

**Date of meeting** Tuesday, 5th December, 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 - ODOUR ISSUES** **(Pages 11 - 30)**
- 5 REVENUE AND CAPITAL BUDGET 2024/25 - FIRST DRAFT SAVINGS PLANS** **(Pages 31 - 58)**
- 6 COUNCIL'S ANNUAL REPORT 2022/23** **(Pages 59 - 62)**
- 7 TECHNOLOGY STRATEGY 2023-2028 REPORT** **(Pages 63 - 80)**
- 8 CHATTERLEY VALLEY WEST LUCIDEON PROJECT** **(Pages 81 - 94)**
- 9 CHATTERLEY VALLEY WEST PLOT C INDUSTRIAL UNIT INVESTMENT** **(Pages 95 - 108)**
- 10 FORWARD PLAN** **(Pages 109 - 116)**
- 11 URGENT BUSINESS**  
To consider any business which is urgent within the meaning of Section 100B(4) of the Local Government Act 1972.
- 12 DISCLOSURE OF EXEMPT INFORMATION**

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

## **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 of 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, Fear, Skelding and Hutchison

**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 :- 16+= 5 Members; 10-15=4 Members; 5-9=3 Members; 5 or less = 2 Members.**

**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.

## CABINET

Tuesday, 7th November, 2023  
Time of Commencement: 2.00 pm

[View the agenda here](#)

[Watch the meeting here](#)

**Present:** Councillor Simon Tagg (Chair)

**Councillors:** Sweeney                      Hutchison                      Skelding  
Heesom                                  Fear

**Officers:** Martin Hamilton                      Chief Executive  
Geoff Durham                                  Civic & Member Support Officer  
Simon McEneny                              Deputy Chief Executive  
Sarah Wilkes                                  Service Director - Finance /  
S151 Officer  
Anthony Harold                              Service Director - Legal /  
Monitoring Officer  
Nesta Barker                                  Service Director - Regulatory  
Services  
Craig Jordan                                  Service Director - Planning  
Georgina Evans-Stadward                  Service Director - Strategy,  
People and Performance  
Paul Dutton                                  Senior Media Officer

### 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 17 October, 2023 be agreed as a correct record.

### 3. **WALLEYS QUARRY UPDATE REPORT**

The Leader introduced a report on Walleys Quarry odour issues. This was the monthly report giving an update on issues at Walley's Quarry.

The Chief Executive presented the report and confirmed that there was still a downward trend of complaints to the Environment Agency (EA). October saw 87 complaints compared to 206 for the same month last year.

There had been the issue of the EA's calibration of the three MMF machines. On 19 October, the two MMF's, on sites one and two had been calibrated. Gallingle had been done in September so the report now had data from all three monitoring stations.

MMF one was showing that it was recording Hydrogen Sulphide above the annoyance threshold for almost fourteen percent of the time during the last week of October.

Due to the problems encountered with MMF data, the Council had been deploying officers to try and witness the odour and carried out assessments. During October, approximately 54 assessments were done and odours were picked up on some visits. The assessments and using the hand held monitoring devices did not find odours that were above the annoyance threshold.

The EA were continuing to check if the data over the last few years could be corrected so that a truer picture could be seen of what the Hydrogen Sulphide Levels should have been.

The Portfolio Holder for Strategic Planning stated that it was a shame that a lot of the past data had been lost but hoped that the data available now was reliable. Concerns were raised regarding the MMF 1 site's large rise in recording instances and the rise in complaints through October. The Chief Executive confirmed that the data was monitored closely and that it did fluctuate with weather conditions.

The Portfolio Holder for Finance, Town Centre's and Growth asked if there was any way that Walleys Quarry could be put on notice for this and ask them what their plans were for dealing with it. The Chief Executive confirmed that the Council had regular dialogue with Walleys Quarry and any complaints were passed through with the Council's comments. The Leader asked if there was a possibility, through the agreement with Walleys Quarry and the Abatement Notice process, of sending a warning to them regarding the increasing figures. The Chief Executive confirmed that Walleys Quarry had been written to in the past raising concerns and would continue to do so as part of the process followed.

The Leader stated that there was still a lot of concern in the community about the EA's failure on the monitoring and it was hoped that the Council would see retrospective amended data. Also, at the previous Cabinet meeting the Leader had mentioned that there would be a Staffordshire County Council Health Scrutiny meeting held in Castle House and Newcastle Councillors would be invited to attend. This would look into health issues associated with the Quarry, which was a main concern for a lot of people and to talk to the health agencies.

It was understood that, at present, the EA had said that they would not be attending but may send in a report. The Leader asked, through the SCG, that the EA be asked to attend the meeting.

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

[Watch the debate here](#)

#### **4. NEWCASTLE TOWN DEAL - PROJECTS IN KNUTTON**

The Portfolio Holder for Finance, Town Centres and Growth introduced a report providing an update on the progress with Town Deal Funded projects in Knutton.

Members' attention was drawn to paragraph 2.1 which outlined the project elements. Reference was made to a confidential appendix, giving financial details which would be considered at the end of the meeting in closed session.

The Leader stated that the multi-million pound redevelopment as part of the Town Deal showed that it was not just Newcastle town centre that was receiving attention.

These were ambitious proposals, working with partners to put the heart back into Knutton.

- Resolved:**
- (i) That the progress on the delivery of Knutton Village Masterplan be noted.
  - (ii) That the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, be authorised to complete the disposal of land in Knutton village at High Street as indicated in Appendix B to Aspire Housing for the purposes of building new housing within the village.
  - (iii) That the the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, be authorised to complete the disposal of land at Knutton village as indicated in Appendix C to Staffordshire County Council to enable the expansion of Newcastle Enterprise Centre.
  - (iv) That the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, be authorised to develop proposals for a new Village Hall at Knutton on land adjacent to the Aspire site, as indicated on Appendix D and to submit a planning application.
  - (v) That the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth be authorised to seek expressions of interest from organisations interested in undertaking management of a new Village Hall in Knutton and to complete any such agreements required to enable the lease or management of the new Village Hall to be agreed.

[Watch the debate here](#)

## 5. **TEMPORARY ACCOMMODATION POLICY**

The Portfolio Holder for Community Safety and Wellbeing introduced a report seeking approval of a Temporary Accommodation Policy.

Temporary accommodation requirements were rising both locally and nationally, due in part to the lack of affordable housing and the cost of living crisis. Members were referred to Section 4 of the Policy which outlined the types of temporary accommodation.

Temporary accommodation costs were rising, both in the cost of the accommodation and the higher numbers of homeless presentations.

Reference was made to paragraph 2.3 which showed the number of people being dealt with.

The Council was working with housing providers to increase the supply of suitable accommodation and funding had been given for a homeless hub.

The Leader stated that the Council had signed up to the Government's commitment to enable as many people as possible to not be in difficulty.

**Resolved:** That the proposed Temporary Accommodation Policy be approved.

[Watch the debate here](#)

## 6. **FUTURE DELIVERY OF INTERNAL AUDIT SERVICE**

The Portfolio Holder for Finance, Town Centres and Growth introduced a report seeking authority to procure a renewed Internal Audit service.

The service was currently being delivered by Stoke on Trent City Council which had now ended and therefore a new supplier was required.

The Leader stated that this was a necessary process to ensure that the Council had an internal audit service in place.

- Resolved:**
- (i) That the requirement of an Internal Audit Service be noted.
  - (ii) That officers be authorised to conduct a procurement exercise to tender for an Internal Audit Service to provide the function.
  - (iii) That authorisation to award contract following tender evaluation be delegated to the Chief Executive in conjunction with the Service Director of Finance (S151 Officer) and the portfolio holder for Finance, Town Centres and Growth.

[Watch the debate here](#)

## 7. **REVISED AGENCY FRAMEWORK PROPOSAL**

The Portfolio Holder for Sustainable Environment introduced a report seeking to include agency provision across the organisation and to enter into contract with WM Temps (in partnership with West Midlands Employers and Opus).

In May/June 2023 the Sustainable Environment Portfolio had staffing issues. The shortage of drivers led the Council to look at dual driver/loader roles which was instigated and has proved to be a success. The Council looks to employ students in the summer and winter holiday times. This had been used in the past but sickness and other issues had meant, at times the number of additional staff did not have the desired impact. Agency staff were more efficient to call upon to cover peaks in demand for recycling and waste and streetscene.

Members' attention was drawn to paragraph 2.3 which outlined the procurement process.

The Leader stated that it was important to have the correct procedures in place to address any issues as they arose.

**Resolved:** That it be agreed to contract with WM Temps for the Temporary Agency Provision.

[Watch the debate here](#)

**8. FINANCIAL AND PERFORMANCE REVIEW REPORT - SECOND QUARTER 2023-24**

Cabinet considered the financial position for Quarter Two and the regular performance review report for the same quarter – July – September 2023/24.

At the end of the second quarter the general fund budget showed a positive variance of £7000 had been achieved and the projected outcome on the General Fund Revenue account for the year was £16.836m. This represented a positive outturn of £21,000 for the year.

The performance report had been produced using new business intelligence tools in order to automate and improve the monitoring, analysis and reporting of Council performance. The Council was up to 79% on target with the new indicators. More information was given in paragraph 1.6.

The Leader went through the report which showed the performance indicators against the Council's priorities, bringing in the Portfolio Holders as and when appropriate.

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

[Watch the debate here](#)

**9. FORWARD PLAN**

The Leader went through the Cabinet Forward Plan.

**Resolved:** That the Forward Plan be received and noted.

[Watch the debate here](#)

**10. URGENT BUSINESS**

There was no Urgent Business.

**11. DISCLOSURE OF EXEMPT INFORMATION**

**Resolved:-** That the public be excluded from the meeting during consideration if the following matter because it is likely that there will be disclosure of exempt information as defined in paragraphs contained within Part 1 of Schedule 12A of the Local Government Act, 1972.

**Cabinet - 07/11/23**

**12. PROJECTS IN KNUTTON - CONFIDENTIAL APPENDIX**

Consideration was given to the confidential appendix attached to the Newcastle Town Deal – Projects in Knutton report.

**Resolved:** That the confidential appendix be received and noted.

**Councillor Simon Tagg  
Chair**

Meeting concluded at 2.53 pm



**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**CORPORATE LEADERSHIP TEAM'S**

**REPORT TO CABINET**

**05 December 2023**

**Report Title:**           Walleys Quarry – Odour Issues

**Submitted by:**        Chief Executive

**Portfolios:**            Sustainable Environment; One Council, People & Partnerships

**Ward(s) affected:**     All

<p><b><u>Purpose of the Report</u></b></p> <p>To update Cabinet on the latest position regarding the problematic odours in the Borough associated with Walleys Quarry.</p>	<p style="text-align: right;"><b><u>Key Decision</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p><b><u>Recommendation</u></b></p> <p><b>Cabinet is recommended to:</b></p> <p>1.     <b>Note the contents of this update report.</b></p>	
<p><b><u>Reasons</u></b></p> <p>To ensure Cabinet is kept updated on the ongoing work regarding the problem odours associated with Walleys Quarry landfill.</p>	

**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     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). Following an appeal by Walleys Quarry Ltd, and a successful mediation process, His Honour District Judge Gregg

approved the settlement that the parties had reached and issued a court order upholding the Abatement Notice and dismissing WQL's appeal on 6 October 2022.

- 1.4** The Council continues to assess the prevalence of odours off site. If 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)]. 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.
- 1.5** Officers maintain an ongoing dialogue with Walleys Quarry Ltd, and with other agencies involved with the issue. Cabinet has received monthly updates on the issues relating to the odours, and Council has also been regularly updated.

## **2. Complaint Data**

- 2.1** Below is a schedule of complaints received by the Council and by the Environment Agency over the last 3 months, on a weekly basis. Historical complaint data is attached to this report as Appendix 1.

	<b>Complaints to NuLBC</b>	<b>Complaints to Environment Agency</b>
<b>September 2023</b>		
04/09/23 - 10/09/23	26	71
11/09/23- 17/09/23	12	72
18/09/23- 24/09/23	8	31
25/09/23-01/10/23	8	26
<b>October 2023</b>		
02/10/23 – 08/10/23	8	37
09/10/23 - 15/10/23	29	64
16/10/23 - 22/10/23	22	81
23/10/23 - 29/10/23	26	115
30/10/23 - 05/11/23	5	15
<b>November 2023</b>		
06/11/23- 12/11/23	40	123
13/11/23- 19/11/23	35	119
20/11/23- 26/11/23	36	135
27/11/23 - 03/12/23	115	

- 2.2** Officers highlight any odour events where 10 or more odour complaints have been recorded. There have been 7 odour events in the month of November:

- Friday 10 November 2023 – 11 odour complaints

- Saturday 11 November 2023 – 16 complaints
- Thursday 16 November 2023 – 23 complaints
- Saturday 25 November 2023- 14 complaints
- Tuesday 28 November 2023- 15 complaints
- Wednesday 29 November 2023 – 36 complaints
- Thursday 30 November 2023 – 23 complaints

The overall trend is for “spikes” in complaints from when odours are prevalent. The number of odour events has increased in November.

### 3. Air Quality & Health

- 3.1** The Council, Staffordshire County Council, and the Environment Agency have jointly funded a campaign of air quality monitoring utilising three static air monitoring stations. The Environment Agency manage and operate these air quality monitoring stations. Data from these stations has been routinely published weekly by the Environment Agency.
- 3.2** Hydrogen sulphide levels have previously been reported and reviewed as part of this report and a full data set provided in Appendices. On 5 October, the Environment Agency provided an update, alerting the community to a problem with the reliability of the Hydrogen Sulphide (H<sub>2</sub>S) monitoring data collected at the monitoring stations. This update is available at the following link [Latest News | Engage Environment Agency \(engagementhq.com\)](#)
- 3.3** On 19 October 2023, the EA calibrated the H<sub>2</sub>S analysers in MMF1 and MMF2. The EA have sufficient confidence in the raw data recorded for the week commencing 16 October 2023 to allow the EA to restart publishing data from MMF1 and MMF2. The latest H<sub>2</sub>S data is set out in the table below, defining the proportion of the time periods where H<sub>2</sub>S levels were above the WHO Odour Annoyance guideline of 7ug/m<sup>3</sup>.
- 3.4** The latest H<sub>2</sub>S data is set out in the table below, defining the proportion of the time periods where H<sub>2</sub>S levels were above the WHO Odour Annoyance guideline of 7ug/m<sup>3</sup>.

Time Period	Percentage of time the location recorded hydrogen sulphide concentrations above the WHO annoyance guideline level		
	MMF1	MMF 2	MMF 9
02 October – 08 October 2023			0%
09 October – 15 October 2023			9.4%
16 October – 22 October 2023	0.9%	0.0%	7.8%
23 October – 29 October 2023	13.7%	3.0%	10.4%
30 October – 5 November 2023	7.8%	0.6%	NR
6 November – 12 November 2023	8.9%	1.5%	5.6%
13 November – 19 November 2023	6.9%	0.6%	3%
20 November – 26 November 2023	3.3%	2.9%	14.33%

NR= not reported

- 3.5** The EA published a further update on 16 November regarding the current monitoring and the historical monitoring (pre-September):

**Quality Assuring H2S data from 1 September 2023**

'Since announcing in October 2023 that we had identified an issue with how we calibrated the hydrogen sulphide (H<sub>2</sub>S) analysers in our Mobile Monitoring Facilities (MMFs), we have updated the calibration procedure in line with the manufacturer's recommendations. As a result we are confident in the data for current (and any future) studies using these analysers and have therefore been publishing the weekly raw data for all 3 MMFs on our [Air Quality page](#).

However, we recognise that some members of the community may be reluctant to trust this recently published H<sub>2</sub>S data, so we want to provide reassurance. In addition to using information from the manufacturer to adjust the calibration process, we have also engaged an independent third party accredited by the United Kingdom Accreditation Service (UKAS), to audit our 3 MMFs in the vicinity of Walleys Quarry.

The audit will begin once they have obtained the necessary H<sub>2</sub>S calibration gas, which is not easily available commercially. This means there may be a short delay.

We will continue to update partners and the community when we have more information to share.'

- 3.6** **Adjusting H2S data recorded before 1 September 2023**

'During our virtual meeting on 9 October 2023, we told the community that we were getting advice from independent experts to see whether it was possible to reliably adjust historical baseline data and that we would provide more information when it was available.

We are now able to confirm that we have developed a method that we believe can be used to adjust the historic data. This method is currently being scrutinised by an independent peer review group.'

- 3.7** The EA provided an update on the Peer Review Group:

'The expert group will independently assess (i) the data adjustment method developed by the Environment Agency to adjust the historic H<sub>2</sub>S data; and the level of uncertainty associated with it; and (ii) what use can be made of the adjusted data.

The group contains five members from five academic institutions (all of which are independent from Government and the Environment Agency) and will be chaired by the Department for Environment, Food & Rural Affairs' (Defra) Chief Scientific Adviser – Professor Gideon Henderson. Appointed members have expertise in a) air quality measurement; b) instrument calibration and c) health impacts with respect to air quality. None of the members have been previously involved in considering ambient air quality monitoring data from around Walleys Quarry.

Defra is providing the secretariat support for the group. The Environment Agency has provided data and is available to the group to answer any questions that arise. However, in order to preserve the independence of the group, we are not participating in the review. Whilst this means we cannot set or revise the timescales for delivery of the group's findings, we are working with them to minimise any delays in completion.

The group has held its first meeting and is currently reviewing the data alongside the adjustment method. We now expect the group's findings to be finalised before the end of January 2024. We will share the findings with our partners and the community when we are able to do so.

The group is focussing on the Environment Agency's proposed data adjustment method for the H<sub>2</sub>S, data affected by the calibration issue and any uncertainty associated with the updated data.

However, a UK Health Security Agency (UKHSA) representative and a member of the Committee on Medical Effects from Air Pollution (COMEAP) have been invited to attend later meetings of the group as observers, to ensure that they are aware of any findings relevant to human health risk assessments.'

- 3.8** Staffordshire County Council held their Health and Care Overview and Scrutiny Committee at Newcastle Borough Council on 20<sup>th</sup> November 2023 to consider matters relating to Walley's Quarry Landfill Site with a focus on health implications for residents. Officers from Staffordshire Public Health, UK Health Security Agency and Newcastle-under-Lyme Borough Council attended the meeting, however the Environment Agency did not attend. The minutes of this meeting are unavailable at present but will be published at [Agenda for Health and Care Overview and Scrutiny Committee on Monday 20th November 2023, 12:30pm - Staffordshire County Council](#)
- 3.9** At the Council meeting on 22<sup>nd</sup> November a motion was agreed 'That Council agrees that the Leader of the Council will write to the Secretary of State admonishing them for the failure to support this Council's request for a public enquiry; to ask them to reconsider their decision and invite the minister or their representatives to meet with representatives of this Council to discuss our concerns.'

### **Environment Agency Regulatory and Enforcement Action**

- 3.10** The Environment Agency has continued to provide updates on their regulatory activity on the Walleys Quarry Landfill and can be accessed here: <https://engageenvironmentagency.uk.engagementhq.com/hub-page/walleys-quarry-landfill>
- 3.11** These updates reflect regular EA officer presence at the site to review progress with the Contain Capture Destroy strategy. The Compliance Assessment Reports (published on the [EA website](#)) provide further details of the site visits undertaken.
- 3.12** The following table provides a summary of the published CAR (Compliance Assessment Report) forms since the last Cabinet report:

<b>Date of Report</b>	<b>Date issued</b>	<b>CAR Reference</b>	<b>Assessment</b>	<b>Compliance score</b>
30/06/23	06/10/23	DP3734DC/0476803	Monitoring Data Review 2023 Q2 (April-June) - 6 breaches	12.3
10/10/23	10/10/23	DP3734DC/0477254	Report / data review - Cell 4 sidewall CQA (lower) phase 2 CQA letter report	0
25/10/23	25/10/23	DP3734DC/0478708	Report/data review – perimeter monitoring borehole installations CQA Report	0
27/10/23	27/10/23	DP3734DC/0477431	Procedure Review – Odour Management Plan	0

- 3.13 The EA are 'not satisfied that the approved Odour Management Plan is currently capable of identifying and minimising the risks of pollution due to odour from the disposal of waste in landfill'. The CAR dated 27/10/23 expands on this statement;
- the OMP is more than 2 years old, and likely to be out-of-date following changes to operations onsite.
  - language is vague; there should be a clear commitment to the appropriate measures you will take to manage odour.
  - supporting documents and procedures, including waste pre-acceptance and waste acceptance should be cross-referred to correctly (version number or date), and be appended to the OMP.
  - no contingency arrangements are described for those occasions when the site manager is unavailable.
  - adaptation to odour by site personnel is not considered.
  - the description of waste codes in the inventory of odour sources lacks sufficient detail.
  - the procedures for maintaining site cleanliness are not described
  - the description of the active cell measures is insufficient – for example use of daily cover should be described in full, including the waste characteristics, depth of application, arrangements for ensuring sufficient supply. Measures to keep the working face to a minimum are also missing details such as how this is achieved, including when reviews take place.
  - the deadline for installation of permanent capping after waste tipping has been completed is not sufficiently certain.
  - it is not appropriate to delegate gas management to the gas management contractor.
  - the links between the OMP and the landfill gas management plan (LFGMP) are not sufficiently considered
  - leachate management is poorly described, and information about the use of the biofilter to treat odourous headspace air from the leachate plant is missing.
  - different monitoring regimes are not clearly described, and there is no explanation of how weather data will be used.
  - the list of contingency measures is incomplete, with reactive remedial measures rather than preventative measures appearing.

WQL are given two actions to review the OMP and to provide a copy of the revised OMP to the EA by 8 December 2023.

### **Key Performance Data**

- 3.13 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 2 and 3.
- 3.14 The data from the Council covers the period from August to November 2023, and provides complaint numbers and officer assessments.
- 3.15 The data from Walleys Quarry Limited 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 KPI data and explanatory notes for November is awaited and will be uploaded later as Appendix 3.

## **4. Proposal**

#### **4.1 Cabinet is recommended to:**

- Note the contents of this update report.

#### **5. Reasons for Proposed Solution**

- 5.1 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.

#### **6. Options Considered**

- 6.1 To provide regular updates to Cabinet.

#### **7. Legal and Statutory Implications**

- 7.1 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 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 an unlimited fine. It is a defence that the best practicable means were used to prevent, or to counteract the effects of, the nuisance.

#### **8. Equality Impact Assessment**

- 8.1 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.

## 9. Financial and Resource Implications

- 9.1 Dedicated officer resource has been allocated to continue the Council's work regarding Walleys Quarry Landfill.
- 9.2 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.

## 10. Major Risks

- 10.1 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.
- 10.2 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.

## 11. Unsustainable Development Goals (UNSDG)



## 12. Key Decision Information

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



**13. Earlier Cabinet/Committee Resolutions**

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

**14. List of Appendices**

- 14.1** Appendix 1. Historical Complaint data
- 14.2** Appendix 2. NUL Key Performance Data
- 14.3** Appendix 3. WQL Key Performance Data

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## Appendix 1 – Historic Complaint Numbers

Week Ending	Complaints to NuLBC	Complaints to Environment Agency	Week Ending	Complaints to NuLBC	Complaints to Environment Agency
<b>2022</b>			25-Sep	14	79
09-Jan	73	352	02-Oct	13	58
16-Jan	258	1045	09-Oct	42	102
23-Jan	134	651	16-Oct	52	165
30-Jan	25	139	23-Oct	73	186
06-Feb	16	64	30-Oct	30	82
13-Feb	31	120	06-Nov	27	116
20-Feb	49	166	13-Nov	23	86
27-Feb	40	264	20-Nov	60	113
06-Mar	118	571	27-Nov	2	70
13-Mar	72	285	04-Dec	19	47
20-Mar	224	1126	11-Dec	43	163
27-Mar	412	1848	18-Dec	22	114
03-Apr	243	1072	25-Dec	12	45
10-Apr	132	895	<b>2023</b>		
17-Apr	156	752	01-Jan	11	39
24-Apr	65	310	08-Jan	12	32
01-May	49	213	15-Jan	13	25
08-May	39	193	22-Jan	47	118
15-May	35	160	29-Jan	51	149
21-May	43	134	05-Feb	13	66
29-May	20	81	12-Feb	26	115
05-Jun	27	169	19-Feb	7	39
12-Jun	42	234	26-Feb	3	15
19-Jun	25	263	05-Mar	7	13
26-Jun	28	208	12-Mar	12	74
02-Jul	9	54	19-Mar	23	63
09-Jul	4	34	26-Mar	19	56
16-Jul	14	72	02-Apr	51	103
23-Jul	21	52	09-Apr	45	152
30-Jul	12	93	16-Apr	11	64
06-Aug	22	124	23-Apr	48	101
13-Aug	32	133	30-Apr	148	278
21-Aug	11	79	07-May	50	150
28-Aug	12	89	14-May	53	164
04-Sep	10	30	21-May	147	320
11-Sep	9	64	28-May	90	210
18-Sep	13	83	04-Jun	24	43

Week Ending	Complaints to NuLBC	Complaints to Environment Agency
11-Jun	19	75
18-Jun	76	154
25-Jun	80	170
02-Jul	40	99
09-Jul	18	46
16-Jul	20	54
23-Jul	15	73
30-Jul	28	97
06-Aug	21	67
13-Aug	7	30
20-Aug	10	44
27-Aug	8	38
03-Sep	11	59
10-Sept	26	71
17-Sept	12	72
24-Sept	8	31
01-Oct	8	26
08-Oct	8	37
15-Oct	29	64
22-Oct	22	81
29-Oct	26	115
05-Nov	5	15
12-Nov	40	123
19-Nov	35	119
26-Nov	36	135
3-Dec	115	

**Appendix 3 – NUL Key Performance Indicators**

NULBC		Information	Measurement	September 2023	October 2023	November 2023
KPI 1	COMPLAINTS	Complaints reported to NULBC	Number	63  Number of unique properties reporting complaints = 36  Rating 0 = 0 complaints Rating 1 = 1 complaints Rating 2 = 1 complaints Rating 3 = 6 complaints Rating 4 = 15 complaints (23.8%) Rating 5 = 20 complaints (31.7%) Rating 6 = 20 complaints (31.7%)  % of complaints reporting odour entering the property = 59 (93.7%) % of complaints reporting health effects = 46 (73.0%)	87  Number of unique properties reporting complaints = 50  Rating 0 = 0 complaints Rating 1 = 2 complaints Rating 2 = 2 complaints Rating 3 = 12 complaints Rating 4 = 14 complaints (16.1%) Rating 5 = 21 complaints (24.1%) Rating 6 = 36 complaints (41.4%)  % of complaints reporting odour entering the property = 73 (83.9%) % of complaints reporting health effects = 63 (72.4%)	194  Number of unique properties reporting complaints = 82  Rating 0 = 0 complaints Rating 1 = 1 complaints Rating 2 = 4 complaints Rating 3 = 32 complaints Rating 4 = 31 complaints (16%) Rating 5 = 55 complaints (28.4%) Rating 6 = 71 complaints (36.6%)  % of complaints reporting odour entering the property = 162 (83.5%) % of complaints reporting health effects = 143 (73.7%)
KPI 2		Complaints reported (daytime 07:00-23:00)	Number	52	71	169
KPI 3		Complaints reported (night-time 23:00-07:00)	Number	11	16	25
KPI 4		Highest number of complaints during the period	Date (number of complaints)	15/09/23 (10 complaints)	25/10/23 (13 complaints)	29/11/23 (36 complaints)
KPI 5		AIR QUALITY	Percentage exceedance Odour	%	MMF1 - data not reported	Awaited

		Annoyance Guideline (Hydrogen Sulphide 30-minute average)		MMF2 - data not reported		
				MMF9 - 6%		
KPI 6		Monthly Average H <sub>2</sub> S	ug/m3 over the month	MMF1 - data not reported	Awaited	
				MMF2 - data not reported		
				MMF9 - 1.7ug/m3 (1.1ppb)		
KPI 7	H <sub>2</sub> S PEAK LEVEL	Level measured over a 5-minute period Date & Time	ug/m3	MMF1 - data not reported	MMF 1 – 64.90 ug/m3 (26/10/23 @17:15) MMF 2 - 15.26 ug/m3 (15/10/23 @18:25) MMF9 - 69.59 ug/m3 (22/10/23 @22:10)	
				MMF2 - data not reported		
				MMF9 - 19.99ug/m3 (03/09/23 @ 23:35)		
KPI 8	OFFICER ASSESSMENTS	Odour Rating - Officer odour assessment (5 minute)	Max Odour Rating	Not reported as odour assessments < 5 minutes	54 odour assessments 13 odour assessment detected landfill related odour of which 1 assessment had a maximum intensity rating of 4 (17/10/23)	7 odour assessments 7 odour assessments detected landfill related odour of which 3 assessments had a maximum rating of 3 (16/11/23 & 30/11/23)

Date of Report: 7-12-23			
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
<b>KPI 1</b>	<b>WASTE ACCEPTANCE</b>	Non-conformance raised with waste operator	CCS score(s) including summary and actions.
<b>KPI 2</b>		No of loads inspected.	each
			0 Non-conformance raised with operator. 0 CCS scores received
			1626 loads received. 1626 loads inspected.
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
<b>KPI 3</b>	<b>ODOUR MANAGEMENT</b>	Non-conformance raised with waste operator	CCS score(s) including summary and actions.
<b>KPI 4</b>		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.
			65 tours
			0 external odours.
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
<b>KPI 5</b>	<b>ACTIVE TIPPING AREA</b>	Operational Surface area total	m <sup>3</sup>
<b>KPI 6</b>	<b>ACTIVE TIPPING AREA</b>	Active tipping area	m <sup>3</sup>
			127,066m <sup>2</sup>
			24,934m <sup>2</sup>
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
<b>KPI 7</b>	<b>CAPPING OF OPERATION AREA</b>	Temporary capping	m <sup>3</sup>
		Permanent capping	m <sup>3</sup>
			Temporary Capping 26,571m <sup>2</sup> Permanent Capping 55,700m <sup>2</sup> Total Capped area 82,271m <sup>2</sup>
Landfill Operations	Information	Measurement	Summary and Actions (Additional Document Reference as applicable)
<b>KPI 8</b>	<b>LANDFILL GAS MANAGEMENT</b>	Surface & Gas infrastructure emission surveys	Number of remaining matters open in the month
<b>KPI 9</b>	<b>LANDFILL GAS MANAGEMENT</b>	Concentration of Hydrogen Sulphide in 'raw' bulk gas	ppm
			0
			1,934ppm – recorded from CLP H2S GUP input data

<b>KPI 10</b>	<b>LANDFILL GAS MANAGEMENT</b>	Landfill Gas capture rate (monitored at the GUP)	m3/hr	2,990m3/hr - averaged across period
<b>KPI 11</b>	<b>LANDFILL GAS MANAGEMENT</b>	Appendix A LGMP Gas Management Plan (live document)	Progress including summary and actions	See explanatory notes
Landfill Operations		<b>Information</b>	<b>Measurement</b>	<b>Summary and Actions (Additional Document Reference as applicable)</b>
<b>KPI 12</b>	<b>LEACHATE MANAGEMENT ACTION PLAN</b>	Actions (13 actions)	Progress including summary and actions	See explanatory notes.
Landfill Operations		<b>Information</b>	<b>Measurement</b>	<b>Summary and Actions (Additional Document Reference as applicable)</b>
<b>KPI 13</b>	<b>PRIMARY REGULATOR</b>	Compliance Assessments Visits	Number undertaken for which CAR form issued to operator	Four visits within the period:  8 <sup>th</sup> November 2023 – DP3734DC/0481216  21 <sup>st</sup> November 2023 – DP3734DC/0482454  22 <sup>nd</sup> November 2023 – DP3734DC/ Not issued.  30 <sup>th</sup> November 2023 – DP3734DC/Not issued.
<b>KPI 14</b>	<b>PRIMARY REGULATOR</b>	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.
<b>KPI 15</b>	<b>PRIMARY REGULATOR</b>	Compliance Assessments Visits	Number Undertaken where no CCS score is raised with operator, including summary and actions	2 regulatory compliance assessments undertaken which resulted in 0 compliance assessment scores. Awaiting CAR reports on a further 2 assessments.



## Date of Explanatory Notes: November 2023

### KPI 1 and KPI 2 Waste Acceptance

No non-conformances have been received from the regulator within the period.

1626 loads inspected within the period, with 0 loads rejected.

### KPI 3 and KPI 4 Odour Management

No non-conformances have been received from the regulator within the month, with four site regulatory inspections/reviews undertaken. CAR reports for site visits confirm no direct offsite odour detected by Environment Agency officers. The Agency assessments cover a wide scope of permit conditions including engineering, containment, operational activities, landfill gas management, odour and pest management.

65 odour tours conducted by WQL, with 65 reflecting no odours experienced. 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 127,066m<sup>2</sup>. The active area is confined to Cell 2. The current active area remains contained and measures some 24,934m<sup>2</sup>. This is aligned 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, 26,571m<sup>2</sup> 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, 55,700m<sup>2</sup> 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 permanent capping works being conducted under the process of Construction Quality Assurance (CQA). Subsequently, on completion of the

permanent capping works, cover soils continue to be imported to the facility as part of the site restoration process.

## KPI 8 - 10 Landfill gas management

WQL continues to undertake the extensive regime of surface emission surveys, as agreed with the Environment Agency. A FID survey was conducted in September 2023.

The concentration of H<sub>2</sub>S at the facility remains within expected limits and in January, averaging 1,934ppm at the Gas Utilisation Plant (GUP), as measured by CLP Envirogas Ltd and representing a reduction on the previous period.

The volume of gas captured at the facility remains within expected limits, at 2,990m<sup>3</sup>/hr, comparable with the previous period. 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, with comments received from the regulator on 2 June 2023 following the submission on 15 January 2023. The draft LFGMP has been discussed with NuLBC and was submitted to the Environment Agency on 14 August 2023 for approval, with further comments received 6 October. A meeting to discuss the LFGMP was undertaken on 18 October 2023 with the EA and WQL are looking to submit the updated LFGMP to the Environment Agency by 22 December 2023.

## KPI 12 Leachate Management Plan

In relation to the LMP, an addition 5 leachate wells have been successfully installed into the WQ facility. These have been installed utilising steel casing, increasing the robustness of the installed infrastructure to settlement and compaction of waste. replacement leachate wells at the facility. The works are scheduled to conclude in late October.

KPI 13- 15

## **8 November 2023**

0481216 – General unannounced inspection of the facility. No compliance scores received.

## **21 November 2023**

0482454 - General unannounced inspection of the facility. No compliance scores received.

## **22 November 2023**

Not issued

## **30 November 2023**

Not issued

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## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

### CORPORATE LEADERSHIP TEAM'S REPORT TO

Cabinet  
05 December 2023

**Report Title:** Revenue and Capital Budget 2024/25 – First Draft Savings Plans

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

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

**Ward(s) affected:** All

<b><u>Purpose of the Report</u></b>	<b><u>Key Decision</u></b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<p>To present the refreshed Medium Term Financial Strategy including the first draft savings proposals being considered to balance the 2024/25 revenue budget and the proposed capital programme for 2024/25 to 2026/27.</p>			
<p><b><u>Recommendations</u></b></p> <p>That Cabinet:</p> <ol style="list-style-type: none"> <li>1. Note the first draft savings proposals as set out in Appendix A and Appendix B to the report.</li> <li>2. Note the revised Medium Term Financial Strategy (MTFS) funding gap (Appendix C).</li> <li>3. Refer the refreshed Medium Term Financial Strategy (MTFS) (Appendix D) to the Finance, Assets and Performance Scrutiny Committee for their views.</li> <li>4. Refer the first draft savings proposals to the Finance, Assets and Performance Scrutiny Committee for their views (Appendix A and Appendix B).</li> <li>5. Approve the Mid-Year Capital Estimates for 2023/24.</li> </ol>			
<p><b><u>Reasons</u></b></p> <p>To ensure that the Council meets its statutory duty to set a balanced budget in February 2024.</p>			

1. **Background**

1.1 The funding pressures facing the Council for the period 2024/25 to 2028/29 were presented to Cabinet on 19 September 2023. The report indicated that there would be a budget 'gap' of £2.751m in respect of 2024/25 (£5.082m over the 5 year period of the MTFS) and that this will need to be closed in order to produce a balanced budget.

## 2. Issues

- 2.1 The MTFS provides an overarching framework for the allocation of resources to the Council's key priorities as set out in the Council Plan. The Council Plan for 2022-2026 was approved by Cabinet on 6 September 2022 and noted by Full Council on 28 September 2022.
- 2.2 The financial strategy will continue to focus on the need for the Council to become self-sustaining through developing a strong and growing tax base, making best use of its resources, promoting an "everyone's responsibility" culture in which there is widespread ownership of the Council's financial position, a robust financial position and a fair funding settlement for Newcastle-under-Lyme.
- 2.3 The MTFS funding gap is constantly reviewed and assumptions made are challenged and amended as circumstances dictate. A small number of changes have been made to the budget 'gap' for 2024/25 of £2.751m reported to Cabinet on 19 September 2023 resulting in a revised budget 'gap' of £2.686m. It is also likely that a reset of the Business Rates Retention funding scheme will be undertaken during the medium term. Initial forecasts indicate that the funding the Council currently benefits from will reduce to a lower baseline. The MTFS phases this potential loss over a 3 year period from 2025/26 onwards by utilising the balance of the Business Rates Reserve which was established for this purpose.

The revised budget 'gap' therefore amounts to £2.686m for 2024/25 and £6.879m over the 5 year period of the MTFS (Appendix C).

### **Proposed Savings and Funding Strategies**

- 2.4 A number of savings and funding strategies have been identified as being both feasible and sustainable, via a vigorous Financial Efficiency Board process including challenge sessions for each of the Cabinet Portfolios involving Cabinet Members, the Corporate Leadership Team, Service Directors and the Finance Manager. The proposed savings identified to date for the period of the MTFS, and the remaining funding gaps have enabled a balanced financial position to be proposed for 2024/25. Further details for 2024/25 are shown in Appendix A.

<b>Detail</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
<b><i>Income</i></b>	680	91	-	-	-
<b><i>One Council</i></b>	230	-	-	-	-
<b><i>Staffing Related</i></b>	199	-	-	-	-
<b><i>Good Housekeeping</i></b>	489	-	-	-	-
<b><i>Tax Base</i></b>	424	383	394	407	419
<b><i>Council Tax Increase</i></b>	164	166	168	170	172
<b><i>Government Grants</i></b>	500	-	-	-	-
<b>TOTAL SAVINGS</b>	<b>2,686</b>	<b>640</b>	<b>562</b>	<b>577</b>	<b>591</b>
<b>UPDATED MTFS GAPS</b>	<b>2,686</b>	<b>1,557</b>	<b>997</b>	<b>1,092</b>	<b>547</b>
<b>REMAINING GAP</b>	<b>-</b>	<b>917</b>	<b>435</b>	<b>515</b>	<b>(44)</b>

## Capital

- 2.5 The Capital Programme for 2024/25 to 2026/27 (Appendix B) is based on new schemes which are vital to ensure continued service delivery and in assisting the Council to achieve its corporate and service objectives as set out in the Council Plan 2022-26. These schemes total £41.230m including major investment into the Borough via external funding in terms of the Future High Streets Fund and the Town Deals Fund for both Newcastle and Kidsgrove.
- 2.6 The Capital Programme will require to be part funded by borrowings. The total net amount of borrowing over 3 years of the proposed Capital Programme for 2024/25 to 2026/27 will amount to £2.092m, significant borrowing will be required during 2024/25 (£7.685m), which may be partially repaid during 2025/26 and 2026/27. The associated borrowing costs have been factored into the MTFS. It should be noted that this is in addition to borrowing that may be required to fund the 2023/24 Capital Programme (£16.728m).
- 2.7 The Capital Programme for 2024/25 to 2026/27 includes an estimate for the development of York Place, this assumes spend of £16m over the period 2024/25 to 2025/26 and a subsequent capital receipt of the same value during the first 3 year period of the Capital Programme. This is subject to the business case that is currently being developed.
- 2.8 A mid-year review of the Capital Programme for 2023/24 has been undertaken as part of the Efficiency Board and budget setting process in order to identify any projects that may need to be re-profiled from 2023/24 into future years. The revised Capital Programme for 2023/24 totalling £55.467m can be seen at Appendix B.
- 2.9 The table below sets out the key dates of the events to take place before the budget for 2024/25 is finally approved:

Event	Committee	Date
Budget consultation	Proposed to run during December	
Scrutiny of first draft savings proposals	FAPSC	13 December 2023
Approval of final MTFS & consideration of draft budget proposals	Cabinet	16 January 2024
Scrutiny of draft budget proposals	FAPSC	18 January 2024
Final budget proposals recommended for approval by Full Council	Cabinet	6 February 2024
Full Council to approve budget	Full Council	14 February 2024

### 3. Recommendations

- 3.1 That Cabinet note the first draft savings proposals as set out in Appendix A and Appendix B to the report.
- 3.2 That Cabinet note the revised Medium Term Financial Strategy (MTFS) funding gap (Appendix C).

3.3 That Cabinet refer the refreshed Medium Term Financial Strategy (MTFS) (Appendix D) to the Finance, Assets and Performance Scrutiny Committee for their views.

3.4 That Cabinet refer the first draft savings proposals to the Finance, Assets and Performance Scrutiny Committee for their views (Appendix A and Appendix B).

3.5 That Cabinet approve the Mid-Year Capital Estimates for 2023/24.

#### 4. **Reasons**

4.1 The Council has a statutory duty to set a balanced budget by February 2024. Best practice is for financial planning to take place over a 5 year period in the form of a Medium Term Financial Strategy that sets out how the Council plans to allocate resources to meet its objectives.

#### 5. **Options Considered**

5.1 None.

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

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

#### 7. **Equality Impact Assessment**

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

#### 8. **Financial and Resource Implications**

8.1 These are addressed in the body of the report.

#### 9. **Major Risks and Mitigation**

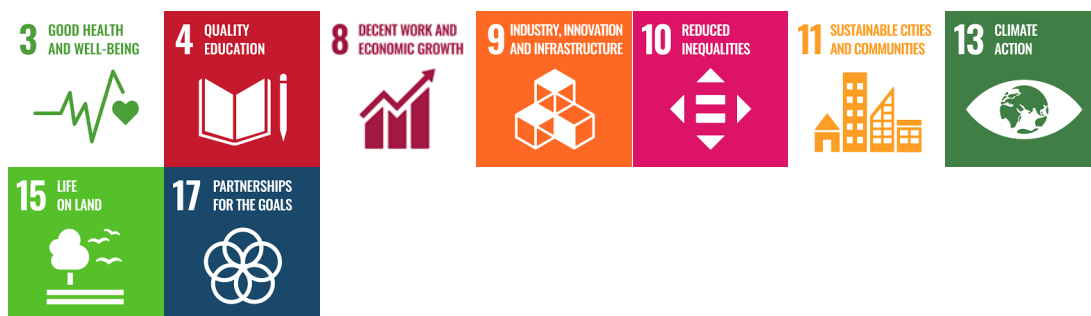
9.1 Section 25 of the Local Government Acts 2003 places a duty on the Section 151 Officer to report on the robustness of the budget. The main risks to the budget include spending in excess of budget; income falling short of the budget (including capital receipts from disposal of assets); and unforeseen elements such as changes to Government funding. In the context of uncertainty regarding Government funding reforms there are significant budget risks that will need to be managed. It will be essential the Council has sufficient reserves to call on if required.

9.2 It should be noted that a number of assumptions and proposals are provisional or draft, and as such the opinion of robustness will be confirmed in the Revenue and Capital Budgets and Council Tax 2024/25 reports to Cabinet on 6 February 2024 and to Council on 14 February 2024.



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

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



11. **Key Decision Information**

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

12. **Earlier Cabinet/Committee Resolutions**

12.1 None

13. **List of Appendices**

- 13.1 Appendix A – 2024/25 MTFS Funding Strategy
- 13.2 Appendix B – 2024/25 to 2026/27 Capital Programme
- 13.3 Appendix C – MTFS 'Gaps'
- 13.4 Appendix D – MTFS 2024/25 to 2028/29

14. **Background Papers**

14.1 None

## Appendix A – 2024/25 MTFS Funding Strategy



Ref	Service Area	Description	£000's	Detail
<b>Income</b>				
I1	Planning	Planning Application fees	192	National increase of 25% for minor and 35% for major planning applications
I2	Planning	Pre-Planning Application fees	10	Increase in the charge to bring in line with other Local Authorities
I3	Planning	Section 106 monitoring	7	Introduction of a fee for the monitoring of Section 106 obligations
I4	Sustainable Environment	Food waste	86	Rebate received for the collection of food waste, the contractor now pays for haulage costs
I5	Sustainable Environment	Green waste	34	A below inflation increase to the green waste collection subscription
I6	Commercial Delivery	VAT on Leisure income	120	An increase in income has occurred following a change in VAT legislation for leisure fees
I7	Commercial Delivery	Depot rent	50	Rental from the sharing of depot space with partner
I8	Commercial Delivery	Commercial property rent	70	Additional rental income being achieved following rent reviews
I9	Commercial Delivery	Bereavement Services	10	Additional income to be generated from on line sales and charges for searches
I10	Commercial Delivery	Car Parking	91	Increased demand, pricing and permits for new car park - assumed 6 months of income for 2024/25 and remaining 6 months in 2025/26
I11	Neighbourhood Delivery	Fixed Penalty Notice's	10	Introduction of a charge and new processes regarding fly tipping
			<b>680</b>	
<b>One Council</b>				
O1	Corporate	One Council	230	Further efficiencies to be generated from the One Council Programme including continuous review and development of services and increased performance management in order to maximise revenue income in line with the Council's objectives.
			<b>230</b>	
<b>Staffing Related Efficiencies</b>				
S1	Planning	Planning structure	45	Savings that have been generated through the review and digitalisation of processes under the One Council initiative
S2	Regulatory Services	Reduced hours	9	Reduction in hours of Food Safety Officer
S3	Regulatory Services	Licencing structure	33	Reduction of 1 FTE following reduced demand and more efficient processes
S4	Regulatory Services	Housing and Vulnerability structure	17	Restructure of team which includes greater utilisation of ongoing funding
S5	Neighbourhood Delivery	Professional fees	95	Application of professional fees (e.g. Landscape) to capital projects
			<b>199</b>	
<b>Good Housekeeping/More Efficient Processes</b>				
G1	ICT	Procurement savings	37	Contract and procurement savings from telephony, printing and email monitoring
G2	Commercial Delivery	Energy efficiency	14	Energy savings from the installation of pool covers at Jubilee 2
G3	Commercial Delivery	Reduction in subsidy	175	A reduction in running costs at Jubilee 2 following a 'deep dive' review of the service, this includes more efficient rota's of staffing, increased income following the benchmarking of fees and charges and the generation of addition income (e.g. swimming lessons)
G4	Sustainable Environment	Green Waste route optimisation	39	Optimisation of collection routes for green waste to increase efficiency

G5	Sustainable Environment	Streetscene route optimisation	31	Efficiencies generated from greater use of data held to optimise routes and responses
G6	Corporate	Vacancy factor	193	An increase in the assumed vacancy factor of posts from 2% to 3.5%
			<b>489</b>	
<b>Alternative Sources of Finance/Other</b>				
A1	Corporate	Tax base – Council Tax	114	Increase in tax base based on market housing supply requirement (451 properties per year) and current year tax base forecasts
A2	Corporate	Tax base – Business Rates	280	Assumed increase in tax base of 4%
A3	Corporate	Single Persons Discount review	30	Assumed increase in Council Tax from a Borough wide review of claimants of discounts
A4	Corporate	Minimum Funding Guarantee	500	Government grant ensures that there is a minimum 3% increase in core spending power (i.e. replaces any lost grant such as New Homes Bonus)
A5	Corporate	Council Tax increase	164	Assumed increase of 1.99% per Band D property
			<b>1,088</b>	
<b>Grand Total</b>			<b>2,686</b>	

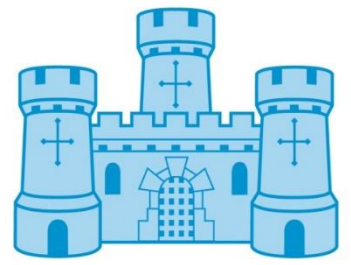


CAPITAL PROGRAMME	2023/24 MID YEAR	2024/25	2025/26	2026/27	TOTAL (2024/25 to 2026/27)
	£	£	£	£	£
<b>PRIORITY – One Council Delivering for Local People</b>					
Service Area - Council Modernisation	2,172,370	394,000	434,000	336,000	1,164,000
<b>Total</b>	<b>2,172,370</b>	<b>394,000</b>	<b>434,000</b>	<b>336,000</b>	<b>1,164,000</b>
<b>PRIORITY – A Successful and Sustainable Growing Borough</b>					
Service Area - Housing Improvements	1,670,000	1,620,000	1,670,000	1,670,000	4,960,000
Service Area - Managing Property & Assets	9,636,154	8,197,482	9,744,888	748,895	18,691,265
<b>Total</b>	<b>11,306,154</b>	<b>9,817,482</b>	<b>11,414,888</b>	<b>2,418,895</b>	<b>23,651,265</b>
<b>PRIORITY – Healthy, Active and Safe Communities</b>					
Service Area - Environmental Health	-	72,000	-	-	72,000
Service Area - Streetscene and Bereavement Services	1,004,569	210,000	250,000	160,000	620,000
Service Area - Recycling and Fleet	5,828,408	710,000	1,230,000	5,943,100	7,883,100
Service Area – Leisure and Cultural	636,862	47,000	150,000	-	197,000
Service Area - Engineering	117,300	385,000	120,000	50,000	555,000
<b>Total</b>	<b>7,587,139</b>	<b>1,424,000</b>	<b>1,750,000</b>	<b>6,153,100</b>	<b>9,327,100</b>
<b>PRIORITY – Town Centres for All</b>					
Future High Streets Fund	5,855,826	-	-	-	-
Town Deals – Newcastle	18,937,732	2,251,000	807,000	-	3,058,000
Town Deals - Kidsgrove	8,607,615	2,794,000	1,236,000	-	4,030,000
<b>Total</b>	<b>33,401,173</b>	<b>5,045,000</b>	<b>2,043,000</b>	<b>-</b>	<b>7,088,000</b>
<b>CONTINGENCY (will be carried forward to 2024/25)</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>55,466,836</b>	<b>16,680,482</b>	<b>15,641,888</b>	<b>8,907,995</b>	<b>41,230,365</b>
<b>FUNDING</b>					
Capital Receipts	3,325,000	2,450,000	21,050,000	4,050,000	27,550,000
External Contributions	35,413,441	6,545,000	3,543,000	1,500,000	11,588,000
Borrowing	16,728,395	7,685,482	(8,951,112)	3,357,995	2,092,365
<b>TOTAL</b>	<b>55,466,836</b>	<b>16,680,482</b>	<b>15,641,888</b>	<b>8,907,995</b>	<b>41,230,365</b>

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

Detail	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Description
<b>Employees:</b>						
Increments	40	10	2	-	-	Employees due an increment
Pay awards	799	501	518	536	555	3.5% pay award assumed for all years plus £1,925 per FTE re. 2023/24
Superannuation increases	185	112	114	118	122	22% of increase in salaries
Superannuation lump sum increases	39	41	43	45	45	Net increase of lump sum pension payment
National Insurance	116	70	72	74	77	National insurance on increase in salaries (increments and pay awards)
<b>Premises:</b>						
Business Rates	30	32	33	34	35	Inflationary increase in business rates payable (per CPI)
Utilities	116	30	32	33	34	Inflationary increase in gas and electric (per CPI)
<b>Transport:</b>						
Fuel	12	13	14	14	15	Inflationary increase in fuel (per CPI)
Hydrotreated Vegetable Oil	9	9	9	10	10	Inflationary increase in HVO (per CPI)
<b>Financing:</b>						
Borrowing costs	471	561	-	86	32	Borrowing costs regarding financing of capital expenditure
<b>New Pressures:</b>						
ICT software, hosting and maintenance	100	10	10	10	10	ICT costs re. systems maintenance and software licences
Audit fees	95	-	-	-	-	Increase in external audit fees
Temporary accommodation/vulnerable residents	425	-	-	-	-	Increase in both demand and costs
Staff Retention	40	-	-	-	-	Initiatives to encourage staff retention
Building Control	5	-	-	-	-	Increase in contract
<b>Income:</b>						
Fees and charges	(230)	(270)	(281)	(292)	(304)	4% increase in fees and charges
New Homes Bonus	500	-	-	-	-	Drop out of New Homes Bonus legacy payments
Government grant	12	12	12	12	12	Reduction in Housing Benefit /Council Tax Admin grant
Business Rates baseline funding level	(258)	(174)	(181)	(188)	(196)	Inflationary increase in baseline funding level (per CPI)
Business Rates Retention Reset	-	500	500	500	-	Reduction in retained business rates forecast to result from Fair Funding Review and reset
Income pressures	180	100	100	100	100	General income shortfalls
<b>TOTAL GAPS</b>	<b>2,686</b>	<b>1,557</b>	<b>997</b>	<b>1,092</b>	<b>547</b>	

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**NEWCASTLE  
UNDER LYME**  
BOROUGH COUNCIL

# Medium Term Financial Strategy 2024/25 – 2028/29



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## **Medium Term Financial Strategy 2024/25 to 2028/29**

### **1. Council Plan**

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

### **2. Financial Strategy**

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

#### **Financially Sustainable Council**

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

- 2.4 Newcastle-under-Lyme has a growing population, but in recent decades it has seen low levels of house building which have not kept up with housing demand. The resulting affordability gap for residents influenced by the cost of living puts pressure on our homelessness and temporary accommodations services but also has the risk of dampening council tax income.
- 2.5 Newcastle-under-Lyme's industrial and retail sectors have remained healthy in recent times and the business rates base has grown significantly (rateable value of £101.246m for 2023/24) since the borough joined the Staffordshire Business Rates Pool in 2013/14 (rateable value of £83.842m).
- 2.6 Alongside the growth in the tax base the rates need to keep base with the Council's inflationary and demand pressures, whilst also reflecting the financial pressures facing our residents. Accordingly the MTFS assumes annual inflationary increases in the tax base.

### **Value for Money**

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

### **Culture**

- 2.8 The Council's finances need to be everyone's responsibility. It is not the sole responsibility of the Council's Section 151 Officer. Ownership is required across the entire Council. This has increasingly been the case through ten years of austerity and now more than ever with the financial impacts of the Covid-19 and Cost of Living crises and the continued uncertainty around Local Government funding.

### **Robust Financial Position**

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

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

### **A Fair Financial Settlement for Newcastle-under-Lyme**

- 2.15 The Government introduced its Business Rates Retention model for funding local government in 2013/14. It however relied on the historical needs data and damping arrangements from the previous model. At the time government committed to address both of these issues and also set out plans to reset the business rates growth on a regular basis.
- 2.16 Government has been developing Fair Funding proposals to remedy the position, this is now overdue and local authorities have been disadvantaged by both the lack of an update of the underlying data and the damping arrangements. Implementation has been held up due to the Covid-19 pandemic and it is currently unclear when the Government will press ahead with plans for a business rates reset which would see the accumulated growth built up since 2013/14 being redistributed across the system.
- 2.17 As a member of the Staffordshire Business Rates Pool the Council currently saves £0.880m per annum in levy payments which would be payable to the Treasury if the Council ceased to be part of a pooling arrangement. In addition to this, growth within the Borough has enabled a further £2.230m of business rates income to be retained by the Council (this has been recognised in previous savings) over and above the funding baseline set by Central Government. In the event that a business rates reset goes ahead strong lobbying will be required to ensure that appropriate transitional arrangements are in place to cushion the impact locally.
- 2.18 The MTFs assumes that a business rates reset will occur during the medium term with a strong likelihood of this taking place during the 3 year period 2025/26 to 2027/28. Initial forecasts assume that this reset will eliminate around half of the benefit that the Council currently receives from the scheme. The MTFs phases the loss over a 3 year period and assumes utilisation of the Business Rates Reserve to assist with the transition if the reset occurs in 2025/26 or 2026/27. The Business Rates Reserve was established to be utilised in this way.
- 2.19 Finally the Council has been successful in ensuring that significant resources required to regenerate the borough have been secured via Town Deals and Future High Street Fund (a number of projects are well underway) and continue to work closely with partners to secure inward investment in the borough to drive growth and employment opportunities for local people.

### 3. Economic Context

- 3.1 UK inflation and wage growth remain elevated but, following a no-change Monetary Policy Committee (MPC) decision in November, Bank Rate appears to have peaked in this rate cycle. Near term rate cuts are unlikely, although downside risks will increase as the UK economy likely slides into recession and inflation falls more quickly.

The much-repeated message from the MPC is that monetary policy will remain tight as inflation is expected to moderate to target only slowly. In the Bank's forecast, wage and services inflation, in particular, will keep (Consumer Price Index) CPI above the 2% target until 2026.

The UK economy has so far been relatively resilient, but recent data indicates a further deceleration in business and household activity growth as higher interest rates start to bite. Global demand will remain soft, offering little assistance in offsetting weakening domestic demand. A recession remains a likely outcome.

Employment demand is easing, although the tight labour market has resulted in higher nominal wage growth. Anecdotal evidence suggests slowing recruitment and pay growth, and we expect unemployment to rise further. As unemployment rises and rates remain high, consumer sentiment will deteriorate. Household spending will therefore be weak. Higher interest rates will also weigh on business investment and spending.

Inflation will fall over the next 12 months. The path to the target will not be smooth, with higher energy prices and base effects interrupting the downtrend at times. The MPC's attention will remain on underlying inflation measures and wage data. We believe policy rates will remain at the peak for another 10 months, or until the MPC is comfortable the risk of further 'second-round' effects has diminished.

Maintaining monetary policy in restrictive territory for so long, when the economy is already struggling, will require significant policy loosening in the future to boost activity.

Global bond yields will remain volatile, particularly with the focus on US economic data and its monetary and fiscal policy. Like the Bank of England, the Federal Reserve and other central banks see persistently high policy rates through 2023 and 2024 as key to dampening domestic inflationary pressure. Bond markets will need to absorb significant new supply, particularly from the US government.

There is a heightened risk of geo-political events causing substantial volatility in yields.

The MPC held Bank Rate at 5.25% in November. We believe this is the peak for the Bank Rate.

The MPC will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. We see rate cuts from Q3 2024 to a low of around 3% by early 2026.

The immediate risks around Bank Rate remain on the upside, but these diminish over the next few quarters and shift to the downside before balancing out, due to the weakening UK economy and dampening effects on inflation.

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

#### 4. Borough Profile

- 4.1 Newcastle-under-Lyme has a population of 125,300 (2022 mid year estimate), an increase of 2,300 (rounded up), or 1.8%, since the 2021 census. This is similar to the national, regional and county who all saw increases over this period.
- 4.2 In the ten years from 2011-2021, the percentage of the borough's population aged 70+ increased from 12.9% to 16.2%, keeping this rate higher than across the West Midlands region (13.9%) and England (13.6%), though slightly lower than Staffordshire's rate of 16.6%.
- 4.3 The general population has decreased by 0.7% over the past decade, but with the number of residents over 65 increasing by 18.3%, lower than the Staffordshire increase of 23.5% and the England increase of 19.9% over the same period but higher than the West Midlands increase of 17.9%. The over 65 population is projected to increase by a further 14.6% over the next decade, with the under 65 population projected to increase by only 1.5%.
- 4.4 The 2020 median age for the borough is 43 years, higher than for the West Midlands (40) and England and Wales (40.2) but lower than Staffordshire (45). The borough's median has barely changed since 2010 when it was 42.
- 4.5 From 2011 to 2021 there has been an estimated 1.6% increase in the number of households in the borough, from 52,600 to 53,400. It is estimated that this will increase to 59,200 by 2029, and to 62,100 by 2039.
- 4.6 Measured through the average rank for IMD 2019, Newcastle-under-Lyme is the 150th most deprived local authority in England, out of 317 overall. Newcastle's ranking compared with other local authorities in England has improved slightly from 156<sup>th</sup> in 2015. In terms of Health Deprivation and Disability the borough is the 80<sup>th</sup> most deprived local authority but 197<sup>th</sup> most deprived in terms of Barriers to Housing and Services.
- 4.7 Parts of the borough including Cross Heath and Knutton are in the 10% most deprived areas in England. Further parts of Holditch and Chesterton, Kidsgrove and Ravenscliffe, Crackley and Red Street, Town and Westlands are also in the 20% most deprived. However, parts of Loggerheads, Westbury Park and Northwood, Madeley and Betley and Westlands are in the top 10% least deprived parts of England, with parts of Clayton, Crackley and Red Street, Thistleberry, Westlands, Bradwell, Madeley and Betley, Newchapel and Mow Cop in the top 20% least deprived.
- 4.8 Across the borough in 2022, the annual mean gross weekly pay for full-time workers was £567. This was lower than for the West Midlands (£613) and Great Britain (£642).

*(Gross weekly pay for full-time workers)*

	<b>Newcastle-under-Lyme</b>	<b>West Midlands</b>	<b>Great Britain</b>
Females	£528	£550	£585
Males	£593	£661	£688
Overall	£567	£613	£642

- 4.9 In the year up to March 2021, an estimated 74.5% of residents aged 16-64 were classed as 'in employment', broadly similar to the West Midlands (73.7%) and Great Britain (75.2%). This reverses a downward trend for the borough over the past few years.

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

	<b>Newcastle-under-Lyme</b>	<b>West Midlands</b>	<b>Great Britain</b>
April 2015-March 2016	76.9% (64,300)	70.4%	73.7%
April 2016- March 2017	77.4% (66,600)	71.4%	74.3%
April 2017- March 2018	78.0% (68,500)	72.7%	75.0%
April 2018- March 2019	74.6% (63,700)	73.8%	75.4%
April 2019- March 2020	72.5% (60,000)	73.9%	76.0%
April 2020- March 2021	74.5% (61,600)	73.7%	75.2%

- 4.10 As of 2021, two-thirds (66%) of residents' jobs were full-time, with the remaining one-third (34%) part-time. This is very similar to the rate for the West Midlands and Great Britain, where 68% were full-time.
- 4.11 According to official crime summary data, the number of recorded crimes for headline offences in Newcastle-under-Lyme between April 2022 and March 2023 was 10,024.
- 4.12 The crime rate for headline offences from April 2022 to March 2023 was 81 per 1,000 residents, slightly lower than the Staffordshire rate of 87 per 1,000 people but higher than all of the Staffordshire boroughs apart from Cannock Chase.
- 4.13 In Newcastle-under-Lyme the three most common types of recorded crime were:
- Violence against the person (4,761)
  - Theft offences (2,338)
  - Stalking and harassment (2,058)
- 4.14 The latest available local estimates from the ONS (Life Expectancy at Birth 2021) suggest that life expectancy at birth for males born in Newcastle-under-Lyme is 76.9 years, which is below the Staffordshire (78.9 years) and the England average (78.7 years). Female life expectancy is 82.2 years, while the Staffordshire and England averages are both higher at 82.9 years and 82.8 years respectively.
- 4.15 There are, however, wide variations across the borough with the inequality driven by deprivation. For Newchapel and Mow Cop ward, the life expectancy at birth for males is 82.4 years, but in Town ward it is 6 ½ years lower at 75.9 years.
- 4.16 For females in Loggerheads life expectancy at birth is 87.1 years, but in the Town ward it is 11 years lower at 76.1 years.
- 4.17 Across the borough, the age-standardised mortality rate of 1,047 was higher than the Staffordshire rate of 992 and England's 1,008, but lower than the West Midlands rate of 1,055.
- 4.18 There are circa 53,400 homes in the borough (2021). At the 2021 Census housing tenure was as follows:
- Owned outright 38%
  - Owned with mortgage/loan 30%
  - Social rented 17%
  - Private rented 15%

- 4.19 Overcrowding is mostly assessed by the 'bedroom standard' which assesses the number of bedrooms needed according to the size and composition of households. In the 2021 census, Newcastle-under-Lyme had an overcrowding rate of 2.1% – very similar to Staffordshire's 1.9%. and significantly lower than England's 4.4%.
- 4.20 Across 2021, the local housing affordability ratio i.e. median house price compared to median gross income was 5.59, significantly lower than all of the other Staffordshire districts. Across the West Midlands the ratio is 6.55, and across England it is 7.4. The borough's rate is lower than in 2009 when the ratio was 5.07.
- 4.21 84.2% of residents of working age have qualifications at level NVQ1 or above, similar to the 84.8% across the West Midlands but lower than the average of 87.9% in Great Britain. As of December 2021, an estimated 36.0% of adults aged 16-64 were qualified to NVQ level 4 or above – lower than both the West Midlands rate of 38.9% and the Great Britain rate of 43.6%.
- 4.22 The unemployment claimant count for the borough of 3.1% as at August was slightly higher than Staffordshire's rate of 2.8%, but lower than Great Britain's 3.7%. As with most of the country, there has been an increase from March 2020 when the rate was 2.4%. There is some variance across the borough – in five wards the rate is higher than the national average, in five wards it is lower than half that rate.

## 5. Refresh of Financial Assumptions

- 5.1 Council agreed a five year Medium Term Financial Strategy in February 2023 covering the period 2023/24 to 2027/28. For 2023/24 net expenditure of £16.857m on services was budgeted for with a Council Tax Requirement of £8.169m. There is a Council Tax Base of 38,099 and a Band D Council Tax of £214.42. There was a balanced budget for 2023/24 but a forecast gap of £3.770m across the period 2024/25 to 2027/28.
- 5.2 The MTFS gaps have been rolled forward a year to cover 2028/29, this was reported to Cabinet on 19 September 2023 and the assumptions updated, a further update has been reported to Cabinet on 5 December 2023. There will continue to be further review of the gaps throughout the budget setting process, cumulating in an updated gap being reported to Cabinet on 14 February 2024.
- 5.3 The recovery from Covid-19 and the ongoing Cost of Living Crisis are expected to continue to have an impact on the Councils' finances, however, the degree of that impact is difficult to predict. The MTFS has been revised to reflect current information and includes an estimate of pressures that have both a short and medium term impact on the tax base for Council Tax and Business Rates.
- 5.4 Overall, rolling forward a year the Council is forecast to have a funding gap of £6.879m over the next five years. £2.686m of this is in 2024/25 and whilst the overall strategy is to have a balanced five year plan the focus of attention will be on this first year.

	<b>2024/25</b> <b>(£000's)</b>	<b>2025/26</b> <b>(£000's)</b>	<b>2026/27</b> <b>(£000's)</b>	<b>2027/28</b> <b>(£000's)</b>	<b>2028/29</b> <b>(£000's)</b>	<b>Total</b> <b>(£000's)</b>
Income	204	168	150	132	(388)	266
Expenditure	2,482	1,389	847	960	935	6,613
<b>Gap</b>	<b>2,686</b>	<b>1,557</b>	<b>997</b>	<b>1,092</b>	<b>547</b>	<b>6,879</b>

- 5.5 The year one gap has decreased from £2.751m (as reported to Cabinet on 19 September 2023) to £2.686m, primarily due to an increased assumption (£0.094m) in the level of funding expected to be received from Central Government as part of the

settlement due to the level of inflation at the close of September (upon which part of the settlement is based).

### Income

- 5.6 A provision for income losses of at least £0.100m has been built in for each year of the MTFS. An assumed annual increase in fees and charges has also been included of 4% for 2024/25 and for each year thereafter.

Detail	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	2027/28 (£000's)	2028/29 (£000's)	Total (£000's)
Government Grant	512	512	512	512	12	2,060
Business Rates	(258)	(174)	(181)	(188)	(196)	(997)
Fees and Charges	(230)	(270)	(281)	(292)	(304)	(1,377)
Income Pressures	180	100	100	100	100	580
<b>Total</b>	<b>204</b>	<b>168</b>	<b>150</b>	<b>132</b>	<b>(388)</b>	<b>266</b>

### Government Grant

- 5.7 Local Government has been through an unprecedented period of austerity. The assumption is for legacy New Homes Bonus grant funding to reduce to nil, any loss from the 2023/24 New Homes Bonus award being offset by the Funding Guarantee, with continued one year settlements until further notice.

### Business Rates

- 5.8 There have been significant impacts to Business Rates as a result of the Covid-19 crisis. Firstly, there have been a wide range of interventions from Government with extensive discounts and also provision of grant to small businesses. These discounts have been matched with Section 31 grant and have therefore not impacted the Council's bottom line.
- 5.9 The MTFS currently assumes an inflationary increase of 4% in 2024/25 and 4% per annum thereafter in terms of collectable Business Rates, this is in addition to an inflationary increase in the base level funding set for the Business Rates Retention Scheme by Central Government.

### Council Tax

- 5.10 The Council has a market housing supply requirement of 2,153 properties over the 5 year period of the MTFS (excluding affordable housing). The MTFS assumes that the requirement will be met at an average of 431 properties per annum (451 in 2024/25), thus increasing the tax base accordingly. The MTFS assumes a Council Tax increase of 1.99% per Band D property for all years.
- 5.11 The Council operates a Council Tax Support scheme, introduced following the localisation of support by Government at the start of austerity. Increased levels of Council Tax Support were awarded during 2020/21 in the midst of the Covid-19 pandemic. The MTFS forecast assumes that the levels of support have now returned to pre-pandemic levels, however this will continually be reviewed in light of the Cost of Living Crisis.



## Savings/Income Generation

- 5.12 Work is continuing to identify additional savings proposals in order to address the increased forecast gaps in 2024/25 and beyond. To date savings of £2.686m have been identified for 2024/25 enabling a balanced position to be proposed. £2.370m has been identified to largely close the gap for the remainder of the MTF5 (total shortfall of £1.822m).

Detail	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	2027/28 (£000's)	2028/29 (£000's)	Total (£000's)
Income	680	91	-	-	-	771
One Council	230	-	-	-	-	230
Staffing Related	199	-	-	-	-	199
Good Housekeeping	489	-	-	-	-	489
Tax Base	424	383	394	407	419	2,027
Council Tax Increase	164	166	168	170	172	840
Government Grants	500	-	-	-	-	500
<b>Total</b>	<b>2,686</b>	<b>640</b>	<b>562</b>	<b>577</b>	<b>591</b>	<b>5,056</b>

## Expenditure

- 5.13 Employee pressures relate to assumed pay awards of 3.5% for 2024/25 (£0.483m) and for all years thereafter, 2024/25 also provides for the 2023/24 pay award (£1,925 per full time employee regardless of grade) that was over and above the 4% assumed, this amounts to a further pressure of £0.316m excluding the associated increases to National Insurance and pension contributions.
- 5.14 National Insurance contributions related to assumed pay awards and the 2023/24 pay award amount to an additional £0.116m for 2024/25, whilst associated pension contributions result in a pressure of £0.224m.
- 5.15 A number of new pressures facing the Council in 2024/25 have also been provided for, these include increased costs relating to temporary and supported Accommodation, ICT maintenance and software licences and other inflationary costs and pressures regarding service provision.

	2024/25 (£000's)	2025/26 (£000's)	2026/27 (£000's)	2027/28 (£000's)	2028/29 (£000's)	Total (£000's)
Employees	1,179	734	749	773	799	4,234
Premises	146	62	65	67	69	409
Transport	21	22	23	24	25	115
Financing	471	561	-	86	32	1,150
Pressures	665	10	10	10	10	705
<b>Total</b>	<b>2,482</b>	<b>1,389</b>	<b>847</b>	<b>960</b>	<b>935</b>	<b>6,613</b>

## **Inflation**

- 5.16 Provision for price increases is made in line with the Bank of England target 2% for CPI (Consumer Price Index), with the exception of 2024/25 whereby budgets have been analysed following the Cost of Living Crisis and pressures accordingly accounted for.

## **Investment**

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

## **Capital financing**

- 5.18 The proposed Capital Programme for 2024/25 to 2026/27 is based on new schemes which are vital to ensure continued service delivery and in assisting the Council to achieve its corporate and service objectives as set out in the Council Plan 2022-26. These schemes total £41.230m including major investment into the Borough via external funding in terms of the Future High Streets Fund and the Town Deals Fund for both Newcastle and Kidsgrove and associated projects.
- 5.19 The Capital Programme will require to be part funded by borrowings. The total amount of borrowing over 3 years of the proposed Capital Programme for 2024/25 to 2026/27 will amount to £2.092m, in addition to £16.728m that may be required for the 2023/24 capital programme. The associated borrowing costs have been factored into the MTFS.

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

- 6.1 There is uncertainty at present with regards to the recovery of lost income levels resulting from the Covid-19 pandemic and the impact of the Cost of Living Crisis. The medium term therefore contains risks around loss of income, these are included as part of the risk assessment informing the Council's level of reserves. A number of steps have been taken in year, or are planned for future periods to continue to address the financial impact and ensure that the Council remains financially resilient including:

- A review of income forecasts as part of monthly budget monitoring processes.
- Maintaining spend within the existing budget envelope as far as possible.
- Identifying management action to reduce in year cost pressures.
- Re-focusing the income collection approach to reduce the impact of bad debt.
- Reassessment of Capital Programme commitments.
- A comprehensive review and risk assessment of the Council's reserves.
- Use of grants to substitute for existing spend wherever possible.
- Asset review to maximise receipts from disposals.

## **7. Approach**

- 7.1 The following section sets out the central approach to developing the Medium Term Financial Strategy for 2024/25 to 2028/29.

## **Foundation analysis**

- 7.2 Over the summer and early autumn the groundwork for the MTFs has been undertaken which is primarily the review of the Borough Profile and assessment of the impact of Covid-19 and the Cost of Living Crisis, a full benefit opportunity assessment and benchmarking to give a clear context in which to identify areas for investment and redirection of resources, opportunities for efficiency and income generation and service reconfiguration. Service level benchmarking has primarily been based on DLUHC Revenue Outturn data focussed on the Council's CIPFA statistical "nearest neighbours" and Staffordshire geographical near neighbours. Spend has also been mapped to strategic priorities and outcomes.

## **One Council**

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

### *Leadership and Management*

- 7.8 The programme realises the importance of cultural development, attitudes, behaviours and overall quality and consistency of leadership as a driver for success. As such a dedicated Culture work stream was initiated which considered our purpose as a Council and provider of services as well as the important people driven elements which would support the achievement of our goals. Focus groups across the council considered our purpose, strengths and weaknesses and contributed to the development of an overall mission statement and related values.

### *Information, Advice and Guidance / website*

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

### *One Front Door*

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

### *Internal Support*

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

### *Mobile Multi-Function Team*

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

### *Strategy and Performance Team*

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

### **Commercial**

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

### **Property**

- 7.23 The Council updated its Asset Management Strategy during 2023 which identifies assets which may be suitable for disposal, generating funding for the Capital Programme.

## 8. Reserves

8.1 Forecast balances for the Council's reserves as at 31 March 2024 are as follows:

<b>Reserve/Fund</b>	<b>Balance 31.3.23 (£'000's)</b>	<b>Forecast Balance 31.3.24 (£'000's)</b>
General Fund	2,160	1,910
Walleys Quarry Reserve	672	125
Income Reserve	100	-
Equipment Replacement	37	30
Budget Support Fund	528	300
Budget Support Fund (Local Plan)	195	-
Budget Support Fund (Homelessness)	312	150
Borough Growth Fund	59	-
Conservation & Heritage Fund	32	30
Mayor's Charity Fund	10	-
Museum Purchases Fund	38	38
Business Rates Reserve	1,043	1,654
Elections Reserve	-	50
Clayton Community Centre Fund	19	24
<b>Totals</b>	<b>5,205</b>	<b>4,311</b>

8.2 A full reserves risk assessment is completed as part of the 2024/25 budget preparation. However, based on a preliminary assessment it is considered that the current balance of the general fund reserve will be more than sufficient to provide sufficient cover for foreseeable risks.

8.3 It should be noted that the balance of the Business Rates Reserve is to be held to mitigate against future collection fund losses and as a contingency for the Fair Funding Review.

## 9. Capital Strategy

9.1 The Council agreed its Capital Strategy and ten year Capital Programme 2023/24 to 2032/33 in February 2023, this will be refreshed as part of the 2024/25 budget setting process. The Capital Strategy explains how the Council invests its capital funds and the various sources of funding and how this facilitates the delivery of its objectives.

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

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

- 9.3 As part of the Efficiency Board process every capital scheme and in-year capital commitment has been reviewed.
- 9.4 The draft ten year Capital Programme for the period 2024/25 to 2033/34 provides for investment into the Borough. This programme will be funded by capital receipts, significant external contributions (Town Deals and Future High Streets Funding) and borrowing. The revenue impact of borrowings has been included within the MTFs.

## 10. Treasury Management Strategy

- 10.1 The Council agreed its Treasury Management Strategy for 2023/24 in February 2023, the strategy for 2024/25 will be updated alongside the proposed budget and capital programme as part of the 2024/25 budget setting process.
- 10.2 As referred to in the above section, the Council will be required to borrow to fund the draft ten year Capital Programme. The PWLB and Council to Council borrowing are the primary borrowing options that the Council is currently reviewing to fund borrowing in relation to the capital programme.
- 10.3 The Capital Financing Requirement is set to increase to £29.503m by 2026/27 based on the draft three year Capital Programme for 2024/25 to 2026/27, the existing Capital Financing Requirement at 31 March 2023 (£10.682m) and the Capital Financing Requirement for 2023/24 capital expenditure (£16.728m).

<b>Funding Stream</b>	<b>Capital Receipts (£000's)</b>	<b>External Contributions (£000's)</b>	<b>Borrowing (£000's)</b>	<b>Total (£000's)</b>
2023/24	3,325	35,414	16,728	<b>55,467</b>
2024/25	2,450	6,545	7,685	<b>16,680</b>
2025/26	21,050	3,543	(8,951)	<b>15,642</b>
2026/27	4,050	1,500	3,358	<b>8,908</b>
<b>Total</b>	<b>30,875</b>	<b>47,002</b>	<b>18,820</b>	<b>96,697</b>

## 11. Budget Preparation Timetable

- 11.1 Work on the development of budget proposals for 2024/25 is at an advanced stage. The final revenue budget and Council Tax proposals, along with the Capital Strategy, Capital Programme and Treasury Management Strategy will be presented for approval at Council in February 2024.
- 11.2 An Efficiency Board chaired by the Leader of the Council plays a key role in shaping the MTFs and providing input and challenge to savings and investment proposals.
- 11.3 The decision making timetable was as follows:

<b>Event</b>	<b>Committee</b>	<b>Date</b>
Budget consultation	Proposed to run during December	
Scrutiny of first draft savings proposals	FAPSC	5 December 2023
Approval of final MTFs & consideration of draft budget proposals	Cabinet	16 January 2024
Scrutiny of draft budget proposals	FAPSC	18 January 2024
Final budget proposals recommended for approval by Full Council	Cabinet	6 February 2024
Full Council to approve budget	Full Council	14 February 2024

## **Appendix A – Summary of Refreshed MTFs Assumptions**

	<b>2024/25 (£000's)</b>	<b>2025/26 (£000's)</b>	<b>2026/27 (£000's)</b>	<b>2027/28 (£000's)</b>	<b>2028/29 (£000's)</b>	<b>Total (£000's)</b>
Employees	1,179	734	749	773	799	4,234
Premises	146	62	65	67	69	409
Transport	21	22	23	24	25	115
Financing	471	561	-	86	32	1,150
Pressures	665	10	10	10	10	705
Income	204	168	150	132	(388)	266
<b>Total</b>	<b>2,686</b>	<b>1,557</b>	<b>997</b>	<b>1,092</b>	<b>547</b>	<b>6,879</b>
<b>Savings</b>						
Income	680	91	-	-	-	771
One Council	230	-	-	-	-	230
Staffing Related	199	-	-	-	-	199
Good Housekeeping	489	-	-	-	-	489
Tax Base	424	383	394	407	419	2,027
Council Tax Increase	164	166	168	170	172	840
Government Grants	500	-	-	-	-	500
<b>Total</b>	<b>2,686</b>	<b>640</b>	<b>562</b>	<b>577</b>	<b>591</b>	<b>5,056</b>
<b>Gap</b>	<b>-</b>	<b>917</b>	<b>435</b>	<b>515</b>	<b>(44)</b>	<b>1,823</b>





## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

### Corporate Leadership Team's Report to Cabinet

05 December 2023

**Report Title:** Annual Report 2022-2023

**Submitted by:** Cabinet

**Portfolios:** One Council, People & Partnerships

**Ward(s) affected:** All

<u>Purpose of the Report</u>	<u>Key Decision NO</u>
<p>To provide Cabinet with the opportunity to consider the Council's Annual Report for 2022-2023, which provides a high-level summary of the progress made during the first year of the Council's 2022-2026 Council Plan. The Annual Report also provides contextual information on the financial challenges and operating environment, which have informed the Council's priorities.</p>	
<p><b><u>Recommendation</u></b></p> <p><b>That Cabinet:</b></p> <ol style="list-style-type: none"> <li>1. Receive and consider the Council's Annual Report for 2022-2023</li> <li>2. Note the publication date of the Annual Report going forward, which will be September each year</li> <li>3. Refer the 2022-2023 Annual Report to Full Council's January 2024 meeting.</li> </ol>	
<p><b><u>Reasons</u></b></p> <p>The publication of an Annual Report is accepted good practice and a key element in the Council's governance and assurance framework providing transparency to stakeholders on progress made, the handling of key risks, the financial outlook of the authority and evidence-based strategy development.</p>	

### 1. **Background**

1.1 As part of the Council's focus on performance management this Annual Report provides an opportunity to review the progress and achievements made against the Council's stated objectives and to use this intelligence to understand what still needs to be done and what new challenges lie ahead. The Annual Report does this by including the following sections:

- Understanding our Communities - presenting a place profile for the Borough to inform decision-making
- Listening to our Communities – detailing the consultation and engagement programme for the previous year and how this feedback has been used to inform service improvements
- The Financial Context - outlining the financial challenges facing the authority over the course of its Medium Term Financial Strategy and how we manage risks
- Our Vision for the Borough – as set out in the 2022-2026 Council Plan
- Our Achievements - looking at performance against our own targets and trend data
- Value for Money Services - analysing our performance and costs against national and regional comparisons

- External Assessments - providing objectivity and assurance through the reporting of external assessments of the Council's work and any awards received in recognition of our achievements on behalf of our communities

1.2 In summary, the Annual Report provides assurance as to the progress made during the first year of the 2022-2026 Council Plan with 80% of all targets met in 2022-2023 and sound progress on our priority projects. The Report acknowledges the funding gap outlined within the 5-year Medium Term Financial Strategy and the plans to address this and the hugely positive findings of the Corporate Peer Challenge from the LGA (Local Government Association) in March 2023, which found that "Staff and Members of the council are clearly focused on delivering positive outcomes for the Borough's communities".

1.3 The Annual Report will be published on the Council's website as an important stakeholder document written for councillors, partners and employees and will remain a central element in the Council's annual performance management framework.

1.4 From 2024 onwards the Annual Report will be brought to Cabinet in September of each year, now that the processes and format for publication have been developed and agreed.

## 2. Proposal

That Cabinet:

- Receive and consider the Council's new Annual report for 2022-2023
- Note the publication date of the Annual Report going forward, which will be September each year
- Refer the 2022-2023 Annual Report to Full Council's January 2024 meeting

## 3. Legal and Statutory Implications

3.1 None from this report.

## 4. Equality Impact Assessment

4.1 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.

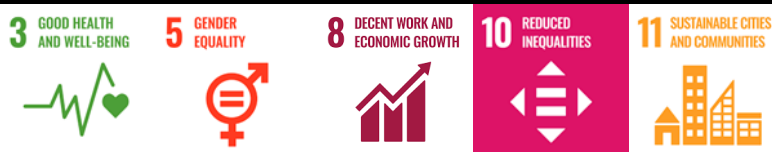
## 5. Financial and Resource Implications

5.1 None from this report.

## 6. Major Risks

6.1 No new major risks have been identified through the process of developing the Annual Report.

## 7. UN Sustainable Development Goals and Climate Change Implications





8. **Key Decision Information**

8.1 This is not a key decision.

9. **Earlier Cabinet/Committee Resolutions**

9.1 None

10. **List of Appendices**

10.1 Annual Report 2022-2023 (Appendix 1): click the link below

<https://www.newcastle-staffs.gov.uk/downloads/download/708/annual-report-2022-to-2023>

11. **Background Papers**

11.1 Working papers held by the Strategic Hub Team.

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**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

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

**05 December 2023**

**Report Title:** Technology Strategy 2023-2028 Report

**Submitted by:** Service Director – IT & Digital

**Portfolios:** One Council, People and Partnerships

**Ward(s) affected:** All

<b><u>Purpose of the Report</u></b>	<b><u>Key Decision</u></b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
To seek Cabinet approval for the 2023-2028 Technology Strategy.			
<b><u>Recommendation</u></b>			
That:			
<ol style="list-style-type: none"> <li>1. <b>Cabinet approves the Technology Strategy</b></li> <li>2. <b>Cabinet will review requirements of each project that aims to implement the Technology Strategy on its individual merits and subsequently support any future allocation of resources.</b></li> <li>3. <b>Cabinet receives an action plan for consideration at a future meeting.</b></li> <li>4. <b>The Strategy be considered by the Finance, Assets and Performance Scrutiny Committee and feedback be provided to the Portfolio Holder for One Council, People and Partnerships</b></li> </ol>			
<b><u>Reasons</u></b>			
<ol style="list-style-type: none"> <li>1. The current ICT strategy was implemented as an interim strategy in 2022.</li> <li>2. There is a requirement to amalgamate the ICT and Digital strategies and team into one team – Technology Services.</li> <li>3. A Strategy is required to provide a high-level, clear direction of travel towards the Council vision and objectives.</li> </ol>			

## 1. **Background**

- 1.1 The current ICT strategy was an interim strategy created in 2022. However, since this time, there has been significant change within the ICT and Digital teams. As technology continues to move at pace, it is important that the Council has a clear direction of travel towards the adoption of the latest digital technology and tools in support of the Council plan priorities.
- 1.2 The Council, like many other organisations are becoming increasingly reliant upon Technology to deliver outcomes that meet the needs and requirements of our residents, businesses, and visitors.

## 2. **Issues**

- 2.1 In both the medium and long term, there will be a number of challenges to overcome in ensuring that technology continues to deliver, aid and support the council priorities.
- 2.2 This strategy highlights the need for continued financial investment, whilst at the same time rationalising existing systems and spend to ensure affordability and efficiency. It is important that the council continues to invest in technology, but in a way that is affordable.
- 2.3 It is important for effective governance to be in place to ensure that any decisions regarding future technological advancements are in-line with the corporate Technology Strategy as well as working to support the Council Priorities. This governance will ensure that all opportunities are explored prior to the procurement of new services/solutions, i.e., using existing systems and services.
- 2.4 The strategy also sets out our vision for technology and how the Council will utilise all modern technologies and tools to enable, enhance and redefine how our services are delivered. The strategy also sets out the importance of making it easy and inclusive for residents, promoting online services as the default method of access and supporting the development of digital within the borough. Whilst still ensuring we continue to provide a choice of access for those who do not have access or the skills to use digital technologies.

## 3. **Recommendation**

That:

- 3.1 Cabinet approves the Technology Strategy
- 3.2 Cabinet will review requirements of each project that aims to implement the Technology Strategy on its individual merits and subsequently support any future allocation of resources.
- 3.3 Cabinet receives an action plan for consideration at a future meeting.

- 3.4 The Strategy be considered by the Finance, Assets and Performance Scrutiny Committee and feedback be provided to the Portfolio Holder for One Council, People and Partnerships

#### 4. Reasons

- 4.1 The new Technology Strategy provides a high-level, strategic document detailing how technology will support the delivery of the Council plan priorities in the coming years. It also emphasises the importance of iterative transformation, supported by the allocation of future resources.
- 4.2 To address the highlighted issues, the strategy sets out three Strategic Themes and Actions:
- 4.2.1 **Customer** – Supporting our residents to access the services and information they require online. Whilst ensuring a choice of access for those who are not digitally connected.
  - 4.2.2 **Workforce** – Ensuring our workforce have the digital skills required to deliver services our customers, as effectively and efficiently as possible.
  - 4.2.3 **Infrastructure** – Supporting the enhancement of technological infrastructure within the Borough, with access to high-speed fibre broadband and internet connectivity.
- 4.3 To ensure the delivery of this strategy, an action plan will be developed and provided to Cabinet for consideration at a future meeting.

#### 5. Options Considered

- 5.1 None

#### 6. Legal and Statutory Implications

- 6.1 There is a requirement for our website to be compliant with the Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018. This strategy confirms our ambition for our website to not only be compliant but also rated highly nationally for accessibility.
- 6.2 There is a requirement for everyone responsible for using personal data to follow strict data protection principles, as part of the Data Protection Act 2018. This strategy confirms our commitment to ensuring that we use personal data in accordance with legislation.

#### 7. Equality Impact Assessment

- 7.1 There are no direct equality implications resulting from the adoption of the Technology Strategy.

## 8. Financial and Resource Implications

- 8.1** Whilst there is no direct financial or resource implications in adopting the Technology Strategy, there is a requirement for continued investment in technology initiatives. The financial and resource implications of such initiatives will be documented as part of the specific proposals, supported by the Technology Strategy.
- 8.2** This Strategy has been developed by the existing Technology Services team.

## 9. Major Risks & Mitigation

- 9.1** The council runs a risk to the delivery of operational services where it fails to invest in ICT and modern technologies.
- 9.1.1** This is an identified risk within the Corporate Risk Management system under the ICT Services profile.
- 9.1.2** The council have already taken steps to mitigate this risk with control measures, such as the implementation of a Technology Strategy, Consolidation of hardware and software and One Council transformation programme.
- 9.1.3** The continued investment in technology is a defined action to reduce and mitigate this risk.

## 10. UN Sustainable Development Goals (UNSDG)

- 10.1** The Technology Strategy works to support the Council's commitment to ensuring a sustainable future that leads to improvements within our communities, whilst striving to reduce our own impact on the environment in everything we do.



## 11. Key Decision Information

- 11.1** None



**12. Earlier Cabinet/Committee Resolutions**

12.1 None

**13. List of Appendices**

13.1 Technology Strategy 2023-2028

**14. Background Papers**

14.1 None

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# TECHNOLOGY STRATEGY

2023 - 2028



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## 1. Foreword

The Council recognises the huge technological changes that have taken place over the last few years and how these are rapidly transforming our lives – whether that’s how we shop, travel, work, communicate or eat. It is important therefore that every organisation adopts new ways of working to benefit from these new technologies, and Newcastle-under-Lyme Borough Council is no different.

Alongside this, the Government recently set out their ambition to make the UK [a science and technology superpower](#) and to prioritise economic growth. As a local council, we are focused on unlocking and leading economic growth in our Borough and see technology as a key driver through which to achieve this.

Our new Technology Strategy sets out the Council’s vision for the next five years; outlining how we will use and promote technology to provide high-quality, responsive, and efficient services and opportunities for our residents, businesses, and visitors. Our aim is for the Borough to be recognised as a forward-thinking and innovative place that adopts digital technologies to improve and enhance the lives of our residents and outcomes for our businesses.

The Council will work to further develop our ‘digital first’ approach, in line with the principles of our [One Council](#) programme. Identifying opportunities to improve the equality of services, adapting working practices and further refining our existing digital offer, whilst ensuring that we continue to provide choice of access to residents, businesses, and visitors.

Our 2023-2028 Technology Strategy will also underpin and support the delivery of the council’s vision and four strategic priorities, as part of the [Council Plan 2022 to 2026](#):

- One Council delivering for local people.
- A successful and sustainable growing borough
- Health, active and safe communities
- Town centres for all



**Cllr Simon Tagg**

Leader of the Council



**Martin Hamilton**

Chief Executive

## 2. Commitment

For most, digital technology is an essential part of daily life - whether shopping, banking online or keeping in touch with friends and family. This has changed how people expect to interact with the Council.

To meet these changing expectations, we need to enhance and expand our digital offer across all interactions. Much of this work has already begun, through our One Council programme, which in the last three years has delivered annual savings of one million pounds.

However, we're not stopping here. We need to expand and redefine our online services to make them as simple and user-friendly as possible, ensuring that they provide you with the information you need when you need it.

While many of our residents regularly use digital services in their day-to-day lives, some people do not feel as confident, and we're committed to ensuring that these people are not left behind.

Our new Technology Strategy seeks to build a framework for the council's future service delivery and engagement with customers, using digital technologies.

### 3. Vision

This strategy describes how the council will use modern technologies and digital tools to enable, enhance and redefine how services are delivered to both internal and external customers.

Central to this strategy is tackling the digital divide: the gap between those with access to digital devices, connectivity, and skills, and those without.

Over the last decade, the use of technology has changed dramatically. Large public sector organisations have set a new level of expectation regarding the access, ease of use, availability, and functionality of digital services – and it is now clear that customers expect local government and other public services to meet these same expectations.

Therefore, as an organisation, we need to understand the latest technological changes and how these can benefit our service delivery and overall effectiveness. This change will provide a foundation from which to exploit opportunities such as Artificial Intelligence (AI), Internet of Things (IoT), 5G and Virtual Reality (VR).

This strategy sets out the council's approach to the required changes, along with our vision for a digital first, modern council which will:

- Make it easy and inclusive for residents, businesses, and visitors to access our services 24/7/365.
- Develop easy-to-use, accessible, and inclusive online services, alongside our more traditional methods of access.
- Support opportunities for digital jobs and investment.
- Work with partners to build a digital borough.
- Support business growth through technological advancements and connectivity e.g., fibre broadband, 5G.

To deliver this vision, we will need to ensure technology is embedded and embraced by all service areas across the council and tailored for residents, businesses, and visitors. Whilst it is key that our digital offerings keep pace with new technologies, we must do this in an inclusive way that supports all.

### 4. Where are we?

**Number of residents** – 123,300 (2021 census)

**Annual Website visitors** – 298973 (Nov 2022 to October 2023)

**Monthly active MyAccount users** – 30k active users per month

**Inbound Telephony Calls in last 12 months** – 100k

**Emails** – Over 500k

**Forms submitted online** – 75487 (Nov 2022 to October 2023)

**Online Payments (inc Website, Direct Debit)** – 91% of payments now completed online

**Broadband Connectivity** - 97% of residents have access to Superfast broadband (>=30 Mbps), although only 45% have access to full fibre ([FTTP or FTTH](#)). [ThinkBroadband.com]

## 5. Strategic Themes and Actions

We will do this by focusing on three strategic themes:

### **Residents & Customer**

#### ***What it means:***

- *Supporting our residents, businesses, and visitors to access the services and information they require online. Whilst ensuring we provide a choice of access for those who are not digitally connected.*
- Providing as many services online as possible, so our customers can book, order, report, pay and connect with us digitally.
- Harnessing automation, self-service, and Artificial Intelligence (AI) to support service delivery and efficiency.
- Maintaining a clear understanding our residents, businesses, and visitors and their service requirements.
- Being an accessible and inclusive council.

#### **Aims**

- Improve our digital services so that our residents, visitors, and businesses use them as their preferred method of contacting the Council.
- Develop a single view of the customer by joining our data and systems together.
- Learn from the best public and private sector organisations, ensuring that our services are simple, intuitive, and inclusive.
- Focus the design of digital services on the complete customer journey. Ensuring that from first contact, progress updates and final closure of a case, customers have access to the information they require.
- Develop the customer portal to include as many council services as possible, allowing residents to self-serve.
- Develop the use of technologies such as AI, chatbots and robotics to improve customer service and access.
- Support our residents and businesses to become more digitally aware.
- Ensure that our website is rated highly nationally on the [Sitemorse Index](#) accessibility reports and is compliant with the [Public Sector Bodies \(Websites and Mobile Applications\) Accessibility Regulations 2018](#).



## Workforce

### *What it means:*

- Ensuring our workforce has the digital skills required to deliver services to our customers, as effectively and efficiently as possible, as well as the capacity for continuous learning and adaptation to respond to developments and changes.
- Providing the necessary tools to support the exploitation of data and data-led decision-making.
- Rationalise data and systems to remove duplicity and manual processing.
- Ensuring compliance with the General Data Protection Act 2018 by following the '[Data Protection Principles](#)'
- Support the core themes of our People Strategy by creating an engaged, empowered and developed workforce.

### **Aims**

- Ensure our staff have access to the most appropriate technologies to support their role e.g., laptops, mobile devices, data dashboards, software etc.
- Support our workforce with the digital skills they need to deliver services more efficiently and effectively, working towards becoming a paperless and sustainable organisation.
- Provide staff with the tools to work remotely or in the 'field'.
- Ensure data, information and insight are used to improve services and service delivery.
- Create a culture of agility that allows the council to respond, adapt and harness new technologies to support service delivery.
- Ensure our recruitment and workforce planning processes support the recruitment of a digitally skilled workforce.
- Ensure Councillors have access to appropriate technology that is fit for purpose and supports their role within the community.
- Contribute to the Government's ambition to place the UK at the forefront of technology.

## Infrastructure

### **What it means:**

- *Work to enhance the technological infrastructure within the Borough, supporting access to high-speed fibre broadband and internet connectivity.*
- *Work with partners to develop employment and growth opportunities.*
- *Ensure the security of data and systems through effective cyber-security controls, supporting our compliance with the [General Data Protection Act 2018](#).*

### **Aims**

- Ensure investment in digital infrastructure leads to improved and enhanced customer access and services.
- Support the Government's full-fibre and 5G network connectivity initiatives and programmes, promoting economic growth and development.
- Explore opportunities to integrate technological infrastructure and systems with partners.
- Ensure our infrastructure and IT systems remain fit for purpose and agile to future requirements.
- Implement effective cyber-security controls and defences to provide a safe and secure IT environment.
- Migrate to cloud technologies, decommissioning our IT data centres to realise cost savings and environmental sustainability benefits.
- Utilise the latest technologies across our systems and websites.

## 6. Digital Inclusion

The [UK Digital Inclusion Strategy](#) suggests that there are a number of barriers that can affect people from using digital services, including:

- **Access** – not everyone has the capability to connect to the internet.
- **Skills** – not everyone has the skills to use digital technologies and devices.
- **Trust** – some people lack trust in digital technology, for fear of becoming the victim of cybercrime or not knowing where to start.
- **Motivation** – knowing the reasons why using the internet is a good thing

Digital inclusion is central to our strategy. Whilst we aim for our digital services to become the default and efficient method of access, we understand there is a requirement for us to provide a choice of access for those who do not have the access or skills to use digital technologies.

As an organisation, we will aim to improve confidence, access, and skills by:

- **Design** – designing our systems and websites in line with the Government's [Digital Inclusion checklist](#) ensuring that they are easy-to-use, accessible, and inclusive.
- **Awareness** – presenting all available options to contact the Council, whilst continuing to highlight that our digital services remain the most efficient method of access.
- **Training** – promoting partners and local support groups who offer digital training and support ([Staffordshire Community Learning](#), [Citizens Online](#))
- **Access** – increasing the number of free-to-use computers in key locations, such as council buildings.
- **Connectivity** – enhancing the Borough's connectivity to the internet through the deployment of full-fibre broadband and free Wi-Fi access in Council buildings.

## 7. Cloud Computing

Cloud Computing is the delivery of on-demand delivery of IT resources and infrastructure over the internet. Instead of buying, owning, and maintaining physical data centres and servers, Cloud Computing allows access the latest technology services on a pay-as-you-use basis.

There are many associated benefits of cloud computing:

- **Sustainability** – Reduction in the on-premises energy consumption and physical hardware requirements.
- **Agility** – Quickly and easily access the latest technologies as and when they are released.
- **Elasticity** – Pay for what you use. Allowing you to quickly scale-up and down to meet demand without having to over-provision resources up-front.
- **Cost Savings** – Remove the large up-front costs of purchasing IT hardware, along with the ongoing contracts for electricity, maintenance, air conditioning and security.

Moving away from on-premises infrastructure and towards cloud computing will enable the council to operate at scale, maximise efficiency and drive greater savings and sustainability.

## 8. Cyber Security

Cyber security is a growing risk to both the private and public sector, with the ever-present threat of data loss, hacking, and ransom attacks. This is predominantly due to the large amount of sensitive data and assets of value to cyber criminals and hackers.

It is therefore imperative that the council allocates a proportional amount of resource towards the implementation and maintenance of suitable cyber defence measures to keep cybercriminals at bay. Alongside, regular security testing, auditing, and patching, adherence to the Future Network for Government (previously Public Services Network) standards and reviews of threat detection and protection systems.

## 9. Customer Relationship Management (CRM)

A strong Customer Relationship Management (CRM) platform is the foundation on which to develop a single view of our customers and neighbourhoods, as well as enabling the delivery of complex and varied services to residents.

The key deliverables of the platform include:

- A single, online, easy-to-use 'front door' for interactions with the council, accessible 24 hours a day.
- The ability to check on a request or report and see the progress.
- Operational efficiency and effectiveness through automation and AI.
- Data reporting to support data-led decision-making, improvements, and analysis of performance.
- Consolidation of systems and processes.
- Agility to support future requirements of the council.

The continued development, refinement and review of the councils CRM solution will continue to support the principles of the [One Council](#) programme.

## 10. Future Technology

This strategy highlights the need to continue to invest and move at pace to realise the potential of future technologies, we cannot therefore become complacent. Instead, we will need to continue to:

- Make investments in the latest technology to enable officers to undertake their roles effectively and efficiently.
- Make investments into our Cloud Computing solution to realise cost savings and other efficiencies, such as reductions in carbon footprint.
- Exploit existing investments in technology to realise the full potential. E.g., utilising the full product suite within our Microsoft 365 licensing.
- Identify and realise savings through system rationalisation and efficiency. Alongside, opportunities for joint procurement, where these highlight cost savings or benefits for NuLBC.
- Exploit new technologies to drive efficiency, automation, and innovation e.g., robotics, AI, IoT and VR.
- Promote the importance of strong cyber-security defences and allocate resources accordingly.
- Allocate future funding to continue to develop our technology estate.
- Receive the commitment, engagement and support of all employees and members.

## 11. Governance

Adopting the right technologies, systems, processes, and culture is crucial to not only the success of this strategy, but the wider success of the Council. However, with change and technological advancement comes existential risk. It is therefore essential that the council implements robust governance measures, ensuring that we:

- ✓ Understand the needs of our residents, businesses, visitors, and colleagues.
- ✓ Manage both our business-as-usual operations and complex change programmes carefully.
- ✓ Use resources effectively and efficiently.
- ✓ Invest cautiously, understanding risk vs reward.
- ✓ Prioritise thoughtfully and intuitively.
- ✓ Innovate safely.
- ✓ Remain agile to change.

Our Technology governance arrangements are designed to work alongside the Council's existing committees and working groups, such as Cabinet, 'Finance, Audit and Performance Scrutiny' (FAPS), Information Governance Group, Technology Steering Group alongside regular portfolio holder briefings. These arrangements are intended to set the strategic direction, simplify processes, support cross-departmental collaboration, and prioritise the most important areas of need.

## 12. Summary

This strategy creates a foundation of technological advancements that will allow the council to continue to refine and develop for years to come.

The process of transformation is iterative. It is therefore important that as technology changes and develops, so must this strategy. One thing that should always remain unchanged is that our residents, businesses, and communities remain at the heart of everything we do.

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**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

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

**5<sup>th</sup> December 2023**

**Report Title:** Chatterley Valley West Lucideon Project

**Submitted by:** Deputy Chief Executive

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

**Ward(s) affected:** Bradwell

<b><u>Purpose of the Report</u></b>	<b><u>Key Decision</u> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></b>
To update Cabinet on progress with the Chatterley Valley West project and to seek approval for a full business case review of the potential investment into the Lucideon Advanced Ceramic Campus.	
<b><u>Recommendation</u></b>	
<p><b>That Cabinet:-</b></p> <ol style="list-style-type: none"> <li><b>1. Note the progress made to date on the development of the Chatterley Valley Industrial Park;</b></li> <li><b>2. Receive a further report detailing both the full business case and the evaluation of the full business case, once completed, to enable a decision to be taken regarding future investment in this project.</b></li> </ol>	
<b><u>Reasons</u></b>	
To enable the further development of an Advanced Ceramic Campus on the development at the Chatterley Valley site and to inform the Council's role in this initiative going forward.	

**1. Background**

1.1 Chatterley Valley is located on the Stoke on Trent and Newcastle under Lyme boundary. The area has been identified in both the developing and previous Local Plans as an area of economic growth and it is an area that the two local authorities have worked together over a number of years to bring forward for development. It comprises three distinct sites, two of which are within the Borough boundary in Bradwell Ward. The third site, Goldendale is within Stoke on Trent and is home to the Genesis centre and a number of other small industrial units.

1.2 The sites in the Borough Boundary are:

- i. Land off Lowlands Road, Ravensdale, a 50 acre (21 Ha) site which houses the award winning 'Blue Planet' development that is occupied by JCB.
- ii. Chatterley Valley West, the subject of this report, which is a 100 acre (42 ha) site in the ownership of Harworth Estates Investment Limited located to the west of the Stoke-Manchester railway line and bordered by the A500.

1.3 The sites were all derelict or subject to adverse ground conditions due to past mining or industrial use and some of their reclamation and redevelopment have previously been the subject of significant investment by the former Regional Development Agency in partnership with the two local authorities. However, Chatterley Valley West remained unviable due to ground conditions including that:

- i. The site is topographically challenging, with site levels dropping significantly from the A500 to the railway line and also from North to South;
- ii. It is undermined by shallow former mine workings (particularly in the north of the site), and
- iii. The site is underlain by strategically significant marl reserves, which in the past have presented a major planning hurdle. The mineral authority has now accepted that these do now need to be removed in advance of development.

1.4 The Ceramics Valley Enterprise Zone was one of several Enterprise Zones designated by Government in 2016. The name is primarily a branding device to support promotion of the Zone which targeted a range of industrial sectors in its Strategic Implementation Plan. The Zone comprises six sites in Stoke on Trent and Newcastle including Chatterley Valley West. The designation will run for a period of 25 years (up to 2041) and one of the aims of Enterprise Zone status is to incentivise local authorities to invest in the infrastructure necessary to bring forward the development of land within the Enterprise Zone by allowing it to retain all the business rates arising from the development on the proviso that the retained rates would be used to pay back loans taken out to fund the necessary infrastructure works. The Staffordshire County Council prudential borrowing referenced in paragraph 1.6 below has used this mechanism and will be the first call on business rate receipts received from the site. Subsequent to this, any prudential borrowing by the Borough Council to fund development at Chatterley Valley West will be against future retained business rates from the Enterprise Zone status.

1.5 Due to the substantial challenges in bringing forward development at Chatterley Valley West; and the potential to generate jobs and investment in the local area, Chatterley Valley West was included as a project in the Kidsgrove Town Deal Investment plan. An investment of £3.6 million from Kidsgrove Town Deal has been used to support the costs of constructing a new site access, together with the diversion of a Severn Trent water main.

1.6 As viability issues continued to be a problem for Harworth to make the necessary return of investment (usually 15% in the industrial development sector) to allow the project to go forward Staffordshire County Council also agreed a proposal to meet the remaining £3.5 million viability gap. This is being funded through a combination of prudential borrowing secured against retained business rates arising from the development on the site when it is completed, and a grant of £1.2m from the Stoke-on-Trent and



Staffordshire Local Enterprise Partnership Getting Building Fund. (The site as a whole is expected to accommodate around 1.1 million sq. ft. of industrial, commercial and office floor space).

## 2. Issues

### Development of Chatterley Valley West

#### 2.1 Harworth

2.1.1. The Harworth (the owners and developer of the site) development masterplan proposes to create four development plateaux (See Appendix A), comprising:

- i) Plot A, a site of 23.2 acres, which could accommodate a unit of around 591,000 sq. ft. and which they propose to offer to the market for sale.
- ii) Plot B, a site of 12.2 acres, which could accommodate a unit of around 258,000 sq. ft. which Harworth are considering building out speculatively and then renting out.
- iii) Plot C, a site of 3.9 acres, which has been the subject of discussions between Harworth and the Borough Council with a view to building up to 71,000 sq. ft. of small business units for the Council to own and rent out (subject of a separate Cabinet Report), and
- iv) Plot D, a site of 14.1 acres, on which the Borough Council has been working with Lucideon, a local advanced materials research company, which is known to be looking to expand. Discussions have now progressed with Harworth with a view to building a unit with a 100,000 sq ft footprint to accommodate a HQ building for Lucideon, a construction building, laboratory and testing area and the AMRICC Research building. (of which further below). The size of the Lucideon plot would be 2.3 acres of the overall 14.1 acres available. Harworth is also intending to develop two further units on plot D.

2.1.2 The works on site relating to the Kidsgrove Town Deal investment into Chatterley Valley West (£3.7m) are currently underway, but unfortunately work is currently paused due to the ground works and highways contractor, Buckingham Group, going into administration. The highways works will now be undertaken by a new contractor, AMEY, and they are due to start on site in the Autumn of 2023. The wider ground works, which have been received an investment from Staffordshire County Council, are also paused but a new contractor (separate to the highways works contractor) will also be appointed in the Autumn of 2023 but with works commencing in earnest in the Spring of 2024. Staffordshire County Council have invested £3.5m into the earthworks costs, subsequently subsidised by an LEP grant of £1.2m, leaving the remaining £2.3m to be paid back to Staffordshire County Council through the Enterprise Zone business rates retention until such time as the £2.3m is paid back.

#### 2.2 Lucideon

2.2.1 Lucideon is an international, independent materials technology company that applies its materials expertise in ceramics, metals, and polymers to a range of sectors including healthcare, construction, ceramics, aerospace, nuclear and power generation. Lucideon is the name for the companies formerly known as Ceram in the UK and M+P Labs in the USA. Its history goes back over a century as the Research Technology Organisation for the Ceramics Industry. Lucideon is now a privately owned commercial enterprise that has experienced significant growth in the areas of material development, R&D and characterisation and in particular in the advanced ceramics sector as a result of its long relationship with the industry. Lucideon is an exemplar of North Staffordshire's attempts to diversify and become more knowledge-based economy. It has grown to employ 170 people, the vast majority of which are scientists, engineers and technologists in high-value jobs.

Services Lucideon offers include:

- Development and licensing of technology platforms
- Materials Development – expertise and knowledge coupled with innovation and invention
- Testing & Analysis

2.2.2 Lucideon's mission is '*To help clients overcome the materials challenges their businesses face in a world demanding ever more environmentally-focused application of materials resources and energy.*'

2.2.3 Currently split across sites in Stone and Stoke on Trent Lucideon has been unable to find business accommodation that meets its expansion needs. Its current arrangement and accommodation, particularly its facilities in Penkhull which date back to the 1940s are inefficient to run, do not provide expansion space and are constraining the further growth of the company. The development plot at Chatterley Valley West offers the opportunity to develop suitable designed facilities to accommodate Lucideon's needs and retain high value jobs in the local economy.

## 2.3 AMRICC

2.3.1 Applied Materials Research Innovation Commercialisation Company (AMRICC) is a legacy of the Midlands Industrial Ceramics Group, a federation of universities and private manufacturing companies that had successfully bid for the Government's flagship Strength in Places Fund. AMRICC is a unique centre for research, education and scaling-up advanced materials technologies and advanced ceramics. This is by being a collaborative hub for academics and companies to undertake cutting edge research and development; an education facility to develop the material scientists of the future and an opportunity to commercialise ideas by moving projects from the experimental lab into real world processes. AMRICC was founded on and is designed to be sustained through partnerships with industry, academia and other stakeholders.

## **Council Involvement in this Development**

## 2.4 Construction and Leasing of the Lucideon Advanced Ceramics Facility

- 2.4.1 The Council have been working with both Harworth and Lucideon for several years on how the new facility will be designed, what needs to be included, the financial detail behind these and the purchase and leasing arrangements that would facilitate Lucideon's plans for the site. The Council's involvement in the site has been a key element of both of the Council's Asset Management Plan and Commercial Strategy, which have been approved by Cabinet in the past.
- 2.4.2 It is anticipated that Harworth, once the infrastructure ground works have been completed, would construct the facility to Lucideon's specifications, on a design and build turn-key basis. For over twelve months architects, quantity surveyors and engineers have been working alongside Lucideon to articulate the scope of works from Lucideon for its aspirations for its own Head Quarter Building, its manufacturing building and the research and development building (AMRICC). Originally these were envisaged as three separate buildings all on one site, but due costs and developing building efficiencies these three 'arms' of the development will now sit in one building under one roof. See Appendix B - Lucideon site plan.
- 2.4.3 The design and scope of the total facility is very different to that which Harworth normally build – in effect the facility is a specialist and bespoke development tailored to Lucideon's exacting requirements. To this end the normal business model of Harworth constructing the facility and then selling to Lucideon is not something that Harworth are willing to undertake. As a consequence, the Council has been asked to step in and facilitate the build, completion and eventual lease to Lucideon, due to Lucideon's business model based on the rental, not purchase, of their premises going forward.
- 2.4.4 When the building / new facility, is completed Harworth will sell the entire site (building and land) to Newcastle under Lyme Borough Council, who will then enter into a long-term lease with Lucideon for the whole building. The building will be leased to Lucideon on a full repair and insurance basis, so no further costs will be attributed to the Council. (see finance section below). The business rates retained from Chatterley Valley through the Enterprise Zone mechanism will cover Staffordshire County Council's costs of the financing of the development. The rental income generated will be sufficient to cover costs throughout the lifespan of the building, all be it there be a small contribution will need to be made in the early years.
- 2.4.5 In 2022 the Council submitted a LUF2 Bid to fund the development and had a strong business case but as a Priority 2 Area for the funding round we were not successful in getting the grant accepted into the Programme.
- 2.4.6 An independent review of the Harworth costings for the facility has been undertaken by Ridge and Partners, a national cost consultancy, who have confirmed that the costs represent best value and all costs have been assessed on an open book basis through tendering and latest cost indices. Ridge and Partners are prepared to sign off the design and costs as best value and value for money.
- 2.4.7 An independent review of the business case, reviewing the costs of the build, the tenancy details and agreement with Lucideon will be undertaken as a recommendation of this report and if the business case is favourable a separate report will be brought to Cabinet to seek approval to enter into the various legal agreements.

2.4.8 In summary if the Council is to undertake this investment and development there will need to be several exercises undertaken to help validate / inform the decision to proceed or not:-

- A full financial appraisal of Lucideon as a business
- A full validation of the build costs as presented by Harworth
- Develop and evaluate the full business case for the potential investment and the business rates retention scheme and how that benefits the Council.
- A discussion with the Public Works Loan Board to understand the Council's ability to borrow the money
- To establish the timescales of development and leasing

### **3 Recommendation**

That Cabinet:-

- 3.1 Note the progress made to date on the development of the Chatterley Valley Industrial Park;
- 3.2 Receive a further report detailing both the full business case and the evaluation of the full business case, once completed, to enable a decision to be taken regarding future investment in this project.

### **4 Reasons**

- 4.1 To support the delivery of Council Plan aims, specifically Priority two a successful and Sustainable Growing Borough.
- 4.2 To support delivery of the Chatterley Valley Enterprise Zone as it relates to Chatterley Valley West.
- 4.1 To enable a significant development to take place on this strategically significant employment site within the Borough.
- 4.2 To enable the location of skilled and technical employment within the Borough.
- 4.3 To establish a further site in the Borough that delivers globally significant research and development, enhancing our reputation as a place to do business.
- 4.4 To generate a revenue income for the Council.

### **5 Options Considered**

- 5.1 The Council could opt to not support Harworth in its efforts to bring forward this development plot at Chatterley Valley West and leave it to the open market to deliver a solution. This would not be in line with the principles of the Enterprise Zone mechanism which requires retained business rates to be invested in this site. It would not capitalise on the forerunner investment by Kidsgrove Town Deal and Staffordshire County Council in enabling site access works. The Council has worked with Harworth,

Lucideon and Staffordshire County Council over a number of years to bring forward this development in a viable format.

- 5.2 The Council could opt to focus on delivering other aspects of Chatterley Valley such as the small firms accommodation that is planned for Plot C. That being the case the Council would not capitalise on the opportunity of bringing a considerable number of skilled and technical jobs to the Borough alongside the economic benefits of future growth. The proposed tenant Lucideon would be required to resume its search for a suitable location with the consequential risk that Lucideon relocates outside of the North Staffordshire area. Additionally, the location of Lucideon and AMRICC at Chatterley Valley West has the potential benefit of a 'halo effect' of attracting like-minded businesses to be located close to this exciting development and increasing the prospect of achieving full occupancy of the small firms units at an earlier date.
- 5.3 The option of investing in this planned development at Chatterley Valley West is the option for the reasons set out in this report. It is in line with Council Plan Priority Two, delivers a key strategic employment site that has been vacant for a very long period and fulfils the Council's role within the Ceramics Valley Enterprise Zone whilst supporting the economic growth of the Borough. This is the preferred option.

## **6 Legal and Statutory Implications**

- 6.1 The Council is not obliged to undertake development of Chatterley Valley West but to do so is consistent with the Section 2(1) of the Local Government Act 2000 which permits local authorities to do anything they consider likely to promote or improve the economic, social and environmental well-being of their area. It is also in line with the objective of the Ceramics Valley Enterprise Zone of which the Council is a founding partner and is in line with Council Plan objective two.
- 6.2 The proposal requires the Council to undertake Prudential Borrowing which will be partly repaid using the Enterprise Zone mechanism.
- 6.3 Chatterley Valley West is a designated employment site within the developing and previous Local Plan.
- 6.4 The proposal will require the Council to add this asset to its property estate once the building is complete.
- 6.5 The proposal will require the Council to contract with Harworth for development of the building.
- 6.6 The proposal will require the Council to negotiate terms with Lucideon for occupation of the building.

## **7 Equality Impact Assessment**

- 7.1 As a result of this proposal no differential impacts exist for people with protected characteristics. It will retain existing jobs within North Staffordshire and provide an opportunity for future jobs growth in a former coalfield area.

## **8 Financial and Resource Implications**

- 8.1 Collection of business rates from the developments at Chatterley Valley depends on the schedule for completion of the various units on the site. The most recent estimate is that business rated generated from the commencement of development to the end of the Enterprise Zone status in 2041 is in the region of £40 million.
- 8.2 Significant Prudential borrowing will be required to provide the financial investment to enable development of this large unit for Lucideon. This will be repaid through retained business rates from the Enterprise Zone. In the unlikely event that the development schedule of Chatterley Valley is significantly delayed the rental income from Lucideon's occupation of the building is sufficient to cover borrowing costs.
- 8.3 In line with the agreed Enterprise Zone arrangements, the first call on any business rates received from Chatterley Valley will be the repayment of Staffordshire County Council's £2.3 million investment into the infrastructure works at Chatterley Valley (referenced in 1.6 above) to enable the site to be opened up for development.
- 8.4 Draft Heads of terms are under negotiation with Harworth for a Sale and Purchase agreement in respect of the property and a Development Agreement in respect of the Development.
- 8.5 Draft heads of terms with Lucideon are for an annual rental income as a percentage of of build costs for a period of 25 years. As outlined above the rental income generated will be sufficient to cover costs throughout the lifespan of the building, all be it there be a small contribution will need to be made in the early years.
- 8.6 Ridge and Partners are commissioned as the Council's Quantity Surveyors to assess build cost value for money.
- 8.7 Financial checks on Lucideon being undertaken as part of the due diligence with the Council's Treasury Management Advisors.
- 8.8 Business case will be reviewed and signed off by independent advisor and a separate report confirming this and seeking approval to sign contracts will be brought to Cabinet at separate date, if that is what the business case suggests.

## **9 Major Risks & Mitigation**

- 9.1 The developer Harworth could struggle financially and go into administration or cease the work on site, delaying the completion of the development and putting the finished facility at risk. We are in constant dialogue with Harworth and given the asset base of the group and the continuing work on site. We believe this to be a small risk at this time.
- 9.2 The end user for the facility, Lucideon, could also cease trading and the risk of this will be ever present with a private sector partner. The company is over 100 years old and is at the cutting edge of technology in the advanced ceramic industry so we consider this to be a small risk at this time. Worst case scenario the AMRICC section of the building could continue as it is an industry wide facility whilst we would have to seek a new tenant for the remaining elements of the building.

- 9.3 If we were unable to complete the deal with either Harworth or Lucideon, which would have to be agreed and signed back-to-back to minimise the risk of financial exposure to the Council, then the deal / development would not commence. The Council would then walk away from the development.
- 9.4 Use of the Enterprise Zone retained business rates mechanism will be the first option to repay the prudential borrowing, once the County Council's investment has been re-paid. However, the lease costs are an agreed percentage of the build costs and will cover the borrowing costs over the lifespan of the asset. If the costs of borrowing exceed the lease returns then the Council would not be able to progress the deal until such time that the borrowing costs have reduced at least.
- 9.5 Cost inflation is always a risk on these developments but the aim has been to develop the scheme up to such a design and cost certainty situation that the costs agreed are fixed and the Council has no exposure to cost inflation.
- 9.6 The risk of business rates retention not producing sufficient to cover the borrowing costs is being modelled as part of the ongoing financial assessment of the deal and if this is an issue and the Council are financially exposed then the deal will not proceed.

## 10 UN Sustainable Development Goals (UNSDG)

10.1 The proposal contributes towards the following UNSDGs:

- Goal 4, through AMRICC the development aims to support the development of the advanced materials engineers of the future.
- Goal 7, Some of the developments through AMRICC will support development of reliable, accessible and sustainable energy.
- Goal 8, by providing employment and training opportunities both directly on site and as a result of the AMRICC development.
- Goal 9, fostering innovation through AMRICC that has the potential to benefit a range of industrial sectors in finding more efficient and sustainable ways to work.
- Goal 10 by providing quality jobs and training opportunities to communities in a former coalfield area.



## 11 Key Decision Information

- 11.1 Chatterley Valley is based in the Bradwell Ward but the jobs created could attract workers from the wider area of the Borough and beyond.
- 11.2 This report requires prudential borrowing and capital expenditure that is in excess of the £250,000 level that is defined as a key decision.

## **12 Earlier Cabinet/Committee Resolutions**

- 12.1 19 September 2023 Asset Management Strategy
- 12.2 19 July 2022 Commercial Strategy <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=3979>
- 12.3 12 January 2022 Chatterley Valley <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=3433>
- 12.4 11 November 2020 Kidsgrove Town Investment Plan <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=3421>
- 12.5 10 February 2016 Designation of the Ceramic Valley Enterprise Zone <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=2569>

## **13 List of Appendices**

- 13.1 Appendix A – Chatterley Valley Master Plan
- 13.2 Appendix B – Lucideon Development Site Plan

## **14 Background Papers**

14.1 Overview of recent Chatterley Valley West planning history:

- 08/00736/OUT Hybrid application, granted July 2019
- 19/00846/OUT removal and variation of conditions, granted January 2020
- 21/00595/FUL removal and variation of conditions granted September 2021.
- 23/00220/REM Reserved matters application for plot D1.

14.2 Ceramics Valley Enterprise Zone brochure

14.3 Kidsgrove Town Deal Town Investment Plan <https://www.newcastle-staffs.gov.uk/kidsgrove-town-deal-3/kidsgrove-town-deal>

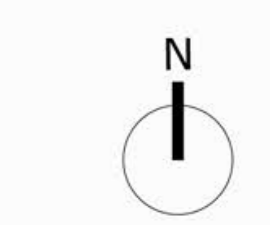
14.4 Lucideon website <https://www.lucideon.com/our-company>

14.5 AMRICC website <https://www.amricc.com/>



**NOTES:**

- If this drawing has been received electronically it is the recipient's responsibility to print the document to the correct scale.
- All dimensions are in millimetres unless stated otherwise. It is recommended that information is not scaled off this drawing.
- This drawing should be read in conjunction with all other relevant drawings and specifications.



**Key**

- Ownership Boundary
- Planning Boundary
- Extent of Indicative Plateau
- Retaining Wall
- Existing Public Footpath
- Proposed Cycle Route
- Proposed Footpath Diversion



**SCHEDULE OF ACCOMMODATION**

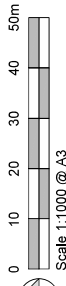
PLOT A	
<b>Unit A</b>	sq m sq ft
Warehouse	: 52,200 561,876
Offices (Ground & 1st 5%)	: 2,784 29,967
<b>TOTAL (GIA)</b>	<b>: 54,984 591,843</b>
Car Parking	: 513 (inc 22 dis')
Dock Levellers	: 50
Level Access	: 4
HGV Parking	: 122 (inc 54 loading)
<b>Plot Area</b>	<b>: 9.4 Ha 23.2 Acres</b>
<b>Plot Density</b>	<b>: 58.2%</b>
PLOT B	
<b>Unit B</b>	sq m sq ft
Warehouse	: 22,815 245,579
Offices (Ground & 1st 5%)	: 1,170 12,594
<b>TOTAL (GIA)</b>	<b>: 23,985 258,172</b>
Car Parking	: 245 (inc 15 dis')
Dock Levellers	: 26
Level Access	: 5
HGV Parking	: 66 (inc 31 loading)
<b>Plot Area</b>	<b>: 4.9 Ha 12.2 Acres</b>
<b>Plot Density</b>	<b>: 48.5%</b>
PLOT C	
<b>Unit C1-3 (Over 3 Units)</b>	sq m sq ft
Warehouse	: 1,872 20,150
Offices (1st)	: 504 5,425
<b>TOTAL (GIA)</b>	<b>: 2,376 25,575</b>
HGV Loading	: 6
Parking	: 15 (inc 3 dis')
<b>Unit C4-5 (Over 2 Units)</b>	sq m sq ft
Warehouse	: 1,548 16,663
Offices (1st)	: 396 4,263
<b>TOTAL (GIA)</b>	<b>: 1,944 20,925</b>
HGV Loading	: 4
Parking	: 14 (inc 2 dis')
<b>Unit C6-7 (Over 2 Units)</b>	sq m sq ft
Warehouse	: 1,168 12,572
Offices (1st)	: 472 5,081
<b>TOTAL (GIA)</b>	<b>: 1,640 17,653</b>
HGV Loading	: 4
Parking	: 8 (inc 2 dis')
PLOT C Continued	
<b>Unit C8-9 (Over 2 Units)</b>	sq m sq ft
Warehouse	: 1,368 14,725
Offices (1st)	: 360 3,875
<b>TOTAL (GIA)</b>	<b>: 1,728 18,600</b>
HGV Loading	: 4
Parking	: 12 (inc 2 dis')
Shared Parking	: 53
<b>Plot Area</b>	<b>: 1.57 Ha 3.9 Acres</b>
<b>Plot Density</b>	<b>: 48.7%</b>
PLOT D	
<b>Unit D1</b>	sq m sq ft
Warehouse	: 6,588 70,913
Office (Ground & 1st 5%)	: 336 3,617
<b>TOTAL (GIA)</b>	<b>: 6,924 74,529</b>
Car Parking	: 67 (inc 4 dis')
HGV Loading	: 10
Level Access	: 4
HGV Parking	: 29 (inc 14 loading)
<b>Unit D2</b>	sq m sq ft
Warehouse	: 5,984 64,411
Office (Ground & 1st 5%)	: 320 3,444
<b>TOTAL (GIA)</b>	<b>: 6,304 67,856</b>
Car Parking	: 54 (inc 3 dis')
Dock Levellers	: 10
Level Access	: 4
HGV Parking	: 14 (inc 14 loading)
<b>Unit D3</b>	sq m sq ft
Warehouse	: 8,776 94,464
Office (Ground & 1st 5%)	: 448 4,822
<b>TOTAL (GIA)</b>	<b>: 9,224 99,286</b>
Car Parking	: 90 (inc 8 dis')
Dock Levellers	: 20
Level Access	: 4
HGV Parking	: 24 (inc 24 loading)
<b>Plot Area</b>	<b>: 5.7 Ha 14.1 Acres</b>
<b>Plot Density</b>	<b>: 40.8%</b>
<b>TOTAL Overall Warehouse</b>	<b>: 102,319 1,101,353</b>
<b>TOTAL Overall Offices</b>	<b>: 6,790 73,087</b>
<b>TOTAL Overall (GIA)</b>	<b>: 109,109 1,174,440</b>
<b>Total Ownership Area</b>	<b>: 43 Ha 106.3 Acres</b>
<b>Ownership Density</b>	<b>: 25.3%</b>

Illustrative Proposed Site Plan  
 (Scale 1:1250)

P03	SH	KB	DC	15/01/21
Plot B Car Park updated				
P02	EM	KB	DC	27/11/20
Road through site updated				
P01	EM	KB	DC	12/11/20
First Issue				
Rev	Drawn By:	Checked By:	Approved By:	Date:
Amendments				
Project: Chatterley Valley				
Title: Proposed Site Plan Option A				
Drawing Number:				
Identification / Location:				
CHAT	BED	ST	ZZ	DR
A	0004			
Rev Description	Status Code	Model Ref	Rev No:	
Preliminary	SL	N/A	P03	
Scale:	Sheet:	Discipline:	BED Project Number:	
1:1250	A0	Architecture	NWK 190074	
Client:				

**Harworth**  
**BE**  
 DESIGN

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**NOTES** AEWTP02BC

- All dimensions and levels are to be checked on site.
- Any discrepancies are to be reported to the architect before any work commences.
- This drawing shall not be reproduced without express written permission from AEW.
- Any work shall be carried out in accordance with the latest editions of all relevant codes of practice and standards.
- All work is to be undertaken in accordance with Building Regulations and local planning authorities. Any necessary consents shall be obtained before any work commences.
- Any work is to be carried out in accordance with the recommendations of the architect.

**CDM 2015**

Client: **CDM 2015**

CDM 2015 duties:

- Client: To ensure that the project is managed in accordance with the CDM 2015 regulations.
- Designer: To ensure that the design complies with the CDM 2015 regulations.
- Contractor: To ensure that the construction complies with the CDM 2015 regulations.

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CDM 2015

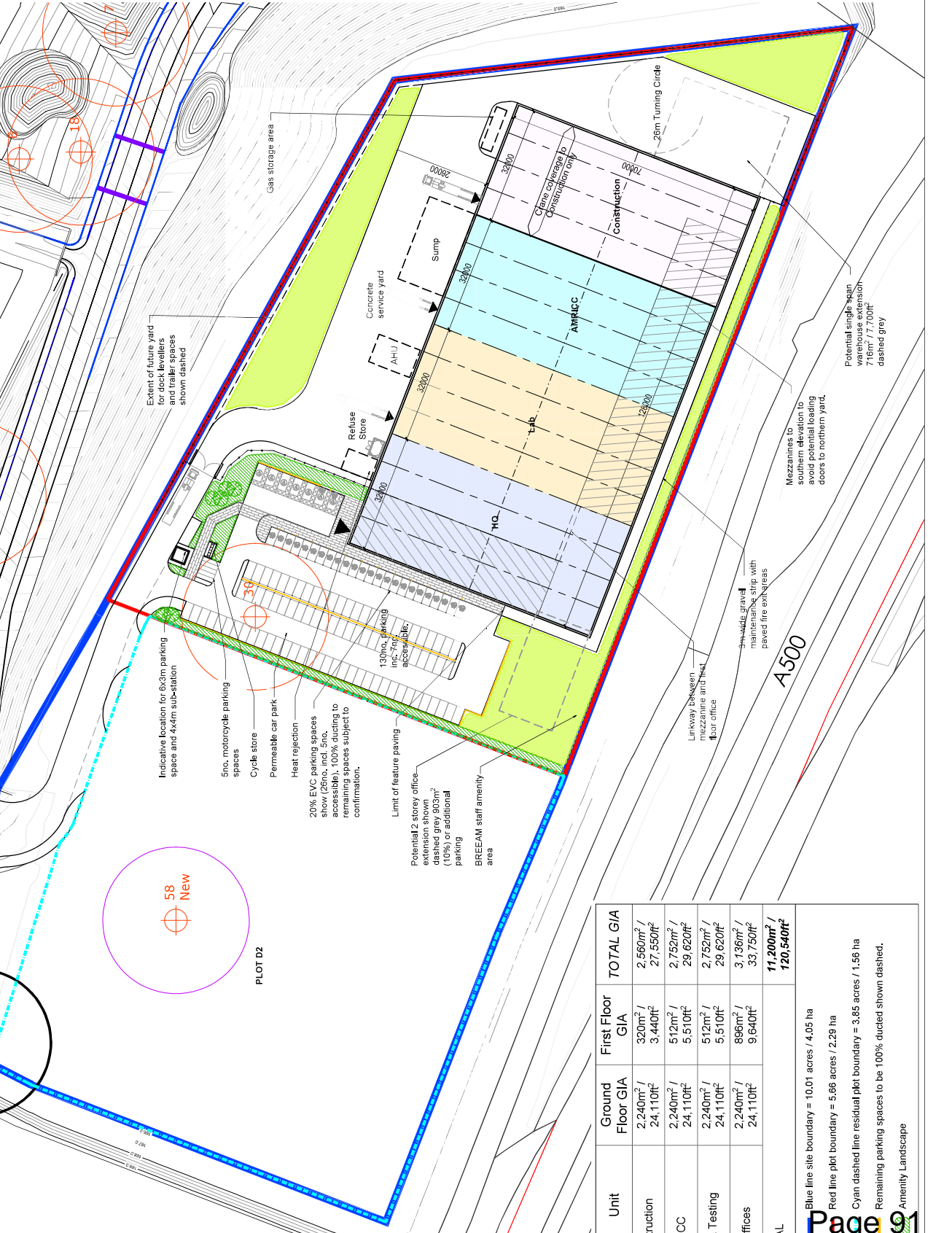
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Unit	Ground Floor GIA	First Floor GIA	TOTAL GIA
Construction	2,240m <sup>2</sup> / 24,110ft <sup>2</sup>	320m <sup>2</sup> / 3,440ft <sup>2</sup>	2,560m <sup>2</sup> / 27,550ft <sup>2</sup>
AMRICC	2,240m <sup>2</sup> / 24,110ft <sup>2</sup>	512m <sup>2</sup> / 5,510ft <sup>2</sup>	2,752m <sup>2</sup> / 29,620ft <sup>2</sup>
Lab & Testing	2,240m <sup>2</sup> / 24,110ft <sup>2</sup>	512m <sup>2</sup> / 5,510ft <sup>2</sup>	2,752m <sup>2</sup> / 29,620ft <sup>2</sup>
HQ Offices	2,240m <sup>2</sup> / 24,110ft <sup>2</sup>	896m <sup>2</sup> / 9,640ft <sup>2</sup>	3,136m <sup>2</sup> / 33,750ft <sup>2</sup>
<b>TOTAL</b>	<b>2,240m<sup>2</sup> / 24,110ft<sup>2</sup></b>	<b>11,200m<sup>2</sup> / 120,540ft<sup>2</sup></b>	

Blue line site boundary = 10.01 acres / 4.05 ha  
 Red line plot boundary = 5.66 acres / 2.29 ha  
 Cyan dashed line residual plot boundary = 3.85 acres / 1.56 ha  
 Remaining parking spaces to be 100% ducted shown dashed.  
 Amenity Landscape

**Page 91**

Harworth Group  
 Lichfield  
 Plot D2-D4  
 Chatterley Valley

Proposed Site Plan

Rev: 05/2022  
 Date: 11/2022  
 Rev: 05/2022  
 Date: 11/2022  
 Rev: 05/2022  
 Date: 11/2022

AEW Reference Number: 12981-AEW-SI-XL-DR-A-0004

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**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S  
REPORT TO CABINET**

**5<sup>th</sup> December 2023**

**Report Title:** Chatterley Valley West Plot C Industrial Unit Investment

**Submitted by:** Deputy Chief Executive

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

**Ward(s) affected:** Bradwell

<b><u>Purpose of the Report</u></b>	<b><u>Key Decision</u></b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
To update Cabinet on progress with the Chatterley Valley West project and to seek approval for a full business case review of the potential investment into small industrial units on Plot C of the development, from Harworth, the developers of the site.	
<b><u>Recommendation</u></b>	
That Cabinet:-	
<ol style="list-style-type: none"> <li>1. Note the progress made to date on the development of the Chatterley Valley Industrial Park;</li> <li>2. Receive a further report detailing both the full business case and the evaluation of the full business case, once completed, to enable a decision to be taken regarding future investment in this project.</li> </ol>	
<b><u>Reasons</u></b>	
To ensure the successful development of the Chatterley Valley West site whilst helping to secure and create up to 1700 jobs, this proposal is in line with the Council's objective of creating a successful and sustainable growing Borough.	

**1. Background**

1.1 Chatterley Valley is located on the Stoke on Trent and Newcastle under Lyme boundary. The area has been identified in both the developing and previous Local Plans as an area of economic growth and it is an area that the two local authorities have worked together over a number of years to bring forward for development. It comprises three distinct sites, two of which are within the Borough boundary in Bradwell Ward. The third site, Goldendale is within Stoke on Trent and is home to the Genesis centre and a number of other small industrial units.

1.2 The sites in the Borough Boundary are:

- i. Land off Lowlands Road, Ravensdale, a 50 acre (21 Ha) site which houses the award winning 'Blue Planet' development that is occupied by JCB.
  - ii. Chatterley Valley West, the subject of this report, which is a 100 acre (42 ha) site in the ownership of Harworth Estates Investment Limited located to the west of the Stoke-Manchester railway line and bordered by the A500.
- 1.3 The sites were all derelict or subject to adverse ground conditions due to past mining or industrial use and some of their reclamation and redevelopment have previously been the subject of significant investment by the former Regional Development Agency in partnership with the two local authorities. However, Chatterley Valley West remained unviable due to ground conditions including that:
  - i. The site is topographically challenging, with site levels dropping significantly from the A500 to the railway line and also from North to South;
  - ii. It is undermined by shallow former mine workings (particularly in the north of the site), and
  - iii. The site is underlain by strategically significant marl reserves, which in the past have presented a major planning hurdle. The mineral authority has now accepted that these do now need to be removed in advance of development.
- 1.4 The Ceramics Valley Enterprise Zone was one of several Enterprise Zones designated by Government in 2016. The name is primarily a branding device to support promotion of the Zone which targeted a range of industrial sectors in its Strategic Implementation Plan. The Zone comprises six sites in Stoke on Trent and Newcastle including Chatterley Valley West. The designation will run for a period of 25 years (up to 2041) and one of the aims of Enterprise Zone status is to incentivise local authorities to invest in the infrastructure necessary to bring forward the development of land within the Enterprise Zone by allowing it to retain all the business rates arising from the development on the proviso that the retained rates would be used to pay back loans taken out to fund the necessary infrastructure works. The Staffordshire County Council prudential borrowing referenced in paragraph 1.6 below has used this mechanism and will be the first call on business rate receipts received from the site. Subsequent to this, any prudential borrowing by the Borough Council to fund development at Chatterley Valley West will be against future retained business rates from the Enterprise Zone status.
- 1.5 Due to the substantial challenges in bringing forward development at Chatterley Valley West; and the potential to generate jobs and investment in the local area, Chatterley Valley West was included as a project in the Kidsgrove Town Deal Investment plan. An investment of £3.6 million from Kidsgrove Town Deal has been used to support the costs of constructing a new site access, together with the diversion of a Severn Trent water main.
- 1.6 As viability issues continued to be a problem for Harworth to make the necessary return of investment (usually 15% in the industrial development sector) to allow the project to go forward Staffordshire County Council also agreed a proposal to meet the remaining £3.5 million viability gap. This is being funded through a combination of prudential borrowing secured against retained business rates arising from the development on the site when it is completed, and a grant of £1.2m from the Stoke-on-Trent and Staffordshire Local Enterprise Partnership Getting Building Fund. (The site as a whole is expected to accommodate around 1.1 million sq. ft. of industrial, commercial and office floor space).

## **2. Issues**

### **Development of Chatterley Valley West**

#### **2.1 Harworth**

2.1.1 The Harworth (the owners and developer of the site) development masterplan proposes to create four development plateaux (see Appendix A), comprising:

- i) Plot A, a site of 23.2 acres, which could accommodate a unit of around 591,000 sq. ft. and which they propose to offer to the market for sale.
- ii) Plot B, a site of 12.2 acres, which could accommodate a unit of around 258,000 sq. ft. which Harworth are considering building out speculatively and then renting out
- iii) Plot C, a site of 3.9 acres, which has been the subject of discussions between Harworth and the Borough Council with a view to building up to 78,000 sq. ft. of small business units for the Council to own and rent out (subject of this Cabinet Report), and
- iv) Plot D, a site of 14.1 acres, to which the Borough Council has introduced Lucideon, a local advanced materials research company, which is known to be looking to expand. Discussions have now progressed with Harworth with a view to building a unit with a 100,000 sq ft footprint to accommodate a HQ building for Lucideon, a construction building, laboratory and testing area and the AMRICC Research building. This development is the subject of a separate Cabinet report. The size of the Lucideon plot would be 2.3 acres of the overall 14.1 acres available. Harworth is also intending to develop two further units on plot D.

2.1.2 The works on site relating to the Kidsgrove Town Deal investment into Chatterley Valley West (£3.7m) are currently underway, but unfortunately work is currently paused due to the ground works and highways contractor, Buckingham Group, going into administration. The highways works will now be undertaken by a new contractor, AMEY, and they are due to start on site in the Autumn of 2023. The wider ground works, which have been received an investment from Staffordshire County Council, are also paused but a new contractor (separate to the highways works contractor) will also be appointed in the Autumn of 2023 but with works commencing in earnest in the Spring of 2024. Staffordshire County Council have invested £3.5m into the earthworks costs, subsequently subsidised by an LEP grant of £1.2m, leaving the remaining £2.3m to be paid back to Staffordshire County Council through the Enterprise Zone business rates retention until such time as the £2.3m is paid back.

### **Council Involvement in this Development**

#### **2.2 Plot C Industrial Units**

2.2.1 The Council, subject to a separate approval at Cabinet on the 5<sup>th</sup> December 2023, will be seeking approval to undertake a full review of the business case for the investment

in a large industrial unit on behalf of Lucideon, an advanced ceramics manufacturing and research facility. Upon review of the business plan a separate report will be taken to Cabinet to approve the investment if it is deemed acceptable and appropriate.

- 2.2.2 If agreed to proceed the unit will be constructed by Harworth on a design and build turn-key basis and with back-to-back legal agreements for the construction of the facility and the lease of the completed facility which will be signed to allow construction to commence with a guaranteed tenancy arranged – to mitigate the risk of the facility not being occupied yet built to a specific end user's requirements.
- 2.2.3 One of the elements within the new large Lucideon facility is a new industry wide advances ceramics research and development unit (AMRICC) which will house and host research into new techniques etc that will drive this industry forward. This element of the build is being supported at a nation level.
- 2.2.4 In addition to the facility it is anticipated that some smaller associated businesses may wish to re-locate / establish themselves alongside / near to the new Lucideon facility.
- 2.2.5 To this end there is a small plot of land at the front of the overall site, identified as Plot C in Appendix B, which is being made available to the Council by Harworth, for the development of a small-scale business park that would support the advanced ceramic campus and benefit from the growth in this sector. This is in line with the Council's objectives of supporting employment growth in the Borough and its commercial aspirations.
- 2.2.6 It is envisaged, as set out in Appendix B, that three separate units will be created, 20,000 sqft, 25,000 sqft and 31,000 sqft, which can all be sub divided into smaller units should the market require that. Currently we are basing the unit sizes on market intelligence and have confidence that this size of unit is attractive to the market in terms of size and value.
- 2.2.7 As we have done with the main Lucideon development we have been working with Harworth on the design and costs of the units. The units would be constructed on a design and build basis, but leaving the fit out to the end users, as is the norm with similar units. Upon completion of the works the Council would purchase the units from Harworth at an agreed cost (agreed prior to construction starting which would include the land value) and then lease to end users.
- 2.2.8 An independent review of the Harworth costings for the units has been undertaken by Ridge and Partners, a national cost consultancy, who have confirmed that the cost's represent best value and all costs have been assessed on an open book basis through tendering and latest cost indices. Ridge and Partners are prepared to sign off the design and costs as best value and value for money.
- 2.2.9 An independent review of the business case, reviewing the costs of the build, the potential tenancy and agreements the Council could secure will be undertaken as a recommendation of this report and if the business case is favourable a separate report will be brought to Cabinet to seek approval to enter into the various legal agreements.
- 2.2.10 As soon as the agreements are reached and certainty or delivered is ensured the Council can then begin to market the units for lease, utilising the contacts at both Harworth and Lucideon.



2.2.11 In summary if the Council is to undertake this investment and development there will need to be several exercises undertaken to help validate / inform the decision to proceed or not:-

- A full validation of the build costs as presented by Harworth
- Develop and evaluate the full business case for the potential investment and the business rates retention scheme and how that benefits the Council.
- A discussion with the Public Works Loan Board to understand the Council's ability to borrow the money
- To establish the timescales of development and leasing

### **3 Recommendation**

That Cabinet:-

- 3.1 Note the progress made to date on the development of the Chatterley Valley Industrial Park;
- 3.2 Receive a further report detailing both the full business case and the evaluation of the full business case, once completed, to enable a decision to be taken regarding future investment in this project.

### **4 Reasons**

- 4.1 To support the delivery of Council Plan aims, specifically Priority two a successful and Sustainable Growing Borough.
- 4.2 To support delivery of the Chatterley Valley Enterprise Zone as it relates to Chatterley Valley West and maximise the opportunity generated from the retention of business rate receipts through escalating development on the site.
- 4.3 To enable a significant development to take place on this strategically significant employment site within the Borough.
- 4.4 To enable the location of skilled and technical employment within the Borough.
- 4.5 To establish a further site in the Borough that delivers globally significant research and development, enhancing our reputation as a place to do business.
- 4.6 To generate a revenue income for the Council in line the detail set out at section 8.4 below.

### **5 Options Considered**

- 5.1 The Council could opt to not support Harworth in its efforts to bring forward this development plot at Chatterley Valley West and leave it to the open market to deliver a solution. This would not be in line with the principles of the Enterprise Zone mechanism which requires retained business rates to be invested in this site. It would not capitalise on the forerunner investment by Kidsgrove Town Deal and Staffordshire County Council in enabling site access works. The Council has worked with Harworth

and Staffordshire County Council over a number of years to bring forward this development in a viable format.

- 5.2 The Council could opt to focus on delivering other aspects of Chatterley valley such as the larger development plot, which is the focus of a separate report, that is intended to be the home of Lucideon / AMRICC . That being the case the Council would not benefit from the opportunity of capitalising on that development to bring further jobs through the potential 'halo effect' benefit of attracting like-minded businesses to be located on this exciting development.
- 5.3 The option of investing in this planned development at Chatterley valley West is the option for the reasons set out in this report. It is in line with Council Plan Priority Two, delivers a key strategic employment site that has been vacant for a very long period and fulfils the Council's role within the Ceramics Valley Enterprise Zone whilst supporting the economic growth of the Borough. This is the preferred option.

## **6 Legal and Statutory Implications**

- 6.1 The Council is not obliged to undertake development of Chatterley Valley West but to do so is consistent with the Section 2(1) of the Local Government Act 2000 which permits local authorities to do anything they consider likely to promote or improve the economic, social and environmental well-being of their area. It is also in line with the objective of the Ceramics valley Enterprise Zone of which the Council is a founding partner and is in line with Council Plan objective two.
- 6.2 The proposal requires the Council to undertake Prudential Borrowing which will be repaid using the Enterprise Zone mechanism.
- 6.3 Chatterley Valley West is a designated employment site within the current and previous Local Plan.
- 6.4 The proposal will require the Council to add these assets to its property estate once the units are complete.
- 6.5 The proposal will require the Council to contract with Harworth for development of the building.
- 6.6 The proposal will require the Council to negotiate terms with future end occupiers for occupation of the units once built.

## **7 Equality Impact Assessment**

- 7.1 As a result of this proposal no differential impacts exist for people with protected characteristics. It will retain existing jobs within North Staffordshire and provide an opportunity for future jobs growth in a former coalfield area.

## **8 Financial and Resource Implications**

- 8.1 At this stage plans are being developed with a view to bringing a business case to a future Cabinet. The cost of building the scheme have been developed at circa £11m.

- 8.2 Collection of business rates from the developments at Chatterley Valley depends on the schedule for completion of the various units on the site. The most recent estimate is that business rated generated from the commencement of development to the end of the Enterprise Zone status in 2041 is in the region of £40 million.
- 8.3 Prudential borrowing would be required to provide the financial investment to enable development of the units at Plot C. This will be repaid through the retained business rates from the Enterprise Zone. In line with the agreed Enterprise Zone arrangements, the first call on any business rates received from Chatterley Valley will be the repayment of Staffordshire County Council's £2.3 million investment into the infrastructure works at Chatterley Valley (referenced in 1.6 above) to enable the site to be opened up for development. Following this the Council will then be able to access the retained business rate element.
- 8.4 Based on a development of 78,000 sq ft and rental rates of comparable units then, when fully let an assumed rental income of over £700,000 pa could be generated. As new units on an exciting new development it is anticipated that rental levels would be at the upper end of those currently on offer to the market.
- 8.5 Ridge and Partners are commissioned as the Council's Quantity Surveyors to review and sign off the value for money aspects of the built costs.
- 8.6 Financial checks on Lucideon being undertaken by NuLBC as part of the due diligence.
- 8.7 The business case will be reviewed and signed off by independent advisor and a separate report confirming this and seeking approval to sign contracts will be brought to Cabinet at separate date, if that is what the business case suggests.

## **9 Major Risks & Mitigation**

- 9.1 The developer Harworth could struggle financially and go into administration or cease the work on site, delaying the completion of the development and putting the finished facility at risk. We are in constant dialogue with Harworth and given the asset base of the group and the continuing work on site. We believe this to be a small risk at this time.
- 9.2 If we were unable to complete the deal with Harworth then the deal / development would not commence. The Council would then walk away from the development.
- 9.3 Prudential borrowing could put a strain on Council. If the costs of borrowing the capital costs exceed the lease returns then the Council would not be able to progress the deal until such time that the borrowing costs have reduced at least. However, the Council is able to access retained business rates from the development as a means of paying back investment into the site.
- 9.4 Cost inflation is always a risk on these developments but the aim has been to develop the scheme up to such a design and cost certainty situation that the costs agreed are fixed and the Council has no exposure to cost inflation.
- 9.5 The risk of business rates retention not producing sufficient to cover the borrowing costs is being modelled as part of the ongoing financial assessment of the deal and if this is an issue and the Council are financially exposed then the deal will not proceed.

- 9.6 There is a risk that the units would not be leased in a timely manner but robust marketing of the units will need to be undertaken and measures ensured to limit or minimise empty building business rates would need to be reviewed and actioned.

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

10.1 The proposal contributes towards the following UNSDGs:

- Goal 8 by providing decent work and economic growth
- Goal 10 by providing quality jobs and training opportunities to communities in a former coalfield area.



## **11 Key Decision Information**

11.1 Chatterley Valley is based in the Bradwell Ward but the jobs created could attract workers from the wider area of the Borough and beyond.

11.2 This report requires prudential borrowing and capital expenditure that is in excess of the £250,000 level that is defined as a key decision.

## **12 Earlier Cabinet/Committee Resolutions**

12.1 19 July 2022 Commercial Strategy <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=3979>

12.2 12 January 2022 Chatterley Valley <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=3433>

12.3 11 November 2020 Kidsgrove Town Investment Plan <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=3421>

12.4 10 February 2016 Designation of the Ceramic Valley Enterprise Zone <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=118&MId=2569>

## **13 List of Appendices**

13.1 Appendix A – Chatterley Valley Masterplan

13.2 Appendix B – Chatterley Valley Plot C Indicative Site Layout

## **14 Background Papers**

#### 14.1 Overview of recent Chatterley Valley West planning history:

- 08/00736/OUT Hybrid application, granted July 2019
- 19/00846/OUT removal and variation of conditions, granted January 2020
- 21/00595/FUL removal and variation of conditions granted September 2021.
- 23/00220/REM Reserved matters application for plot D1.

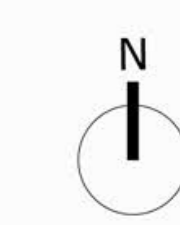
#### 14.2 Ceramics Valley Enterprise Zone brochure

14.3 Kidsgrove Town Deal Town Investment Plan <https://www.newcastle-staffs.gov.uk/kidsgrove-town-deal-3/kidsgrove-town-deal>

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**NOTES:**

- If this drawing has been received electronically it is the recipient's responsibility to print the document to the correct scale.
- All dimensions are in millimetres unless stated otherwise. It is recommended that information is not scaled off this drawing.
- This drawing should be read in conjunction with all other relevant drawings and specifications.



**Key**

- Ownership Boundary
- Planning Boundary
- Extent of Indicative Plateau
- Retaining Wall
- Existing Public Footpath
- Proposed Cycle Route
- Proposed Footpath Diversion



**SCHEDULE OF ACCOMMODATION**

PLOT A	
<b>Unit A</b>	sq m sq ft
Warehouse	: 52,200 561,876
Offices (Ground & 1st 5%)	: 2,784 29,967
<b>TOTAL (GIA)</b>	<b>: 54,984 591,843</b>
Car Parking	: 513 (inc 22 dis')
Dock Levellers	: 50
Level Access	: 4
HGV Parking	: 122 (inc 54 loading)
<b>Plot Area</b>	<b>: 9.4 Ha 23.2 Acres</b>
<b>Plot Density</b>	<b>: 58.2%</b>
PLOT B	
<b>Unit B</b>	sq m sq ft
Warehouse	: 22,815 245,579
Offices (Ground & 1st 5%)	: 1,170 12,594
<b>TOTAL (GIA)</b>	<b>: 23,985 258,172</b>
Car Parking	: 245 (inc 15 dis')
Dock Levellers	: 26
Level Access	: 5
HGV Parking	: 66 (inc 31 loading)
<b>Plot Area</b>	<b>: 4.9 Ha 12.2 Acres</b>
<b>Plot Density</b>	<b>: 48.5%</b>
PLOT C	
<b>Unit C1-3 (Over 3 Units)</b>	sq m sq ft
Warehouse	: 1,872 20,150
Offices (1st)	: 504 5,425
<b>TOTAL (GIA)</b>	<b>: 2,376 25,575</b>
HGV Loading	: 6
Parking	: 15 (inc 3 dis')
<b>Unit C4-5 (Over 2 Units)</b>	sq m sq ft
Warehouse	: 1,548 16,663
Offices (1st)	: 396 4,263
<b>TOTAL (GIA)</b>	<b>: 1,944 20,925</b>
HGV Loading	: 4
Parking	: 14 (inc 2 dis')
<b>Unit C6-7 (Over 2 Units)</b>	sq m sq ft
Warehouse	: 1,168 12,572
Offices (1st)	: 472 5,081
<b>TOTAL (GIA)</b>	<b>: 1,640 17,653</b>
HGV Loading	: 4
Parking	: 8 (inc 2 dis')
PLOT C Continued	
<b>Unit C8-9 (Over 2 Units)</b>	sq m sq ft
Warehouse	: 1,368 14,725
Offices (1st)	: 360 3,875
<b>TOTAL (GIA)</b>	<b>: 1,728 18,600</b>
HGV Loading	: 4
Parking	: 12 (inc 2 dis')
Shared Parking	: 53
<b>Plot Area</b>	<b>: 1.57 Ha 3.9 Acres</b>
<b>Plot Density</b>	<b>: 48.7%</b>
PLOT D	
<b>Unit D1</b>	sq m sq ft
Warehouse	: 6,588 70,913
Office (Ground & 1st 5%)	: 336 3,617
<b>TOTAL (GIA)</b>	<b>: 6,924 74,529</b>
Car Parking	: 67 (inc 4 dis')
HGV Loading	: 10
Level Access	: 4
HGV Parking	: 29 (inc 14 loading)
<b>Unit D2</b>	sq m sq ft
Warehouse	: 5,984 64,411
Office (Ground & 1st 5%)	: 320 3,444
<b>TOTAL (GIA)</b>	<b>: 6,304 67,856</b>
Car Parking	: 54 (inc 3 dis')
Dock Levellers	: 10
Level Access	: 4
HGV Parking	: 14 (inc 14 loading)
<b>Unit D3</b>	sq m sq ft
Warehouse	: 8,776 94,464
Office (Ground & 1st 5%)	: 448 4,822
<b>TOTAL (GIA)</b>	<b>: 9,224 99,286</b>
Car Parking	: 90 (inc 8 dis')
Dock Levellers	: 20
Level Access	: 4
HGV Parking	: 24 (inc 24 loading)
<b>Plot Area</b>	<b>: 5.7 Ha 14.1 Acres</b>
<b>Plot Density</b>	<b>: 40.8%</b>
<b>TOTAL Overall Warehouse</b>	<b>: 102,319 1,101,353</b>
<b>TOTAL Overall Offices</b>	<b>: 6,790 73,087</b>
<b>TOTAL Overall (GIA)</b>	<b>: 109,109 1,174,440</b>
<b>Total Ownership Area</b>	<b>: 43 Ha 106.3 Acres</b>
<b>Ownership Density</b>	<b>: 25.3%</b>

Illustrative Proposed Site Plan  
 (Scale 1:1250)

P03	SH	KB	DC	15/01/21
Plot B Car Park updated				
P02	EM	KB	DC	27/11/20
Road through site updated				
P01	EM	KB	DC	12/11/20
First Issue				

Rev	Drawn By:	Checked By:	Approved By:	Date:
Amendments				

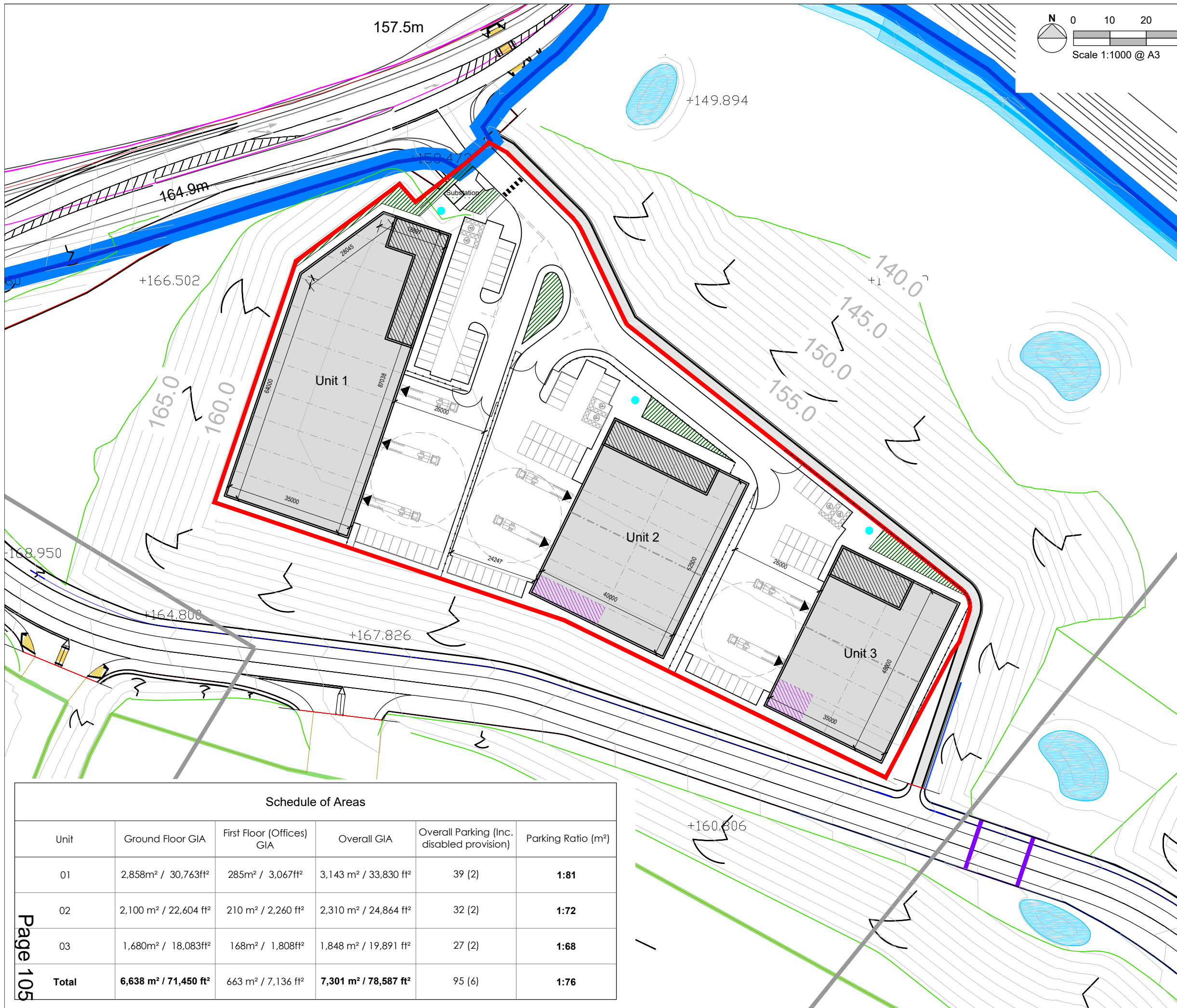
Project: Chatterley Valley				
Title: Proposed Site Plan Option A				
Drawing Number: CHAT_BED_ST_ZZ_DR_A_0004				
CHAT	BED	ST	ZZ	DR
Rev No:	Model Ref:	Discipline:	Rev No:	Model Ref:
P03	N/A	Architecture	P03	N/A

Rev Description:	Status Code:	Model Ref:	Rev No:
Preliminary	S1	N/A	P03
Scale:	Sheet:	Discipline:	BED Project Number:
1:1250	A0	Architecture	NWK 190074



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**NOTES** AEWTP029C

- All dimensions and levels are to be checked on site.
- Any discrepancies are to be reported to the architect before any work commences.
- This drawing shall not be scaled to ascertain any dimensions. Work to figured dimensions only.
- This drawing shall not be reproduced without express written permission from AEW.
- Title overlay drawings and ownership boundaries are produced using all reasonable endeavors. AEW cannot be responsible for the accuracy or scale discrepancy of base plans supplied to them.
- All works are to be undertaken in accordance with Building Regulations and the latest British Standards.
- All proprietary materials and products are to be used strictly in accordance with the manufacturers recommendations.

**CDM 2015**

Client notified of duties: -  
 Principal Designer: -

Unless noted below, all known hazards have been highlighted on the drawing:

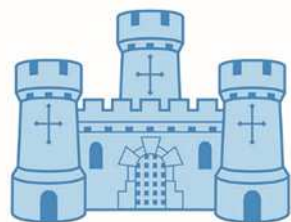
- Key:**
- Site ownership boundary (TBC) = 4.12 acres / 1.67 ha
  - Cycle/motorcycle/refuse location
  - Unit potential subdivisible but with shared yard, split offices north & south
- HGV circulation subject to tracking analysis

P1	21/04/23	HN	AL
Initial issue			
REV	Date	Drawn by: -	Checked by: -
Status Purpose of Issue			
S2	For Information		
drawing stage <b>Feasibility</b>			
client			
<b>Harworth Group</b>			
project			
<b>Chatterley Valley Plot C</b>			
drawing title			
<b>Proposed Site Plan - Option 03</b>			
date	21/04/23	drawn	HN
scale@A3	1:1000	checked	AL

**Schedule of Areas**

Unit	Ground Floor GIA	First Floor (Offices) GIA	Overall GIA	Overall Parking (Inc. disabled provision)	Parking Ratio (m <sup>2</sup> )
01	2,858m <sup>2</sup> / 30,763ft <sup>2</sup>	285m <sup>2</sup> / 3,067ft <sup>2</sup>	3,143 m <sup>2</sup> / 33,830 ft <sup>2</sup>	39 (2)	<b>1:81</b>
02	2,100 m <sup>2</sup> / 22,604 ft <sup>2</sup>	210 m <sup>2</sup> / 2,260 ft <sup>2</sup>	2,310 m <sup>2</sup> / 24,864 ft <sup>2</sup>	32 (2)	<b>1:72</b>
03	1,680m <sup>2</sup> / 18,083ft <sup>2</sup>	168m <sup>2</sup> / 1,808ft <sup>2</sup>	1,848 m <sup>2</sup> / 19,891 ft <sup>2</sup>	27 (2)	<b>1:68</b>
<b>Total</b>	<b>6,638 m<sup>2</sup> / 71,450 ft<sup>2</sup></b>	<b>663 m<sup>2</sup> / 7,136 ft<sup>2</sup></b>	<b>7,301 m<sup>2</sup> / 78,587 ft<sup>2</sup></b>	<b>95 (6)</b>	<b>1:76</b>

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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 December 2023 and 31 March 2024**

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) 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); and/or
- B) 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](mailto: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
Council's Annual Report 2022/23	To consider the Council's Annual Report for 2022/23	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 5 December 2023	Finance, Assets and Performance	All Wards	N/A	No
Draft Savings Proposals 2024/25	To consider a report on Draft Savings Proposals for 2024/25	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 5 December 2023	Finance, Assets and Performance	All Wards	N/A	No
Chatterley Valley - Small	To consider a report on the Chatterley	Cabinet Portfolio Holder - Finance,	Cabinet 5 December	Economy and Place	Kidsgrove & Ravenscliffe	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)	
Business Park Project	Valley - Small Business Park Project	Town Centres and Growth	2023				
Chatterley Valley - Lucideon Project	To consider a report on the Chatterley Valley Lucideon Project	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 5 December 2023	Economy and Place	Kidsgrove & Ravenscliffe	N/A	Yes
Technology Strategy 2023-2028	To consider a report on the Technology Strategy 2023-2028	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 5 December 2023	Finance, Assets and Performance	All Wards	N/A	No
Walleys Quarry Update Report	To consider an update report on Walley's Quarry	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 5 December 2023	Health, Wellbeing and Environment	All Wards	N/A	No
Draft Revenue & Capital Budget & Strategies 2024/25	To consider a report on the Draft Revenue & Capital Budget and Strategies 2024/25	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 16 January 2024	Finance, Assets and Performance	All Wards	N/A	No
Schedule of Fees and Charges 2024/25	To consider a report on the Schedule of Fees and Charges for 2024/25	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 16 January 2024	Finance, Assets and Performance	All Wards	3 Information relating to the financial or business affairs of any particular person (including	Yes

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	
						the authority holding that information)	
Newcastle Borough Local Plan Consultation Responses and Next Stages	To consider a report on the Newcastle Borough Local Plan Consultation Responses and Next Stages	Cabinet Portfolio Holder - Strategic Planning	Cabinet 16 January 2024	Economy and Place	All Wards	N/A	Yes
Communications Services	To consider a report on Communications Services	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 16 January 2024	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
Health Inequalities Grant Projects	To consider a report on Health Inequalities Grant Projects	Cabinet Portfolio Holder - Leisure, Culture & Heritage, Cabinet Portfolio Holder - Community Safety and Wellbeing	Cabinet 16 January 2024	Health, Wellbeing and Environment	All Wards	N/A	Yes
Walleys Quarry Update Report	To receive an update on odour issues at Walleys Quarry	Cabinet Portfolio Holder - One Council, People and	Cabinet 16 January 2024	Health, Wellbeing and Environment	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)	
		Partnerships					
Revenue and Capital Budget and Strategies	To consider a report on the Revenue and Capital Budget and Strategies	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 6 February 2024	Finance, Assets and Performance	All Wards	N/A	No
Town Centre Regeneration Update	To consider an update report on the Town Centre Regeneration	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 6 February 2024	Economy and Place	Town	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Yes
Kidsgrove Town Deal Contract Award - Shared Services and Garage Replacement	To consider a report on the Kidsgrove Town Deal Contract Award - Shared Services and Garage Replacement	Cabinet Portfolio Holder - Finance, Town Centres and Growth, Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 6 February 2024	Economy and Place	Kidsgrove & Ravenscliffe	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Yes
Corporate Enforcement Policy	To consider a report on the Corporate Enforcement Policy	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 6 February 2024	Health, Wellbeing and Environment	All Wards	N/A	Yes
Quarter 3	To consider a report	Cabinet Portfolio	Cabinet 6	Finance, Assets	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)	
Finance and Performance Report 2023/24	on the Quarter 3 Finance and Performance Report 2023/24	Holder - Finance, Town Centres and Growth, Cabinet Portfolio Holder - One Council, People and Partnerships	February 2024	and Performance			
Walleys Quarry Update Report	To consider an update report on odour issues at Walleys Quarry	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 6 February 2024	Health, Wellbeing and Environment	All Wards	N/A	No
EV Charging Points for Castle Car Park	To consider a report on EV Charging Points for Castle Car Park	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 19 March 2024	Economy and Place	Town	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Yes
Re-award of contract for Wammy Changing Rooms	To consider a report on the re-awarding of contract for Wammy Changing Rooms	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 19 March 2024	Economy and Place	Cross Heath	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Yes



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Newcastle Town Deal Digital Infrastructure Project Update	To consider a report on the Newcastle Town Deal Digital Infrastructure Project Update	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 19 March 2024	Economy and Place	Town	N/A	Yes

