	68.0%	73.7%	79.4%	78.8%	80.7%
Rooms sold	33,503	36,295	39,133	38,806	39,749
Average Daily Room Rate	£63.30	£66.61	£69.33	£70.71	£72.13
Yield	£43.04	£49.06	£55.06	£55.69	£58.18
	2025	2026	2027	2028	2029
OPERATING REVENUE					
Rooms	£2,120,790	£2,417,470	£2,712,913	£2,744,058	£2,866,973
Food and Beverage	£574,317	£632,775	£694,140	£702,301	£733,189
Other Operated Departments	£1,778	£1,964	£2,160	£2,185	£2,283
Miscellaneous income	£35,554	£39,287	£43,206	£43,702	£45,660
Total Operating Revenue	£2,732,438	£3,091,496	£3,452,419	£3,492,246	£3,648,105
DEPARTMENTAL EXPENSES					
Rooms	£765,738	£836,570	£909,108	£921,365	£957,235
Food and Beverage	£392,643	£423,829	£456,502	£462,790	£480,412
Other Operated Departments	£22,754	£25,143	£27,652	£27,969	£29,222
Total Department Expenses	£1,181,135	£1,285,543	£1,393,262	£1,412,124	£1,466,869
UNDISTRIBUTED OPERATING EXPENSES					
Administrative and General	£175,723	£183,499	£191,356	£194,775	£199,874
Information + telecommunications	£31,836	£32,473	£33,122	£33,785	£34,461
Sales & Marketing	£192,491	£240,087	£293,541	£297,155	£309,741
Property Operation + Maintenance	£68,298	£119,080	£128,939	£130,787	£135,553
Utilities	£109,298	£123,660	£138,097	£139,690	£145,924
Undistributed Operating Expenses	£577,646	£698,799	£785,055	£796,191	£825,553
GROSS OPERATING PROFIT	£973,657	£1,107,154	£1,274,101	£1,283,931	£1,355,683
MANAGEMENT FEES	£109,789	£124,549	£141,352	£142,690	£149,925
INCOME BEFORE NON-OP INCOME + EXPS	£863,868	£982,604	£1,132,749	£1,141,240	£1,205,758
NON-OPERATING INCOME + EXPENSES					
Income	£0	£0	£0	£0	£0
Rent	£0	£0	£0	£0	£0
Property and other taxes	£124,696	£127,190	£129,734	£132,329	£134,975
Insurance	£42,979	£43,839	£44,715	£45,610	£46,522
Other	£0	£0	£0	£0	£0
Total Non-operating inc.+exps	£167,675	£171,029	£174,449	£177,938	£181,497
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION+ AMORTISATION	£696,193	£811,576	£958,300	£963,302	£1,024,261
REPLACEMENT RESERVES	£27,324	£61,830	£103,573	£139,690	£145,924
EBITDA LESS REPLACEMENT RESERVES	£668,868	£749,746	£854,728	£823,612	£878,336

Sol. Co. Avison Young

We present an Operating Statement for the 135 bedrooms hotel in future (inflated) values for the first five years of operation.

Our projections assume that the hotel will be in operation from 1st January 2025.

Revenues and expenditures have been developed based upon the assumptions prepared in Appendix C, inflated at 2.0% from 2022.

Terms used are as defined in the Uniform System of Accounts for the Lodging Industry, 11th Edition.

Key Assumptions:

- We have modelled a 135 bedrooms branded upper tier limited service hotel with bar and lounge serving breakfast and all-day light meals, and one small meeting room;
- The projections are presented excluding VAT;
- No change in competitive supply or market conditions other than those assumed;
- Rigorous effective pre and post opening marketing and promotion nationally and within the local market area;
- Continued successful development and marketing of the chosen brand within the UK, and internationally;
- Uninterrupted trading, maintaining all necessary licenses and permits;
- Competent and effective management by a third-party operator with access to the global distribution network.
- This represents a 10% decline in RevPAR driven by ADR, occupancy levels have been maintained;
- Staffing structure remains the same;
- Some cost lines have been adjusted based on the drop in rooms revenue.

Appendix E

Projected Operating Statement – Sensitivity Scenarios

135 Bedrooms Upper Tier Limited Service Hotel – scenario 2, 10% higher RevPAR

Rooms available	135				
% occupancy	68.0%	73.7%	79.4%	78.8%	80.7%
Rooms sold	33,503	36,295	39,133	38,806	39,749
Average Daily Room Rate	£77.37	£81.41	£84.73	£86.43	£88.15
Yield	£52.60	£59.96	£67.29	£68.06	£71.11
	2025	2026	2027	2028	2029
OPERATING REVENUE					
Rooms	£2,592,077	£2,954,686	£3,315,782	£3,353,848	£3,504,079
Food and Beverage	£574,317	£632,775	£694,140	£702,301	£733,189
Other Operated Departments	£1,778	£1,964	£2,160	£2,185	£2,283
Miscellaneous income	£35,554	£39,287	£43,206	£43,702	£45,660
Total Operating Revenue	£3,203,725	£3,628,711	£4,055,288	£4,102,037	£4,285,210
DEPARTMENTAL EXPENSES					
Rooms	£815,930	£893,784	£973,314	£986,308	£1,025,086
Food and Beverage	£392,643	£423,829	£456,502	£462,790	£480,412
Other Operated Departments	£22,754	£25,143	£27,652	£27,969	£29,222
Total Department Expenses	£1,231,327	£1,342,756	£1,457,468	£1,477,067	£1,534,720
UNDISTRIBUTED OPERATING EXPENSES					
Administrative and General	£182,321	£191,020	£199,797	£203,312	£208,794
Information + telecommunications	£31,836	£32,473	£33,122	£33,785	£34,461
Sales & Marketing	£227,838	£285,750	£350,813	£355,085	£370,266
Property Operation + Maintenance	£73,010	£132,510	£144,011	£146,032	£151,481
Utilities	£128,149	£145,148	£162,212	£164,081	£171,408
Undistributed Operating Expenses	£643,154	£786,903	£889,955	£902,295	£936,410
GROSS OPERATING PROFIT	£1,329,243	£1,499,053	£1,707,866	£1,722,675	£1,814,080
MANAGEMENT FEES	£139,985	£158,163	£178,711	£180,479	£189,407
INCOME BEFORE NON-OP INCOME + EXPS	£1,189,258	£1,340,890	£1,529,154	£1,542,196	£1,624,673
NON-OPERATING INCOME + EXPENSES					
Income	£0	£0	£0	£0	£0
Rent	£0	£0	£0	£0	£0
Property and other taxes	£124,696	£127,190	£129,734	£132,329	£134,975
Insurance	£42,979	£43,839	£44,715	£45,610	£46,522
Other	£0	£0	£0	£0	£0
Total Non-operating inc.+exps	£167,675	£171,029	£174,449	£177,938	£181,497
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION+ AMORTISATION	£1,021,583	£1,169,861	£1,354,705	£1,364,258	£1,443,176
REPLACEMENT RESERVES	£32,037	£72,574	£121,659	£164,081	£171,408
EBITDA LESS REPLACEMENT RESERVES	£989,546	£1,097,287	£1,233,046	£1,200,176	£1,271,768

Source: Avison Young

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- Continued successful development and marketing of the chosen brand within the UK, and internationally;
- Uninterrupted trading, maintaining all necessary licenses and permits;
- Competent and effective management by a third-party operator with access to the global distribution network.
- This represents a 10% increase in RevPAR driven by ADR, occupancy levels have been maintained;
- Staffing structure remains the same;
- Some cost lines have been adjusted based on the increase in rooms revenue.

Appendix F

Glossary of Terms

Term	Definition
24 Hour Delegate Rate	Conference rate offered at residential conference venues charged per person usually includes the same as a Day Delegate Rate (see below) as well as dinner, accommodation and breakfast.
Achieved Room Rate (ARR)	Hotel rooms revenue divided by the number of rooms sold. Also referred to as Average Room Rate (ARR) or Average Daily Rate (ADR).
Best Available Rate (BAR)	Best available rates are the lowest rates including VAT for any given date offered by hotel websites and online travel agents.
Day Delegate Rate	Conference rate charged per person usually for an eight-hour conference. Usually includes room hire, refreshments and lunch.
Double Occupancy %	The ratio by which the number of guests divided by the number of rooms occupied exceeds 100%.
EBITDA	Earnings before interest, taxes, depreciation and amortisation. Also known as Net Operating Income.
Non-operating Expenses	Costs which are mainly beyond the control of operational management, including: pre-opening expenses, rent, property taxes, and casualty and liability insurance costs.
Gross Operating Profit	The difference between revenue and costs before deducting management fees and fixed charges.
Gross Operating Profit Per Available Room (GOPPAR)	The Total Gross Operating Profit for the period divided by the total number of available rooms
Replacement Reserves	Amounts which are set aside for the renewal and replacement of fixed assets.
Market Penetration Factors (MPF)	The ratio of rooms demand secured from a particular market segment(s) above or below the proportionate share amongst a competitor set. Also known as Fair Market Share.
Occupancy Rate	The percentage of all rooms occupied or sold in a given period to total available rooms in that period.
Online Travel Agent (OTA)	Online travel agents such as Booking.com, Hotels.com and Expedia charge commissions on the value of the booking, usually in excess of 15%.
Rack Rate	The published full price for a hotel bedroom.
RevPAR	Revenue per available room. Calculated by multiplying the occupancy rate by the average daily room rate. Also known as Yield.
Total Revenue per Available Room (TRYPAR)	The sum total of net revenues from all operated departments, plus rentals and other income, divided by the total number of available rooms

Should you wish to discuss the findings of our research in greater detail please do not hesitate to contact:

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S
REPORT TO**

**Cabinet
06 June 2023**

Report Title: Castle Multi-Storey Car Park Contract Award

Submitted by: Deputy Chief Executive

Portfolios: Finance, Town Centres and Growth

Ward(s) affected: Town

Purpose of the Report

To award the main construction contract for the Castle Car Park through the Pagabo framework to Morgan Sindall.

Recommendation

That Cabinet

- 1. Subject to Planning permission, authorise the Deputy Chief Executive in consultation with the Portfolio Holder, Finance, Town Centres and Growth to**
 - enter into a contract with Morgan Sindall for the construction of the Castle multi-storey car park for a sum of no more than £12m, to commence in August 2023
 - enter into a contract with Morgan Sindall to carry out enabling and infrastructure works across the car park and wider Ryecroft site for a sum of no more than £1m,
 - commence the associated process of Traffic Regulation Order consultation
 - note the car parks that will be closed and disposed of for housing in accordance with an updated Asset Management Plan Strategy to be published in the Autumn of 2023.
 - Complete all legal documentation to finalise land assembly.

Reasons

The Council has secured £11m from DLUHC from the Future High Street Fund for the redevelopment of the Council owned Ryecroft site and further improvements to the Town Centre.

The Council appointed Morgan Sindall as design and build contractor for the Castle car park and subject to the award of planning consent, it is now appropriate to award a contract for the construction of the Castle multi-storey car park. Furthermore, it is also appropriate that Morgan Sindall are instructed to carry out enabling and infrastructure works across the car park adjacent wider Ryecroft site to maximise Future High Street Funding grant funding and ensure efficiency of delivery for the Ryecroft site.

This project forms a key step in the town centre developments that are planned through the Future High Street Fund and Town Deal grant funding.

A number of smaller car parks on the periphery of the town centre will be closed and disposed of to contribute to the resourcing and viability of the Castle multi-storey car park.

1. **Background**

- 1.1 In December 2020 MHCLG (now DLUHC) confirmed to the Council that its Future High Street Fund business case submission had been successful and that £11,048,260 was approved for Newcastle town centre. In January 2021 the Council submitted confirmation of its acceptance of the grant and detailed that the funding would be used to secure the demolition of the former Civic Offices, design and build a new multi-storey car park, acquire and demolish York Place and undertake public realm works.
- 1.2 Construction of the new Castle multi-storey car park at Ryecroft is intended to provide a replacement for the Midway multi storey car park which is becoming uneconomic to maintain to a standard desired by users, does not have the capacity to provide EV charging points and whose dated design provides smaller car parking spaces than could be provided in a new car park. It is also intended to anchor the wider development aspirations for the Ryecroft site such as the hotel development.
- 1.3 In April 2021 the Council agreed to accept the grant offer and subsequently funding agreements have been signed and the first tranche of the grants were released in accordance with the submitted cash flow for the programme of works.
- 1.4 Morgan Sindall were chosen as Design and Build Contractors in December 2021 following a procurement exercise using the Pagabo framework.

2. **Update**

- 2.1 Since the January 2023 Cabinet update a planning application for the Castle car park was submitted in March 2023 and a decision will be made at the Planning Committee on 20th June 2023.
- 2.2 The proposed Castle multi-storey car park will deliver 450 new spaces along with 39 Electric Vehicle charging spaces and 11 accessible spaces. Access and egress from the new car park is via Liverpool Road.
- 2.3 Assuming that planning consent is granted the construction of the new car park will commence in August 2023 and be completed in May 2024.
- 2.4 The total construction cost for the new park will be no more than £12m.
- 2.5 To facilitate construction of the new multi-storey car park it is necessary to review and amend the associated Traffic Regulation Orders to change arrangements around the area, this will enable appropriate arrangements to be put into place for the car park to operate.
- 2.6 A section of the site is in joint ownership with Staffordshire County Council and we are currently finalising the land purchase to enable complete land ownership of the overall site for development.

3. **Proposal**

- 3.1 It is proposed that Council enter into a Main Contract (NEC 4) for the construction of the Castle multi-storey car park with Morgan Sindall through the Pagabo framework for the cost of no more than £12m. It is also proposed that Morgan Sindall are instructed to carry out site stripe, site levelling, enabling and infrastructure works at a cost of no more than £1m and that consultation in commenced in relation to the necessary amendments to Traffic Regulation Orders for the development of the car park.

3.2 Subject to the upcoming new Asset Management Plan and Strategy the following car parks will be closed and disposed of for new housing development – again subject to the new Local Plan being adopted which is due to be consulted upon this summer:-

- Blackfairs
- Hassell Street
- Cherry Orchard
- Goose Street
- A section of Kings Street
- Bankside / Well Street
- The Midway

4. **Reasons for Proposed Solution**

- 4.1 The decision will enable the project to progress as per the programme agreed with Government and the Future High Street Fund awards and commitments.
- 4.2 To use this Government funding opportunity to support delivery of Council Plan objectives and Car Parking Strategy.
- 4.3 To uplift the status of Newcastle town centre as the heart of economic, social and community life in the Borough.

5. **Options Considered**

- 5.1 Various options in terms of layout, materials used and main construction method have been considered during the design development of the car park.
- 5.2 Land at Ryecroft is the only viable option for building a new multi storey car park to replace the Midway multi storey car park

6. **Legal and Statutory Implications**

- 6.1 The Local Government Act 2000 gives local authorities the powers to promote the economic, social and environmental well-being of their areas. As part of the FHSF the Council will be required to comply with funding conditions.

7. **Equality Impact Assessment**

- 7.1 The nature of the project is intended to seek benefits for all people who use the town centre and to support the economic and social health of Newcastle town centre as a destination.

8. **Financial and Resource Implications**

- 8.1 There is a total contribution of £3.5m towards the construction of the Castle multi-storey car park from the Future High Street Fund. In addition to this there is £0.400m funding from the Newcastle Town Deal Fund in respect of EV charging points with the remaining amount being funding from the Council Capital Programme. There is also a further allocation of circa £0.9m from the Future High Street Fund for infrastructure works on the Ryecroft site which will support delivery of this project.
- 8.2 The Council's contribution to the Castle multi-storey car park in the sum of £8.2m has been included within the 10 year Capital Programme. £7.1m was approved at the February 2023 Full Council meeting as a part of the 2023/24 budget setting process, a further £1.1m will be required as a result of inflationary increases. Value engineering work has been completed in order to reduce building costs without affecting quality.

8.3 Part of the Council's funding for the Castle multi-storey car park will come from the sale of the existing Midway multi-storey car park and a review of other redundant assets for disposal. It is anticipated that the Council will achieve between £1.5m and £2m from the sale of these car parks as brownfield sites for housing development. The remaining funding will be provided through borrowing.

8.4 Summary table showing Future High Street Funded projects, including the Multi-Storey Car Park;

FHSF Project	Funding Allocation (£)	Actual/Committed Spend to date (£)	Balance Remaining (£)
Ryecroft / Site Preparation	3,556,191	2,688,466	867,725
Castle MSCP Development	3,500,000	585,062	2,914,938
York Place	3,215,218	1,921,301	1,293,917
Stones Public Realm	321,251	-	321,251
Market Stalls	75,600	-	75,600
Project Management	380,000	197,548	182,452
Total Funding	11,048,260	5,392,377	5,655,883

9. **Major Risks**

9.1 Failure to award a contract for the construction of the Castle multi-storey car park would result in the inability of the Council to deliver a key Future High Street Fund project and would potentially result in grant money awarded towards the project being withdrawn.

9.2 If a replacement car park is not developed at Ryecroft then the opportunity to replace the Midway multi storey car park will be missed.

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

10.1 Newcastle town centre is a highly accessible location, encouraging greater use of its land and assets enhances its role as a centre for services, leisure, retail and living and its connection to local residents. In that respect, the project supports the realisation of the following UNSDG objectives:-



11. **Key Decision Information**

11.1 This is a key decision as it involves expenditure of more than £250,000 which is funded through Future High Street Fund and Council capital funds.

12. **Earlier Cabinet/Committee Resolutions**

12.1 October 2019, Cabinet concerning development of the second stage Future High Street Fund bid and procurement of consultancy support.

12.2 December 2019, Economy Environment & Place Overview and Scrutiny Committee Town Centre Funding Update (information item)

12.3 July 2020, Cabinet concerning approval for submission of bid into MHCLG

12.4 April 2021 Cabinet accepting Future High Street Fund Grant monies and grant conditions.

12.5 December 2021 Cabinet Contract Award to Morgan Sindall

12.6 March 22 Cabinet Ryecroft Update

12.7 January 2023 Cabinet update report on progress made on the multi-storey car park project.

13. **List of Appendices**

13.1 None

14. **Background Papers**

14.1 Planning application reference 23/00192/DEEM3

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S
REPORT TO**

Cabinet
06 June 2023

Report Title: **Proposal to consult on a First Draft Local Plan**

Submitted by: **Deputy Chief Executive**

Portfolios: **Strategic Planning**

Ward(s) affected: **All Wards within the Borough of Newcastle-under-Lyme**

Purpose of the Report

To update Cabinet on the progress made to date with the Draft Local Plan, and to seek approval to undertake an eight-week public consultation on the First Draft Local Plan (Regulation 18).

Recommendation

That Cabinet:

1. Approves the draft Local Plan for consultation purposes.
2. Delegates to the Deputy Chief Executive, in consultation with the Cabinet Member for Strategic Planning, authority to:
 - (i) publish the First Draft Local Plan (Regulation 18) along with its Sustainability Appraisal and Habitats Regulations Assessment, for public consultation, and publish the range of supporting evidence base for the Local Plan and,
 - (ii) to finalise the public consultation arrangements and all documentation for the First Draft Local Plan (Regulation 18)
 - (iii) undertake any minor corrections and adjustments to the consultation documents as may be required
3. Approves a period of eight weeks consultation commencing on the 19th June 2023 until the 14th of August 2023 on the First Draft Local Plan (Regulation 18) along with the Sustainability Appraisal and Habitats Regulations Assessment.
4. Receives a report at a future meeting summarising the findings of the consultation process.
5. Notes that this report will be considered at the Economy and Place Scrutiny Committee on the 8th June 2023 and that an all Member Briefing Session will be provided on the 15th June 2023.

Reasons

To ensure that the process of adopting the Local Plan is undertaken in accordance with the requirements of the Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).

1.0 **Background**

- 1.1 Local Plans are a statutory requirement set by the Government under the Planning and Compulsory Purchase Act 2004 which require Local Authorities to set out a local development plan for the area.
- 1.2 Once adopted the new Local Plan will provide a strategic approach to the delivery of a range of development types including market and affordable housing, employment, and supporting hard and soft infrastructure. Such development requirements will be balanced against the need to protect the built and natural environment, whilst also furthering the Council's response to the climate emergency declaration.
- 1.3 An initial consultation, on the Regulation 18 Issues and Strategic Options document, was undertaken from Monday 1st November 2021 until Monday 24 January 2022. A report was taken to Cabinet on 19th July 2022 which presented the detailed feedback from the consultation. A further report was taken to Cabinet on 6th October 2022 which noted progress made towards the next stage of consultation.
- 1.4 This second Regulation 18 stage of consultation will present the First Draft Local Plan and sets out the proposed overall housing and employment growth figures for the borough, the settlement hierarchy and an initial view on the proposed development sites to meet the housing and employment growth targets over a twenty-year plan period (to year 2040). The purpose of the Regulation 18 consultation is to seek a wide range of views from communities and stakeholders on what a Local Plan should contain.

2.0 **Progress to Date and Issues**

- 2.1 Since the last update on the Local Plan in October 2022, the team have been working on the following in anticipation of the consultation on the First Draft Local Plan (Regulation 18) :-
 - Assessed in the region of 140 sites against site selection criteria to support the Local Plan
 - Consultancy support to undertake the following reports / evidence: -
 - Habitats Regulations Assessment,
 - Sustainability Appraisal ,
 - Housing Need Assessment / Economic Need Assessment,
 - Town centre capacity study,
 - Ecological network recovery assessment and mapping,
 - Landscape Character Study,
 - Infrastructure Delivery Plan,
 - Transport modelling,
 - Strategic Employment Sites Assessment,
 - Town Centre and Urban Capacity Study,
 - Viability Assessment and
 - Green Belt Study

- Reports from the above studies have been finalised, assessed and incorporated into the First Draft Local Plan
- Duty to Cooperate with neighbouring authorities ongoing and documented
- Equality Impact Assessment completed as part of the Sustainability Appraisal

Draft Local Plan

- 2.2 The draft Local Plan is structured around the following key areas:-
- Introduction, context, Vision and Strategic Objectives – setting out the background to the Local Plan and setting the scene for the overall Vision and Strategic Objectives for the Borough by 2040 (the end of the Plan period)
 - Strategic policies setting out the overall levels of development, settlement hierarchy and where growth should be directed.
 - Policies in relation to housing, employment, retail, infrastructure and environmental matters
 - Information on sites considered through the Local Plan
 - Glossary and Monitoring Framework
- 2.3 The draft Local Plan sets out the proposed growth strategy for the Borough, which is to provide at least 7,160 new homes over the Plan period (average of 358 per annum) and a minimum of 69 hectares of employment land. The Plan looks to direct development to the most sustainable locations, making the best use of previously developed land in the urban area. The primary focus for development is Newcastle-under-Lyme as a strategic centre in the Plan. Kidsgrove, an urban centre, is also a focus for growth in the overall delivery of the Plan Strategy. The plan also identifies a number of Rural Centres which perform an important community role. Rural Centres will take a smaller share of overall target, to support their services and facilities and to ensure the continued vitality and viability of these centres.
- 2.4 Efforts have been made to identify as many potential sites as possible as draft allocations in the urban area, including a specific call for sites for brownfield land. The proactive investigative work has exhausted all potential supply from sites within development boundaries and helped to ensure development is directed to the most established urban areas. Unfortunately, due to the limited land available within the existing urban area and villages, insufficient land was identified to accommodate the housing requirement in full in accordance with the preferred distribution of growth. The Council has considered maximising density to accommodate more dwellings on a smaller land area –the density of sites has been increased on sites identified for potential allocation in the plan where possible, and where this did not result in detriment to amenity, character, landscape and historic environment.
- 2.5 Discussions have also been held with neighbouring authorities as to whether they could accommodate some of the identified need for development. Despite best endeavours from all parties, this is currently not possible. There will be ongoing discussions regarding the Plan proposals as it is developed as part of the Duty-to-Co-operate.
- 2.6 The previous consultation at Issues and Options stage set out options for distributing development. The Issues and Options document also set out options for Green Belt release, only if required and the exceptional circumstances are fully evidenced and justified. These options have been considered through the Sustainability Appraisal. Following detailed evidence and a consideration of site opportunities in urban areas, the Plan includes draft site options which include Green Belt release.
- 2.7 While some of the indicative development figures for the Strategic Centre of Newcastle-under-Lyme can be accommodated on urban sites, it is not possible to meet all of the proposed development requirements without draft site options which include Green Belt release. The town of Kidsgrove has limited land availability in the centre. Kidsgrove, like Newcastle-under-

Lyme, is a sustainable location for growth, has received investment with the town deal funding, is adjacent to the developing employment hub at Chatterley Valley and is the only location in the Borough with a mainline rail station. Proactive work has considered possibilities for housing sites in the town itself, therefore some Green Belt release may be required to deliver new housing on draft sites which will not result in the merging of settlements or adversely affect the openness of the remaining Green Belt but will complement the existing built-up area and form logical extensions to the town.

- 2.8 A significant amount of new development is proposed in the Keele University Growth Corridor where there is optimum potential to create new development which has less environmental impact by utilising renewable energy technology and sustainable transport solutions connected to university projects, funding and initiatives.
- 2.9 A smaller level of Green Belt release is envisaged in the rural area in Audley and Bignall End which is the only Rural Centre with limited opportunity for growth on land not designated as Green Belt. This will help to sustain services and facilities, increase housing choice and ensure that development is distributed fairly across the service villages. Outside of the Green Belt, draft sites are also proposed in the settlements of Madeley and Loggerheads to support future growth recognising that settlements such as Loggerheads have already experienced recent levels of growth in the settlement.
- 2.10 The Council's Issues and Strategic Options document also identified the potential for strategic employment sites to be considered through the Local Plan. These are sites of scale, measuring over 25 hectares in size. Consultants Aspinall Verdi have prepared a Strategic Employment Site Report for the Council which has reviewed the sub-regional need and demand for such uses, concluding that there is a rationale for the allocation of strategic employment sites in the borough.
- 2.11 The strategic employment sites report considered sites at Land at J16 of the M6 (ref AB2), Land at Barkers Wood, Keele (ref KL15) and land off Talke Roundabout (ref TK30). The sites are significant in scale and are in the Green Belt. To acknowledge this, the Local Plan is not proposing to allocate the sites in the Plan at this stage but is seeking views on the principle of allocating strategic employment sites and is also seeking views on the site options themselves. The Council is seeking views from statutory consultees, infrastructure providers, neighbouring authorities and communities to understand views and receive further technical information on the sites.
- 2.12 The following table presents a summary of key proposals affecting settlements:-

Settlement	Tier in the proposed settlement hierarchy	Key proposals (note – this table does not provide an exhaustive list of policies and proposals relevant to individual settlements)
Newcastle-under-Lyme	Strategic Centre	<ul style="list-style-type: none"> • Site allocations in the draft plan • Proposed town centre / primary shopping area boundary • Proposed District and Neighbourhood Centres for retail purposes • Development boundaries proposed
Kidsgrove	Urban Centre	<ul style="list-style-type: none"> • Site allocations in the draft plan • Proposed town centre / primary shopping area boundary • Proposed District and Neighbourhood Centres for retail purposes

		<ul style="list-style-type: none"> • Development boundaries proposed
Audley and Bignall End (Joint)	Rural Centre	<ul style="list-style-type: none"> • Site allocations in the draft Plan • Proposed rural centre retail designation • Development boundaries proposed
Baldwins Gate	Rural Centre	<ul style="list-style-type: none"> • The outcome of a Planning appeal at a site at Baldwins gate (21/01041/OUT) for up to 200 dwellings will influence future strategy to Baldwins Gate • Proposed rural centre retail designation • Development boundaries proposed
Betley and Wrinehill (Joint)	Rural Centre	<ul style="list-style-type: none"> • Development boundaries proposed
Keele Village (with University Hub)	Rural Centre	<ul style="list-style-type: none"> • Inset boundary proposed • Site allocations in the draft Plan
Loggerheads	Rural Centre	<ul style="list-style-type: none"> • Site allocations in the draft Plan • Proposed rural centre retail designation • Development boundaries proposed
Madeley and Madeley Heath	Rural Centre	<ul style="list-style-type: none"> • Site allocations in the draft Plan • Proposed rural centre retail designation • Development boundaries proposed
Various Locations	Urban Centre, Rural Centre and Other settlements and rural areas	<ul style="list-style-type: none"> • Consulting on 3 potential locations for strategic locations at Audley, Keele and Talke.

- 2.13 This is the First Draft Plan. The call for sites is still open for sites to be submitted for consideration during the next stage of the Local Plan. At this stage, the Council is seeking views on a number of draft options for the location of sites around the Borough. The Council is seeking views from statutory consultees, infrastructure providers, neighbouring authorities and communities to understand views on the emerging Plan. This expert, technical and valued local perspective will help us determine the suitability of our overall approach including specific sites.
- 2.14 The First Draft Local Plan also includes, in draft form, a number of important policies to assist decision takers in making decisions on planning applications including affordable housing, older person accommodation, design, climate change policies and others.

Local Plan Consultation

- 2.15 The consultation period on the Local Plan will be longer than the statutory minimum of 6 weeks, as with the Issues and Options consultation at the end of 2021 / beginning of 2022. The consultation will be in line with the Council's Statement of Community Involvement which sets out how the Council will consult on Local Plan documents. The Council intends: -
- Holding seven public consultation events held in venues across the Borough between 19th June and the 14th August 2023.
 - One by appointment consultation session at Castle House
 - One virtual consultation event
 - Holding ongoing discussions with neighbouring authorities and statutory bodies
 - Updating the Council's website to host the consultation material and provide an opportunity to submit comments through the Council's consultation portal

- Importantly, comments will also be received through e-mail to planningpolicy@newcastle-staffs.gov.uk and in writing to the planning policy team at the Council Offices at Castle House
- Holding workshops and focus groups.

2.16 The comments received during this consultation will be reviewed and key issues will be identified and summarised. This will be reported back to members at the earliest opportunity. The feedback will inform the next stage of plan preparation, alongside new and emerging evidence base documents, the outcomes of the Sustainability Appraisal and Habitats Regulations Assessment processes.

2.17 The next consultation stage will be on the Regulation 19 version of the Local Plan. This will be the plan which the council considers to be 'sound' and legally compliant, which will then be submitted to the Secretary of State, via the Planning Inspectorate for public examination before it can be considered for adoption by the Council. It is estimated that the adoption of the new Borough Local Plan will be complete by late 2024 / early 2025 in line with our Local Development Scheme published on the Council's website. It should be noted that this timescale is dependent on the availability and agreement of the Planning Inspectorate and progress made during the examination.

3.0 Proposal

3.1 It is proposed that consultation on the First Draft Local Plan (Regulation 18) begins on the 19th June 2023.

3.2 It is proposed that this consultation stage lasts for 8 weeks: more than the statutory 6 weeks recommended, completing on the 14th August 2023.

3.3 A dedicated web page on the website will be 'live' at the start of the consultation that will list the consultation events and how they can be booked. There will also be 7 external public consultation events at Kidsgrove, Keele, Silverdale, Chesterton, Madeley, Loggerheads and Audley, but with the intention of holding several more at the Council Offices and an offer of booking virtual meetings. All the sites proposed to be allocated will also have site notices advising of the consultation and seeking responses to the Plan. During the consultation period officers will be available to respond to any questions.

3.4 Subject to this second consultation, it is further proposed that a Final Draft Local Plan will be consulted upon in early 2024, with a view to submitting the Local Plan to the Secretary of State in late 2024, for an Examination in Public in 2024 for possible adoption by late 2004 or early 2025. However, once the plan is submitted the timetable for the Examination in Public and the publication of the Inspectors Report will be determined by the Planning Inspectorate.

4.0 Reasons for Proposed Solution

4.1 In order that Council deliver a robust and fully considered Borough Local Plan it is paramount that consultations on the drafts are undertaken, in line with the Council's Statement and Community Involvement which sets out how we will consult on planning matters, and that feedback is received and acted upon.

5.0 Options Considered

- 5.1 One option is not to proceed with the production of a Local Plan and cease work. This is the 'do-nothing' scenario. This is not considered a reasonable option as it contravenes Section 19(1B) - (1E) of the Planning and Compulsory Purchase Act 2004 which requires local planning authorities to identify their strategic priorities and have policies to address these in their development plan documents (taken as a whole).
- 5.2 A further option is to suspend the progress of the production of a Local Plan as a consequence of the NPPF consultation / policy decision from Central Government, which may or may not alter the calculation of housing needs. At the time of this report being drafted there has not been any final announcement on this subject from Government and until any guidance is issued, in its final form, we do not consider a pause would be a benefit to the progress we have made. For the avoidance of doubt, the First Draft Local Plan has been prepared in accordance with the National Planning Policy Framework (dated July 2021) and associated planning guidance which are the requirements currently in force
- 5.3 The consequence of failure to progress plans is the likelihood of government intervention with the possibility that the plan will be produced for the Borough Council by another organisation. In March 2020, the government set a deadline of December 2023 for all authorities to have up-to-date Local Plans in place and plan progression is monitored by national government. Other consequences are the diminishing weight applied to out-of-date policies in existing development plan and the possibility without a forward supply of development sites that the Council fails to demonstrate a 5-year land supply. The current analysis as result of the preparatory work for this Local Plan demonstrates that the Council is right on the margin of a 5-year land supply so the risk of not having an available supply is therefore a high risk. This would result in planning applications being determined in line with the presumption of sustainable development (i.e., sites which are not allocated).

6.0 Legal and Statutory Implications

- 6.1 The Local Plan is a statutory requirement and needs to conform to the requirements set out within the Planning and Compulsory Purchase Act, 2004 ("the 2004 Act") and the Town and Country Planning (Local Planning) (England) Regulations 2012 ("the 2012 Regulations"). The proposed consultation will be carried out in the stage of the plan-making process governed by Regulation 18. Regulation 18 requires councils to consult particular bodies and groups on the scope of the Plan, and to take account of representations. In preparing a Local Plan, Local Planning Authorities have to comply with the statutory Duty to Co-operate and carry out engagement throughout the plan making process in accordance with its Statement of Community Involvement. The development of the Plan has taken proper account of the legal requirements associated with Sustainability Appraisal and the Habitats Regulations.
- 6.2 Once adopted, the Local Plan will replace the adopted Core Spatial Strategy, 2009 and saved policies of the Newcastle-under-Lyme Local Plan 2003 - 2011.
- 6.3 The National Planning Policy Framework (July 2021) and the National Planning Practice Guidance, contain guidance on how to prepare a Local Plan and this has been taken into account in the preparation of this report together with the legal requirements as set out in 2004 Act and the 2012 Regulations.

7.0 Equality Impact Assessment

- 7.1 An Equality Impact Assessment (EqIA) has been undertaken for the First Draft Local Plan document as part of the Integrated Sustainability Appraisal. The EqIA has assessed how the First Draft Local Plan document impact on the nine protected characteristics identified in the Equalities Act 2010.

7.2 At this stage of plan preparation, it is considered there are no specific detrimental equality impacts arising as a result of this report. The EqIA has been published as part of the Sustainability Appraisal, alongside the First Draft Local Plan.

8.0 Financial and Resource Implications

8.1 The costs of the consultation are already accounted for in the Planning Policy budget. These costs relate to the following:

- booking venues (for any additional venues required that are not Council property),
- health and safety materials for the venues (e.g., hand sanitiser and cleaning supplies)
- various modes of consultation including printing posters, site notices and consultation material as well as some copies of the Local Plan document
- officer time – whilst not an additional cost, officers working outside normal hours at events can claim time off to compensate for longer working days

9.0 Major Risks

9.1 Changes in National Policy, Legislation and Guidance

The Levelling-Up and Regeneration Bill is currently before parliament. The Bill will have implications for the production of Local Plans, once it receives Royal Assent (anticipated to be later in the year). The Government has outlined that Councils have until 30 June 2025 for old style Plans to be submitted for examination (to be adopted by 31 December 2026). Alongside this, the government has recently consulted on proposed changes to the National Planning Policy Framework. This may result in changes to the approach to Plan making, particularly in respect of the Green Belt. Again, this position will be kept under review. Transitional arrangements are likely to apply and implications of any changes to the approach and content of the Local Plan will be kept under review.

9.2 Failure to provide robust evidence base for the emerging Local Plan.

The risk here is that the policies and allocations subsequently proposed are based on erroneous or out of date data. This is being addressed through the work already undertaken on some key pieces of the evidence base and also ongoing review of evidence as the plan progresses to adoption.

9.3 Failure to demonstrate that the plan is being prepared in line with the Duty to Cooperate.

The Duty to Co-operate is a legal test that requires cooperation between local planning authorities and other public bodies to maximise the effectiveness of policies for strategic matters in Local Plans. It is separate from but related to the Local Plan test of soundness. Proposals and policies in the plan may have cross boundary implications that require effective cooperation to understand and mitigate. The First Draft Local Plan also contains proposals for Green Belt release which is subject to a separate 'exceptional circumstances' test which again relies on discussion with neighbouring authorities to determine any reasonable alternative options to Green Belt release. The Borough Council is communicating with our partners and neighbours and will continue to develop Statements of Common Ground to ensure that the duty is fulfilled and any cross boundary issues are addressed effectively.

9.4 Failure to meet the timetable for the preparation and adoption of the Local Plan.

There is some potential for slippage in the time line of the Plan and this will be dependent on a number of factors notably the amount and diversity of the comments received at each consultation stage and the availability of staff to support this requirement. This risk though can be addressed through managing staffing levels and utilising other sources of external and internal staff support as appropriate.

9.5 Failure to demonstrate transparency and inclusiveness in our engagement and consultation with stakeholders on strategy development.

If an aggrieved party feels the process has not been followed correctly then it may launch a challenge to the validity of the plan through the judicial review process. It is therefore important that the plan presents itself in a manner where each party has the opportunity to present their case fully. The Borough Council will also follow its Statement of Community Involvement during consultation stages.

9.6 Failure of a consultant or third party to deliver to Council's timeframe

If a contracted consultancy company who is delivering evidence for the Local Plan is delayed this could potentially delay the subsequent or next stage of the evidence development and plan drafting. It is important that evidence is robust (see 9.2 above) and that short cuts aren't taken in building the evidence base

9.7 Whilst these risks could result in the plan being found to be unsound, delays through legal challenge or work proceeding too slowly could result in decisions on applications being made without the benefit of a up-to-date local policy framework, it is felt that appropriate mitigation is in place to reduce the possibility of these events occurring and in the unlikely event they do, any harm is minimised.

10.0 UN Sustainable Development Goals (UNSDG)

10.1 As the Local Plan is primarily focused on the use of land and properties and how these relate to peoples use of the environment a number of the UN Sustainable Development Goals will overlap with the aims of the Plan.



11.0 Key Decision Information

- 11.1 The policies and allocations in the First Draft Local Plan (Regulation 18) will affect sites all wards in the Borough over time.

12.0 **Earlier Cabinet/Committee Resolutions**

- 12.1 Cabinet – Wednesday, 13th January 2021. Please follow this link

<https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=3423&Ver=4>

Following completion of the review agreed at the previous meeting, Cabinet resolved to cease work on the Joint Local Plan and commence work on the Borough Local Plan.

- 12.2 Planning Committee - Tuesday, 31st August, 2021. Please follow this link:

<https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=119&MId=3819&Ver=4>

Presentation of draft Issues and Strategic Options Paper to Planning Committee for consideration and for opportunity to pass comment on the plan to Cabinet

- 12.3 Cabinet – 8th September 2021. Please follow this link:

<https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=3429&Ver=4>

Sought authorisation to publish Local Plan Issues and Strategic Options for 6 week public consultation

- 12.4 Economy & Place Scrutiny Committee – Wednesday, 15th June 2022. Please follow this link:

<https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=467&MId=4163&Ver=4>

Presentation and report on the outcomes of the Borough Local Plan Issues and Options consultation.

- 12.5 Cabinet 19th July 2022. Please follow this link:

<https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=3979&Ver=4>

Presentation of the feedback from the Local Plan Issues and Strategic Options consultation.

- 12.6 Cabinet 5 October 2022 - update Cabinet on progress made on the Local Plan and next steps before consultation is undertaken - <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=4181>

13.0 **List of Appendices**

- 13.1 Appendix 1: Regulation 18 Draft Local Plan
<https://moderngov.newcastle-staffs.gov.uk/NULBC/LP/Appendix1Regulation18LocalPlan.pdf>
- 13.2 Appendix 2: Integrated Sustainability Appraisal of the First Draft Local Plan
Part 1:
https://moderngov.newcastle-staffs.gov.uk/NULBC/LP/LC-936_Vol_1of3_NuL_R18_SA_Non-Technical_Summary_5_250523GW.pdf
Part 2:
https://moderngov.newcastle-staffs.gov.uk/NULBC/LP/LC-936_Vol_2of3_NuL_R18_SA_11_250523SS_non-access.pdf
Part 3:
https://moderngov.newcastle-staffs.gov.uk/NULBC/LP/LC-936_Vol_3of3_NuL_Reg18_SA_Appendices_1_170523LB_comp.pdf
- 13.3 Appendix 3: Habitats Regulations Assessment of First Draft Local Plan
<https://moderngov.newcastle-staffs.gov.uk/NULBC/LP/Appendix3HRAoftheLocalPlan.pdf>
- 13.4 Appendix 4: Extract of Draft Policies Map
<https://moderngov.newcastle-staffs.gov.uk/NULBC/LP/Appendix4ExtractofDraftPoliciesMap.pdf>

14.0 **Background Papers**

The following evidence based items have already / will be published on the Council's Local Plan evidence base webpage when the consultation starts:- <https://www.newcastle-staffs.gov.uk/planning-policy/local-plan-evidence-base>

- 14.1 Duty to Co-operate Statement of Compliance (2023)
- 14.2 Strategic Employment Sites Report 2023 (Aspinall Verdi)
- 14.3 Ecological Network Recovery Assessment (Staffordshire Wildlife Trust)
- 14.4 Landscape Character Assessment: CBA (2023)
- 14.5 Local Plan Viability Study; Nationwide / CIL (2023)
- 14.6 Infrastructure Delivery Plan; LUC (2023)
- 14.7 Housing and Economic Needs Assessment Update; Turleys (2023)
- 14.8 Town Centre Capacity Study; Turleys (2023)
- 14.9 Green Belt Assessment Part 3; Arup (2023)
- 14.10 Newcastle-under-Lyme open space and green infrastructure strategy; RSK (2022)
- 14.11 Landscape and settlement character assessment study; CBA (2022)
- 14.12 Housing and Economic Needs Assessment; Turleys: 2020
- 14.13 Climate Change Adaptation and Mitigation Report; AECOM Limited; 2020
- 14.14 Playing Pitch Strategy 2020; Knight, Kavanagh & Page Ltd; 2020
- 14.15 Green Belt Assessment Part 1&2; Arup; 2017 & 2020
- 14.16 Gypsy and Traveller and Travelling Showperson Accommodation Assessment; Arc4; 2020
- 14.17 Water Cycle Study; JBA Consulting; 2020
- 14.18 Newcastle-under-Lyme and Stoke-on-Trent Retail and Leisure Study; Nexus Planning; 2019
- 14.19 Strategic Housing Land Availability Assessment (SHLAA); NULBC; 2020
- 14.20 Strategic Housing Land Availability Assessment Methodology; NULBC; 2017
- 14.21 Level 1 Strategic Flood Risk Assessment Report; JBA Consulting; 2019.
- 14.22 Biodiversity Opportunity Mapping Report (March 2014)
- 14.23 Rural Area Topic Paper (2021)
- 14.24 Heritage Topic Paper (2021)
- 14.25 Infrastructure Baseline Report (2021)
- 14.26 Staffordshire and Stoke-on-Trent Strategic Infrastructure Plan (2018)
- 14.27 West Midlands Strategic Employment Sites Study (2021)

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Cabinet
06 June 2023

Report Title: Adoption of Staffordshire Adaptation Strategy

Submitted by: Service Director for Sustainable Environment

Portfolios: Recycling & Environment

Ward(s) affected: All

Purpose of the Report

Climate Change presents serious issues, and there is a need to address many of these issues through adaptation measures. The Staffordshire Adaptation strategy sets out areas for action which Councils collectively across Staffordshire can support by adopting the objectives and actions of the Staffordshire Adaptation Strategy.

Recommendation

That

1. **Cabinet formally adopts the Staffordshire Adaptation Strategy.**
2. **The Council helps facilitate action contained within the Staffordshire Adaptation Strategy through its membership of the Staffordshire sustainability Board (SSB)**

Reasons

Sustainability and Climate Change are serious issues facing us all, and there is a need to work as a collective across Staffordshire, to address climate change adaptation measures that are within individual organisations leverage, to influence and facilitate change with adaptation to climatic changes that are already locked in.

1. **Background**

- 1.1 Climate change is affecting our long term weather conditions, affecting the whole world. Over the last 150 years the average temperature has warmed by 1.2oC across the planet, and the rate at which temperatures have been increasing has been getting faster, with the rate from 1980, almost doubling compared to 1900-1980.
- 1.2 Our local climate is changing in Staffordshire. In 2022 the temperature in Staffordshire went over 40 degrees centigrade, and since the year 2000, there have been at least 15 significant floods across the County, 9 of them storm events happening between 2018 and 2022.

2. **Issues**

2.1 UK climate projections say our climate will continue to get warmer over the next few decades, even if we reduce the amount of carbon emissions produced.

2.2 It's hard to predict what will happen later in the century as it depends on how much carbon emissions are reduced worldwide. Along with changes to the average temperature and rainfall we will also have more extreme weather in Staffordshire, meaning –

- Increased chance of rivers and streams flooding.
- Flash floods at all times of the year
- More extreme heatwaves
- Drier summers and water shortages.

2.3 In 2022, UK government revised the risks that climate change could cause in the UK. They identified 61 different risks and opportunities and put them into 8 categories, including: -

- The impact on habitats and species
- The impact on the health of the soil
- Risk to natural carbon stores and removal of carbon from the atmosphere, known as carbon sequestration.
- The impact on local crops, livestock, and commercial trees
- The impact on getting food, goods and vital services
- How people and the economy will be affected.
- The impact on people's health, wellbeing and productivity.

2.4 Sustainability West Midlands (SWM) is a sustainability champion for the West Midlands, and the Council is a member. SWM have examined the government's risks and opportunities and how they may affect the West Midlands, and produced 'The West Midlands Climate Change Risk Assessment and Adaptation Plan 2021 – 2026'.

2.5 SWM have identified some high level actions that can be taken to help adapt to these challenges, and the information from the plan has been used to understand the risks and opportunities specific to Staffordshire, and incorporated into the Staffordshire Adaptation Strategy.

2.6 Climate change has the potential to impact all Council services, and there is therefore a need for future planning. This will involve looking at all the things we do as a Council, and thinking about how we make our services more resilient to climate change to protect people's lives and livelihoods.

3. **Proposal**

3.1 Adoption and supporting the Staffordshire Adaptation Strategy will allow the Council to work collaboratively with other members of the SSB, other Local Authorities, with the public and

private sector, our communities and businesses in order to maximise the outcomes which can be achieved across Staffordshire. Through a managed approach and working together the ability to adapt and influence will be increased.

3.2 The Staffordshire Adaptation Strategy includes a range of objectives across 4 key themes for Councils within the SSB to reduce exposure to climate change risks and capitalise on new opportunities. The themes are -

- **Critical Infrastructure and buildings.**
- **Natural Environment and Green Spaces.**
- **Health Wellbeing and Safety.**
- **The Local economy.**

3.3 Preparing plans for a more resilient Staffordshire we are faced with the challenge of responding to a broad range of uncertain risks.

3.4 The strategy sets out to be proactive in introducing positive changes through development of specific plans and policies, taking account of statutory requirements to aid change. Identifying our priorities and working collaboratively, Staffordshire Councils can build a more resilient society and economy, thus providing people with a safe, comfortable place to live and work.

3.5 The strategy sets out strong governance to:-

- Improve the policy and incentive framework and integrate adaptation considerations into policies, plans, strategies and programmes. Risks will be actively managed to ensure the policy framework keeps pace with the changing climate.
- Ensure decision making will consider resilience to the impacts of the changing climate, particularly severe weather on service delivery.
- Develop, innovate and adopt good practice.

4. **Reasons for Proposed Solution**

4.1 Climate Change is a serious issue facing us all, and there is a need to work as a collective across Staffordshire. This makes it easier, to address climate change adaptation measures that are within individual organisations leverage, and to influence and facilitate change with adaptation to climatic changes that are already locked in.

5. **Options Considered**

5.1 The Council could just focus on work in isolation, in achieving its own targets as set out in the Sustainable Environment Strategy approved by Cabinet, and the emerging 'RoadMap' currently being developed. However there are significant advantages in working collaboratively, sharing good practice, wider and more consistent communication, awareness

raising, evaluation of adaptation measures, potential future financial or expertise support bids and best practice on improvements moving forward.

6. **Legal and Statutory Implications**

6.1 The Climate Change Act 2008 has the following provisions:

- Carbon targets and carbon budgeting – The Act places the government under a legal duty to reduce greenhouse gas emissions by 80% below 1990 levels by 2050
- The committee on Climate Change – The Act also establishes the Committee on Climate Change, an independent, expert body to advise government on the appropriate level for target, budgets, and on matters relating to mitigation and adaptation. The Committee will submit annual reports to parliament on progress towards the targets and government must respond to this report.

6.2 Councils have a duty to reduce carbon emissions which are further legislated for as part of the Environment Act.

6.3 All Local Authorities have a 'biodiversity duty' under the Natural Environment & Rural Communities act 2006.

7. **Equality Impact Assessment**

7.1 An equality impact assessment is not required as part of this report. However there may be equality impact assessments required going forward, as the Adaptation Strategy is implemented and developed.

8. **Financial and Resource Implications**

8.1 There are no financial implications arising from this report. However as the Council starts to consider adaptation measures moving forward, finance and resource issues will need to be considered and built into the Councils Capital programme and Medium Term Financial Strategy (MTFS)

9. **Major Risks**

9.1 The Staffordshire Adaptation strategy identifies risks and opportunities to help guide adaptation plan preparation. These risks are based around the 4 key themes set out in paragraph 3.2.

9.2 Identified risks and opportunities are set out in Appendix 1 of the Staffordshire Adaptation Strategy, a copy of which is appended to this report (Appendix 1).

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

10.1 This report, and the adoption of the Staffordshire adaptation Strategy will support the Councils Sustainable Environment Plan and associated action plan, as well as delivery of the following UNSDG:



11. **Key Decision Information**

11.1 This report is a key decision, as Climate Change has the potential to have a significant effect on communities living or working in an area.

12. **Earlier Cabinet/Committee Resolutions**

12.1 There are no earlier Cabinet/Committee Resolutions.

13. **List of Appendices**

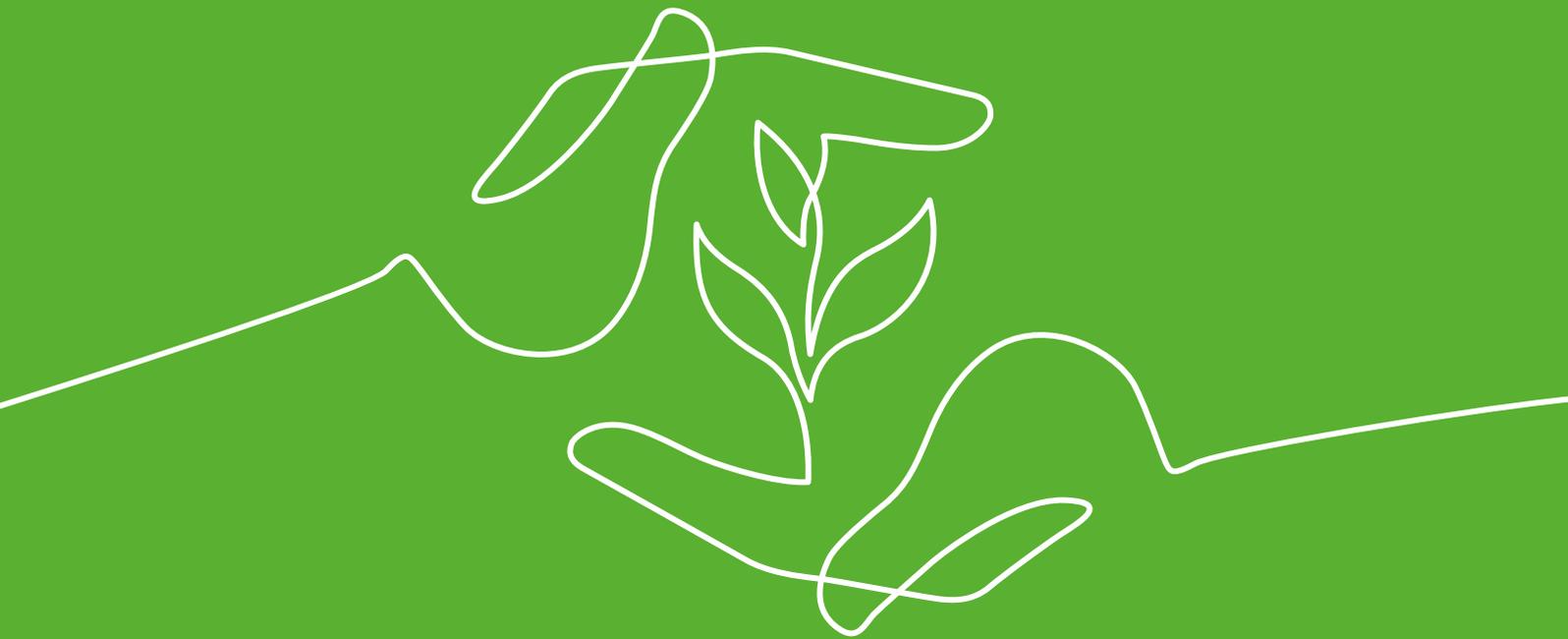
13.1 Appendix 1 – Staffordshire Adaptation Strategy.

14. **Background Papers**

14.1 There are no background papers.

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Staffordshire Adaptation Strategy



STAFFORDSHIRE
SUSTAINABILITY BOARD



NEWCASTLE-UNDER-LYME
BOROUGH COUNCIL



South Staffordshire Council



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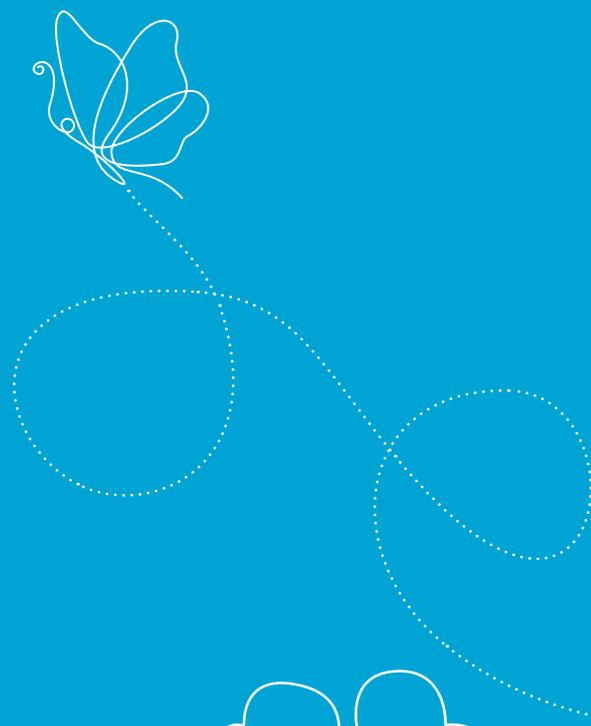
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Foreword



Councillor Simon Tagg Chair, Staffordshire Sustainability Board

One of the most critical challenges facing the world today is the changing climate. Locally, we can see the impacts of climate change, for example, the record-breaking heat of 2022 and the increasing number of damaging storms and floods over the past few years.

The evidence shows that as the climate continues to change, Staffordshire can expect summers to be drier, winters wetter, and more extreme weather events to become more frequent.

While it's important that councils have made commitments to reduce carbon emissions, this alone is not sufficient. Even if we could immediately reduce our emissions to zero, the climate would still change. Therefore, we must also focus on building resilience into our services and local environment, and helping communities and businesses cope with the effects of the changing climate.

I am delighted to present this Adaptation Strategy which demonstrates a commitment of Staffordshire Councils to work together to build a positive future. By identifying the risks, opportunities, and actions, we can better prepare ourselves to respond and adapt to the changing climate in the future. It's important to act now, and I'm confident that by working together through the Staffordshire Sustainability Board, we can become more resilient to the impacts of climate change.

Councillor Joe Porter Vice chair Staffordshire Sustainability Board

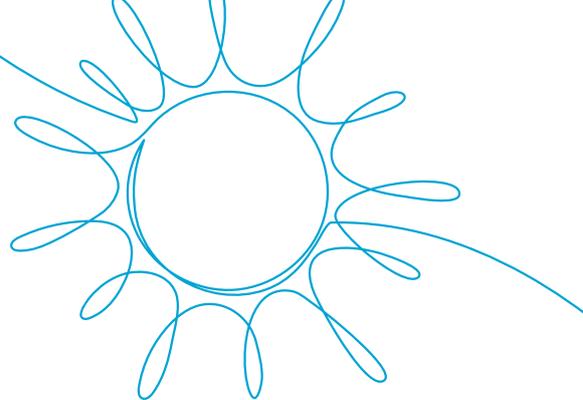
Working together the Staffordshire Sustainability Board, will allow the councils of Staffordshire to ensure that the main effects of climate change are considered in adapting to scenarios presented to us through a changing climate.

This strategy document will enable the councils at all levels in Staffordshire to go forward in a positive and structured manner so that the services we offer and the communities and businesses that we serve are supported by resilient council plans.





Staffordshire's Changing Climate



Climate change is causing a shift in our long term weather conditions and affects the whole world. One of the main reasons for this problem is that we have been using a lot of coal, oil, and gas, going back to the pre-industrial period. Burning these fossil fuels releases gases that trap heat in the atmosphere causing the earth's temperature to increase.

Over the last 150 years the average temperature across the world has warmed by 1.2°C. That might not sound like a lot, but the rate at which the Earth's temperature has been increasing has been getting faster. Since the 1980's, the rate

has almost doubled compared to 1900-1980¹. This is changing our climate putting our livelihoods and our wildlife at risk.

¹ National Centers for Environmental Information Annual Report 2021.

Historic UK Severe Weather Events

<p>2000</p>  <p>Record April rainfall Record autumn rainfall</p>	<p>2012</p>  <p>Wettest for 50 years</p>	<p>2020</p>  <p>Storm Dennis record rain and strong damaging wind</p>
<p>2002</p>  <p>Record Autumn rainfall</p>	<p>2015</p> <p>Mildest December</p>	<p>2021</p> <p>Record rainfall over 3 days (January)</p> <p>Record mild March temperature</p>
<p>2003</p> <p>Mildest January day</p>  <p>Record summer temperature</p>	<p>2018</p> <p>Mildest April day for 70 years</p>	<p>Record mild December temperature</p>
<p>2007</p> <p>Record summer rainfall</p>	<p>2019</p> <p>Record mild February temperature</p>  <p>Record summer temperature</p> <p>Record mild December temperature</p>	<p>2022</p>  <p>UK exceeds 40 degrees for the first time</p>



The climate is changing in Staffordshire. For example, in 2022 the temperature in Staffordshire went over 40 degrees centigrade, which is a new record. There have also been at least 15 significant floods in Staffordshire since 2000, with 9 of these storm events happening between 2018 and 2022.

In February 2020, during Storm Dennis, 281 properties in Staffordshire were flooded. The UK Climate Projections say that our climate will continue to get warmer in the next few decades, even if we reduce the amount of carbon emissions we produce. However, it's hard to predict what will happen later in the century because it depends on how much carbon emissions are reduced worldwide. Along with changes to the average temperature and rainfall, we will also have more extreme weather in Staffordshire. This means we'll have:



Increased chance of rivers and streams flooding



More extreme heatwaves



Flash floods at all times of the year



Drier summers and water shortages

We can help make things better by taking action now to protect our local environment and livelihoods alongside our plans to reduce carbon emissions. This will help make Staffordshire more resilient to handle future changes in the climate.

In 2022, the UK government revised the risks that climate change could cause in the UK.

They identified 61 different risks and opportunities and put them into 8 categories, including:

- › The impact on habitats and species.
- › The impact on health of the soil.
- › Risk to natural carbon stores and removal of carbon from the atmosphere, known as carbon sequestration.
- › The impact on local crops, livestock, and commercial trees.
- › The impact on getting food, goods and vital services.
- › How people and the economy will be affected.
- › The impact on people's health, wellbeing, and productivity.
- › The impact from other countries.

The West Midlands Climate Change Risk Assessment and Adaptation Plan 2021-2026 (Sustainability West Midlands) looked at these risks and opportunities that climate change could cause in the West Midlands region.

They have identified some high-level actions that can be taken to help adapt to these changes.

The information from this plan has been used to understand the risks and opportunities specific to Staffordshire.

For the West Midlands the latest projections are:

West Midlands	2050	2080
Mean annual temperature	↑ 1.2°C	↑ 1.3°C - 2.4°C
Mean winter temperature	↑ 1.1°C	↑ 1.2°C - 2.0°C
Mean winter precipitation	↑ 6%	↑ 9% - 14%
Mean summer temperature	↑ 1.7°C	↑ 1.9°C - 3.2°C
Mean summer precipitation	↓ 15%	↓ 19% - 26%



Source: UK Climate Projections (UKCP) taken from UKCP18 projections

Our Vision

A resilient Staffordshire will be an attractive, safe and healthy place to live and work offering an excellent quality of life, thriving environment and prosperous economy.



Our Ambition

We will

Recognise that adapting to climate change is a vital part of planning for the future and will consider adaptation planning across all council services.

Understand the risks and vulnerability climate change poses to Staffordshire, the places we live and work and how these can be made more resilient to climate change.

Adopt a flexible pro-active approach to adaptation to account for the dynamic and uncertain future climate change scenarios and significance of the impacts.

Taking a Joined-up Approach

Climate change has the potential to impact all council services and we need to plan for the future. This means looking at all the things we do and thinking about how to make them more resilient to climate change to protect people's lives and livelihoods.

We will collaborate as councils with the public and private sector, communities and businesses to maximise the outcomes we can achieve across the county. Through a managed approach and working together our ability to adapt and influence will be increased.

It is essential that we act now and put measures in place to allow for a good quality of life and protect Staffordshire's environment and economy now and for the future. These measures will be taken alongside our efforts to achieve net zero carbon emissions.

This Strategy includes a range of objectives across the key themes for Staffordshire Councils to reduce exposure to climate change risks and capitalise on new opportunities. The themes are:



**Critical
Infrastructure
and Buildings**



**Natural
Environment and
Green Spaces**



**Health,
Wellbeing
and Safety**



**The
Local
Economy**

How Climate Change Can Impact Our Service Delivery



Critical Infrastructure and Buildings

Extreme weather events like flooding and storms can damage a buildings integrity and infrastructure, which can affect the usability of the space and business operations.

The damage caused by extreme weather events can disrupt business and the councils' ability to provide reliable services for the local community. It is important to make sure our built environment is resilient to these climate-related hazards. This means thinking about where and how we build new structures, and how we maintain existing ones.

Green infrastructure, like parks and street trees, and blue infrastructure, like rivers, wetlands and Sustainable Drainage Systems (SuDS) can help protect and enhance our built environment against our changing climate. Incorporating these features into good building design will make our infrastructure and buildings more robust and better able to withstand climate-related hazards.

Transport and travel

Extreme weather events such as heatwaves, floods and storms can cause problems for our transportation infrastructure and access along these networks. Heatwaves increase the risk of natural fires starting on grass verges and have caused the tarmac on some roads to soften. Storms have led to landslides blocking routes and flooding roads especially in low lying areas and floodplains.

These events can cause road closures and damage to roads. How we manage the risks and hazards to services in a changing climate, especially during extreme weather events will form a key part of business continuity planning.

Buildings

Flood events can cause a lot of damage to properties causing disruption and costly repairs. Summer heat, especially that experienced in 2022 can make living and working spaces uncomfortable and can be a danger to health, especially the vulnerable.

Nature based solutions, such as green spaces and SuDs have an important role to play in creating climate change resilience providing natural cooling and helping to minimise flood risk to buildings.

CASE STUDY 1

Developing Houses Fit for the Future

EXETER CITY COUNCIL

Exeter City Council has been using a planned approach to low energy housing developments, which has led to the creation of 103 certified Passivhaus homes.

These homes have been built to be low energy, climate ready and improve health through building biology. They have been tested against future climate conditions to ensure resilience to 2080, and alongside this residents have already experienced health improvements and better indoor air quality

Source: SWM (2022) Climate change adaptation: practical examples for local authorities.

CASE STUDY 2

Residential Flood Alleviation Scheme

HAMSTALL RIDWARE



Staffordshire County Council installed new oversized drainage assets to better protect 18 residential properties in Hamstall Ridware.

This Surface Water Flood Alleviation scheme combined with natural flood management works undertaken by South Staffs water.

The creation of a bund within the field near the village helps to hold back flood water and installation of leaky dams has slowed the flow of water in the ditch.

Modelling showed that in a 100-year flood event (having a 1% chance of occurring in any year), the scheme would prevent 9,000 cubic metres of surface water entering the village reducing this water volume to just 33 cubic metres and in doing so significantly reducing flood risk.

Source: SWM (2022) Climate change adaptation: practical examples for local authorities.



CASE STUDY 3

Stafford Brooks Project STAFFORD



Stafford Brooks project will restore the floodplains to help increase their ability to store water when river and waterway levels rise.

It targets 25 locations along Stafford's rivers and streams, improving habitats which will enable wildlife to thrive.

This project will reduce flood risk to nearby houses and businesses, alleviating seasonal pressures felt across the town caused by regular flooding. This project also has a particular focus on extending, restoring and creating new habitats. These restored areas will become home to a variety of wildlife including otters, wading birds and a range of amphibians.

The new developments will also use natural solutions such as wetlands and reed beds to help filter polluted run-off from roads.

Source: SWM (2022) Climate change adaptation : practical examples for local authorities.





Natural Environment and Green Spaces

The changing climate is putting our natural environment under pressure with some species struggling to adapt quickly enough to the changes.

Warmer temperatures increases the vulnerability of species to pests and diseases and increases the risk of invasion from exotic species. Hotter drier conditions increases the risk of wildfires which can cause serious damage to habitats and communities.

The timing of our seasons is changing and affecting the availability of food for many species at crucial times of the year, especially breeding and migratory species.

Habitats and species

The changing climate and extreme weather can damage vegetation, plants and our soils, causing challenges to our wildlife. To help them adapt, we need to increase our understanding of species habitat requirements to create more resilient environments.

Improving the quality, diversity and size of habitats and connectivity will help species move through the landscape as the climate changes. We will work together to share ideas and methods, and make sure that our habitats are diverse to provide the best survival chances.

The changing seasonality will impact our management of habitats due to earlier breeding seasons. This is reducing the time period when some works can be completed putting pressure on resources and will require us to adjust our management regimes.



Enjoying our open spaces

Our open spaces are not only valuable for biodiversity, they can also reduce air pollution and provide recreational space for people to enjoy.

Extreme weather conditions can erode footpaths, wash out bridges and create landslips making access to our open spaces and footpaths hazardous or impassable, increasing pressure on resources.

New ways of managing access to these open spaces needs consideration, moving away from costly hard engineering solutions to identifying how best to adapt to the changing conditions. This requires a more holistic approach to management, working with stakeholders and landowners to consider implementation of offsite positive solutions.

Natural flood risk management

Flood events are occurring more frequently, and it is predicted the intensity and duration of flood events will increase in the coming decades.

We need to better understand our flood risk so that we can plan, respond and recover from flood events to maximise the best possible outcomes for the people of Staffordshire.

There are many sources of flooding and various organisations have a duty to oversee or manage these sources to better manage risk. Improved sustainable outcomes are possible if we all work together.

Through working closely with organisations and landowners we can promote more effective management.

Engaging with our communities will be an essential part of this process to raise awareness and ensure they are well informed and resilient to future flood risk.

CASE STUDY 4

The Washlands Enhancement Project

BURTON ON TRENT



The Washlands is a functional flood plain along the River Trent through to the centre of Burton.

In 2018 East Staffordshire Borough Council, in partnership with the Environment Agency and other public and private sector partners, launched a new shared landscape vision for the Washlands.

Between June 2019 and June 2022 the Environment Agency upgraded 9km of flood defences along the river at a cost of £2.8 million to account for climate change.

To accompany the upgrade of the flood defences East Staffordshire Borough Council established the Washlands Enhancement Project.

The aim of the project is to balance regular flooding with public access and recreation alongside nature conservation and a more environmentally sensitive approach to green space management.

The project will contribute to the regeneration of the town by turning an underutilised open space into a regional tourism destination and is due for completion in 2023.

CASE STUDY 5

Creating a Cooler Greener Place to Live

KENT

Urban residential areas in particular are experiencing increasing heat stress from rising summer temperatures.

Two residential streets in Margate, Kent were selected to benefit from a tree planting programme that was specially designed to reduce heat stress during high temperatures, and surface water flooding following heavy rainfall.

Specialist SuDS 'tree pits' were retrofitted in the highway verges of the two identified streets.

This solution increases canopy cover to provide cooling during the summer months,

whilst also reducing surface water flood risk in the residential areas. These pits reduce surface water flooding by slowly infiltrating the water into the ground, reducing the volume of water flowing into the local sewage network.

The trees were selected based on their canopy size, their ability to withstand drought and heavy rainfall, and their capacity to support biodiversity.

Instead of the drainage systems only being able to cope with one in five-year rainfall events, the new drainage system can now withstand one in 30-year events, and has reduced flood risk to 30 properties.

The trees provide natural cooling by reducing the air temperature in residential areas, as the leaves reflect sunlight and provide shade during the summer.

This project has brought benefits to both residents and visitors and has demonstrated how multifunctional climate change adaptation projects can provide cross-cutting benefits to communities previously at risk.

Source: SWM (2022) Climate change adaptation : practical examples for local authorities.



Health, Wellbeing and Safety

Hotter summer days can harm people's health by causing heat stress and respiratory problems from reduced air quality.

Vulnerable and elderly people, especially those in deprived areas, are most at risk. Urban areas are particularly vulnerable due to the urban heat island effect. In 2022, extreme heat days in England and Wales led to a 10.4% increase in death rates compared to non-heat periods.

The role of good building design and blue and green infrastructure for our new and existing properties and neighbourhoods are important for providing natural cooling and access to cool spaces during extreme heat days. To help improve local air quality and provide a more comfortable space to live, work and for recreation we need to consider ways to better integrate blue and green infrastructure and better building design across Staffordshire. Conversely, extreme cold weather can lead to excess winter deaths caused by poor-quality, poorly-insulated, and inadequately heated housing.

We estimate a reduction in fuel poverty could reduce health and social care expenditure by £207.3m per year.

The Staffordshire Warmer homes Partnership was launched in May 2019. While predominantly a flagship public health programme, the scheme also supports priorities beyond health including sustainability by improving energy efficiency of housing stock. We will continue to seek funding opportunities to improve energy efficiency of residential housing stock.

People who work solely or predominantly in the outdoors are more exposed to the extreme weather conditions. These people need to be protected as much as possible to minimise any risk to health while at work. New ways of working may need to be considered to ensure appropriate protection methods are in place for all staff.

Additionally planning and responding to extreme weather events can place significant pressure on staff resources. Planning for these events by having appropriate plans, risk assessment and climate related response cover in place may need greater consideration.

CASE STUDY 6

Keep Bristol Cool Mapping Tool

BRISTOL



Different people can be vulnerable to heat in different ways, depending on their sensitivity to heat, their ability to adapt to high temperatures, and their exposure to high temperatures both inside and outdoors.

A tool for policymakers and practitioners in urban design, landscape architecture and emergency planning has been designed by Bristol City Council to understand how current heat vulnerability differs across the community, and how climate change might increase temperatures in the future. The tool can provide insight into how urban heat risk varies and identifies areas that could impact people the most to help the council and other decision makers build a city resilient to extreme heat.

Source: SWM (2022) Climate change adaptation : practical examples for local authorities.





The Local Economy

The potential financial cost of climate change on the UK economy is significant. The UK Gross Domestic Product (GDP) is around £2 trillion a year and it is estimated by 2050 climate change could represent a 2% loss in GDP².

Extreme weather events and changing weather patterns can disrupt business operations due to premises overheating and flooding and can cause disruption to staff travel and the supply chain.

Climate change, and in particular extreme weather events being experienced across the world can impact the local economy through increased risk of price volatility for imported materials and commodities. Businesses should consider ways to build greater resilience into operations to remain competitive and reliable.

A recent survey found 65% of UK SMEs have been financially impacted by their lack of

response to weather information and 40% of SMEs have saved money by checking and acting on weather forecasts. Greater resilience to climate change can be achieved through an improved understanding on the importance of factoring climate change into business decisions. We can help to encourage change by finding out what type of climate related challenges businesses face and sharing good practice information.

As climate change resilience is increasingly adopted across all sectors new business opportunities will arise in the green economy and ecosystem services.

Through our work with the Skills Advisory Panel and Local Skills Improvement Plan we know the demand for green skills will grow in the coming years. There is an opportunity to consider how we can support residents in gaining appropriate skills to take advantage of these forthcoming opportunities.

² Sustainability West Midlands (2022) - *Weathering the Storm. A guide to saving and making money in a Changing Climate*



Our Approach to Adaptation

In preparing plans for a more resilient Staffordshire the County is faced with the challenge of responding to a broad range of uncertain risks. Some services may not have been impacted in the past but could be sensitive to changes in the future.

We will be pro-active in introducing positive changes through developing specific plans, policies and programmes using national policies and statutory requirements to aid change. Since we are uncertain about the long-term projections for the changing climate, we need to be flexible to cope with possible future changes to build organisational resilience.

Through identifying priorities and working together Staffordshire Councils will build a more resilient society and economy. This will provide people with a safe, comfortable place to live and work.

We will put in strong governance to:

Improve the policy and incentive framework and integrate adaptation considerations into policies, plans, strategies and programmes. Risks will be actively managed to ensure the policy framework keeps pace with the changing climate.

Ensure decision making will consider resilience to the impacts of the changing climate, particularly severe weather on service delivery.

Develop, innovate and adopt good practice.

Further details on the key risks, opportunities and outcomes for Staffordshire are outlined in Appendix 1.

Communications and awareness raising

Effective communication is essential to build a more resilient Staffordshire. Working collaboratively across the Staffordshire councils and with our partners we will:

- › Raise awareness and share information of climate change challenges, issues, threats and opportunities.
- › Seek out opportunities to work collaboratively with communities and external organisations, build resilience to climate change and achieve widespread and sustained change.

Monitoring, evaluation and improvement

This strategy is just the beginning of an ongoing process to identify the most important things we need to do to adapt to climate change. The future effects of climate change are uncertain and will depend on our actions to reduce global emissions.

By understanding the potential impacts and being prepared to change our plans as needed, we can be innovative and stay ahead of the curve. We'll constantly review the situation and use research to check if our adaptation measures are still appropriate.



Appendix 1

Climate Risks and Opportunities

The identified risks and opportunities are not exhaustive and have been listed as a guide for Adaptation Plan preparation. We will protect lives and livelihoods in Staffordshire by reviewing the risks and opportunities on a regular basis to accommodate changes in climate change projections.



Critical Infrastructure and Buildings

Risks and Opportunities	Outcomes
<p>Resources required for infrastructure maintenance and repairs due to climate change and extreme weather events:</p> <ul style="list-style-type: none"> • Milder winters may reduce building heating requirements, cold weather related damage and associated maintenance costs. • Hotter summer extremes can lead to buildings and equipment overheating and increased health risks. • Flooding (river, surface water and groundwater) and storm damage (erosion and embankment failures) can compromise buildings and infrastructure. 	<p>Facilities are robust to withstand climatic conditions such as flooding and heatwaves:</p> <ul style="list-style-type: none"> • Infrastructure most at risk from climate change are assessed to prevent the risk of damage or failure. • New developments and redevelopments consider blue and green infrastructure in combination with good building design to provide a healthier and more sustainable environment and steered away from areas of high flood risk. • Targeted flood prevention work in combination with green infrastructure and catchment management to reduce the potential of widespread flooding and damage.
<p>Service delivery impacts due to power outages or disruption to energy network during extreme heat events</p>	<p>Measures in place to minimise impacts from grid disruption during extreme weather events</p>
<p>Road closures and hazardous conditions due to extreme weather</p>	<ul style="list-style-type: none"> • Road surfaces and foundations are more resilient to extreme weather conditions • Business continuity plans are in place to allow for services to continue during road closure events.



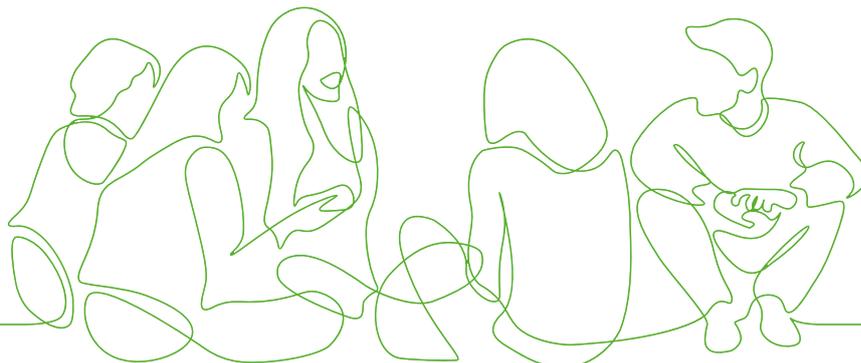
Natural Environment and Green Spaces

Risks and Opportunities	Outcomes
<p>Changes in timings of seasonal events may lead to</p> <ul style="list-style-type: none"> • Disruption in the availability of important natural food sources putting species as well as ecosystem services at risk. • Reduction in time windows for management maintenance and enhancement work putting additional pressure on resources. 	<ul style="list-style-type: none"> • Better understanding of species habitat requirements, especially those at risk to allowing for tailored diverse habitat management • Maintained and enhanced wildlife corridors and patch sizes to increase ecological resilience • Management regime adjusted to account for climate influences and budget restraints.
<p>Changing climate may allow pests, diseases and non-native species to thrive, threatening native habitats and species.</p>	<p>Habitats and species most at risk monitored and actions delivered as required.</p>
<p>Wildfires causing damage to habitats, species and peatland.</p>	<p>Sensitive areas mapped, maintenance of firebreaks and emergency fire risk action responses identified.</p>
<p>Extreme weather can compromise footpaths and associated infrastructure</p>	<p>A holistic approach to catchment management with greater consideration to soft engineering solutions.</p>
<p>Opportunities for natural carbon stores, carbon sequestration and natural cooling and flood risk management</p>	<p>The potential for biodiversity net gain maximised and blue and green infrastructure integrated through planning approvals.</p>
<p>Natural flood risk management</p>	<ul style="list-style-type: none"> • Improved understanding of flood risk management. • Partnership approach taken allowing for whole catchment management integrating blue and green infrastructure. • Communities are more informed and have resilience to flood events. • Sustainable management of drainage and flood defence systems • New planning policies, site allocations and future infrastructure needs consider flood risk. • Flood risk for new developments is considered and managed in a sustainable manner.
<p>Requirement under the Environment Act 2021 for a Local Nature Recovery Strategy to be produced</p>	<p>Local Nature Recovery Strategy considered in planning, development and land management decisions.</p>
<p>A minimum of 10% biodiversity net gain to be delivered on planning permissions.</p>	<p>Plans in place on how to deliver biodiversity net gain.</p>



Health, Wellbeing and Safety

Risks and Opportunities	Outcomes
<p>Occupational Health and Safety of the workforce</p> <ul style="list-style-type: none"> • High temperatures and more frequent exposure to heat will increase risk of heat stress, air pollution and UV exposure particularly to outdoor staff. • Staff responding to extreme weather events such as storms or wildfires are in high risk situations and add additional pressure on staff resources to manage the incident. • Extreme weather events can prevent services being delivered (road closures, extreme heat etc.). • Overheating of buildings can reduce working effectiveness or closure of services. 	<p>Health and safety effects of climate change and climate change risks are integrated into Health and Safety Plan assessments, Corporate risk assessments and associated policies.</p> <p>Business continuity plans consider how services can be maintained during extreme weather events.</p> <p>New developments and redevelopments consider blue and green infrastructure in combination with good building design to provide a healthier and more sustainable working environment.</p>
<p>Extreme weather can impact on the health and wellbeing of communities, especially the vulnerable, including older people, children and those living in area of higher deprivation.</p>	<p>New developments and redevelopments consider blue and green infrastructure in combination with good building design to provide a healthier and more sustainable indoor and outdoor environment.</p>
<p>Widening health inequalities due to more extreme weather.</p>	<p>Community resilience programmes in place, particularly for those most at risk of the changing climate.</p> <p>Community resilience programmes in place, use data and analytics to target programmes such as Warmer Homes to those who are at greatest risk.</p>
<p>Drier warmer summers provides greater opportunity to use outdoor spaces.</p>	<p>Parks and open spaces are fit for the future</p> <p>Key walking and cycling routes are resilient to climate change</p>





The Local Economy

Risks and Opportunities	Outcomes
<p>Extreme weather events lead to:</p> <ul style="list-style-type: none"> • Disruption to business operations. • Disruption to the distribution and the supply chain. • Price volatility for materials and commodities. 	<p>Councils have a good understanding of risks to businesses from the changing climate allowing for sharing of good quality information.</p> <p>Businesses have a better understanding of climate change risks, the urgency and how to integrate resilience to climate change considerations into business planning.</p>
<p>Potential skills gap as the demand for Green Economy and Ecosystem Services increases</p>	<p>Skills/knowledge gaps for the Green Economy and Ecosystem Services identified through working with partners such as the Chamber of Commerce.</p> <p>Training opportunities and programmes identified through closer communications with partners including Local Enterprise Partnerships and higher education.</p> <p>Training for the Green Economy and Ecosystem Services facilitated.</p>





Appendix 2

References and Resources

Climate Change Act 2008

www.legislation.gov.uk/ukpga/2008/27/contents

National Adaptation Programme

www.gov.uk/government/publications/climate-change-second-national-adaptation-programme-2018-to-2023

UK Climate Change Risk Assessment

www.gov.uk/government/publications/uk-climate-change-risk-assessment-2022

West Midlands Climate Change Risk Assessment and Adaptation Plan 2021-2026

www.sustainabilitywestmidlands.org.uk/wp-content/uploads/2022/11/West-Midlands-Climate-Change-Risk-Assmt-Adaptation-Plan-2021-26-Final.pdf

UK Climate Projections

www.metoffice.gov.uk/research/approach/collaboration/ukcp/index

Building Regulations

www.gov.uk/guidance/building-regulations-and-approved-documents-index

Heat and Buildings Strategy

www.gov.uk/government/publications/heat-and-buildings-strategy

Government Response to the Making Space for Nature Review (June 2011)

<https://webarchive.nationalarchives.gov.uk/ukgwa/20170129120613/https://www.gov.uk/government/publications/government-response-to-the-making-space-for-nature-review>

Sustainability West Midlands (2022)

Weathering the Storm. A guide to saving and making money in a Changing Climate.

www.sustainabilitywestmidlands.org.uk/wp-content/uploads/2022/12/SWM-Weathering-the-Storm-2022-FINAL-1.pdf





NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**CORPORATE LEADERSHIP TEAM'S
REPORT TO CABINET**

06 June 2023

Report Title: Financial and Performance Review report – Fourth quarter 2022-23.
Submitted by: Corporate Leadership Team
Portfolios: One Council, People & Partnerships, Finance, Town Centres & Growth
Ward(s) affected: All

Purpose of the Report

To provide Cabinet with the Financial and Performance Review report for the fourth quarter of 2022-23.

Recommendation

That Members note

1. The contents of the attached report and appendices, and continue to monitor and challenge the Council's service and financial performance for this period.

Reasons

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

1. **Background**

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the fourth quarter 2022/23 by presenting performance data and progress summary set within a financial context. The report provides broad financial information (Appendix A) and also details service performance (Appendix B) for the fourth quarter 2022/23.

2021-22 Revenue and Capital Budget Position

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

Performance

- 1.4 The Q4 report (April 2022 to March 2023) has been produced using new business intelligence tools in order automate and improve the monitoring, analysis and reporting of Council performance. The indicators included are those agreed as part of the new Council Plan and reflect the priorities for the Borough. In addition to reporting on key performance indicators, the report also includes progress summaries for each priority action, detailing the progress with the delivery of planned activities.
- 1.5 Contextual performance information is provided (indicators without a target), not only to ensure the monitoring of the corporate activities of the Council, but also to inform Members, businesses and residents of performance in their local area that the Council cannot directly control.

- 1.6 Any indicators failing to meet the set targets include a comment explaining why the indicator has not performed well, and what steps are being taken to ensure improvement in the future.
- 1.7 For this report a total of 44 indicators were monitored, 14 of these indicators were contextual and had no set target. Of the remaining 30 indicators the proportion of indicators which have met their target during this period stands at 80%. The proportion of indicators showing an improvement or no change on the previous year stands at 69%.
- 1.8 The national average has been included for a number of measures in order to benchmark the Council's performance at year end.
- 1.9 As part of its new service planning approach the Council has developed new 3-year targets through service-led priority delivery plans. These targets are currently undergoing internal quality assurance and challenge and will be included within the Q1 report to provide elected councillors with an opportunity to scrutinise the performance levels being proposed.

2. **Issues**

- 2.1 There are 6 indicators off target this quarter, and officers consider that the performance against these indicators does not give rise to serious cause for concern at present (see commentaries provided in Appendix B). The management of each of the service areas concerned continue to monitor and take steps to deal with under achievement of targets where possible and/or appropriate.
- 2.2 Progress on delivery of planned activities is summarised for each priority and no concerns are highlighted.

3. **Proposal**

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

4. **Reasons for Proposed Solution**

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

5. **Options Considered**

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

6. **Legal and Statutory Implications**

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

7. **Equality Impact Assessment**

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

8. Financial and Resource Implications

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

9. Major Risks

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

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

10. UN Sustainable Development Goals and Climate Change Implications



11. Key Decision Information

11.1 Included on the Forward Plan

12. Earlier Cabinet/Committee Resolutions

12.1 N/A

13. List of Appendices

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

14. Background Papers

14.1 Working papers held by officers responsible for calculating indicators.

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Financial Position Quarter Four 2022/23

1. General Fund Revenue Budget

- 1.1 The Council approved a General Fund Revenue Budget of £15.269m on 23 February 2022. The actual and forecast position compared to this budget is continuously monitored by managers, EMT and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget.
- 1.2 The Coronavirus pandemic continues to have an impact on the Council's financial position, primarily through lost income, although this is showing a marked improvement compared to the losses incurred during 2020/21 and 2021/22. No Government funding for 2022/23 in respect of financial pressures relating to the Coronavirus pandemic (including income compensation) is likely to be received.
- 1.3 The Council's revenue budget relies on service income from fees and charges income of around £725k per month across a wide range of services, with a significant proportion coming from Jubilee 2 and car parking. Taking account of the current restrictions it is income losses from fees and charges for the financial year amount to circa £0.683m.
- 1.4 Expenditure has continued to be reduced wherever possible throughout the Council to ensure that only absolutely necessary spending was incurred in order to ensure a balanced outturn.

2. Revenue Budget Position

- 2.1 As at the end of the fourth quarter, the general fund budget shows a favourable variance of £0.008m against the budget.
- 2.2 The adverse variances that occurred during 2022/23 include:
 - a. Income shortfalls from sales, fees and charges which amount to £0.683m for the financial year,
 - b. A shortfall of £0.241m in Housing Benefits subsidy grant regarding accommodation for which full subsidy is not claimable,
 - c. A pay award of £1,925 per full time employee, which is in excess of the amount provided for in the budget (2.5%), including national insurance and pension the additional amount totalled £0.591m for the financial year,
 - d. Increased fuel (£0.139m), electricity (£0.181m) and gas (£0.222m) prices when compared to the amounts provided for in the budget.
- 2.2 These adverse variances have been offset in full by the following favourable variances:
 - a. Utilisation of the Cost of Living Reserve that was established during the budget setting for 2022/23 in order to respond to any above inflationary increases in costs. The £0.400m paid into this reserve will be fully used.
 - b. Use of £0.240m New Homes Bonus funding paid into the Budget Support Fund which was established during the budget setting for 2022/23 in order to boost the Council's financial resilience during 2022/23 as a result of the continued impact of the Coronavirus pandemic.

- c. Application of £0.167m Administration grant paid to the Council and set aside during 2021/22 in relation to Coronavirus grants and a further £0.111m grant received in relation to the administration of Council Tax Rebate grants received during 2022/23.
- d. A refund of £0.130m is payable to the Council in respect of Business Rates payable in relation to the Museum following a backdated revaluation in rateable value.
- e. Interest receivable on cash that the Council holds in terms of Town Deal and Future High Street funding, together with Section 31 grant and remaining Coronavirus grant funding (that are repayable to Central Government) has increase significantly following recent interest rate hikes to £0.578m for the financial year. This has also eliminated the need for any in year borrowing to be undertaken saving £0.120m in interest payments.
- f. The levy payment payable to the Business Rates pool that the Council is a part of is £0.141m less than estimated for 2022/23. Additionally, the levy payable in relation to 2021/22 has been met from the Business Rates Reserve (£0.116m).

3. Collection Fund

- 3.1 Local tax income is collected by billing authorities and paid into local 'collection funds' (the Council is a billing authority). Where there is a shortfall in tax receipts (compared to expected levels), this leads to a deficit on the collection fund. Billing and major precepting authorities are usually required to meet their share of any deficit during the following financial year.
- 3.2 In response to the continued impact of the Coronavirus pandemic on retail business, the government has continued its retail discount business rates relief scheme, for 2022/23. For 2022/23 eligible businesses were awarded a 50% reduction in the business rates liability, up to a cash cap limit of £0.110m per business.
- 3.3 This has the impact of a reduction in income that was expected to be received by the Council from business rates payers during 2022/23 which, all things being equal, would generate a deficit on the collection fund. However, the government will award Section 31 grant to the Council to offset the losses incurred by this, any surplus Section 31 grant received will be paid into the general fund and will be set aside to offset the reduced income that will be incurred on the collection fund. Any shortfall in expected Section 31 grant will be funded via the Business Rates Reserve.
- 3.4 A deficit is expected in respect of the in year Business Rates collection fund as a result of a significant change in rateable value for a large business rates payer which has been backdated by the Valuation Office to 2010.
- 3.5 A surplus is expected in respect of the in year Council Tax collection fund as a result of residents becoming ineligible for Council Tax Support due to a return to work or an increase in working hours.
- 3.6 The current forecast of tax receipts and Section 31 grant are shown below, please note that these exclude the transfers relating to the previous year's surplus or deficit so that in year performance can be clearly seen:

Tax	Forecast (Surplus)/Deficit at 30.6.22	Forecast (Surplus)/Deficit at 30.9.22	Forecast (Surplus)/Deficit at 31.12.22	Actual In Year (Surplus)/Deficit at 31.3.23	Council's Share
Council Tax	(£0.352m)	(£0.424m)	(£0.552m)	(£0.495m)	(£0.054m) (11%)
Business Rates	(£0.300m)	£0.988m	£0.996m	£0.720m	£0.288m 40%
Business Rates Section 31 Grant	£0.406m	£0.502m	£0.622m	£0.260m	£0.104m 40%
Total	(£0.246m)	£1.066m	£1.066m	£0.485m	£0.338m

3.7 When taking into account the transfers relating to the previous year's surplus or deficit, the Business Rates Collection Fund shows an overall surplus of £1.709m (Council's share is £0.713m) and the Council Tax Collection Fund shows an overall surplus of £0.273m (Council's share is £0.030m).

3.8 The surpluses per 3.7 will be repaid to the Council, and into the Business Rates Reserve, in the financial years 2023/24 and 2024/25.

4. Capital Programme

4.1 A Capital Programme totalling £32.309m was approved for 2022/23. Of this total £30.309m relates to the total cost of new schemes for 2022/23 together with £1.000m for schemes funded by external sources (Disabled Facilities Grants) and £1.000m contingency. In addition £5.548m was brought forward from the 2021/22 Capital Programme (including £4.017m from the Town Deals Fund and the Future High Streets Fund), resulting in a total Capital Programme of £37.857m for 2022/23.

4.2 A mid-year review of the capital programme for 2022/23 has subsequently been undertaken as part of the Efficiency Board and budget setting process in order to identify any projects that may need to be re-profiled from 2022/23 into future years. The revised capital programme for 2022/23 totalling £32.977m was approved by Cabinet on 6 December 2022.

4.3 The expenditure position at the end of the fourth quarter is expected to be as follows:

	Amount (£'000)
Budget	32,977
Actual Expenditure	(7,545)
Expenditure Funded by Flexible Use of Capital Receipts	342
Unbudgeted Expenditure Fully Funded by Grants	606
Committed orders and carry forwards for existing projects	(24,013)
Capital Contingency Reserve to be rolled forward	(691)
Disabled Facilities Grant to be utilised in future periods	(547)
Favourable Variance	1,129

It should be noted that this is the position at period 12 and further work is being completed to inform the final outturn position for the year.

4.3 The variance shown above relates to a number of projects whereby costs have been value engineered or whereby a decision has been made not to progress with the project until a future period within the capital programme.

5. Capital Programme Funding Position

- 5.1 The expected total capital receipts due to be received this year following the sale of assets amount to £3.230m, £0.100m of this will be set aside for the flexible use of capital receipts during 2022/23. A summary of the expected income is shown in the table below.

Funding	Amount
Proceeds from Right to Buy sales	£0.500m
Land sales	£2.730m
Flexible use of capital receipts	(£0.100m)
Total	£3.130m

6. Treasury Management

- 6.1 It was expected that borrowing would be required during 2022/23 to fund the capital programme however no borrowing arrangements have been required to date, primarily due to advanced monies being received in terms of Town Deals and Future High Streets funding.
- 6.2 Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the PWLB. After the utilisation of capital receipts and internal borrowing, the Council will look to borrow short term from other local authorities in the first instance and will then review any other sources of funding if required.
- 6.3 Advice from the Council's Treasury Management Advisors, Arlingclose, is to continue to utilise internal funding whilst it is available as opposed to borrowing whilst the interest rates are high. This approach also reduces the need to place funding in long term deposits, whilst minimising any potential investment risks.
- 6.4 Interest receivable on temporary cash receipts that the Council holds in terms of Town Deal and Future High Street funding, together with Section 31 grant and remaining Coronavirus grant funding (that are repayable to Central Government) is forecast to increase significantly following recent interest rate hikes by the Bank of England to circa £0.580m by the close of the financial year. For information purposes short term deposits made with the Debt Management Office attracted an interest rate of 0.55% at the start of the financial year and attracted an interest rate of 4.05% as at 31 March 2023.

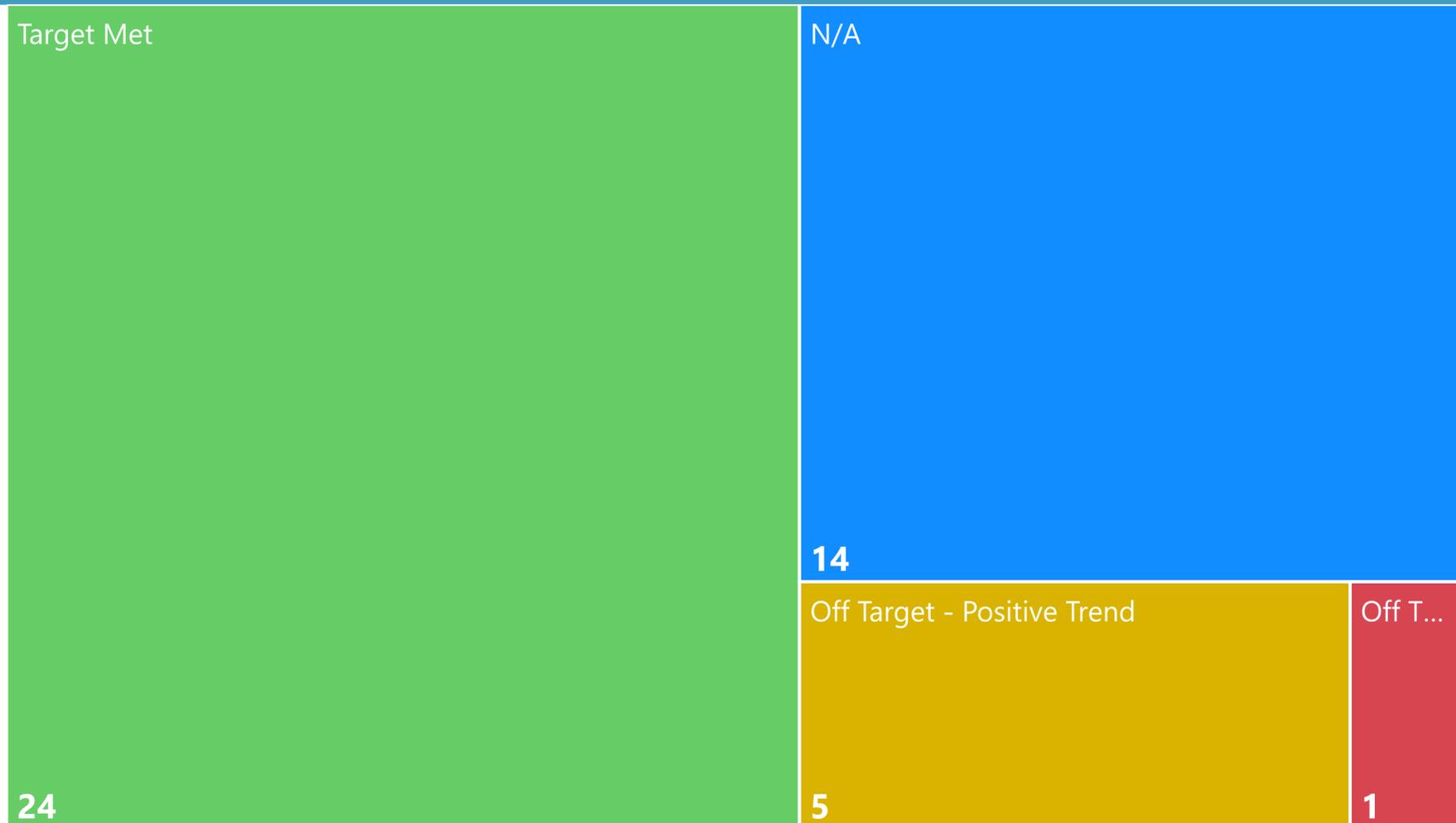
7. 2022/23 Outturn Position

- 7.1 Work is currently being completed on the final outturn position in respect of both the revenue and capital budgets. Full details on the outturn will be provided at the next meeting.



Quarter 4 - April 2022 to March 2023

All Performance Indicators Current Status



Corporate Aim (Priority)	Number of Indicators
Priority 1: One Council delivering for Local People	21
Priority 2: A Successful and Sustainable Growing Borough	6
Priority 3: Healthy, Active and Safe Communities	14
Priority 4: Town Centres for All	3
Total	44

Smart Narrative

Within N/A category - 14 Indicators are contextual and do not have a target to meet. When compared to last year, 9 of the contextual measures showed a positive trend and 5 showed a negative trend.

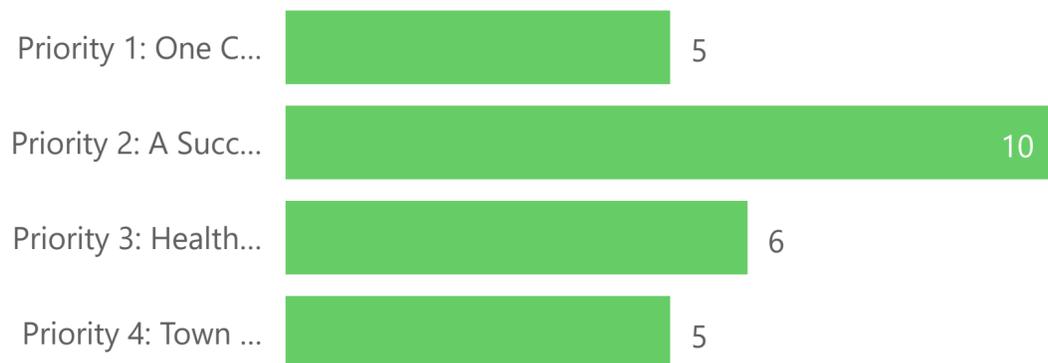
Of the remaining 30 Indicators, 80% met their targets within this quarter. 16 Indicators which met their target also showed improvement when compared to the same time period last year. 7 Indicators which met their target showed a negative trend when being compared to last year; and one indicator showed no change.

20% of Indicators were off target this quarter. 5 of these indicators showed an improvement when compared to last year whereas 1 indicators showed a negative trend.

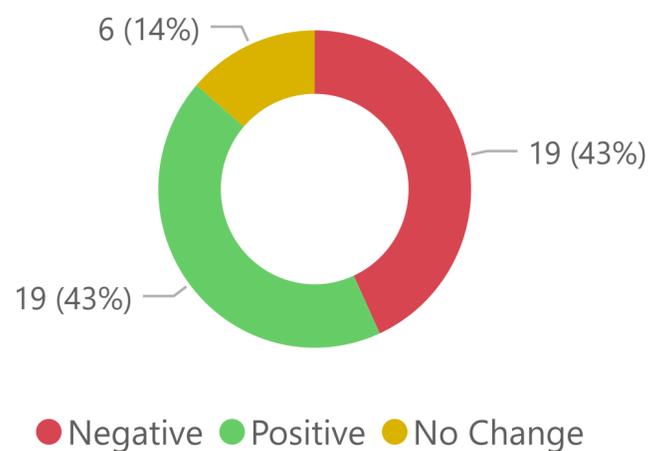
All Projects/Actions were deemed to be progressing as expected.

All Qtr. 4 Summary Project Status Split

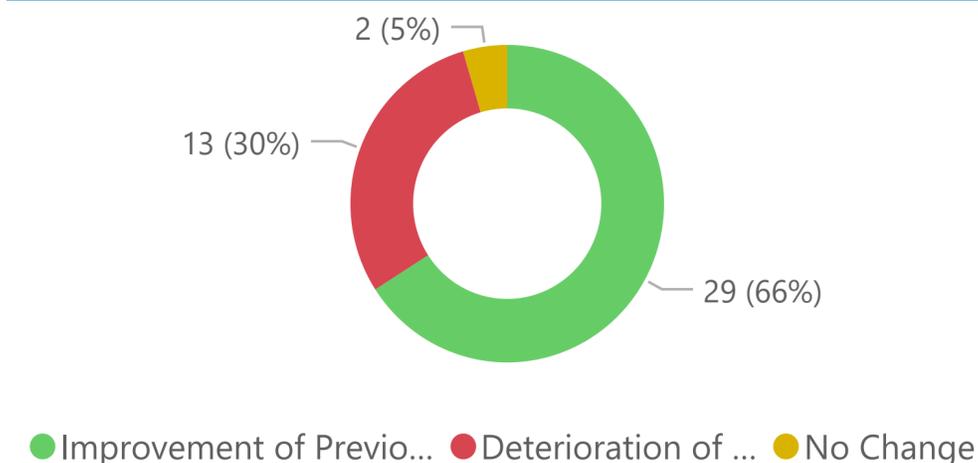
● Project/Action is Progressing as Expected

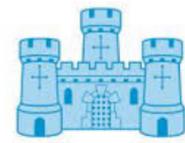


All Qtr.4 Trend Direction of PI's Compared to Previous Quarter



All Qtr.4 Trend Status of PI's Compared On Same Qtr in the Previous Financial Year





"Good Is" Identifier

- Defines what "Good Is" for each of the indicators. Example being "Low is Good" meaning the lower the value the better

Yearly Trend Identifier

- States whether there has been an improvement or not when compared against the same time period in the last financial year.

Metric Measure

Shows how the measure has been captured.

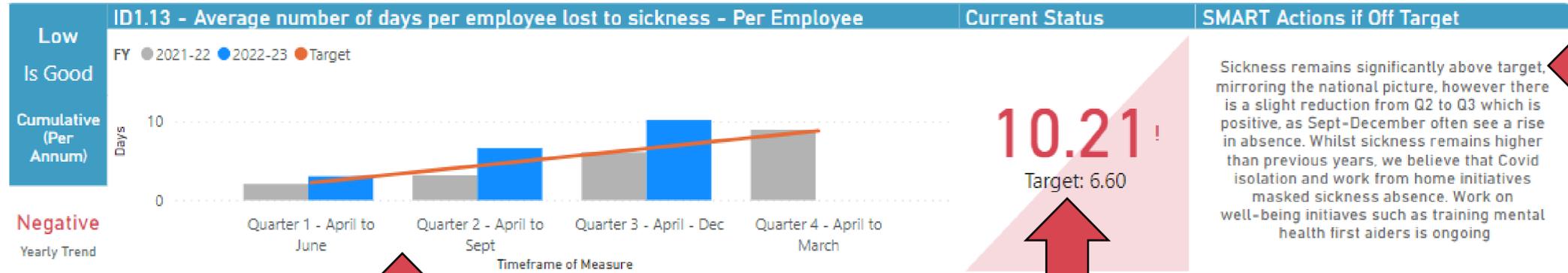
- Snapshot shows the measure at the end of each quarter at that specific point in time, Snapshot in time.
- Cumulative (Per Annum) is a cumulative year to date measure showing the picture over time from the start of the financial year (E.g. April to December for Quarter 3)

Priority Icon

- 4 Icons in total to which align to each Priority

Priority Title

- Defines the Priority that the measures on the page fall within.



Quarterly Indicator Measure

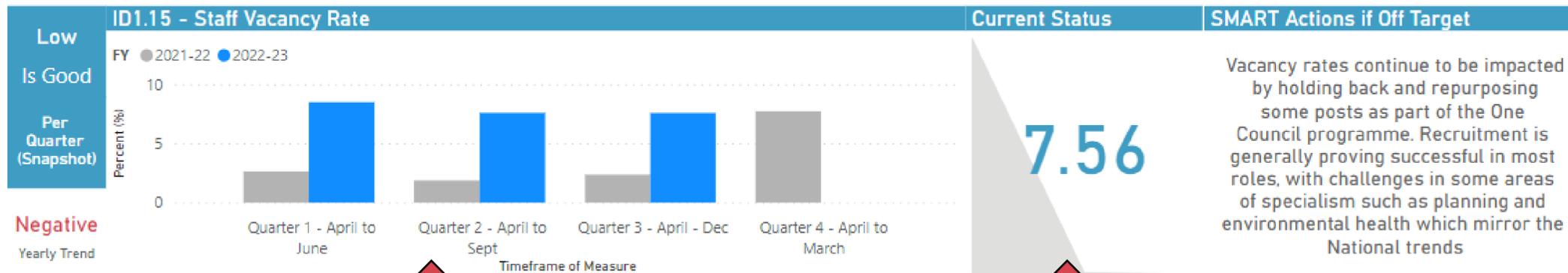
- Shows the measure over each specific quarter (Light Blue bars) and compare it against previous years measure (Grey bars)
- Target measure in orange if there has been one set

Current Quarter Status

- The larger number shows what the current quarter measure is. "Target" is the current Quarter Target
- Red Indicator highlights off target measures. Green indicator shows value has met its target.
- Background shape shows trend direction from previous quarters.

SMART Narrative

- If the measure is off target, owner will write narrative to provide context against the measure and also to provide detail on how the service is planning to improve the measure for the next report.



Quarterly Indicator Measure for Contextual Measures

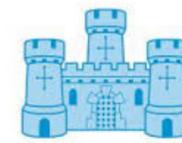
- Shows the measure over each specific quarter (Light Blue bars) and compare it against previous years measure (Grey bars)
- As no set target this has been removed - the Smart Narrative box will provide details supplied by Indicator owner on how measure is performing.

Current Quarter Status Contextual Measures

- The large number in blue shows what the current quarter measure is.
- Grey Background shape shows trend direction from previous quarters.
- No colour coding due to no target value - SMART Narrative box provides more context and detail on this type of measure.

SMART Narrative for Contextual Measures

- If the measure does not have a target and/or is contextual. Indicator owners have been asked to supply a narrative to provide the context to understand how the measure is performing and if cause for concern what is being done to improve the measure.



Priority 1: Performance Indicators Current Status



Corporate Aim (Priority)	Number of Indicators
Priority 1: One Council delivering for Local People	21

Smart Narrative

Within Priority 1 there are 2 contextual performance indicators which do not have set targets, these are included within N/A category. Both of these indicators showed a negative trend when compared to the same period last year.

Of the remaining 19 Indicators within Priority 1, 79% have met their target this quarter. 10 indicators which met their target also showed improvements when compared to the same time period last year with 4 indicators that met their targets showing a negative yearly trend. There was one measure which showed no change.

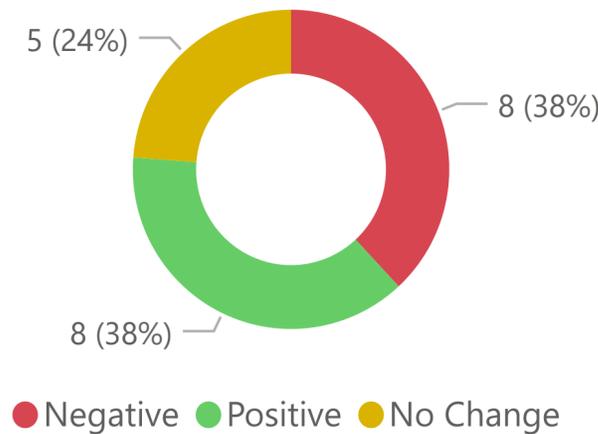
21% of indicators were off target this quarter which totalled 4 measures. These were split in terms of yearly trend with 3 indicators (ID1.11, ID1.14 & ID1.8) showing a positive trend and 1 with a negative trend (ID1.13) when compare to the same time period last year. The detail of these indicators are explained in the following pages of the report

All 5 Project/Actions within Priority 1 have been progressing as expected.

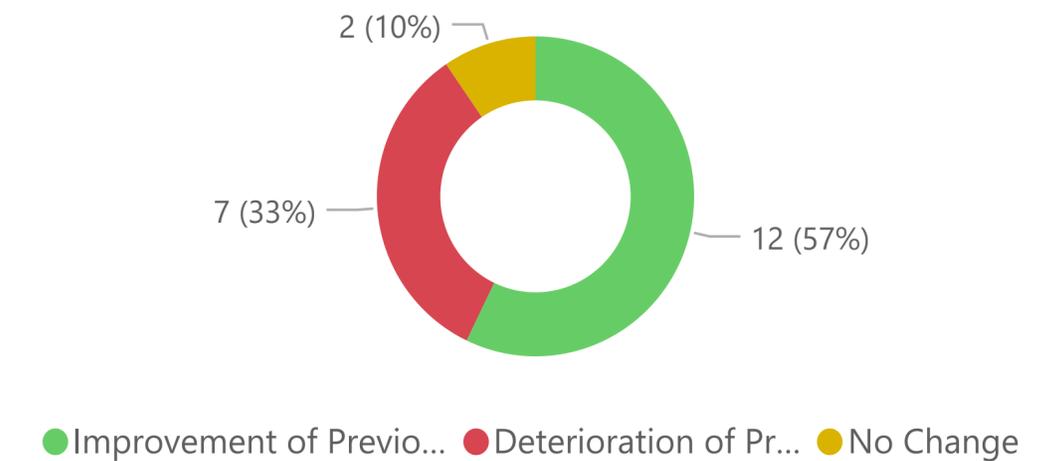
Priority 1: Qtr.4 Summary Project Status Split



Priority 1: Qtr.4 Trend Direction of PI's Compared to Previous Quarter

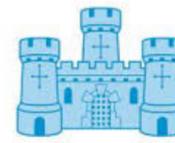


Priority 1: Qtr.4 Trend Status of PI's Compared On Same Qtr in the Previous Financial Year





Priority 1: One Council delivering for Local People

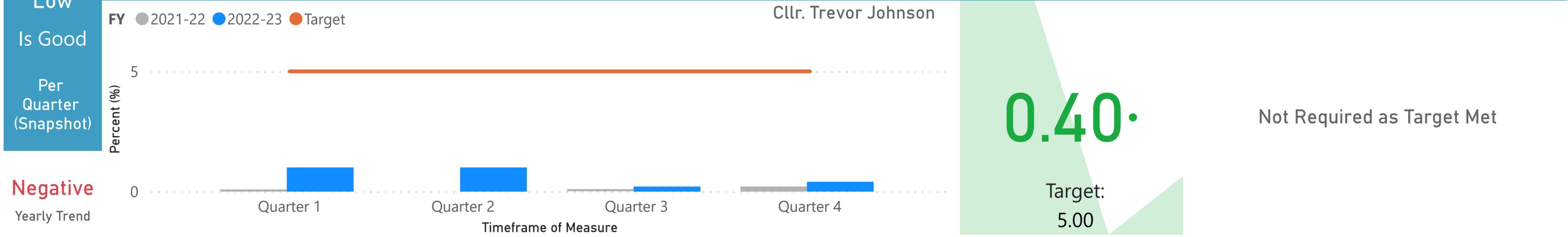


NEWCASTLE UNDER LYME
BOROUGH COUNCIL

2021-22
2022-23

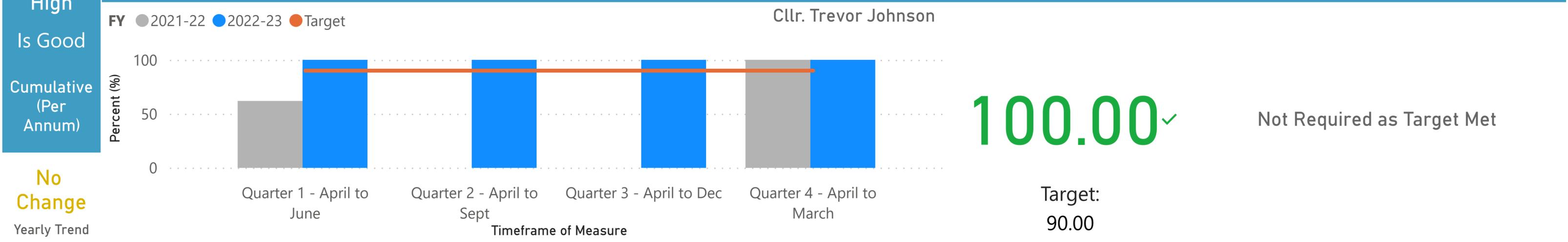
Low
Is Good
Per Quarter (Snapshot)

ID1.1 - Percentage of food premises that have a zero or one national food hygiene rating **Current Status** **SMART Actions if Off Target**



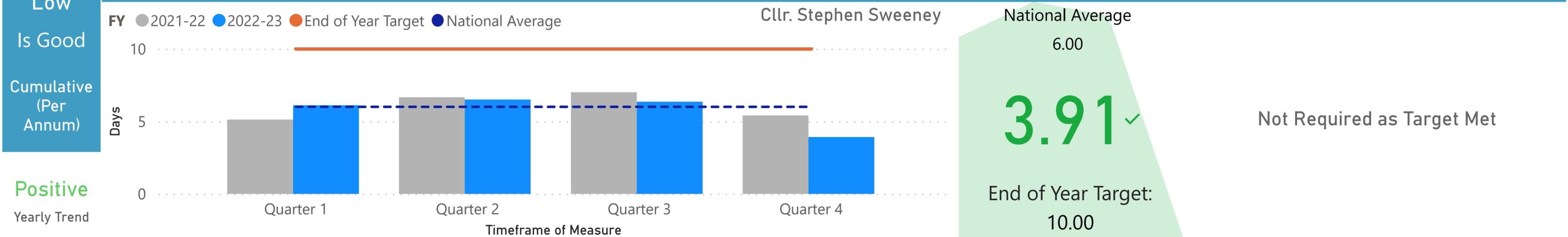
High
Is Good
Cumulative (Per Annum)

ID1.2 - Percentage of category A and B food business inspections completed on time **Current Status** **SMART Actions if Off Target**



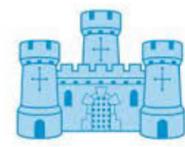
Low
Is Good
Cumulative (Per Annum)

ID1.10 - Time taken to process Housing Benefit new claims/change events (Days) **Current Status** **SMART Actions if Off Target**





Priority 1: One Council delivering for Local People



NEWCASTLE UNDER LYME
BOROUGH COUNCIL

2021-22
2022-23

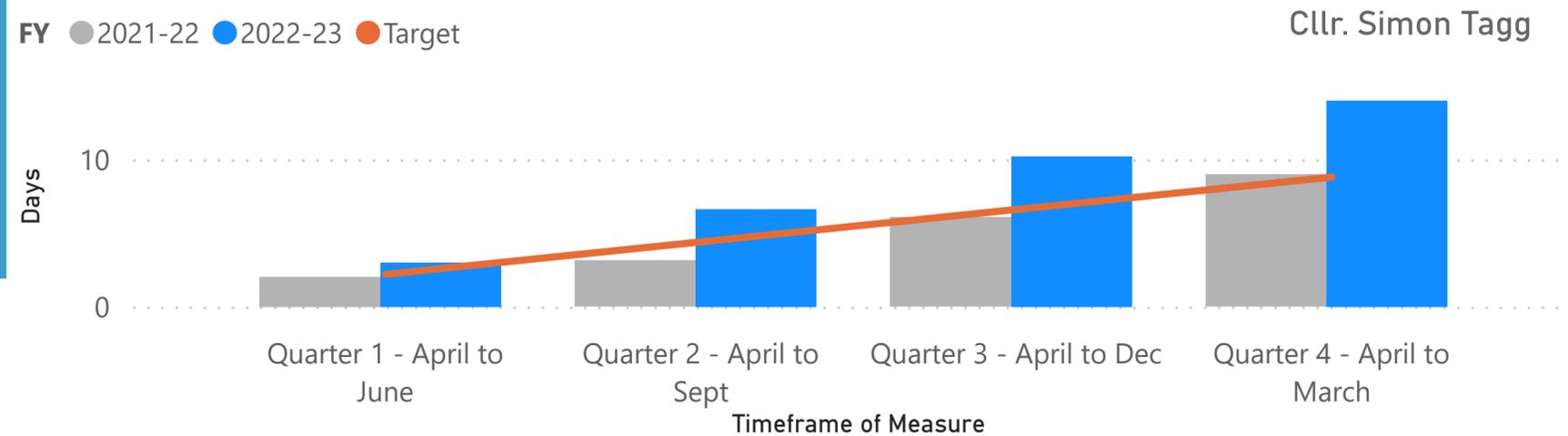
ID1.13 - Average number of days per employee lost to sickness - Per Employee

Current Status

SMART Actions if Off Target

Low
Is Good
Cumulative
(Per Annum)

Negative
Yearly Trend



14.00!
Target: 8.80

Sickness absence continues to be a major focus for us, as well as proactive work via Thrive, Mental Health first aiders, well-being initiatives and proactive management. We have significantly improved consistency and commitment to reporting absence correctly which has impacted on our figures to previous years. In comparison to our neighbours, the fact that we have in house services for manual services (waste and leisure in particular) does skew our comparison and benchmarking however we continue to work with these service areas to ensure wellbeing. We have made progress with relation to long term sickness and have consistent and well understood policy in place. Our next steps are to create a targeted action plan to analyse the sickness information and implement targeted approaches to improve.

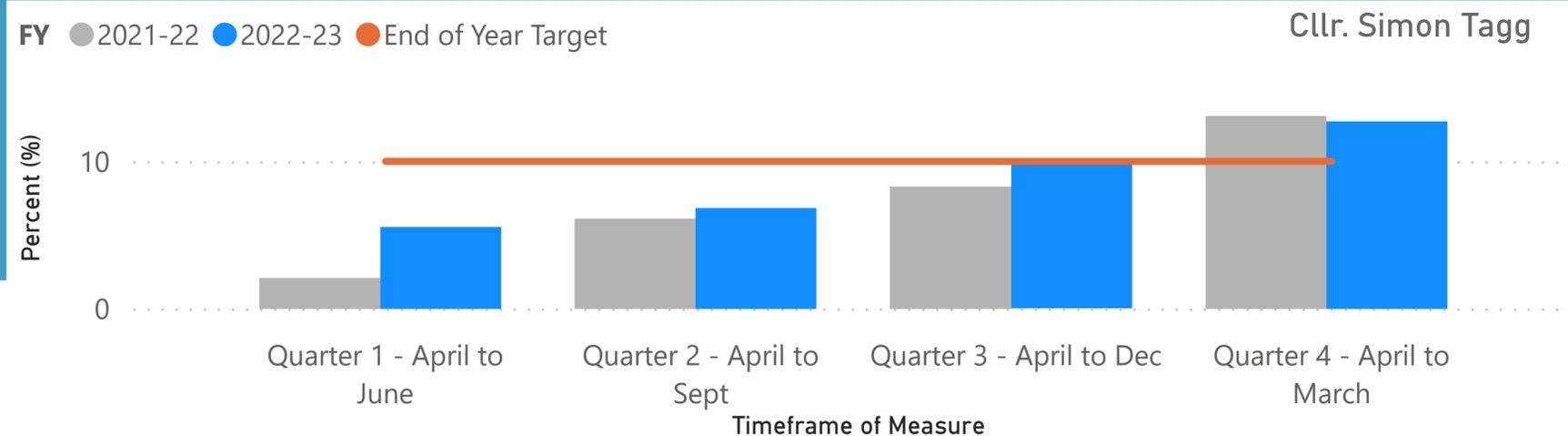
ID1.14 - Staff Turnover

Current Status

SMART Actions if Off Target

Low
Is Good
Cumulative
(Per Annum)

Positive
Yearly Trend



12.72
End of Year Target: 10.00

Staff turnover remains stable despite being slightly above target cumulatively, we have had a number of people leave who have experienced long term sickness absence within this quarter.

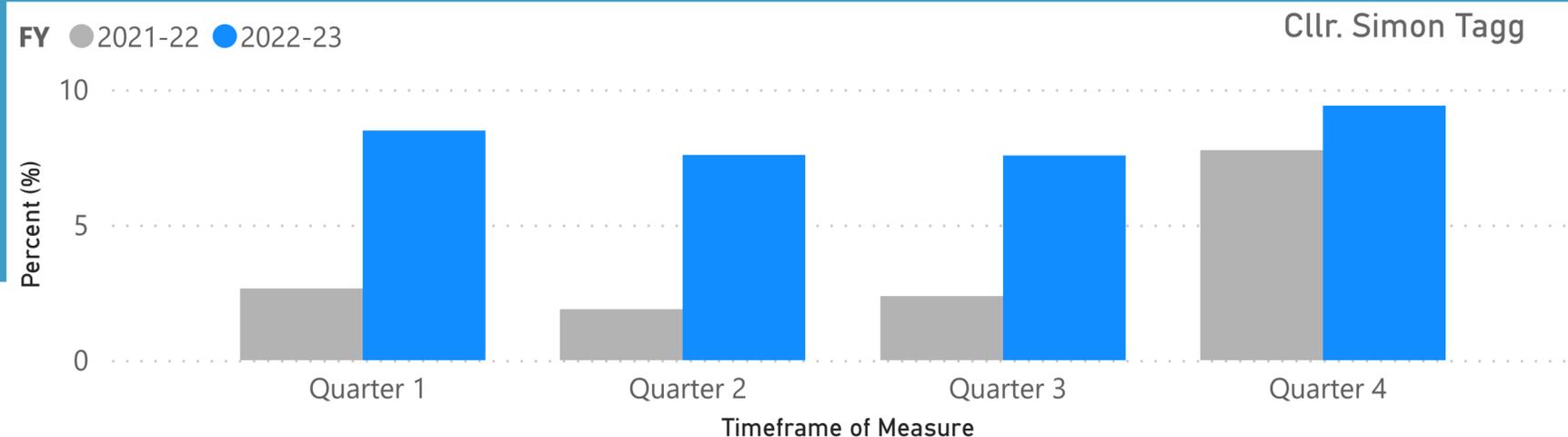
ID1.15 - Staff Vacancy Rate

Current Status

SMART Actions if Off Target

Low
Is Good
Per Quarter
(Snapshot)

Negative
Yearly Trend

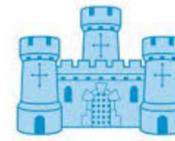


9.39

Vacancy rate has been impacted by the creation of a number of new roles as well as holding vacant posts due to potential restructures, recruitment activity remains steady



Priority 1: One Council delivering for Local People



NEWCASTLE UNDER LYME
BOROUGH COUNCIL

2021-22
2022-23

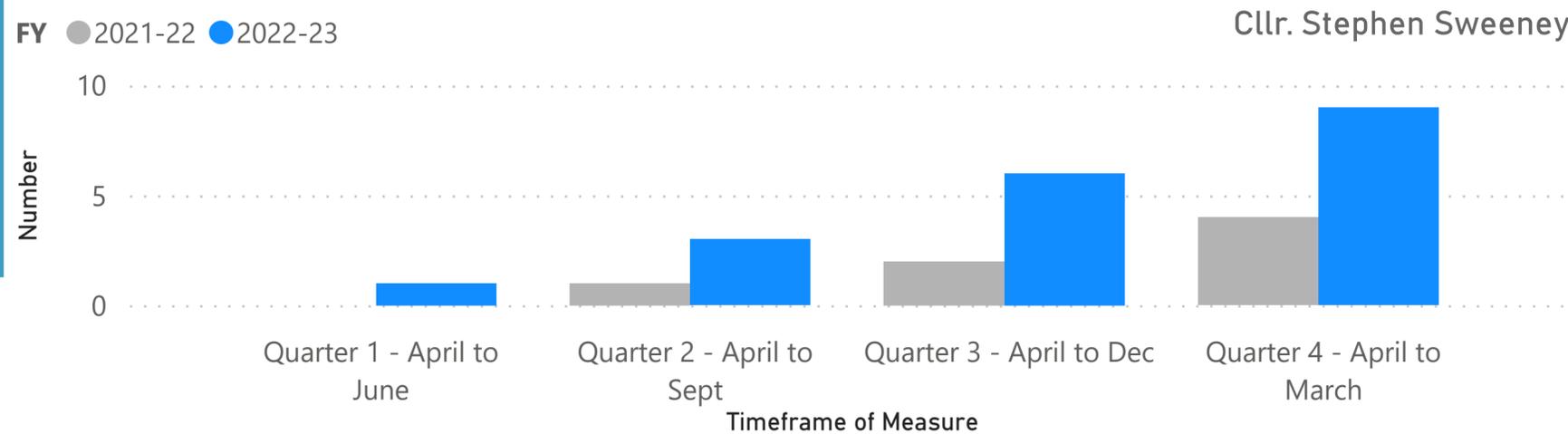
ID1.3 - No. Accidents/Incidents reported (RIDDOR)

Current Status

SMART Actions if Off Target

Low
Is Good
Cumulative
(Per Annum)

Negative
Yearly Trend



9.00

Targets have been set in comparison to the previous year which was not representative of Council activities due to COVID and reductions in service provision in some sectors. This figure although slightly higher than an average year is far more representative of expected numbers when full service is resumed.

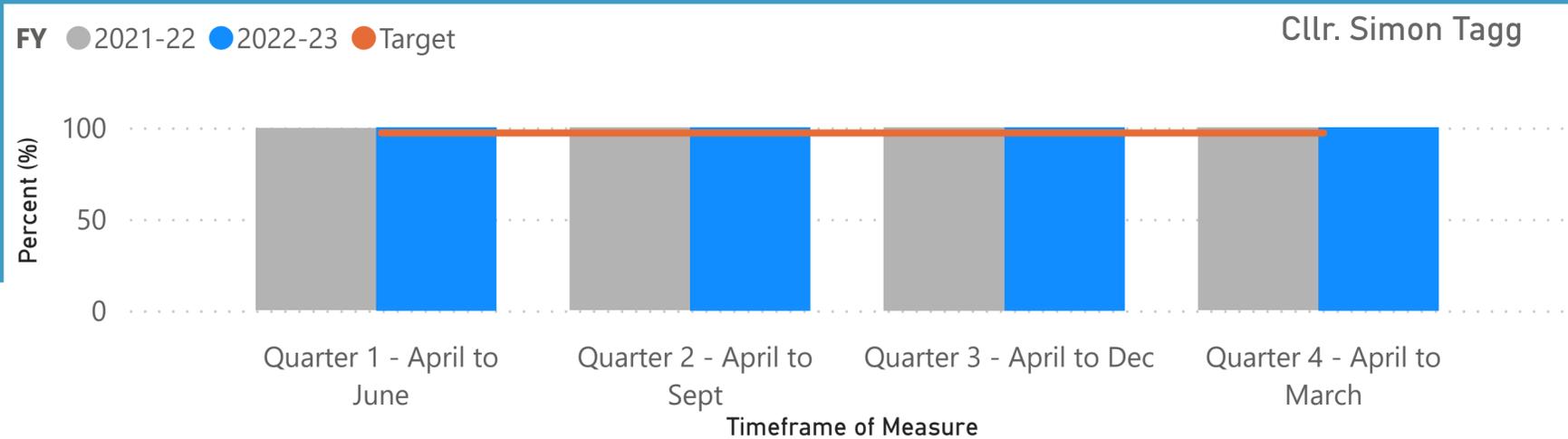
ID1.6 - Percentage of Customer Hub requests resolved at first point of contact

Current Status

SMART Actions if Off Target

High
Is Good
Cumulative
(Per Annum)

Positive
Yearly Trend



99.99✓

Target: 97.00

Not Required as Target Met

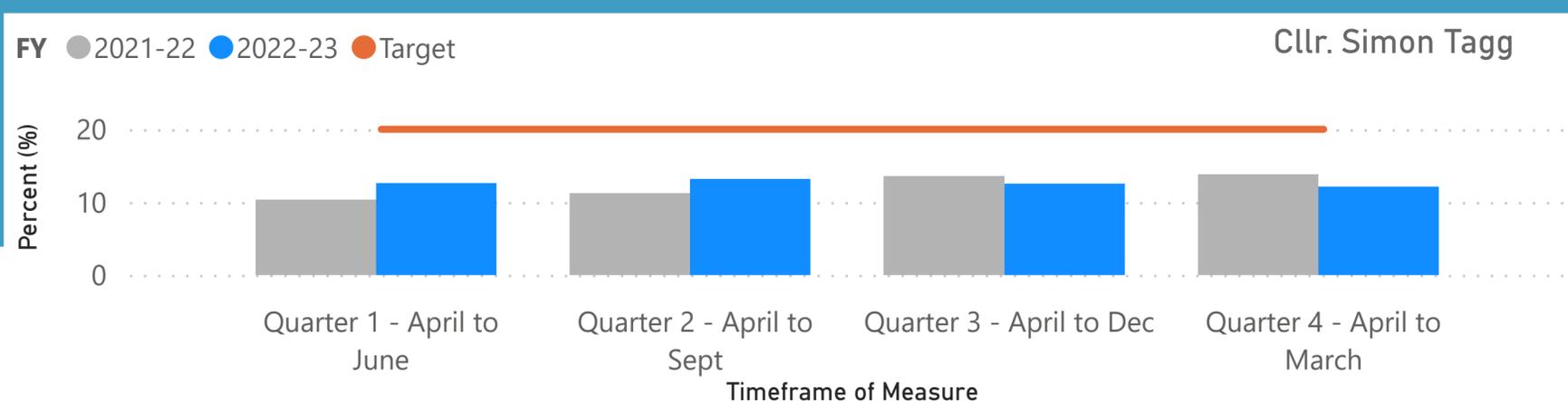
ID1.7 - % Unmet demand (number of calls not answered as a % of total call handling volume)

Current Status

SMART Actions if Off Target

Low
Is Good
Cumulative
(Per Annum)

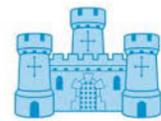
Positive
Yearly Trend



12.10✓

Target: 20.00

Not Required as Target Met

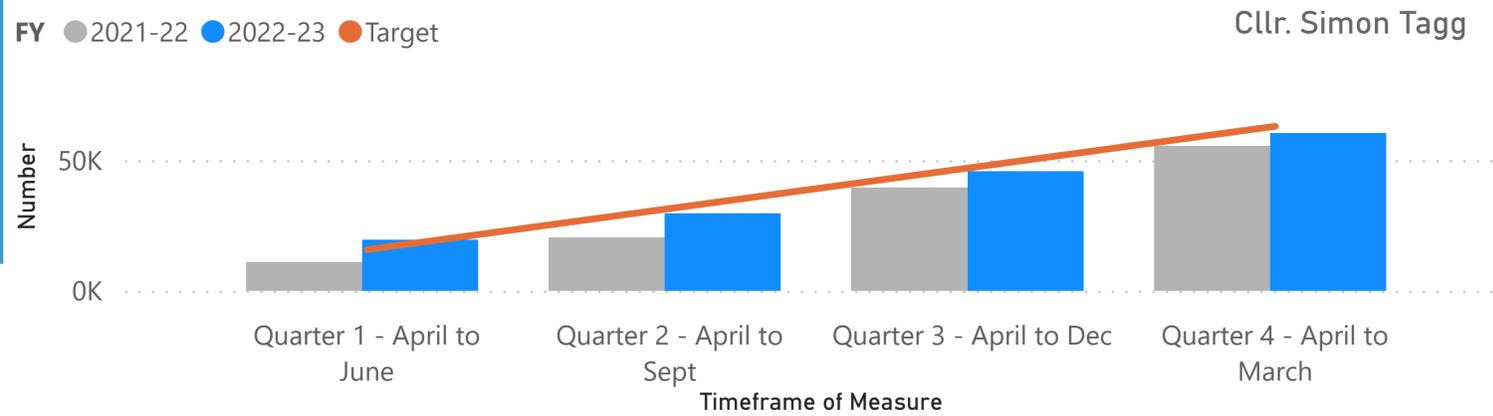


ID1.8 - Total number of digital online transactions

Current Status

SMART Actions if Off Target

High
Is Good
Cumulative (Per Annum)
Positive
Yearly Trend



60.23K
Target: 63.00K

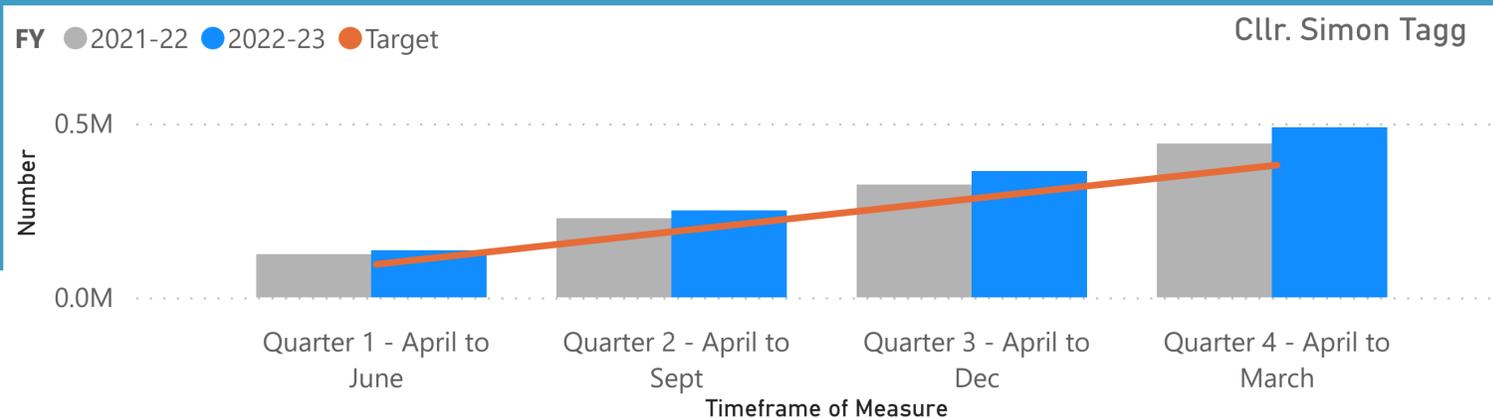
2769 under target however positive trend being shown when comparing to last year's value. The service will continue to build new journeys and improve online customer journeys currently existing.

ID1.9 - Total number of unique users to the website

Current Status

SMART Actions if Off Target

High
Is Good
Cumulative (Per Annum)
Positive
Yearly Trend



487.99K
Target: 380.00K

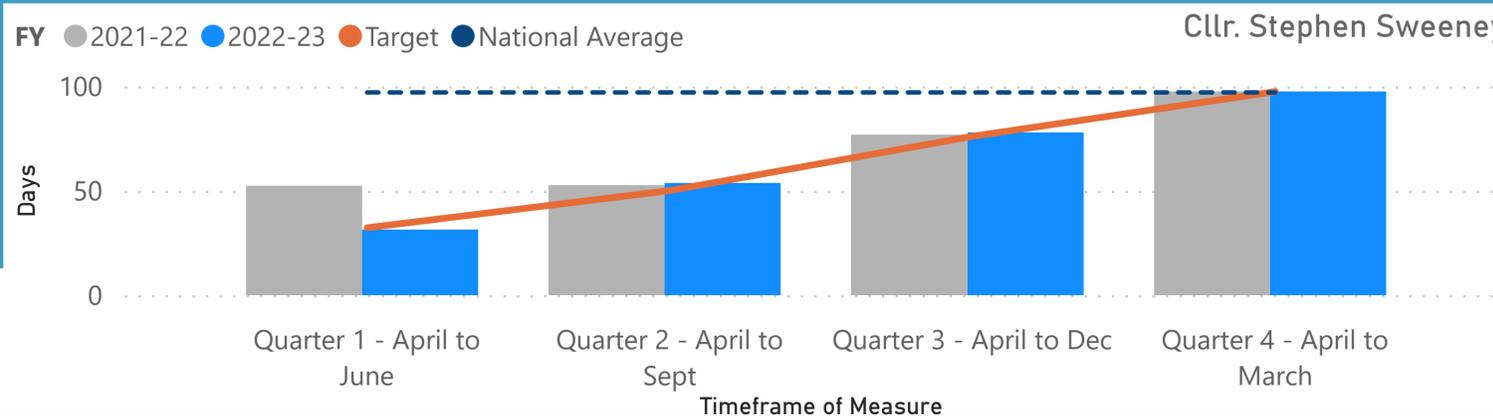
Not Required as Target Met

ID1.11 - Percentage of Council Tax collected

Current Status

SMART Actions if Off Target

High
Is Good
Cumulative (Per Annum)
No Change
Yearly Trend



National Average 97.11
97.40
Target: 97.50

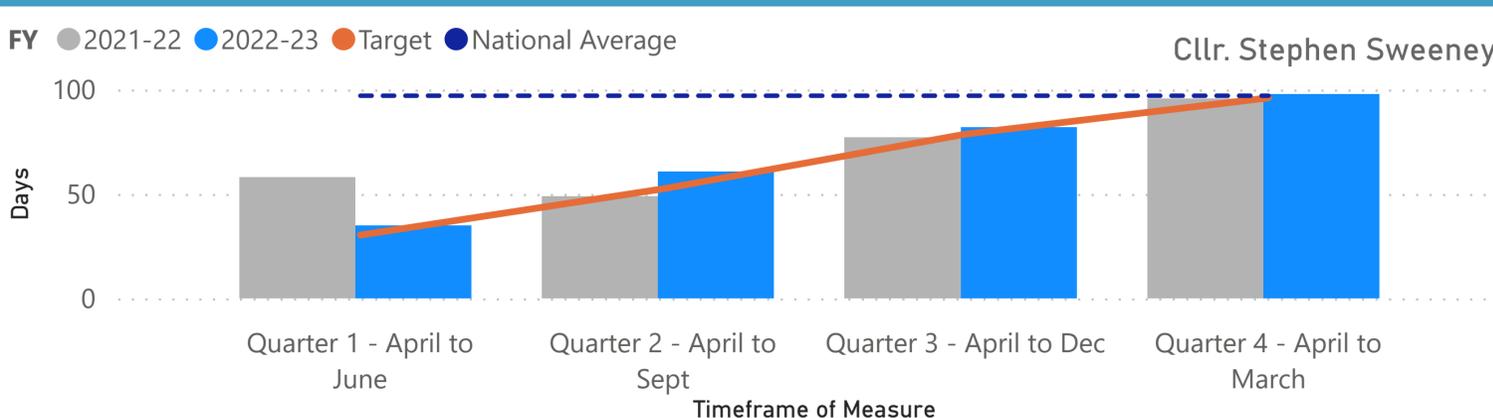
Just 0.1% below target, partly due to the Cost of living crisis which has to have an impact on this. Household support available from SCC to support. Central govt grants have been distributed with Council Tax support fund and EBSS and AFP

ID1.12 - Percentage of National non-domestic rates collected

Current Status

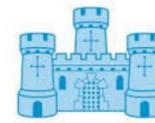
SMART Actions if Off Target

High
Is Good
Cumulative (Per Annum)
Positive
Yearly Trend



National Average 97.02
97.60
Target: 96.00

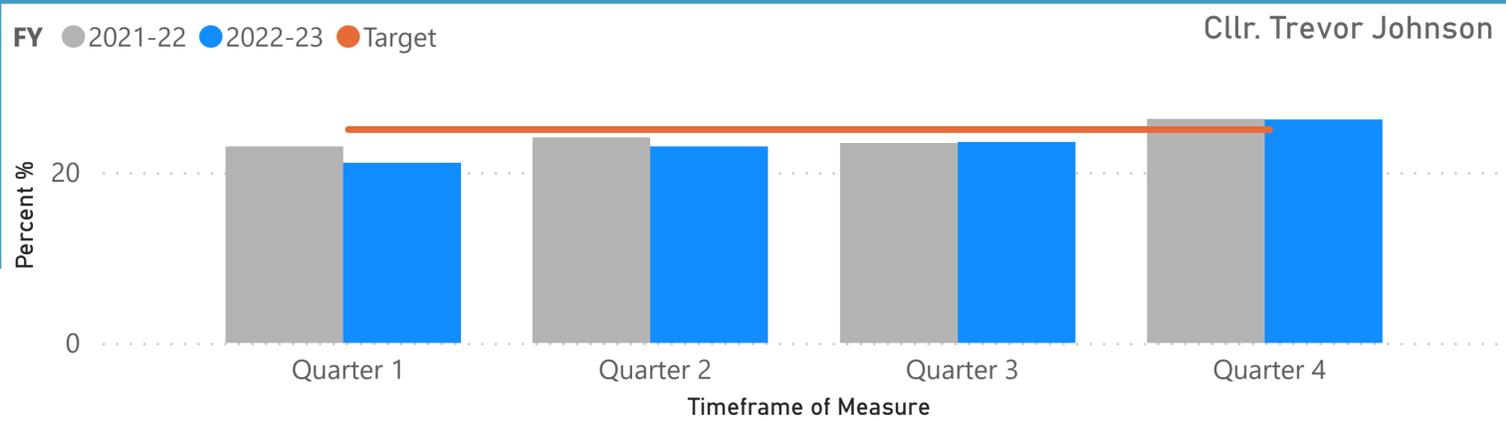
Not Required as Target Met



ID1.4a - Dry Recycling:- Household collections from the kerbside (%) Current Status SMART Actions if Off Target

High
Is Good
Per Quarter (Snapshot)

Negative
Yearly Trend



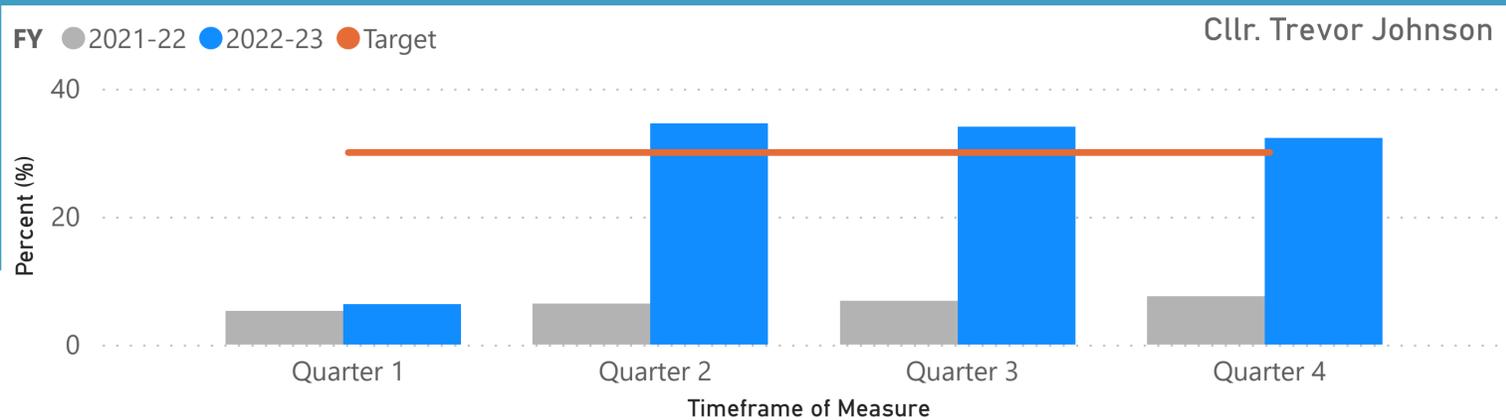
26.15 ✓
Target: 25.00

Target Met - Increasing targeted communications, better recovery of recycling from flats.

ID1.4b - Food:- Household collections from the kerbside (%) Current Status SMART Actions if Off Target

High
Is Good
Per Quarter (Snapshot)

Positive
Yearly Trend



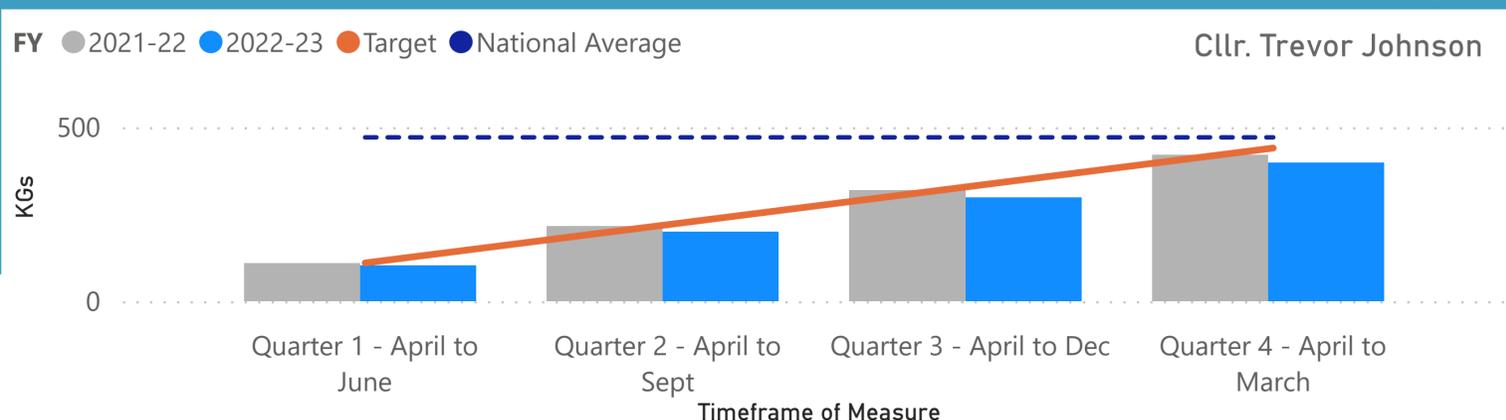
32.28 ✓
Target: 20.00

Not Required as Target Met

ID1.4c - Residual Waste per household:- Household collections from the kerbside (Kgs) Current Status SMART Actions if Off Target

Low
Is Good
Cumulative (Per Annum)

Positive
Yearly Trend



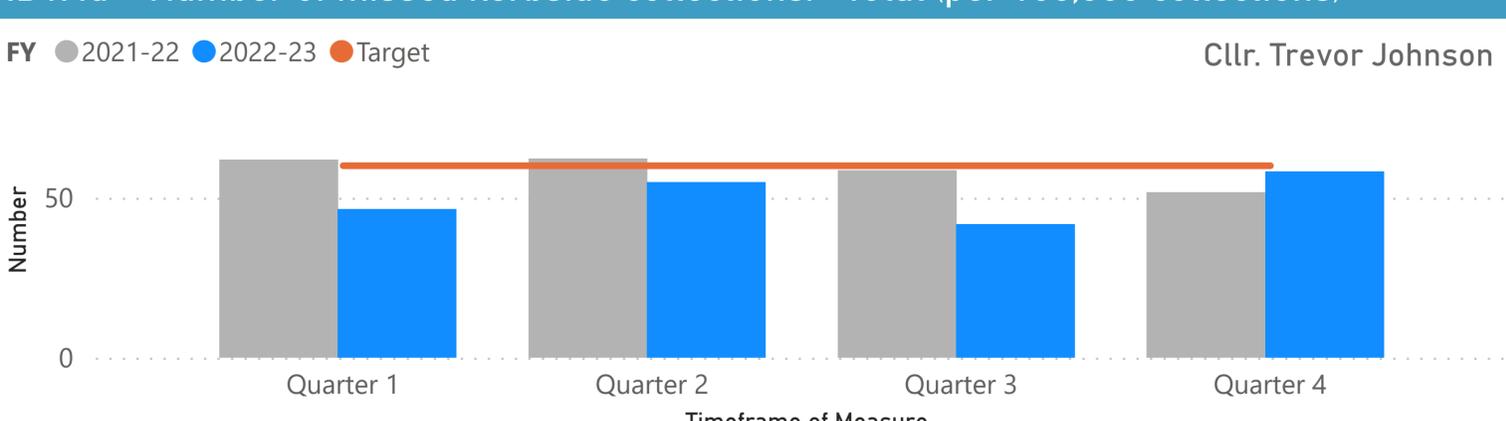
398.10 ✓
Target: 440.00
National Average 470.75

Not Required as Target Met

ID1.4d - Number of missed kerbside collections:- Total (per 100,000 collections) Current Status SMART Actions if Off Target

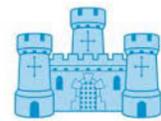
Low
Is Good
Per Quarter (Snapshot)

Negative
Yearly Trend



58.09 ✓
Target: 60.00

Not Required as Target Met



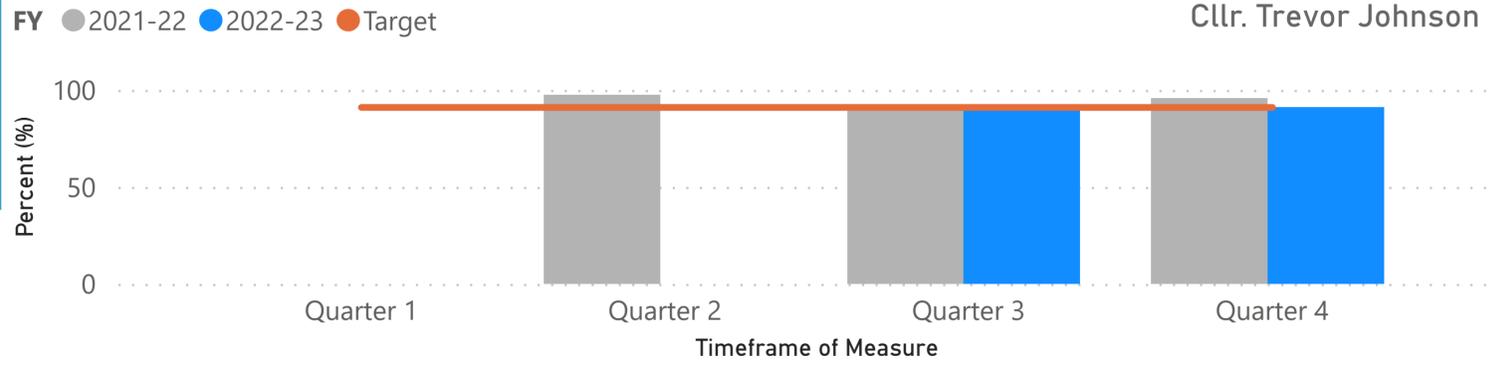
High
Is Good
Per
Quarter
(Snapshot)

ID1.5a - Litter: Levels of street and environment cleanliness (LEQ survey) free / predominantly free of litter

Current Status

SMART Actions if Off Target

Negative
Yearly Trend



91.00 ✓
Target: 91.00

Not Required as Target Met

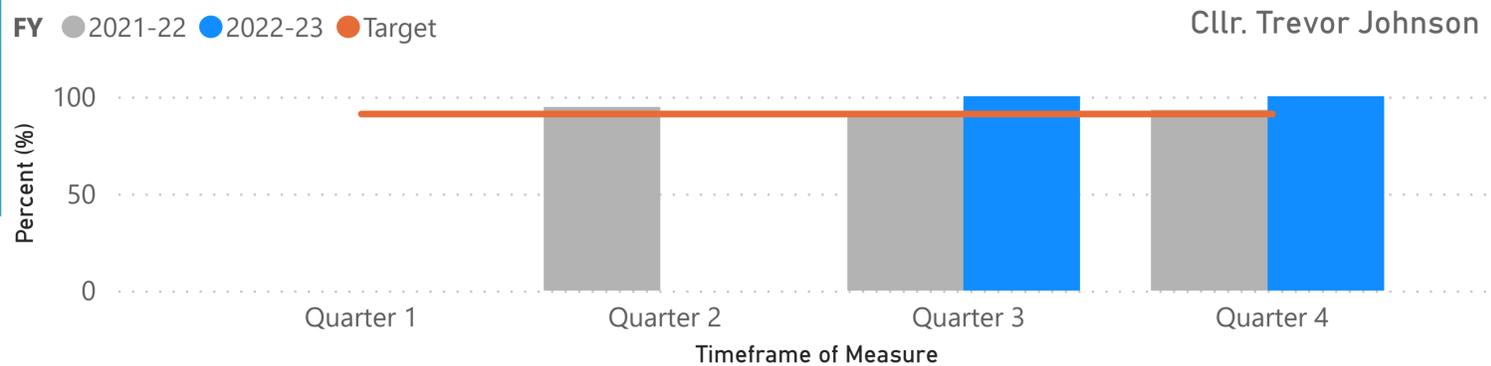
High
Is Good
Per
Quarter
(Snapshot)

ID1.5b - Detritus: Levels of street and environment cleanliness (LEQ survey) free / predominantly free of detritus

Current Status

SMART Actions if Off Target

Positive
Yearly Trend



100.00 ✓
Target: 91.00

Not Required as Target Met

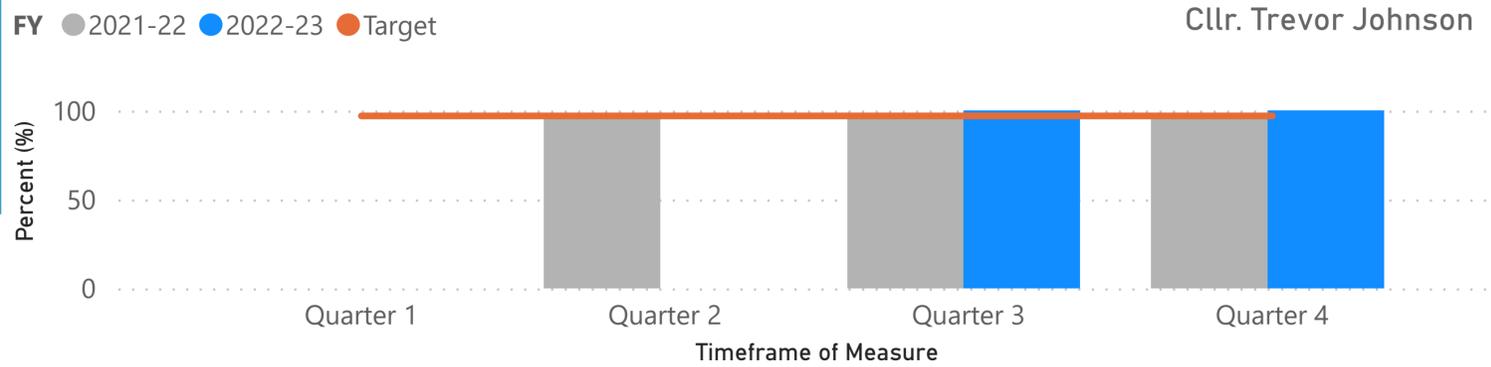
High
Is Good
Per
Quarter
(Snapshot)

ID1.5c - Graffiti: Levels of street and environment cleanliness (LEQ survey) free / predominantly free of graffiti

Current Status

SMART Actions if Off Target

Positive
Yearly Trend



100.00 ✓
Target: 97.00

Not Required as Target Met

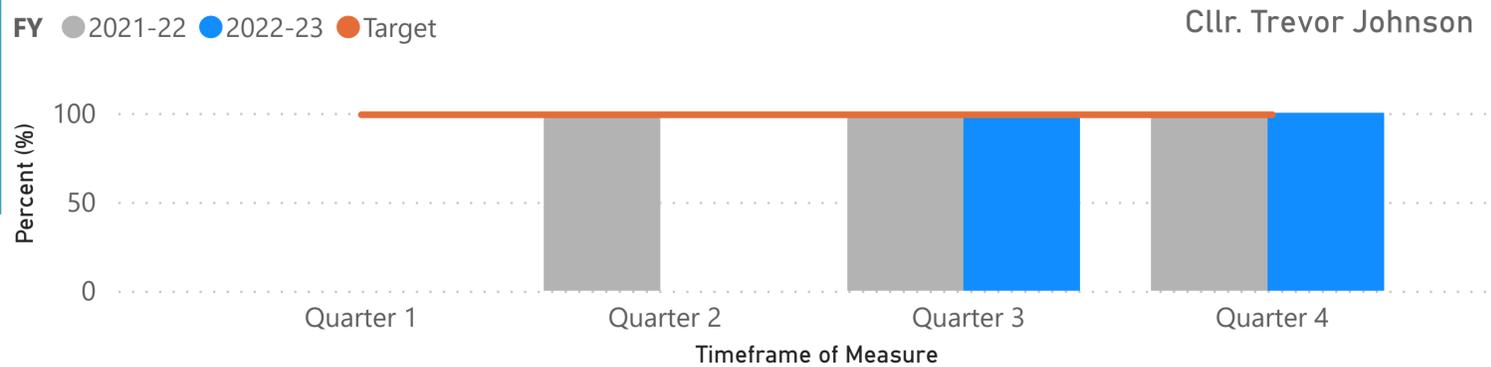
High
Is Good
Per
Quarter
(Snapshot)

ID1.5d - Fly-Posting: Levels of street and environment cleanliness (LEQ survey) free / predominantly free of fly-posting

Current Status

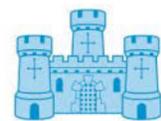
SMART Actions if Off Target

Positive
Yearly Trend



100.00 ✓
Target: 99.00

Not Required as Target Met

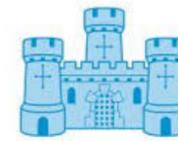


Project Status Split for Priority 1.

Project/Action is Progressing as Expected

5

Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Simon Tagg	1. Strategy, People and Performance 2. All services	Deliver a Workforce Strategy	Develop professional talent across the Council and provide opportunities for staff to grow their careers	✔ Project/Action is Progressing as Expected	Initial scoping has taken place regarding the themes of the strategy which include resourcing and talent management. Next steps are to devise a project and stakeholder plan to ensure the plans meet the needs of the Council and residents.
Cllr. Simon Tagg	1. Strategy, People and Performance 2. IT and Digital 3. Neighbourhoods 4. All (digital enablement)	Deliver the One Council Programme	Ensure our services are efficient and accessible	✔ Project/Action is Progressing as Expected	The One Council Programme remains on track to deliver improvements and efficiencies to service delivery.
Cllr. Stephen Sweeney	1. Commercial Delivery 2. Finance 3. Legal & Governance	Identify and deliver opportunities to generate income from commercial development	Ensure strong financial discipline across the Council	✔ Project/Action is Progressing as Expected	The Council is working with our Leisure software provider to deliver an App for better customer service with booking and a kiosk in J2 to enable self-serve booking in, these are both on track for delivery next financial year.
Cllr. Simon Tagg	1. Strategy, People and Performance 2. All services	Work with our communities to ensure services reflect local need	Work with our communities to ensure services reflect local need	✔ Project/Action is Progressing as Expected	Consultations gather resident views on a variety of subjects and feedback is sought periodically from residents using Council Services. The Strategic Hub has developed the State of the Borough report which provides a detailed overview of the Borough and resident demographics. Next steps are to consider how we broaden this liaison to further understand needs.
Cllr. Simon Tagg	1. Strategy, People and Performance 2. neighbourhoods 3. Regulatory	Work with partners to deliver the best for our communities	Work with partners to deliver the best for our communities	✔ Project/Action is Progressing as Expected	A review of partnership engagement is taking place to ensure we are proactive and efficient in our partnership work and delivering quality services without duplication.



Priority 2: Performance Indicators Current Status



Corporate Aim (Priority)	Number of Indicators
Priority 2: A Successful and Sustainable Growing Borough	6

Smart Narrative

Within Priority 2 there are no contextual performance indicators.

The 6 Indicators within Priority 2 with set targets, 83% met their target this quarter. 2 of those indicators which had met their target had improved from last year. 3 indicators showed a negative trend when compared to the same time period last year (ID2.2, ID2.4 and ID2.5).

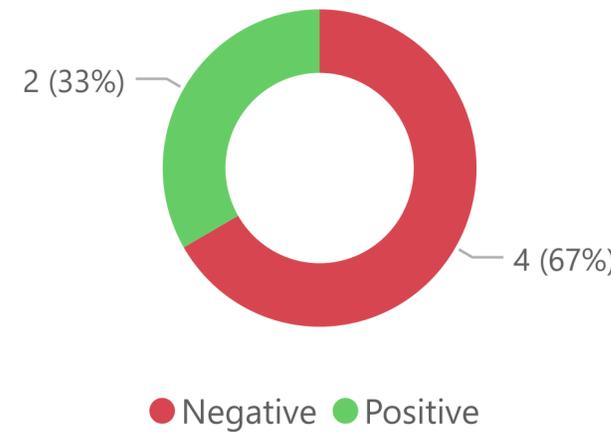
There was 1 indicator (ID2.6) which did not meet the target this this quarter within this Priority.

All 10 Project/Actions within Priority 2 were deemed to be progressing as expected this quarter.

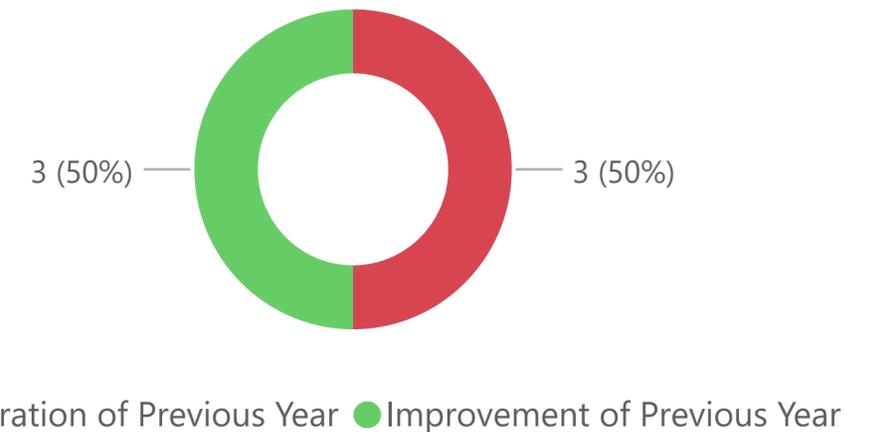
Priority 2: Qtr.4 Summary Project Status Split



Priority 2: Qtr.4 Trend Direction of PI's Compared to Previous Quarter



Priority 2: Qtr.4 Trend Status of PI's Compared On Same Qtr in the Previous Financial Year





ID2.1 - Percentage of investment portfolio vacant (NBC owned)

Current Status

SMART Actions if Off Target

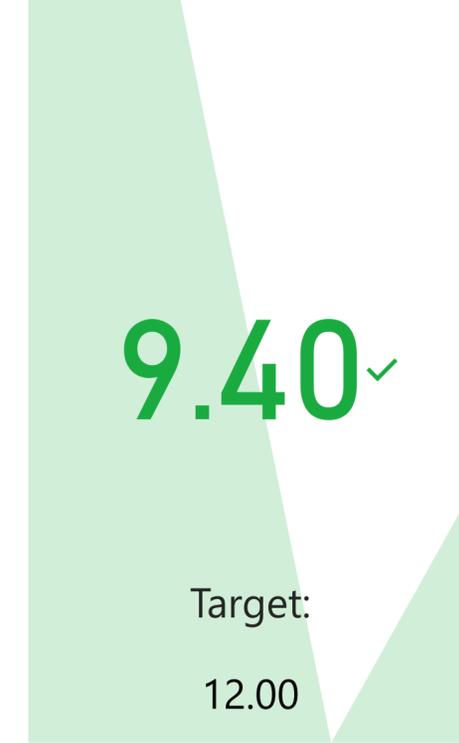
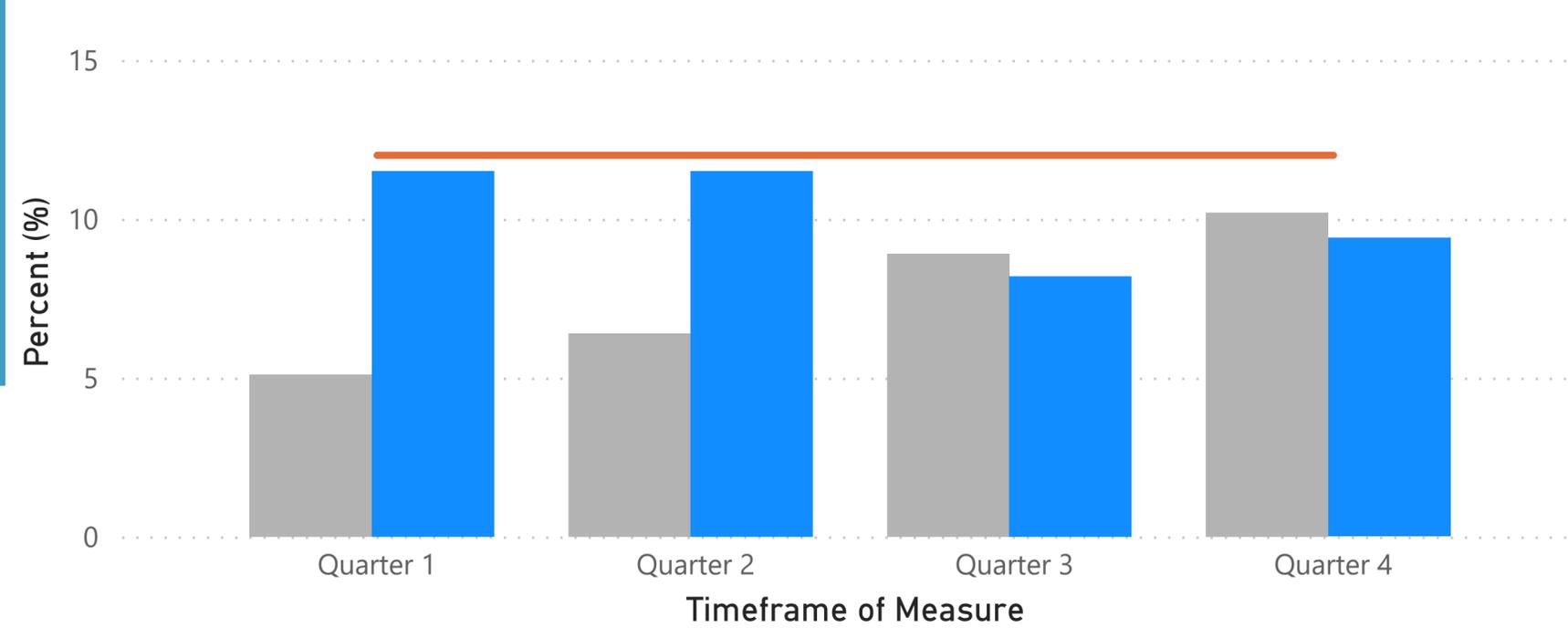
Low
Is Good

Per
Quarter
(Snapshot)

Positive
Yearly Trend

FY ● 2021-22 ● 2022-23 ● Target

Cllr Stephen Sweeney



Within target range with a current 9.4% vacancy rate

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

Current Status

SMART Actions if Off Target

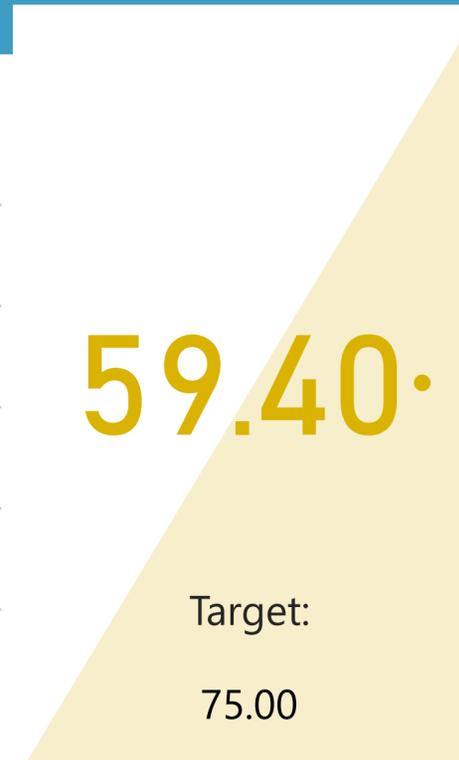
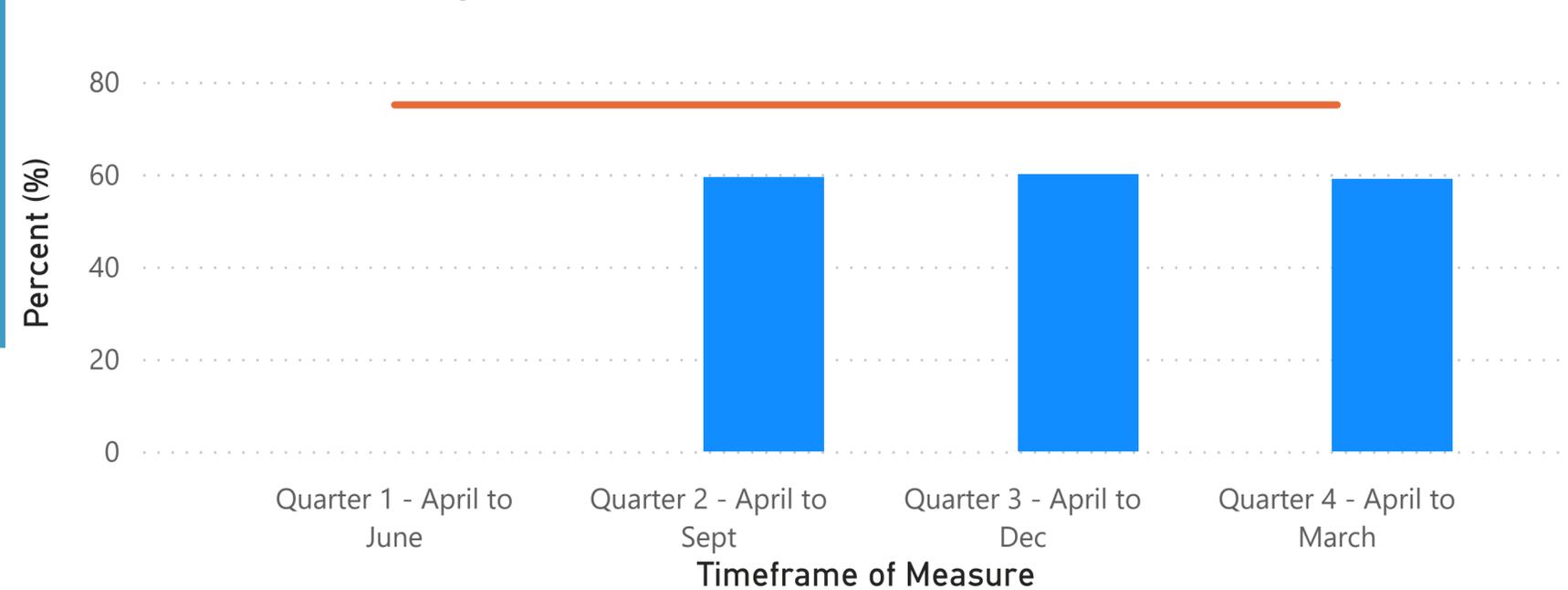
High
Is Good

Cumulative
(Per Annum)

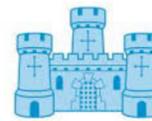
Positive
Yearly Trend

FY ● 2021-22 ● 2022-23 ● Target

Cllr. Andrew Fear



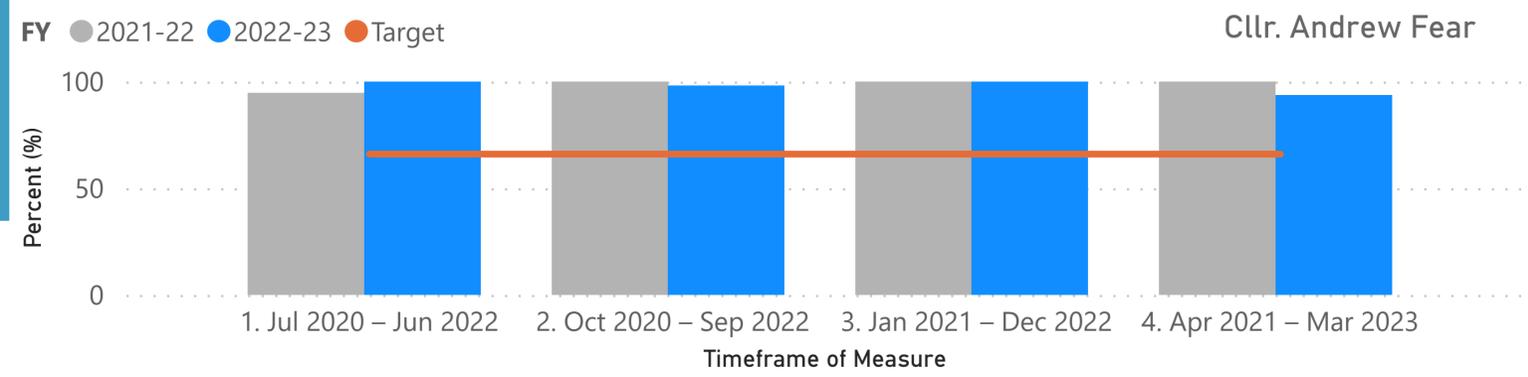
New metric for 2022/23 so no comparison from previous years available - The number of complaints received remain high. A review is currently being undertaken of the enforcement policy and procedures including the resource levels required. The service is also currently under review as part of the 'One Council' approach.



High ID2.2 - Speed of major development applications (P151a - 24 Month Rolling Period up to End of Each Quarter) **Current Status** **SMART Actions if Off Target**

Is Good
Planning

Negative
Yearly Trend



Cllr. Andrew Fear

93.50

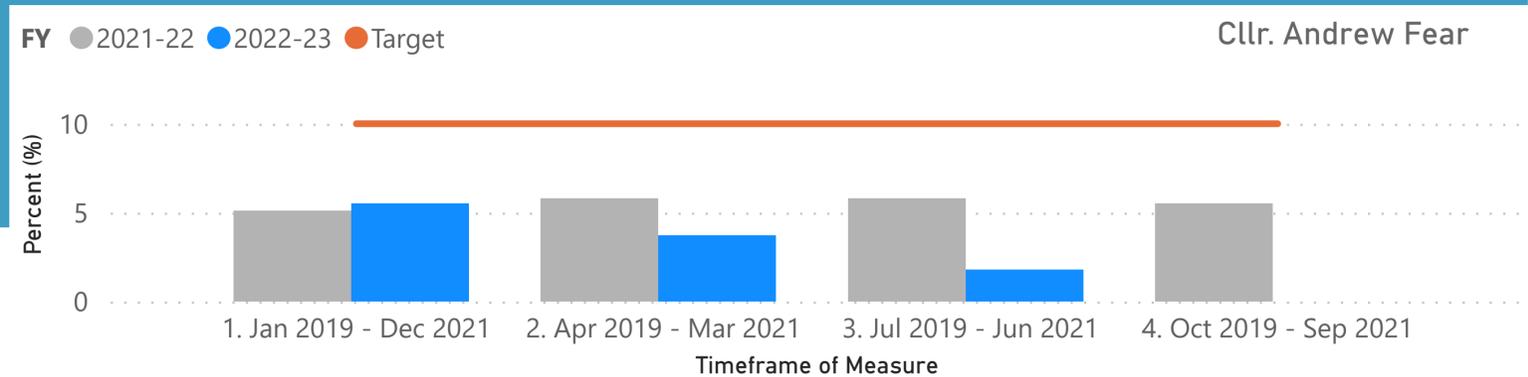
Target: 66.00

Measure shown is the % within 13 weeks or within agreed time - Central Gov metric which measures a rolling time period of 24 months - Newest metric shows the following time period April 2021 – March 2023

Low ID2.3 - Quality of major development applications (P152a - 24 Month Rolling Period - See SMART Actions) **Current Status** **SMART Actions if Off Target**

Is Good
Planning

Positive
Yearly Trend



Cllr. Andrew Fear

0.00

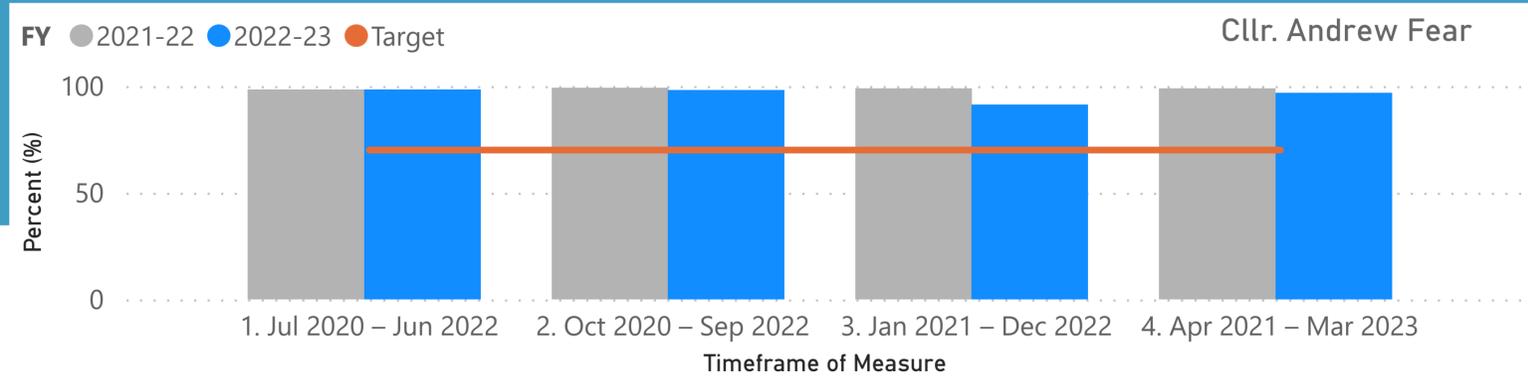
Target: 10.00

Measure shown is the Quality of decisions (% overturned at appeal) - Central Gov metric which measures a rolling time period of 24 months - They have currently advised they are behind schedule. Newest metric shows the following time period October 2019 – September 2021

High ID2.4 - Speed of non-major development applications (P153 - 24 Month Rolling Period up to End of Each Quarter) **Current Status** **SMART Actions if Off Target**

Is Good
Planning

Negative
Yearly Trend



Cllr. Andrew Fear

96.60

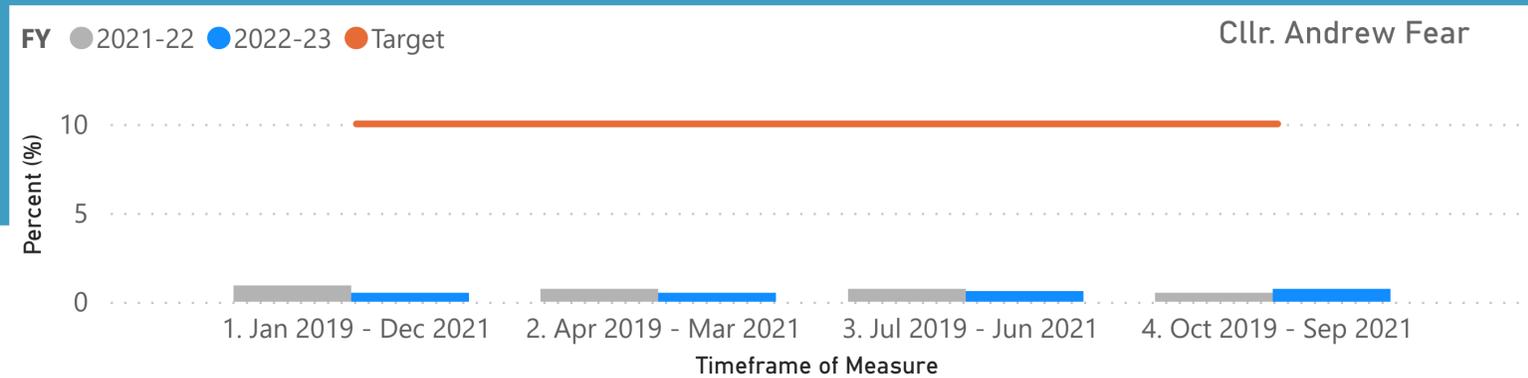
Target: 70.00

Measure shown is the % within 8 weeks or within agreed time - Central Gov metric which measures a rolling time period of 24 months - Newest metric shows the following time period April 2021 – March 2023

Low ID2.5 - Quality of non-major development applications (P154 - 24 Month Rolling Period - See SMART Actions) **Current Status** **SMART Actions if Off Target**

Is Good
Planning

Negative
Yearly Trend



Cllr. Andrew Fear

0.70

Target: 39.00

Measure shown is the Quality of decisions (% overturned at appeal) - Central Gov metric which measures a rolling time period of 24 months - They have currently advised they are behind schedule. Newest metric shows the following time period October 2019 – September 2021



Project Status Split for Priority 2.

Project/Action is Progressing as Expected

9

Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Trevor Johnson	1. Sustainable Environment 2. All	Deliver the Sustainable Environment Strategy	Ensuring that the Council's operations are carbon neutral by 2030	✔ Project/Action is Progressing as Expected	Work is progressing in undertaking the actions to deliver the Sustainable Environment Strategy (SES). the Councils Recycling and waste fleet is now running on HVO fuel as opposed to diesel, with a projected saving in CO2 of 90% for those vehicles. work has also commenced on the development of the Councils 'RoadMap' to net zero, which will form an integral part of the delivery of the SES
Cllr. Gill Heesom	1. Regulatory 2. Legal & Governance	Ensure that there are good homes for everyone and that every citizen has a safe and secure place to live	Ensure that there are good homes for everyone and that every citizen has a safe and secure place to live	✔ Project/Action is Progressing as Expected	UK Shared Prosperity Partnership funding secured for two posts focusing on supporting rough sleepers or vulnerably housed individuals who are being discharged from prison or hospital with no home to return to or who need mental health support. Severe weather emergency protocol provision operational until 31.03.23 to protect rough sleepers from severe weather and to develop engagement and options. 66 category 1 hazards and 71 category 2 hazards removed from privately rented properties. Finalisation of plans for the Disabled Facilities Grant Service to return in house from 1st April 2023.
Cllr. Trevor Johnson	1. Neighbourhoods	Protect our parks and green spaces for future generations	Ensuring that the Council's operations are carbon neutral by 2030	✔ Project/Action is Progressing as Expected	Work is in progress to deliver phase 4 of the Urban Tree Planting Strategy at a further 9 sites across the urban areas of the Borough, which will ultimately help to sequester carbon.
Cllr. Trevor Johnson	1. Regulatory 2. Neighbourhoods	Secure a successful resolution to the Walley's Quarry odour problem.	Protecting our communities by improving how we use our enforcement powers.	✔ Project/Action is Progressing as Expected	<p>KPI's Key performance indicators continue to be monitored on a regular basis with the operator WQL</p> <p>Odour Complaints In Q4 the number of odour complaints (month on month) were significantly below the number reported in previous years (2021 and 2022). February saw the lowest number of complaints reported at 47 complaints than any other month from January 2021 to date. Investigations are ongoing into an odour event that occurred on 27 March 2023 when the number of complaints peaked to 31. Officers are liaising with the operator WQL and the EA.</p> <p>Partnership working NULBC continue to work in partnership with UKHSA and EA. Information provided on air quality and weather enables Officers to proactively undertake odour assessments e.g. during periods of predicted low dispersion.</p> <p>Expert Review NULBC commissioned an expert to review data relating to odour between November 2022 and January 2023. The expert noted there have been improvements to: -the scale of hydrogen sulphide and landfill gas releases, -a reduction in the frequency of episodes of hydrogen sulphide being present at a noticeable level, -the intensity has reduced but on occasions remains at noticeable levels -the peak concentrations are lower than when the Abatement Notice was issued.</p>



Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Stephen Sweeney	Commercial Delivery	Delivering the £16m Kidsgrove Town Deal, including: Facilitating the Chatterley Valley Enterprise Zone development to deliver 1700 quality jobs for local people; Enhancing Kidsgrove Railway Station and access to the local canal network; Developing a Shared Service Hub with key partners.	A strong and sustainable economy where everyone benefits	✔ Project/Action is Progressing as Expected	All projects have been approved for delivery by DLUHC. Kidsgrove Sports Centre is Complete. Construction of the access road at Chatterley Valley is ongoing. Funding agreement signed with East Midlands Railway for refurbishment of Kidsgrove Railway Station. Agreement with the Canal and River Trust for canal improvement works is at the final stage of negotiation. Development of the Shared Service Hub is ongoing with the project sub group.
Cllr. Stephen Sweeney	Commercial Delivery	Delivering the £23m Newcastle Town Deal, including: Development of key gateway sites including the 'Zanzibar' and Midway; Connecting residents and businesses to skills training for the digital world; Improving bus, cycling and walking infrastructure; Delivering a circus-themed performing arts Centre; Building more than 400 homes in Knutton and Chesterton.	A strong and sustainable economy where everyone benefits	✔ Project/Action is Progressing as Expected	All projects have now been submitted to DLUHC for approval with the final project, the Astley Centre for Circus being submitted at the end of March 2023. Development of the remaining projects continues with delivery partners. two elements of the Knutton Village masterplan project have now been submitted for planning permission, extension of the Enterprise Centre at Knutton and provision of changing facilities at the Wammy to support enhanced use of the football pitches.
Cllr. Stephen Sweeney	1. Commercial Delivery 2. Neighbourhoods	Delivering the £4.8m Uk Shared Prosperity Fund programme, including: Improving the town centre; Supporting culture and heritage; Skills development for local people; Supporting the most vulnerable people.	A strong and sustainable economy where everyone benefits	✔ Project/Action is Progressing as Expected	Delivery plan has been approved by DLUHC and project delivery has commenced.
Cllr. Stephen Sweeney	1. Commercial Delivery 2. Strategy, People and Performance 3. Finance	Continue to bid for government funding to support the borough's ambitions, including the further development of Keele Science and Innovation Park and the University Growth Corridor.	A strong and sustainable economy where everyone benefits	✔ Project/Action is Progressing as Expected	Review opportunities for further funding such as LUF3 in the next financial year.
Cllr. Trevor Johnson	1. Sustainable Environment 2. All	Play an active role in the Staffordshire Sustainability Board	Secure a carbon neutral Borough by 2050	✔ Project/Action is Progressing as Expected	The Council is playing an active role in the SSB, with a number of initiatives supported and agreed through Cabinet. The Council is supporting a number of communications initiatives, and is on target with delivery on the ten base pledges proposed by the SSB, and agreed through each Council partners decision making process.
Cllr. Andrew Fear	1. Planning 2. Legal & Governance	Delivering the Newcastle Local Plan	Support the sustainable development of our towns and villages	✔ Project/Action is Progressing as Expected	The draft Newcastle under Lyme Local Plan - Regulation 18 Preferred Strategy is continuing to be produced in line with commissioned evidence received and within the timeframe of the adopted Local Development Scheme. The document is intended to be considered at Cabinet on the 6th June and if agreed the consultation will start on Monday 19th June and close Monday 14 August (8 weeks). The team has also secured an additional resource on a contract basis.



Priority 3: Performance Indicators Current Status

N/A	Target Met
11	3

Corporate Aim (Priority)	Number of Indicators
Priority 3: Healthy, Active and Safe Communities	14

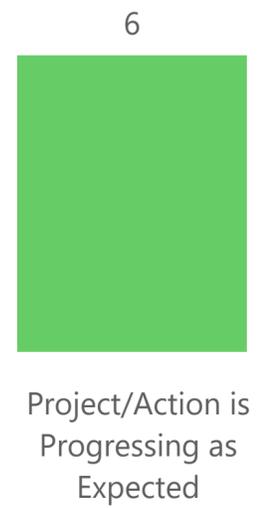
Smart Narrative

Within Priority 3 there are 11 contextual performance indicators which do not have set targets but are compared to last years outturn. Of these indicators 8 showed an improvement when compared to the same quarter last year. The remaining 3 indicators showed a negative trend.

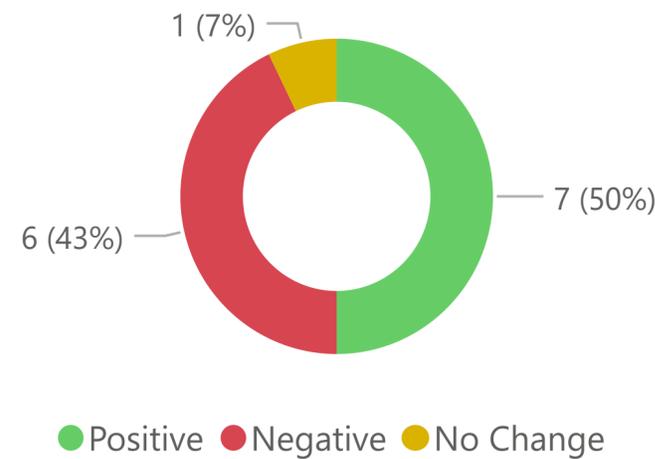
Of the 3 indicators with set targets, 100% of these met their target this quarter. All of the indicators which met their targets also showed an improvement when being compared to last years measure for the same time period.

There are 6 Project/Actions for Priority 3, all of which were deemed to be progressing as expected this Quarter.

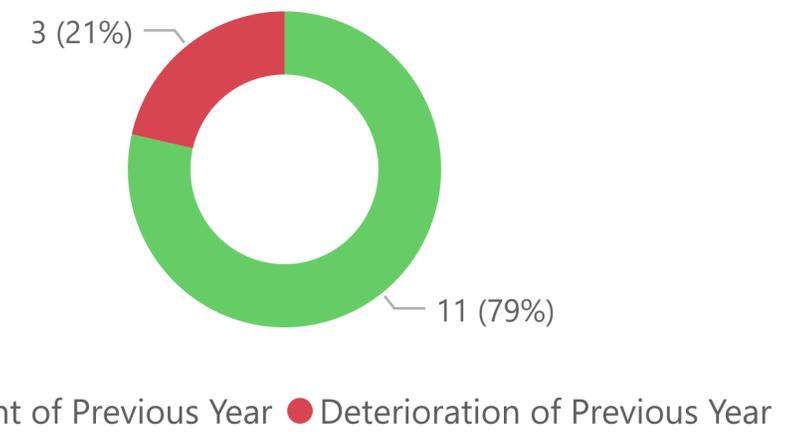
Priority 3: Qtr. 4 Summary Project Status Split

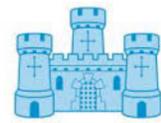


Priority 3: Qtr.4 Trend Direction of PI's Compared to Previous Quarter



Priority 3: Qtr.4 Trend Status of PI's Compared On Same Qtr in the Previous Financial Year



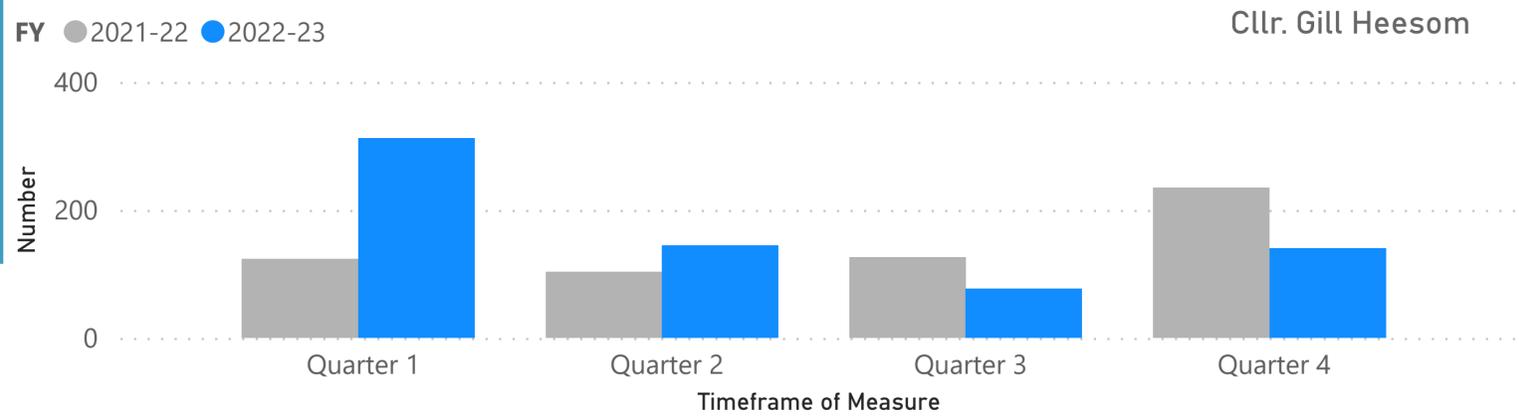


ID3.1a - Anti-Social Behaviour (ASB) cases - New cases received during the quarter

Current Status

SMART Actions if Off Target

Low
Is Good
Per Quarter (Snapshot)
Positive
Yearly Trend



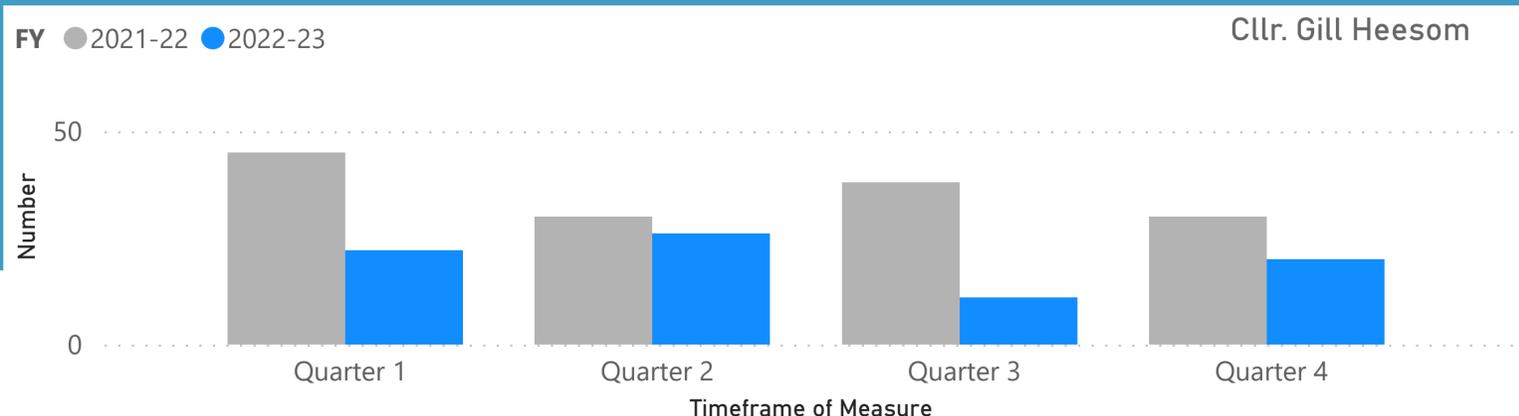
This measure is roughly on target with work continuing with a range of partner agencies to address ASB efficiently and effectively.

ID3.1b - (ASB) cases - Current open cases at the end of the quarter

Current Status

SMART Actions if Off Target

Low
Is Good
Per Quarter (Snapshot)
Positive
Yearly Trend



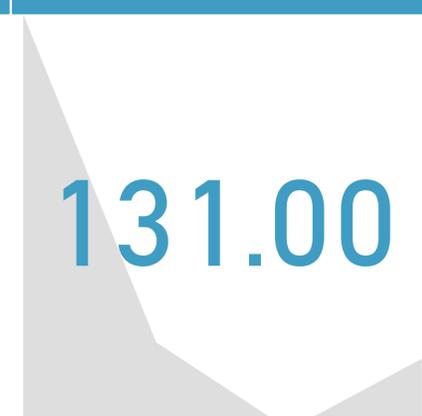
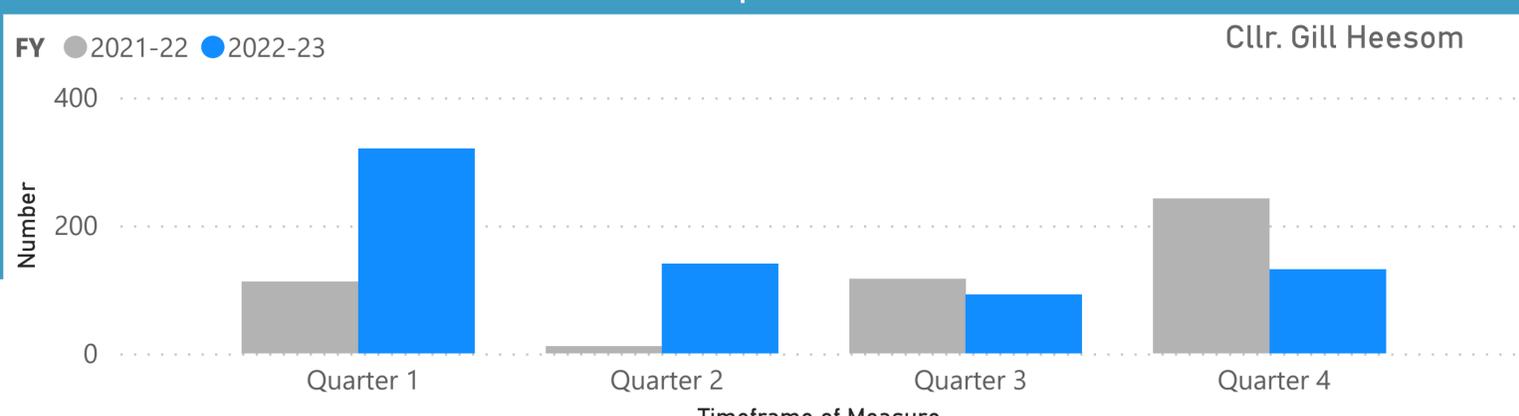
Measure is as expected and remains below previous outturn figure. We continue partnership working to reduce ASB and ensure any complaints are dealt with efficiently and effectively in a timely manner

ID3.1c - (ASB) cases - Cases closed in the quarter

Current Status

SMART Actions if Off Target

High
Is Good
Per Quarter (Snapshot)
Negative
Yearly Trend



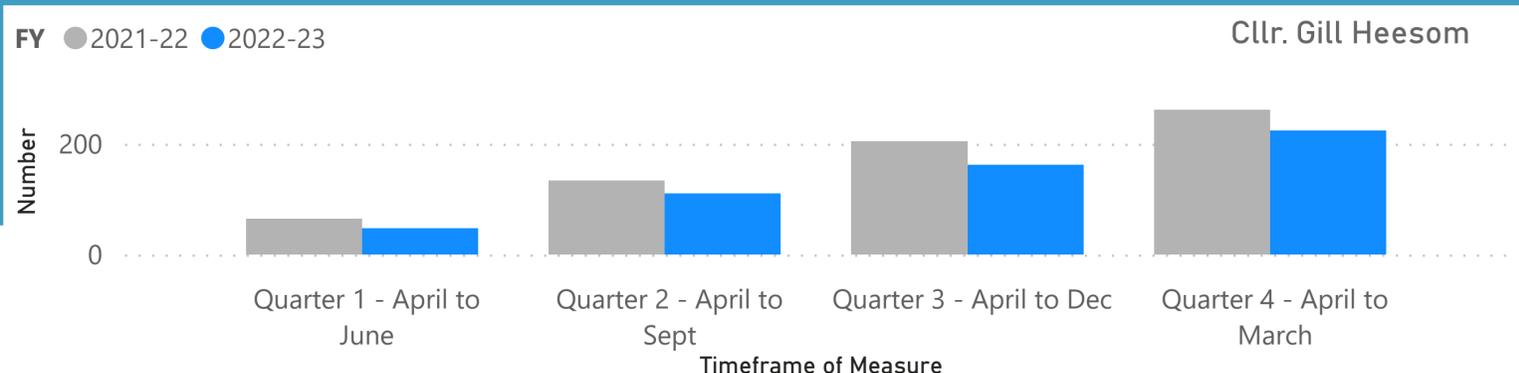
Measure is as expected and has improved from previous outturn figure for total number of cases closed in the quarter. Value is also relative to the measure of new cases received. We continue partnership working to reduce ASB and ensure any complaints are dealt with efficiently and effectively in a timely manner

ID3.2 - Number of referrals made regarding vulnerability by participating organisations at the Daily Hub

Current Status

SMART Actions if Off Target

Low
Is Good
Cumulative (Per Annum)
Positive
Yearly Trend



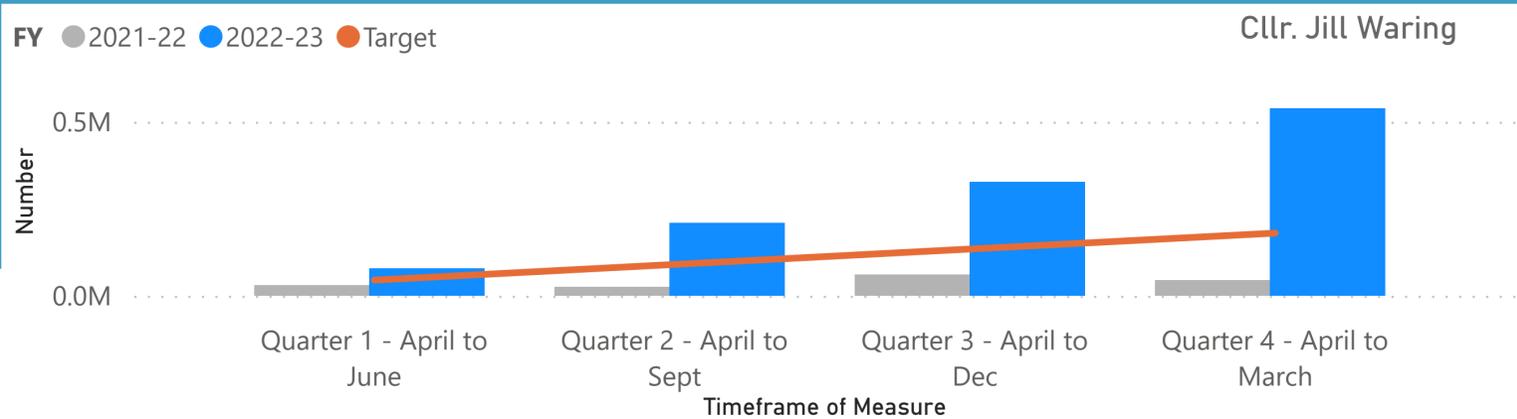
The numbers of referrals to the vulnerability hub have continued to increase. This has meant we are struggling to get through them each week, we will be re-looking at criteria with the Police to ensure that we get the most vulnerable cases and that agencies have tried all other measures before referring in to ensure we can give the time to those cases who need the help the most.



ID3.3 - Number of People Accessing the Museum's collections online and in person Current Status SMART Actions if Off Target

High
Is Good
Cumulative (Per Annum)

Positive
Yearly Trend



Cllr. Jill Waring

538.66K ✓

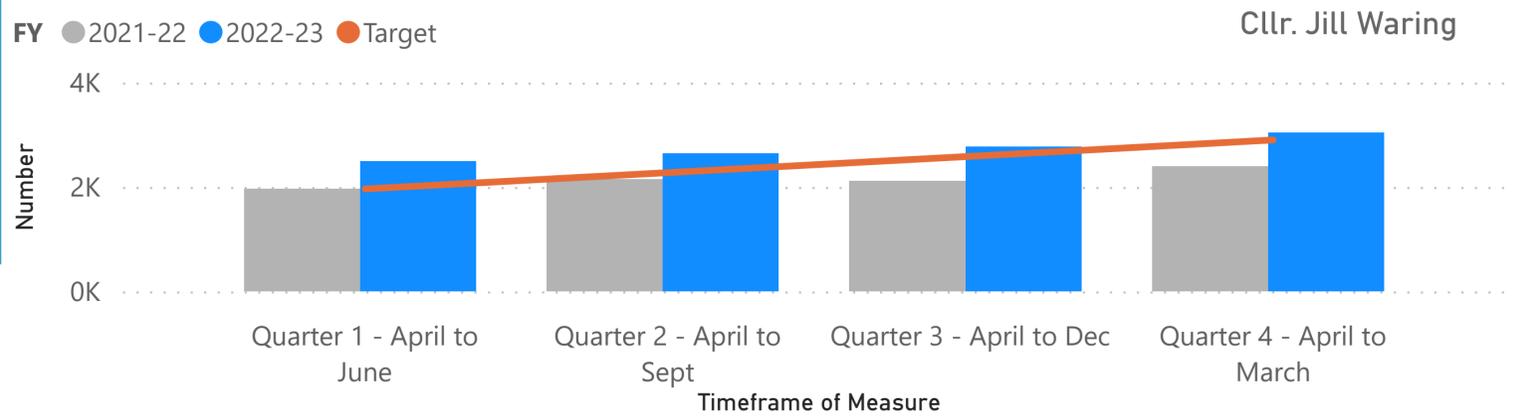
Target: 180.00K

Not Required as Target Met

ID3.4 - J2 Membership growth Current Status SMART Actions if Off Target

High
Is Good
Cumulative (Per Annum)

Positive
Yearly Trend



Cllr. Jill Waring

3.03K ✓

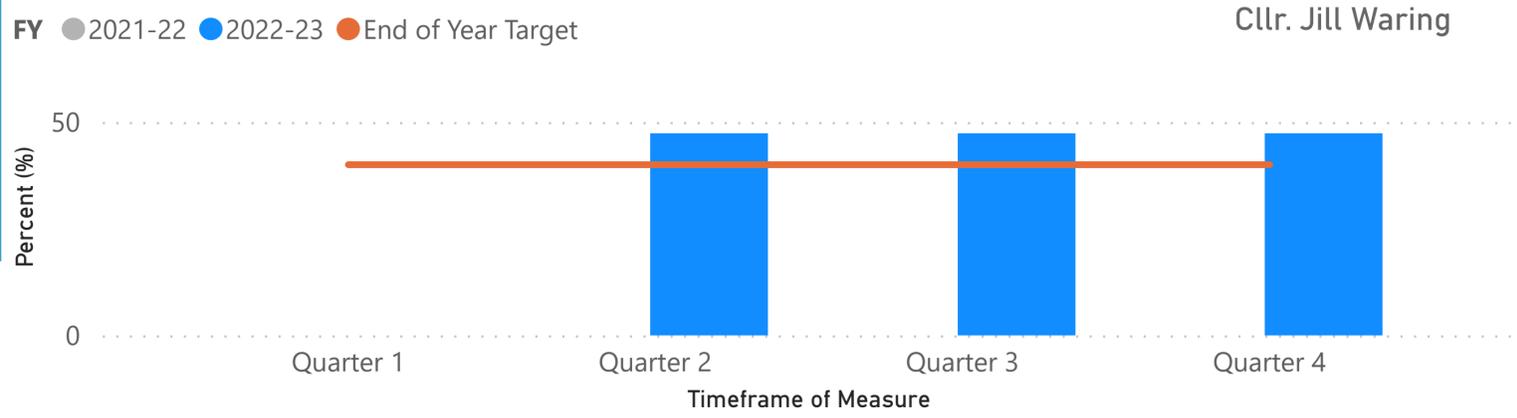
Target: 2.90K

Not Required as Target Met

ID3.5 - Jubilee 2 Customer Satisfaction – Net Promotor Score Current Status SMART Actions if Off Target

High
Is Good
Per Quarter (Snapshot)

Positive
Yearly Trend



Cllr. Jill Waring

47.30 ✓

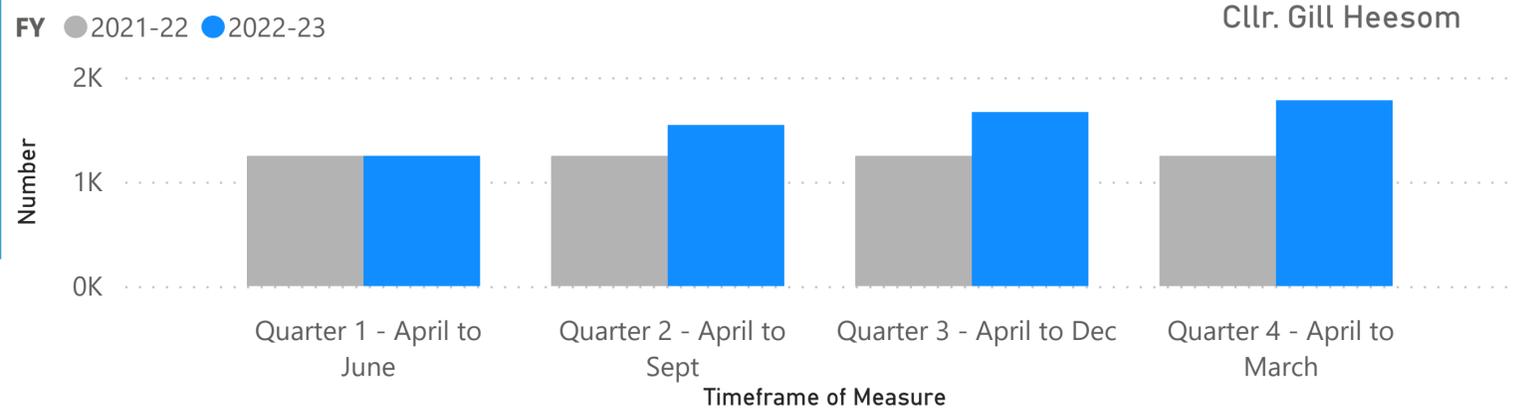
End of Year Target: 40.00

Not Required as Target Met

ID3.6 - Live application on the housing register Current Status SMART Actions if Off Target

Low
Is Good
Per Quarter (Snapshot)

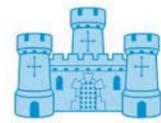
Negative
Yearly Trend



Cllr. Gill Heesom

1.78K

Previous outturn measure is not a target and it must be noted that the number of live applications on the register will always increase due to constant new applications and increased housing demand within the borough.



ID3.7 - Number of lets to registered providers from the housing waiting list

Current Status

SMART Actions if Off Target

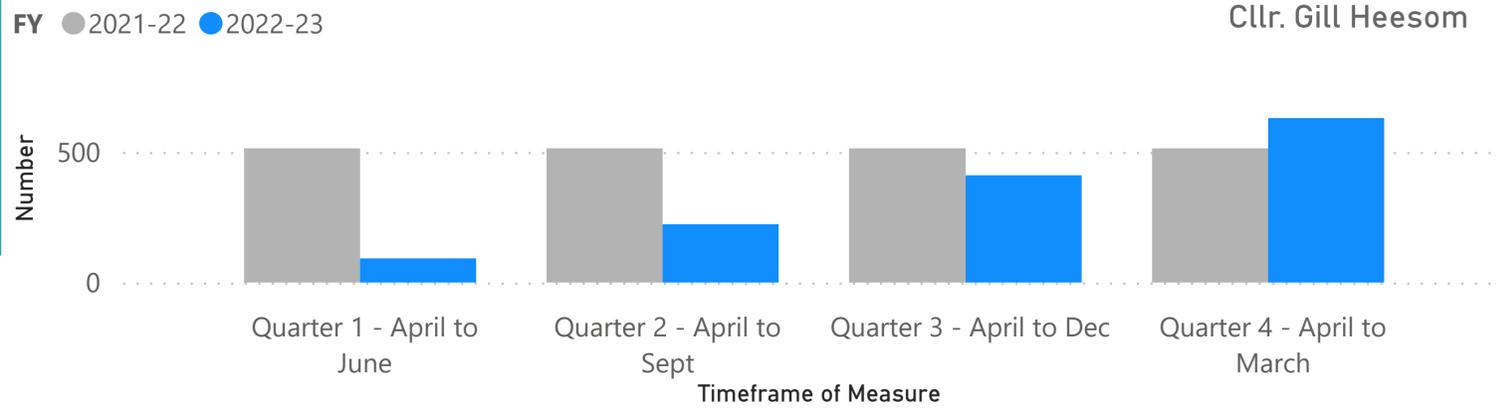
High

Is Good

Cumulative
(Per Annum)

Positive

Yearly Trend



628.00

Previous quarter data has been updated due to providers updating their systems / properties to show more accurate measures. Current year shows greater number of Lets when compared to the outturn of the previous year

ID3.8 - Emergency homeless presentations

Current Status

SMART Actions if Off Target

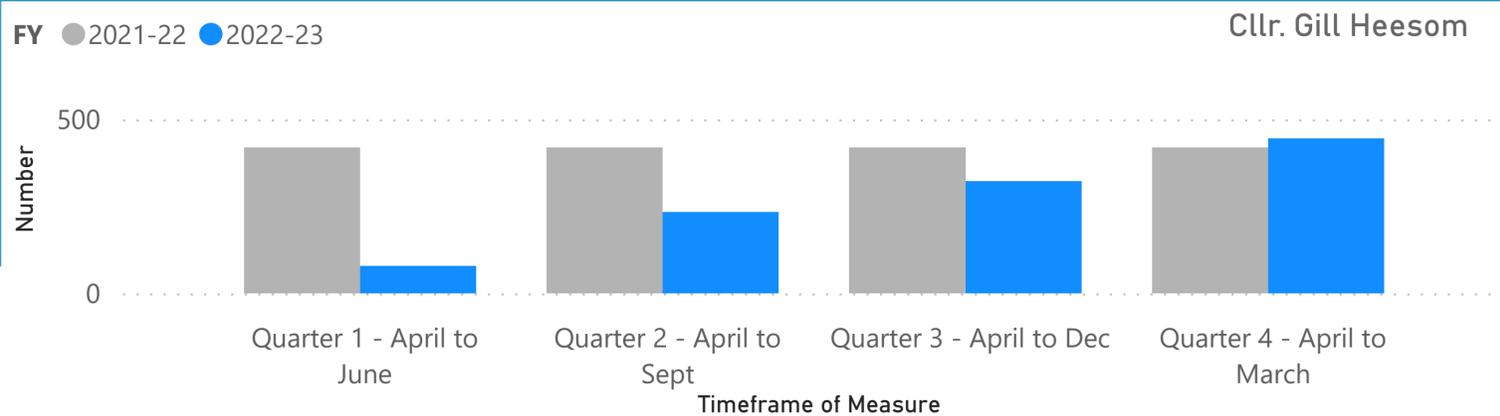
Low

Is Good

Cumulative
(Per Annum)

Negative

Yearly Trend



444.00

The service has currently been experiencing an increased demand of homeless presentations, this can be seen in end of year measure which shows a small increase since last year's outturn figure for emergency homeless presentations

ID4.4 - Total Rough Sleepers Verified in Quarter

Current Status

SMART Actions if Off Target

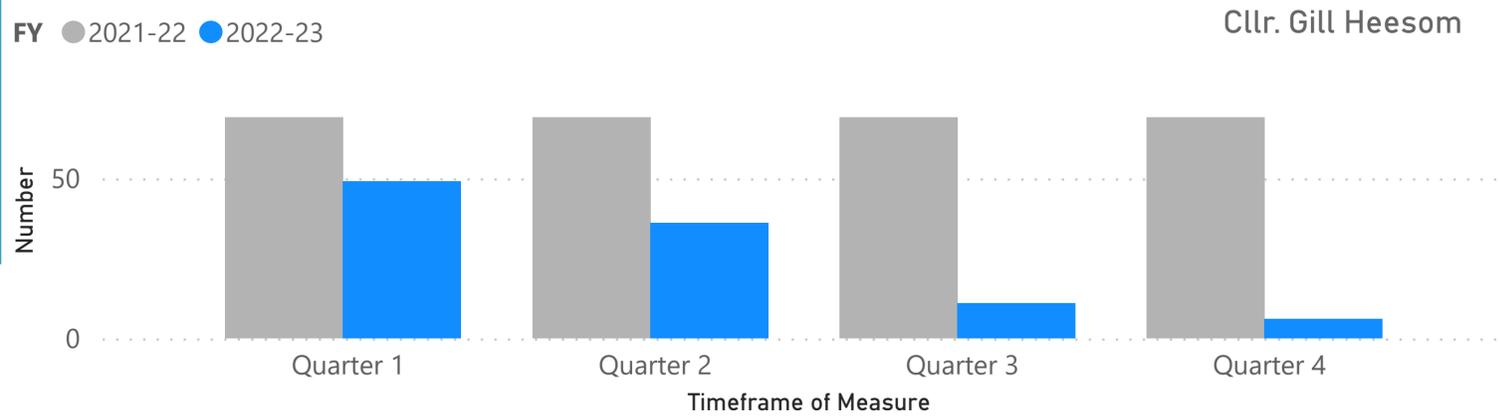
Low

Is Good

Per Quarter
(Snapshot)

Positive

Yearly Trend

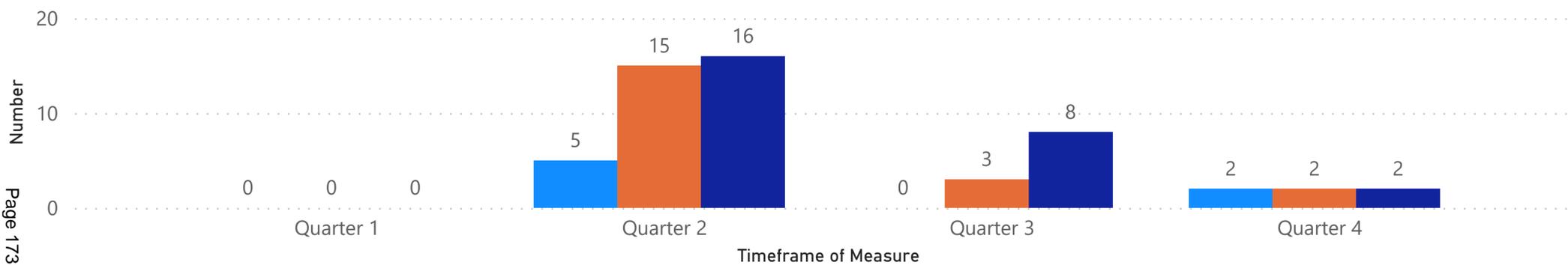


6.00

The number of rough sleepers overall have reduced due to the amazing work the team have been doing and the support pathways we have created. The Multi-Agency Hub which is held weekly continues to produce positive outcomes for those that attend and attract further support from varying agencies. We have been successful in acquiring funding through the Shared Prosperity Fund and have recruited a Mental Health Liaison Worker and Discharge Officer who will look at preventive work with our most complex individuals. We have also recruited a Housing Outreach Advisor who will be joining the Team mid-April. These projects will enhance our current provision and make our support pathway even more robust, in order to reduce our rough sleeper figures even further

ID4.4a, 4.4b and 4.4c - Breakdown of Rough Sleepers Verified in Quarter

Entrenched Rough Sleepers New Rough Sleepers Returning Rough Sleepers



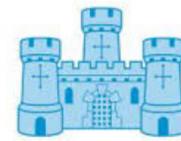


Project Status Split for Priority 3.

Project/Action is Progressing as Expected

6

Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Jill Waring	1. Commercial Delivery 2. Neighbourhoods	Delivering an economic and cultural legacy from the celebration of the borough's 850th anniversary in 2023.	Delivering an economic and cultural legacy from the celebration of the borough's 850th anniversary in 2023.	✔ Project/Action is Progressing as Expected	Borough Hero awards presented at Mayors Ball 31 March 2023.
Cllr. Trevor Johnson	1. Neighbourhoods 2. Sustainable Environment	Expansion of the street warden scheme and the creation of neighbourhood delivery teams.	Secure a step change in street cleanliness and the quality of the public domain	✔ Project/Action is Progressing as Expected	MMF model is in development and recruitment is in progress to key roles in the team. Work is in progress on priority neighbourhood issues including fly tipping, household waste duty of care and abandoned vehicles.
Cllr. Simon Tagg	1. Strategy, People and Performance 2. Neighbourhoods	Work collaboratively with the Newcastle Partnership	Ensure that our most vulnerable residents are supported through the impact of the rising cost of living.	✔ Project/Action is Progressing as Expected	We have created a new rolling agenda which addresses community needs from a thematic approach. This has been agreed at the Partnership Board to ensure that the right actions are taken by the right people at the right time.
Cllr. Gill Heesom	Neighbourhoods	Build on our work with Staffordshire Police	Reduce anti-social behaviour and crime in our communities	✔ Project/Action is Progressing as Expected	We are continuing to build up this relationship and the introduction of the mobile multi-function team leader will also assist with strengthening of this partnership working. The PFCC are also looking to review policies and protocols in relation to ASB and how different partnerships utilise legislation. This will then produce a best practice guidance that the partnership will be able to use. We are also working closely with the PFCC to ensure we are compliant with the Serious Violence Duty that has been imposed
Cllr. Jill Waring	Neighbourhoods	Work with partners to develop effective community bodies	Support the development of community solutions to local problems	✔ Project/Action is Progressing as Expected	This is ongoing and the work to develop the partnership builds in line with the Community Safety Strategic Assessment and the Work plan which is currently in development.
Cllr. Trevor Johnson	Sustainable Environment	Further increasing recycling rates across the borough with a particular focus on food waste	Further increasing recycling rates across the borough with a particular focus on food waste	✔ Project/Action is Progressing as Expected	Targeted communications initiatives planned over the coming months. food waste collections to be introduced as a pilot to a number of flat complexes, as a precursor to the implementation of the governments resource and waste strategy.



Priority 4: Performance Indicators Current Status

N/A	Target Met
1	1
Off Target - Positive Trend	
1	

Corporate Aim (Priority)	Number of Indicators
Priority 4: Town Centres for All	3

Smart Narrative

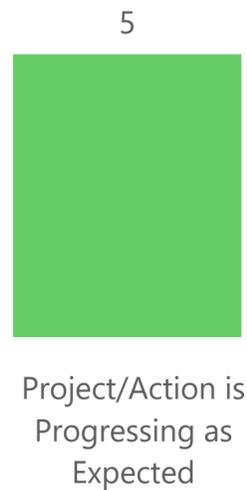
Within Priority 4 there is 1 contextual performance indicators which does not have a set target but is compared to last years outturn. This measure showed an improvement when compared to the same time period last year.

Of the remaining 2 Indicators within Priority 4, one indicator met their target and showed an improvement when comparing against the same time frame last financial year.

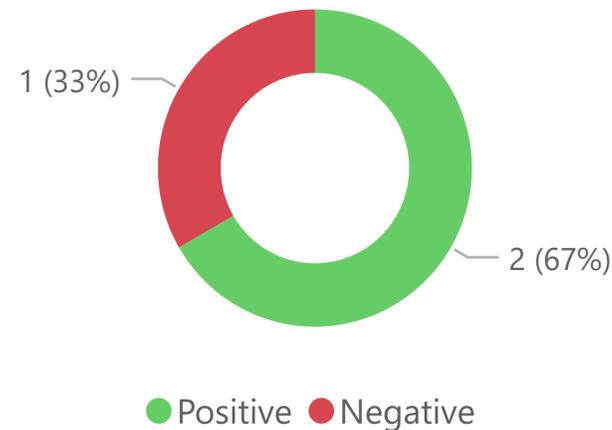
The other remaining indicator was off target (ID4.3) and but was improved upon when compared to Quarter 4 of 2021/22. The detail of this indicator is shown in the following pages of this report.

There are 5 Project/Actions within Priority 4 and all were deemed to have been progressing as expected.

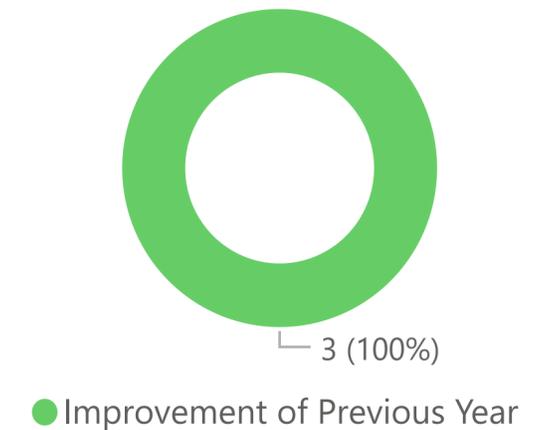
Priority 4: Qtr.4 Summary Project Status Split



Priority 4: Qtr.4 Trend Direction of PI's Compared to Previous Quarter



Priority 4: Qtr.4 Trend Status of PI's Compared On Same Qtr in the Previous Financial Year





Priority 4: Town Centres for All



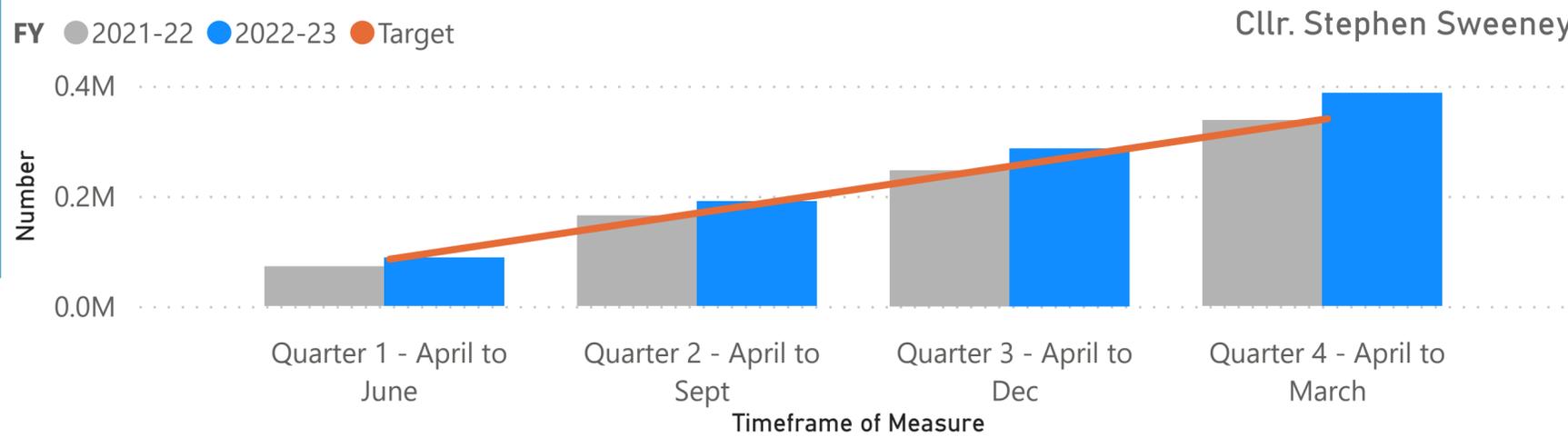
NEWCASTLE UNDER LYME
BOROUGH COUNCIL

2021-22
2022-23

ID4.1 - Car parking usage:-Number of tickets purchased Current Status SMART Actions if Off Target

High
Is Good
Cumulative (Per Annum)

Positive
Yearly Trend



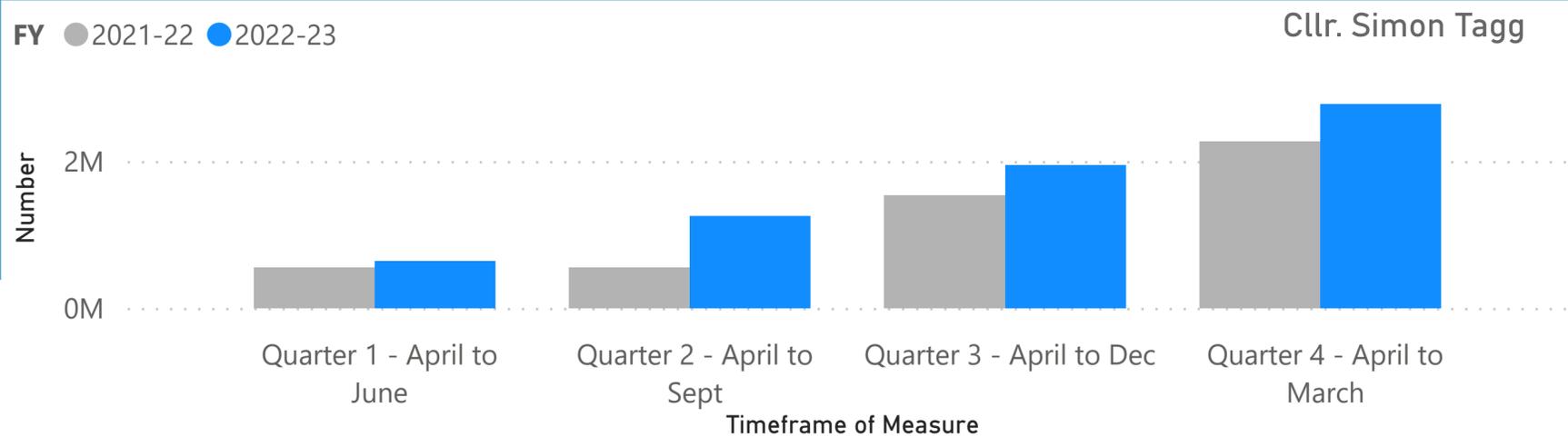
386.92K ✓
Target: 340.00K

Not Required as Target Met

ID4.2 - Town Centre Footfall - Newcastle Current Status SMART Actions if Off Target

High
Is Good
Cumulative (Per Annum)

Positive
Yearly Trend



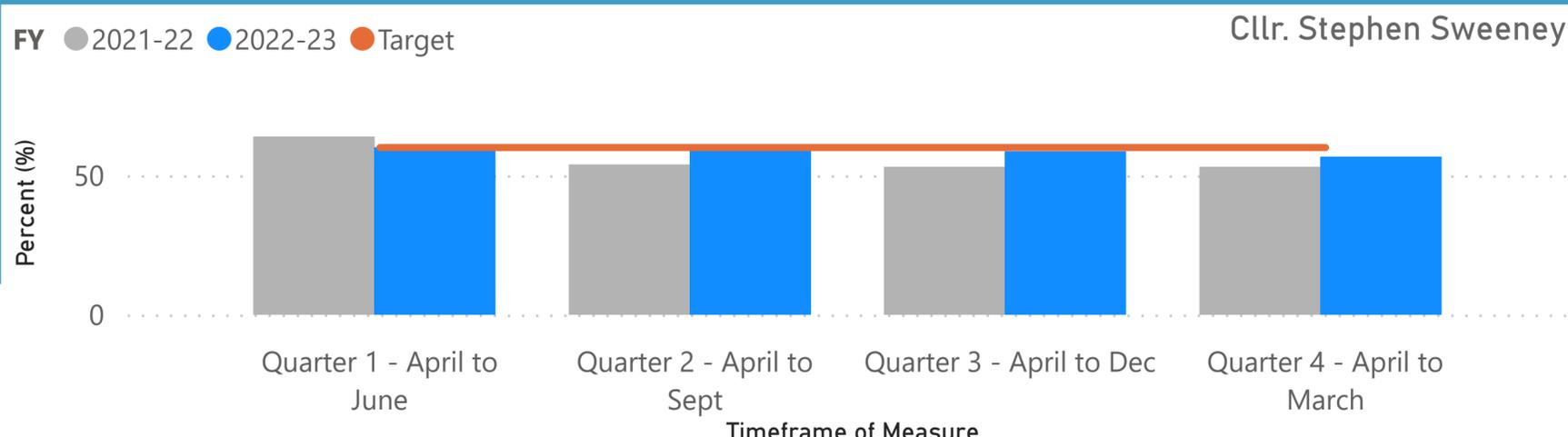
2.78M

Improvements seen both from the same time period last year and also against the previous outturn figure by a total of 507420 visits. The current quarter had a total of 831009 visits with the busiest zone being the High Street - Poundland. The busiest time of day in the quarter was between 12 and 1pm with an average dwell time of 189mins.

ID4.3 - Average stall occupancy rate for markets - Overall Current Status SMART Actions if Off Target

High
Is Good
Cumulative (Per Annum)

Positive
Yearly Trend



56.75
Target: 60.00

The drop in stall occupancy for some of the markets can be attributed to seasonal variations. Adverse weather conditions in Q3 and Q4 have historically been a factor. Poorer than expected trader recruitment to the General Markets echoes national market trends. Market review being planned for 2023 to drive improvement. Quarter 4 breakdown in isolation;

- Specialist event markets – average stall occupancy = 98%.
- Antique Forum Group Licensed Market – average stall occupancy = 52%
- General market – average stall occupancy = 22% (Monday and Wednesday General Markets have had consistently very low occupancy)



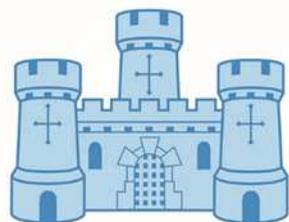
Project Status Split for Priority 4.

Project/Action is Progressing as Expected

5

Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Stephen Sweeney	1. Neighbourhoods 2. Commercial Delivery	Developing a Town Centre Strategy for Kidsgrove	Encourage visitors and support local businesses in Kidsgrove	✔ Project/Action is Progressing as Expected	The "Experience Kidsgrove" town centre strategy has been drafted in partnership with Kidsgrove Town Council and Go Kidsgrove and a survey is in progress to understand business views on potential measures to increase footfall
Cllr. Stephen Sweeney	Neighbourhoods	Further enhance the historic market and public realm and boost our signature specialist market programme	Further enhance the historic market and public realm and boost our signature specialist market programme	✔ Project/Action is Progressing as Expected	The Antique Market licence has been renewed for a further 2 years (2023-25) and a calendar of specialist markets for 2023 has been agreed. Work has begun on scoping potential improvements to the market layout and stalls as part of the successful Future High Streets Fund programme. A special "coronation market" has been arranged for Saturday 6th May 2023.
Cllr. Stephen Sweeney	1. Commercial Delivery 2. Planning	Redeveloping Midway car park to provide aspirational town centre residential accommodation	Increasing the number of people living, working and using Newcastle town centre	✔ Project/Action is Progressing as Expected	This project is dependent on achievement of planning permission for the new Castle Car Park so is not scheduled to start until late 2023.
Cllr. Stephen Sweeney	Commercial Delivery	Redevelopment of Ryecroft Site	Continuing to work with key partners to deliver the redevelopment of opportunities across the borough	✔ Project/Action is Progressing as Expected	Planning application for construction of the new Castle Car Park submitted March 2023.
Cllr. Stephen Sweeney	Commercial Delivery	Redevelopment of York Place	Continuing to work with key partners to deliver the redevelopment of opportunities across the borough	✔ Project/Action is Progressing as Expected	Planning application submitted in December 2022 for demolition and subsequent re-development of York Place.

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NEWCASTLE·UNDER·LYME
BOROUGH COUNCIL

Cabinet Forward Plan: Newcastle under Lyme Borough Council

Notice of Key Decisions to be taken under the Local Authorities (Executive Arrangements) (Meetings & Access to Information) (England) Regulations 2012 between 1 June 2023 and 31 August 2023

This plan gives notice of decisions that [Cabinet](#) is expecting to take over the next few months. It also gives, except in cases of urgency, at least 28 days notice of all “Key Decisions” that will be taken “Key Decisions” are decisions about “executive” functions that will:-

- A) to result in the Council incurring expenditure or making savings of an amount which is significant having regard to the Council’s budget for the service or the function to which the decision relates. (NB: The financial threshold above which expenditure or savings become significant has been set by the Council at £100,000 Revenue and £250,000 Capital Expenditure).
- B) to be significant in terms of its effects on communities living or working in an area comprising two or more wards of the Borough.

We have to take some Cabinet decisions in private because they deal with confidential or “exempt” information. That is information described in one or more of the following categories set out in Schedule 12A of the Local Government Act 1972.

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under the authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals an authority proposes;

- a. to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - b. to make an order or direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of a crime

If we intend to take a decision in private, we will tell you why in the plan below. If you disagree with our reasons, you can tell us why using the contact details below. We will respond to you directly and will publish our response in the meeting agenda. If we have published the meeting agenda before we can respond, we will respond verbally at the meeting and record the response in the minutes.

You can find more information about Cabinet, Cabinet Members and their portfolios, agendas, reports and minutes [here](#).

More information on Cabinet procedures, executive functions, Key Decisions, urgent decisions and access to information is available in our [Constitution](#).

For all enquiries, please contact Democratic Services, Castle House, Barracks Road, Newcastle-under-Lyme, Staffordshire ST5 1BL.
Telephone – 01782 742222 / Email – DemocraticServices@newcastle-staffs.gov.uk

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	Key Decision
Quarter 4 Finance and Performance Report 2022/23	To consider the budget and performance report for Quarter 4 - January - March, 2023	Cabinet Portfolio Holder - Finance, Town Centres and Growth, Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 6 June 2023	Finance, Assets and Performance	All Wards	N/A	No
Walleys Quarry Update Report	To consider a report updating on Walleys Quarry	Cabinet Portfolio Holder - One Council, People and Partnerships,	Cabinet 6 June 2023	Health, Wellbeing and Partnerships	All Wards	N/A	No

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	
		Cabinet Portfolio Holder - Sustainable Environment					
External ICT Resource Contract	To consider a report on an External ICT Resource Contract.	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 6 June 2023	Finance, Assets and Performance	All Wards	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Yes
Adoption of SSB Adaptation Strategy	To consider a report on the adoption of an SSB Adaptation Strategy	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 6 June 2023	Health, Wellbeing and Partnerships	All Wards	N/A	No
Ryecroft Multi-Storey Car Park Contract Award	To consider a report awarding a construction contract	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 6 June 2023	Economy, Environment and Place	Town	N/A	Yes
Ryecroft Hotel - Brand Procurement and Design and Build Contract Procurement	To consider a report on the procurement of a contract for the design and build of the proposed Ryecroft Hotel	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 6 June 2023	Economy, Environment and Place	Town	N/A	Yes

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	
York Place Update and Demolition Contract Award	To consider a report updating on proposals for York Place and awarding a demolition contract	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 6 June 2023	Economy, Environment and Place	Town	N/A	Yes
Local Plan Reg 18 Consultation	To consider a report on the Reg 18 Consultation stage of the Local Plan	Cabinet Portfolio Holder - Strategic Planning	Cabinet 6 June 2023	Economy, Environment and Place	All Wards	N/A	Yes
Kidsgrove Shared Services Hub	To consider a report on the Kidsgrove Shared Services Hub	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 18 July 2023	Economy, Environment and Place	Kidsgrove & Ravenscliffe	N/A	Yes
Procurement of Transport Contract	To consider a report on the procurement of a transport contract	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 18 July 2023	Health, Wellbeing and Partnerships	All Wards	N/A	Yes
Procurement of Agency Contract	To consider a report on the procurement of an agency contract	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 18 July 2023	Health, Wellbeing and Partnerships	All Wards	N/A	Yes
Debt Recovery Policy	To consider a report on the Debt Recovery Policy	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 18 July 2023	Finance, Assets and Performance	All Wards	N/A	No

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	
Walleys Quarry Update Report	To consider an update report for Walleys Quarry	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 18 July 2023	Health, Wellbeing and Partnerships	All Wards	N/A	No
Letting of a Food Waste Processing Contract	To consider a report on the Letting of a Food Waste Processing Contract	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 18 July 2023	Health, Wellbeing and Partnerships	All Wards	N/A	Yes
Provisional Financial Outturn 2022/23	To consider a report on the provisional financial outturn for 2022/23	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 18 July 2023	Finance, Assets and Performance	All Wards	N/A	No
LGA Corporate Peer Challenge	To consider a report and Action Plan following the LGA Corporate Peer Challenge	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 18 July 2023	Finance, Assets and Performance	All Wards	N/A	No

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

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